

**Board of Directors Regular Meeting Agenda  
January 30, 2025, 2:00 p.m.  
City of Oceanside, Council Chamber  
300 North Coast Hwy, Oceanside CA 92054**

Members of the public can observe the livestream of the meeting via Zoom by clicking:

<https://us06web.zoom.us/j/81376410530>

or telephonically by dialing:

(253) 215-8782

Meeting ID: 813 7641 0530

Members of the public can provide public comment in writing or orally in person as follows:

*Written Comments:* If you are unable to participate in person and you wish to make a comment, you may submit written comments prior to and during the meeting via email to: [clerk@thecleanenergyalliance.org](mailto:clerk@thecleanenergyalliance.org). All written comments will be posted online and become part of the meeting record. To ensure announcement of receipt of your written comments during the meeting, please submit all written comments by 12:00 p.m. prior to the commencement of the meeting. Public comments received in writing will not be read aloud at the meeting.

*Oral Comments:* Members of the public can address the Board on items on the agenda at the time the item is being addressed or during Public Comments for topics that are not listed on the agenda. Speakers are limited to three (3) minutes each. In conformance with the Brown Act, no Board action can occur on items presented during Public Comment.

If you desire to speak during Public Comment, please fill out a speaker card and submit it to the Board Secretary. When you are called to speak, please come forward to the podium and state your name. To address the Board regarding an item on the agenda, please fill out a speaker card and submit it to the Board Secretary before the Board Chair announces the item.

**CALL TO ORDER**

**ROLL CALL**

**FLAG SALUTE**

**BOARD COMMENTS & ANNOUNCEMENTS**

**PUBLIC COMMENT**

**APPROVAL OF MINUTES**

Minutes of the Special Meeting held November 21, 2024

Minutes of the Regular Meeting held November 21, 2024

**Item 1: Clean Energy Alliance Board of Directors Appointment of Chair and Vice Chair for Calendar Year 2025**

**RECOMMENDATION**

Appoint a CEA Chair and Vice Chair for Calendar Year 2025.

*Consent Calendar*

**Item 2: Clean Energy Alliance Treasurer’s Report for October 2024**

**RECOMMENDATION:**

Receive and file the Clean Energy Alliance Treasurer’s Report for October 2024.

**Item 3: Clean Energy Alliance Treasurer’s Report for November 2024**

**RECOMMENDATION:**

Receive and file the Clean Energy Alliance Treasurer’s Report for November 2024.

**Item 4: Approving the Distributed Microgrids Framework Program Agreements for the Solar Plus Program and Authorizing the Chief Executive Officer to Execute the Agreement**

**RECOMMENDATION:**

Adopt Resolution No. 2025 – 001 approving the Distributed Microgrids Framework Program Agreement with Participate.Energy, LLC and authorizing the Chief Executive Officer to execute all documents subject to General and Special Counsel approval.

**Item 5: Community Advisory Committee Member Appointments for Term through December 31, 2026**

**RECOMMENDATION:**

Adopt Resolution No. 2024-002 appointing members to the Community Advisory Committee for a term through December 31, 2026.

**Item 6: 2025 Community Advisory Committee Meeting Schedule and Work Plan and Review 2024 Subcommittee Reports**

**RECOMMENDATION:**

Review the 2024 Reports of the Ad-Hoc Subcommittees of the Community Advisory Committee and Adopt Resolution No. 2025-003 Approving the 2025 Community Advisory Committee Meeting Schedule and Work Plan.

*Reports*

**Item 7: Clean Energy Alliance Chief Executive Officer Operational Report**

*Public Hearings*

**Item 8: Clean Energy Alliance Residential PeakSmart Savers Program Terms and Conditions and Setting Rates for PeakSmart Savers Program**

**RECOMMENDATION:**

- 1) Conduct the Public Hearing: Open the Public Hearing, Receive Public Testimony, and Close the Public Hearing.
- 2) Adopt Resolution No. 2025-004 Setting Rates for PeakSmart Savers Program and Approving Residential PeakSmart Savers Program Terms and Conditions.

*New Business*

**Item 9: Regulatory Update**

**RECOMMENDATION:**

Receive the Regulatory update from Keyes and Fox.

**Item 10: Energy Storage Agreement (ESA) with IEP Camp Pendleton Energy Storage 1, LLC and Authorizing Execution of the ESA**

**RECOMMENDATION:**

Adopt Resolution No. 2025-005 approving a 20-Year Energy Storage Agreement (ESA) with IEP Camp Pendleton Energy Storage 1, LLC for long-duration energy storage capacity for an amount not to exceed \$38,390,400 and authorizing the Chief Executive Officer to execute all applicable documents, subject to Transactions Attorney approval, if the final ESA terms are consistent with the commercial term sheet.

**Item 11: Fiscal Year 2025/26 – 2026/27 Clean Energy Alliance Strategic Plan**

**RECOMMENDATION:**

Receive and provide feedback on the Fiscal Year 2025/26 – 2026/27 Clean Energy Alliance Strategic Plan.

**Item 12: Amending the Clean Energy Alliance Position Control Listing and Amending the Clean Energy Alliance Salary Schedule**

**RECOMMENDATION:**

- 1) Adopt Resolution No. 2025-006 Amending the Clean Energy Alliance (CEA) Position Control Listing
- 2) Adopt Resolution No. 2025-007 Amending the CEA Salary Schedule.

**BOARD MEMBER REQUESTS FOR FUTURE AGENDA ITEMS**



**NEXT MEETING:** Regular Board Meeting February 27, 2024, City of Oceanside, 300 North Coast Highway, Oceanside, CA 92054

If you are an individual with a disability and need a reasonable modification or accommodation pursuant to the Americans with Disabilities Act (“ADA”), please contact [clerk@thecleanenergyalliance.org](mailto:clerk@thecleanenergyalliance.org) prior to the meeting for assistance.

**Clean Energy Alliance Board of Directors Regular Meeting Minutes**

**November 21, 2024, 2 p.m.**

**City of Oceanside, Council Chamber**

**300 North Coast Hwy, Oceanside CA 92054**

**CALL TO ORDER:** Chair Druker called to order the Regular Meeting of the Clean Energy Alliance at 2:00 p.m.

**ROLL CALL:** Board Members: Becker, Bhat-Patel, Garcia, Musgrove, Vice Chair Melendez, Chair Druker.

Alternate Board Member: Joyce.

Board Member Bhat-Patel: Absent.

**FLAG SALUTE:** Board Member Garcia led the flag salute.

**BOARD COMMENTS & ANNOUNCEMENTS:** None.

**PUBLIC COMMENT:** None.

**APPROVAL OF MINUTES:**

Minutes of the Special Meeting held October 31, 2024

Minutes of the Regular Meeting held October 31, 2024

**Motion by Board Member Becker seconded by Board Member Musgrove, to approve the minutes as presented. Motion carried, 6/0/1 (Bhat-Patel – Absent).**

*Presentations*

**Proclamation in Recognition of Board Member and Chair Dave Druker**

**Vice Chair Melendez presented the proclamation thanking him for his service to CEA. Chair Druker shared words of appreciation.**

*Public Hearing*

**Item 1: Solar Plus Program New Rate Setting**

**RECOMMENDATION:**

- 1) Conduct the Public Hearing: Open the Public Hearing, Receive Public Testimony, and Close the Public Hearing.
- 2) Adopt Resolution No. 2024-021, approving the updated rates for the Solar Plus Program.

CEO Greg Wade introduced the item. Key Accounts/Program Manager Rob Howard presented the presentation. Participate.Energy Board Member Stephen Pollock assisted in answering questions from the Board.

*Chair Druker opened the Public Hearing at 2:24 p.m.*

*David Pollock expressed interest in participating in the Channel Partner program associated with Solar Plus to open the program up to more homes using local companies.*

*Chair Druker closed the Public Hearing at 2:27 p.m.*

**Motion by Board Member Musgrove, seconded by Board Member Becker to adopt Resolution No. 2024-021. Motion carried, 6/0/1 (Bhat-Patel – Absent).**

*Consent Calendar*

**Item 2: Clean Energy Alliance Treasurer’s Report for September 2024**

**RECOMMENDATION:**

Receive and file the Clean Energy Alliance Treasurer’s Report for September 2024.

**Item 3: Consideration of Resolution No. 2024-022 approving Amendment No. 3 to the Professional Services Agreement (PSA) with Andy Stern**

**RECOMMENDATION:**

Adopt Resolution No. 2024-022 approving Amendment No. 3 to the PSA with Andy Stern for Chief Financial Officer (CFO) Consultant Services, for an amount not to exceed \$156,000 per fiscal year, effective January 1, 2025 through June 30, 2026.

*The Board moved Item 7 to the Consent Calendar.*

**Item 7: 2023 Power Source Disclosure Reports and Power Content Label Addressing the Clean Impact, Clean Impact Plus and Green Impact Power Retail Electric Service Offerings**

**RECOMMENDATION:**

Adopt Resolution No. 2024-024 attesting to the veracity of the 2023 Power Source Disclosure Reports and Power Content Label Addressing the Clean Impact, Clean Impact Plus and Green Impact Retail Electric Service Offerings.

**Motion by Board Member Musgrove, seconded by Vice Chair Melendez to approve the Consent Calendar. Motion carried, 6/0/1 (Bhat-Patel – Absent).**

*Reports*

**Item 4: Clean Energy Alliance Chief Executive Officer Operational Report**

CEO Greg Wade presented the report, providing an update on enrollment statistics, Battery Retrofit RFP Program, recent community outreach events, the Solar Plus program and the 2023 Power Content Label.

CEO Wade answered questions from the Board regarding the 2023 Power Content Label.

**CEA Board received report.**

*New Business*

**Item 5: Regulatory Update**

**RECOMMENDATION:**

Receive the Regulatory update from Keyes and Fox.

Regulatory Attorney Tim Lindl provided the update.

**CEA Board received report.**

**Item 6: Consideration of Resolution 2024-023 approving the Second Amendment to CEO Employee Agreement**

**RECOMMENDATION:**

Adopt Resolution No. 2024-023 approving the Second Amendment to the CEO Employee Agreement.

General Counsel Johanna Canlas provided background information on this item.

**Motion by Board Member Becker, seconded by Board Member Musgrove to adopt Resolution No. 2024-023. Motion carried, 6/0/1 (Bhat-Patel – Absent).**

**NEXT MEETING:** Regular Board Meeting November 21, 2024, City of Oceanside, 300 North Coast Highway, Oceanside, CA 92054

**BOARD MEMBER REQUESTS FOR FUTURE AGENDA ITEMS:** None.

**ADJOURN:** Chair Druker adjourned the meeting at 2:58 p.m.

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Kaylin McCauley  
Board Secretary/Administrative Assistant

**Clean Energy Alliance Board of Directors Special Meeting Minutes**

**November 21, 2024, 3 p.m.**

**City of Oceanside, Council Chamber**

**300 North Coast Hwy, Oceanside CA 92054**

**CALL TO ORDER:** Chair Druker called to order the Special Meeting of the Clean Energy Alliance at 3:00 p.m.

**ROLL CALL:** Board Members: Becker, Garcia, Musgrove, Vice Chair Melendez, Chair Druker.

Alternate Board Member: Joyce.

Board Member Bhat-Patel – Absent.

**PUBLIC COMMENT:** None.

*Closed Session*

**Item 1:           Public Employee Performance Evaluation Pursuant to Government Code Section 54957**  
**Title: Chief Executive Officer**

**RECESS TO CLOSED SESSION:** 3:00 p.m.

**RECONVENE TO OPEN SESSION:** 3:55 p.m.

**GENERAL COUNSEL ANNOUNCEMENT:** The Board provided direction to General Counsel.

**ADJOURNMENT:** 3:55 p.m.

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Kaylin McCauley  
Board Secretary/Administrative Assistant

## Staff Report

**DATE:** January 30, 2025

**TO:** Clean Energy Alliance Board of Directors

**FROM:** Andy Stern, Interim Chief Financial Officer/Treasurer

**ITEM 2:** Clean Energy Alliance Treasurer's Report

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### **RECOMMENDATION:**

Receive and File Clean Energy Alliance (CEA) Interim Treasurer's Report for October 2024.

### **BACKGROUND AND DISCUSSION:**

This report provides the Board with the following financial information through October 31, 2024:

- Statement of Financial Position (Unaudited and preliminary) – Reports assets, liabilities, and financial position of the CEA as of October 31, 2024.
- Statement of Revenues, Expenses and Changes in Net Position (Unaudited and preliminary) for the twelve months ended October 31, 2024.
- Budget to Actuals Comparison Schedule (Unaudited and preliminary) – Reports actual revenues and expenditures compared to the annual amended budget as of October 31, 2024.
- List of Payments Issued – Reports payments issued for October 2024.

As of October 31, 2024, liabilities represent invoices and estimated accruals for energy and services received but not yet paid. The noncurrent liabilities relate to debt with JPMorgan as well as amounts due to the member cities of Carlsbad, Del Mar and Solana Beach. CEA is currently making interest only payments on the debt from JPMorgan. The amounts due to the member agency were for start-up costs and services provided to CEA for the period December 2019 to June 2020.

Submitted for Board consideration:



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Gregory Wade  
Chief Executive Officer

### **ATTACHMENTS:**

None.

**CLEAN ENERGY ALLIANCE**  
**STATEMENT OF NET POSITION**  
**As of October 31, 2024**

**ASSETS**

Current assets

Cash and cash equivalents	\$ 25,542,681
Accounts receivable, net of allowance	37,145,196
Accrued revenue	19,690,710
Prepaid expenses	4,221,994
Deposits	<u>770,000</u>
Total current assets	87,370,581

Noncurrent assets

Deposits	<u>55,376</u>
Total noncurrent assets	<u>55,376</u>
Total assets	<u>87,425,957</u>

**LIABILITIES**

Current liabilities

Accrued cost of electricity	48,270,365
Accounts payable	831,704
Other accrued liabilities	379,870
Interest and financing cost payable	<u>142,408</u>
Total current liabilities	49,624,347

Noncurrent liabilities

Security deposits - energy suppliers	496,150
Revolving line of credit	<u>9,250,000</u>
Total noncurrent liabilities	<u>9,746,150</u>
Total liabilities	<u>59,370,497</u>

**NET POSITION**

Unrestricted	<u><u>\$ 28,055,460</u></u>
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These financial statements do not contain note disclosures, have not been subjected to an audit or review or compilation engagement, and no assurance is provided on them.

**CLEAN ENERGY ALLIANCE**  
**STATEMENT OF REVENUES, EXPENSES**  
**AND CHANGES IN NET POSITION**  
**Four Months Ended October 31, 2024**

<b>OPERATING REVENUES</b>	
Electricity sales, net	\$ 164,117,624
<b>OPERATING EXPENSES</b>	
Cost of electricity	115,366,270
Contract services	2,141,525
Staff compensation	522,765
Other operating expenses	262,235
Total operating expenses	<u>118,292,795</u>
Operating income (loss)	<u>45,824,829</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>	
Investment income	78,530
Interest expense	<u>(883,065)</u>
Nonoperating revenues (expenses), net	<u>(804,535)</u>
<b>CHANGE IN NET POSITION</b>	45,020,294
Net position at beginning of year	<u>(16,964,834)</u>
Net position at end of period	<u><u>\$ 28,055,460</u></u>

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BUDGET TO ACTUALS COMPARISON SCHEDULE

At its June 2024, board meeting, the CEA Board approved the Fiscal Year (FY) 2024/25 budget approving \$326,469,000 in total operating expenses. For the year-to-date, \$119,176,000 of operating expenses have been expended. Revenues from electricity sales for the year-to-date reached \$164,118,000. Nonoperating activity was a net expense of \$805,000. The overall change in net position for the year-to-date was an increase of \$45,020,000.

The Budget to Actuals Comparison Schedules as of October 31, 2024, is shown below.

**CLEAN ENERGY ALLIANCE  
BUDGETARY COMPARISON SCHEDULE  
Four Months Ended October 31, 2024**

	Year-To-Date				Annual		
	Actual	Budget	Variance fav. (unfav.)		Annual Budget	Budget Less Actual YTD	Budget Remaining / Budget %
			Amount	%			
Operating Revenues	\$164,117,624	\$155,347,028	\$ 8,770,596	6%	360,839,549	196,721,925	55%
Operating Expenses							
Cost of Energy	115,366,270	117,819,608	2,453,338	2%	317,090,165	201,723,895	64%
Other Operating Expenses	2,926,525	2,853,203	(73,322)	-3%	9,378,650	6,452,125	69%
Total Operating Expenses	<u>118,292,795</u>	<u>120,672,811</u>	<u>2,380,016</u>	2%	<u>326,468,815</u>	<u>208,176,020</u>	64%
Operating Income (Loss)	<u>45,824,829</u>	<u>34,674,217</u>	<u>11,150,612</u>	32%	<u>34,370,733</u>	<u>(11,454,096)</u>	
Nonoperating Income/(Expense)							
Interest Income	78,530	42,884	35,646	83%	148,585	70,055	47%
Interest Expense	(883,065)	(658,219)	(224,846)	-34%	(1,211,969)	(328,904)	27%
Total Nonoperating Income/(Expense)	<u>(804,535)</u>	<u>(615,335)</u>	<u>(189,200)</u>	-31%	<u>(1,063,383)</u>	<u>(258,848)</u>	24%
Change in Net Position	<u>\$ 45,020,294</u>	<u>\$ 34,058,882</u>	<u>\$ 10,961,412</u>		<u>\$ 33,307,350</u>	<u>\$(11,712,944)</u>	

These financial statements do not contain note disclosures, have not been subjected to an audit or review or compilation engagement, and no assurance is provided on them.

LIST OF PAYMENTS ISSUED

The report on the following page provides the details of payments issued by CEA for the month. All payments were within approved budget.

<u>Date</u>	<u>Type</u>	<u>Vendor</u>	<u>Description</u>	<u>Amount</u>
10/2/2024	ACH/CHECK	Z NEMS	NEM Cash Outs	268,696.75
10/01/2024	Wire	JPMorgan	Interests Payments Period: 03-Sep-2024 - 30-Sep-2024	200,533.44
10/01/2024	Wire	JPMorgan	Fee Type: Unutilized - Interests Payments Period: 01-Jul-2024 - 30-Sep-2024	14,496.52
10/01/2024	ACH/CHECK	USPS	First-Class Mail and First-Class Package Service	1,239.94
10/02/2024	ACH/CHECK	KARBONE INC.	Brokerage of Resource Adequacy	1,800.00
10/02/2024	ACH/CHECK	Keyes & Fox LLP	August 2024 - Professional Services	34,373.01
10/02/2024	ACH/CHECK	Neyenesch Printers	Reprint additional EN#4 Notice postcards Engl and Span	5,799.33
10/02/2024	ACH/CHECK	USPS	First-Class Mail and First-Class Package Service	701.86
10/03/2024	ACH/CHECK	BRENTECH INCORPORATED	Annual Support Agreement Retainer	3,500.00
10/03/2024	ACH/CHECK	Evolution Affairs, LLC	August 2024 - Professional Service	2,940.00
10/03/2024	ACH/CHECK	OCEANSIDE PACIFIC KIWANIS	Placemat advertisement for OPK Spaghetti Dinner	100.00
10/03/2024	ACH/CHECK	The Bayshore Consulting Group, Inc	September 2024 - CCA Operations Consulting	11,369.68
10/07/2024	ACH/CHECK	BURKE, WILLIAMS & SORENSEN, LLP	August 2024 - Legal services	9,538.60
10/07/2024	Wire	CASTANEA PROJECT, LLC	September 2024 - capacity purchase	90,200.00
10/07/2024	ACH/CHECK	River City Bank CC	August 2024 Expenses	7,784.67
10/07/2024	ACH/CHECK	SDG&E(Service Fees)	August 2024 fees for services rendered under Schedule CCA	59,975.35
10/07/2024	Wire	THE ENERGY AUTHORITY	September 2024 - CAISO Weekly Statement of Activity	220,219.12
10/07/2024	Wire	WESTLANDS SOLAR BLUE	September 2024 - capacity purchase	150,500.00
10/09/2024	ACH/CHECK	EMPOWER (401a)	Employee Retirement - 10/05/2024	6,386.92
10/09/2024	ACH/CHECK	EMPOWER (457b)	Employee Retirement - 10/05/2024	3,929.82
10/09/2024	ACH/CHECK	Neyenesch Printers	Enrollment Notice #3 English + inserting	1,578.10
10/09/2024	ACH/CHECK	Neyenesch Printers	Phase 4.8 En#2 Enrollment Postcards English and Spanish	878.78
10/09/2024	ACH/CHECK	S'TERN, ANDREW	Consulting Fee (September 1 – September 30)	13,000.00
10/11/2024	Wire	THE ENERGY AUTHORITY	September 2024 - CAISO Weekly Statement of Activity	769,410.31
10/14/2024	ACH/CHECK	USPS	First-Class Mail and First-Class Package Service	1,563.90
10/15/2024	ACH/CHECK	NewGen Strategies & Solutions	September 2024 -Project: CEA SDG&E ERRA REGULATORY SUPPORT 2024-2026	7,205.00
10/15/2024	ACH/CHECK	Neyenesch Printers	Move Notice Mailing 9/17 and 9/24	363.88
10/16/2024	ACH/CHECK	State Compensation Insurance Fund	Monthly - Worker's Comp AUTOPAY	452.75
10/17/2024	ACH/CHECK	Maher Accountancy	Accounting, cash disbursements and related tasks October 2024	16,829.21
10/18/2024	ACH/CHECK	BRAUN BLAISING SMITH WYNNE	August 2024 - Professional Services - General Matters and Joint CCA Costs	1,671.30
10/18/2024	ACH/CHECK	SDRMA	Coverage Month: November 2024	10,734.50
10/18/2024	ACH/CHECK	USPS	First-Class Mail and First-Class Package Service	1,005.53
10/21/2024	Wire	EDF TRADING NORTH AMERICA	September 2024 - Capacity Purchase	706,500.00
10/21/2024	Wire	ES 1A Group 2 Opco, LLC	September 2024 - RA Purchase	108,360.00
10/21/2024	ACH/CHECK	Keyes & Fox LLP	September 2024 - Professional Services	38,896.00
10/21/2024	Wire	LEAPFROG POWER, INC.	October 2024 RA	12,517.20
10/21/2024	ACH/CHECK	MCGEE, KAITLIN	Expense Reimbursement - Sep 5, 2024 to Sep 29, 2024	100.61
10/21/2024	ACH/CHECK	PECKHAM, DANIEL	Mileage to & from CalCCA Joint Committees Meeting	43.55
10/21/2024	ACH/CHECK	PECKHAM, DANIEL	Mileage to & from North County Chamber Event	30.06
10/21/2024	ACH/CHECK	PECKHAM, DANIEL	Two daily train tickets to Anaheim (RE + Conference)	96.00
10/21/2024	ACH/CHECK	PECKHAM, DANIEL	Mileage to & from UCSD Solar - Electrification Workshop	28.26
10/21/2024	Wire	SDG&E(Procurement)	09/24 CEA - CEA, #145676, MCAM	119,376.80
10/21/2024	Wire	SEMPRA	September 2024 - Capacity Purchases	1,139,000.00
10/21/2024	Wire	THE ENERGY AUTHORITY	September 2024 - CAISO Weekly Statement of Activity	675,391.93
10/21/2024	ACH/CHECK	Tripepi, Smith & Associates, Inc.	October 2024 - Communications and Marketing Service	14,173.10
10/21/2024	ACH/CHECK	WADE, GREG	October 2024 - Expense Reimbursement	8.62
10/21/2024	ACH/CHECK	WADE, GREG	October 2024 - Expense Reimbursement	981.76
10/21/2024	ACH/CHECK	WADE, GREG	September 2024 - Expense Reimbursement -	26.53
10/21/2024	ACH/CHECK	WADE, GREG	September 2024 - Expense Reimbursement -	58.98
10/22/2024	ACH/CHECK	EMPOWER (401a)	Employee Retirement - 10/22/2024	6,386.92
10/22/2024	ACH/CHECK	EMPOWER (457b)	Employee Retirement - 10/22/2024	3,929.82
10/23/2024	ACH/CHECK	CALPINE ENERGY SOLUTIONS	August 2024 Services	273,078.45
10/24/2024	ACH/CHECK	Neyenesch Printers	Phase 4 EN#3 (OON1) Notice Mailing 9/17 and 9/24	1,200.51
10/25/2024	ACH/CHECK	AVANTI EXECUTIVE SUITES	Nov 2024 -Rent	1,814.70
10/25/2024	Wire	Powerex	Transactions for the Period of October 2024	98,562.50
10/25/2024	ACH/CHECK	PUBLIC HEALTH INSTITUTE	Execution of contract signing - PHI Billing	31,000.00
10/25/2024	Wire	Resi Station LLC	Proxy Demand Response CEA Sep2024	64,165.50
10/25/2024	Wire	SAN DIEGO COMMUNITY POWER	JUNE 2024 - PCCI_REC_SDCP_SELL	4,680,000.00
10/25/2024	ACH/CHECK	SDG&E(Service Fees)	For services rendered under for period September 2024	55,550.66

10/28/2024	Wire	JPMorgan	Principal Payment	12,000,000.00
10/28/2024	Wire	SDG&E (Procurement)	09/24 - CEA - PCIA VA	3,194,269.76
10/28/2024	Wire	THE ENERGY AUTHORITY	October 2024 - CAISO Weekly Statement of Activity	1,225,143.59
10/28/2024	ACH/CHECK	Tripepi, Smith & Associates, Inc.	September 2024 - Communications and Marketing Service	507.95
10/29/2024	Wire	BALDY MESA SOLAR, LLC	January - April 2024	4,583,407.50
10/29/2024	ACH/CHECK	CALIFORNIA DEPT TAX& FEE A	2024-Q3 Electric Energy Surcharge	183,200.00
10/29/2024	ACH/CHECK	Hall Energy Law PC	Fees for Professional Services Rendered Through 7/31/2024	7,540.00
10/29/2024	ACH/CHECK	ICAP ENERGY LLC	Contract executed August 2024 - Broker Fees	39,240.00
10/29/2024	ACH/CHECK	Neyenesch Printers	Phase 4 EN#4 Notice Mailing 9/17 and 9/24 - 2 versions	1,421.28
10/29/2024	ACH/CHECK	Pacific Energy Advisors, Inc	September 2024 - Technical Consulting Advisors	39,000.00
10/30/2024	ACH/CHECK	Evolution Affairs, LLC	September 2024 - Professional Service	857.50
10/30/2024	ACH/CHECK	THE ENERGY AUTHORITY	September 2024 - Resource Management Monthly Fees	9,215.08
10/31/2024	ACH/CHECK	CalCCA	FY 24-25 Q2 Operational Membership Dues	113,825.00
10/31/2024	Wire	JPMorgan	Issuance Fee - Pattern Energy Letter of Credit	13,333.33
10/31/2024	ACH/CHECK	Maher Accountancy	Audit Assistance and financial statement preparation	10,000.00
10/31/2024	ACH/CHECK	REGEHR, OLIVIA	Expense Report - Sep 26, 2024 to Oct 31, 2024	407.13
10/31/2024	ACH/CHECK	USPS	First-Class Mail and First-Class Package Service	869.67
<b>Total for Operating Account</b>				<b>31,372,294.52</b>
10/21/2024	Lockbox	Constellation Generation Company, LLC	August 2024 - Power Purchase	436,711.13
10/21/2024	Lockbox	MORGAN STANLEY CAPITAL GROUP	September 2024 - Electricity	7,743,291.50
10/21/2024	Lockbox	NRG	August 2024 - Energy Purchase	2,842,567.20
10/21/2024	Lockbox	Shell Oil North America	August 2024 - Energy Purchases	3,820,858.43
10/21/2024	Lockbox	Tecolote Wind LLC	September 2024 - Resource Adequacy	52,187.50
<b>Total for Lockbox Account</b>				<b>14,895,615.76</b>

## Staff Report

**DATE:** January 30, 2025

**TO:** Clean Energy Alliance Board of Directors

**FROM:** Andy Stern, Interim Chief Financial Officer/Treasurer

**ITEM 3:** Clean Energy Alliance Treasurer's Report

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### **RECOMMENDATION:**

Receive and File Clean Energy Alliance (CEA) Interim Treasurer's Report for November 2024.

### **BACKGROUND AND DISCUSSION:**

This report provides the Board with the following financial information through November 30, 2024:

- Statement of Financial Position (Unaudited and preliminary) – Reports assets, liabilities, and financial position of the CEA as of November 30, 2024.
- Statement of Revenues, Expenses and Changes in Net Position (Unaudited and preliminary) for the twelve months ended November 30, 2024.
- Budget to Actuals Comparison Schedule (Unaudited and preliminary) – Reports actual revenues and expenditures compared to the annual amended budget as of November 30, 2024.
- List of Payments Issued – Reports payments issued for November 2024.

As of November 30, 2024, liabilities represent invoices and estimated accruals for energy and services received but not yet paid. The noncurrent liabilities relate to debt with JPMorgan as well as amounts due to the member cities of Carlsbad, Del Mar and Solana Beach. CEA is currently making interest only payments on the debt from JPMorgan. The amounts due to the member agency were for start-up costs and services provided to CEA for the period December 2019 to June 2020.

Submitted for Board consideration:



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Gregory Wade  
Chief Executive Officer

### **ATTACHMENTS:**

None.

**CLEAN ENERGY ALLIANCE**  
**STATEMENT OF NET POSITION**  
**As of November 30, 2024**

**ASSETS**

Current assets

Cash and cash equivalents	\$ 25,225,116
Accounts receivable, net of allowance	32,922,118
Accrued revenue	15,149,734
Other receivables	491,009
Prepaid expenses	4,063,735
Deposits	770,000
Total current assets	<u>78,621,712</u>

Noncurrent assets

Deposits	<u>55,376</u>
Total noncurrent assets	<u>55,376</u>
Total assets	<u>78,677,088</u>

**LIABILITIES**

Current liabilities

Accrued cost of electricity	35,111,061
Accounts payable	710,735
Other accrued liabilities	325,189
Interest and financing cost payable	195,372
Total current liabilities	<u>36,342,357</u>

Noncurrent liabilities

Security deposits - energy suppliers	6,496,150
Revolving line of credit	<u>7,250,000</u>
Total noncurrent liabilities	<u>13,746,150</u>
Total liabilities	<u>50,088,507</u>

**NET POSITION**

Unrestricted	<u><u>\$ 28,588,581</u></u>
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These financial statements do not contain note disclosures, have not been subjected to an audit or review or compilation engagement, and no assurance is provided on them.

**CLEAN ENERGY ALLIANCE**  
**STATEMENT OF REVENUES, EXPENSES**  
**AND CHANGES IN NET POSITION**  
**Five Months Ended November 30, 2024**

**OPERATING REVENUES**

Electricity sales, net \$ 185,502,496

**OPERATING EXPENSES**

Cost of electricity 135,401,954

Contract services 2,671,010

Staff compensation 657,175

Other operating expenses 329,548

Total operating expenses 139,059,687

Operating income (loss) 46,442,809

**NONOPERATING REVENUES (EXPENSES)**

Investment income 109,671

Interest expense (999,065)

Nonoperating revenues (expenses), net (889,394)

**CHANGE IN NET POSITION**

45,553,415

Net position at beginning of year (16,964,834)

Net position at end of period \$ 28,588,581

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These financial statements do not contain note disclosures, have not been subjected to an audit or review or compilation engagement, and no assurance is provided on them.

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BUDGET TO ACTUALS COMPARISON SCHEDULE

At its June 2024, board meeting, the CEA Board approved the Fiscal Year (FY) 2024/25 budget approving \$326,469,000 in total operating expenses. For the year-to-date, \$140,059,000 of operating expenses have been expended. Revenues from electricity sales for the year-to-date reached \$185,502,000. Nonoperating activity was a net expense of \$889,000. The overall change in net position for the year-to-date was an increase of \$45,553,000.

The Budget to Actuals Comparison Schedules as of November 30, 2024, is shown below.

**CLEAN ENERGY ALLIANCE  
BUDGETARY COMPARISON SCHEDULE  
Five Months Ended November 30, 2024**

	Year-To-Date				Annual		
	Actual	Budget	Variance fav. (unfav.)		Annual Budget	Budget Less Actual YTD	Budget Remaining / Budget %
			Amount	%			
Operating Revenues	\$185,502,496	\$176,492,773	\$ 9,009,723	5%	360,839,549	175,337,053	49%
Operating Expenses							
Cost of Energy	135,401,954	139,866,733	4,464,779	3%	317,090,165	181,688,211	57%
Other Operating Expenses	3,657,733	3,569,589	(88,144)	-2%	9,378,650	5,720,917	61%
Total Operating Expenses	<u>139,059,687</u>	<u>143,436,323</u>	<u>4,376,636</u>	3%	<u>326,468,815</u>	<u>187,409,128</u>	57%
Operating Income (Loss)	<u>46,442,809</u>	<u>33,056,450</u>	<u>13,386,359</u>	40%	<u>34,370,733</u>	<u>(12,072,076)</u>	
Nonoperating Income/(Expense)							
Interest Income	109,671	55,862	53,809	96%	148,585	38,914	26%
Interest Expense	(999,065)	(699,885)	(299,180)	-43%	(1,211,969)	(212,904)	18%
Total Nonoperating Income/(Expense)	<u>(889,394)</u>	<u>(644,023)</u>	<u>(245,371)</u>	-38%	<u>(1,063,383)</u>	<u>(173,989)</u>	16%
Change in Net Position	<u>\$ 45,553,415</u>	<u>\$ 32,412,427</u>	<u>\$ 13,140,988</u>		<u>\$ 33,307,350</u>	<u>\$ (12,246,065)</u>	

These financial statements do not contain note disclosures, have not been subjected to an audit or review or compilation engagement, and no assurance is provided on them.

LIST OF PAYMENTS ISSUED

The report on the following page provides the details of payments issued by CEA for the month. All payments were within approved budget.

<u>Date</u>	<u>Type</u>	<u>Vendor</u>	<u>Description</u>	<u>Amount</u>
11/14/2024	Wire	AVA Community Energy	September 2024 System Generic RA Sale	153,000.00
11/14/2024	ACH/CHECK	AVANTI EXECUTIVE SUITES	Dec 2024 -Rent	1,497.20
11/18/2024	ACH/CHECK	BRAUN BLAISING SMITH WYNNE	September 2024 - General Matters and Joint CCA Costs	809.40
11/06/2024	ACH/CHECK	BURKE, WILLIAMS & SORENSEN	September 2024 - Legal services	8,487.00
11/29/2024	ACH/CHECK	BURKE, WILLIAMS & SORENSEN	October 2024 - Legal services	16,454.10
11/07/2024	ACH/CHECK	CALPINE ENERGY SOLUTIONS	September 2024 Services	275,699.85
11/05/2024	ACH/CHECK	cQuant.io Inc.	Professional Services & Consulting: 6-month Portfolio	90,000.00
11/20/2024	Wire	EDF TRADING NORTH AMERICA	October 2024 - Capacity Purchase	706,500.00
11/05/2024	ACH/CHECK	EMPOWER (401a)	Employee Retirement - 11/05/2024	6,386.92
11/22/2024	ACH/CHECK	EMPOWER (401a)	Employee Retirement - 11/22/2024	6,386.92
11/05/2024	ACH/CHECK	EMPOWER (457b)	Employee Retirement - 11/05/2024	3,929.82
11/22/2024	ACH/CHECK	EMPOWER (457b)	Employee Retirement - 11/22/2024	3,929.82
11/12/2024	ACH/CHECK	EMPOWER (FEES)	457(b) Plan Investment Management fees	2,339.40
11/20/2024	Wire	ES 1A Group 2 Opco, LLC	October 2024 - RA Purchase	108,360.00
11/06/2024	ACH/CHECK	ESCONDIDO CHAMBER OF COM	Membership Investment	180.00
11/18/2024	ACH/CHECK	Hall Energy Law PC	Fees for Professional Services Rendered Through 9/30/2024	2,080.00
11/01/2024	Wire	JPMorgan	October 2024 - CME Term.SOFR Reference Rates	142,408.24
11/26/2024	Wire	JPMorgan	Principal Repayment	18,000,000.00
11/27/2024	ACH/CHECK	Keyes & Fox LLP	October 2024 - Professional Services	41,372.42
11/20/2024	Wire	LEAPFROG POWER, INC.	November 2024 RA	6,897.00
11/20/2024	ACH/CHECK	Maher Accountancy	November 2024 accounting services	10,500.00
11/20/2024	ACH/CHECK	MCCAULEY, KAYLIN	Expense Reimbursement - Sep 18, 2024 to Sep 25, 2024	2,857.62
11/25/2024	Wire (outside o	MORGAN STANLEY CAPITAL GROUP	September 2024 - Electricity	746,009.64
11/14/2024	ACH/CHECK	NewGen Strategies & Solutions	October 2024 -Project: CEA SDG&E ERRA	12,638.75
11/12/2024	ACH/CHECK	Neyenesch Printers	Printing Services	3,136.75
11/26/2024	ACH/CHECK	Neyenesch Printers	Printing Services	3,226.06
11/27/2024	ACH/CHECK	Pacific Energy Advisors, Inc	October 2024 - Technical Consulting Advisors	39,000.00
11/26/2024	ACH/CHECK	PECKHAM, DANIEL	Dan Peckham - CAISO Symposium	543.72
11/05/2024	ACH/CHECK	Pisenti Brinker Llp	Second progress billing for audit of June 30, 2024	13,900.00
11/25/2024	Wire	Powerex	Transactions for the Period of November 2024	98,562.50
11/25/2024	Wire	Resi Station LLC	Proxy Demand Response CEA Oct2024	11,622.00
11/05/2024	ACH/CHECK	River City Bank CC	September 2024 Expenses	3,486.32
11/04/2024	Wire	SDG&E (Procurement)	10/24 CEA - Jan-Aug 2024 MCAM price	962,278.88
11/20/2024	Wire	SDG&E (Procurement)	10/24 - CEA - CEA 2024 MPB	14,329,419.00
11/20/2024	Wire	SDG&E (Procurement)	10/24 - RA MCAM Sales & RA MCAM Sales	97,320.73
11/12/2024		SDRMA	Coverage Month: December 2024	10,734.50
11/20/2024	Wire	SEMPRA	November 2024 - Capacity Purchases	1,139,000.00
11/19/2024	ACH/CHECK	State Compensation Insurance Fund	Monthly - Worker's Comp AUTOPAY	452.75
11/12/2024	ACH/CHECK	STERN, ANDREW	October 2024 Services and expense reimbursements	19,033.29
11/06/2024	ACH/CHECK	The Bayshore Consulting Group, Inc	October 2024 - CCA Operations Consulting	10,806.25
11/04/2024	Wire	THE ENERGY AUTHORITY	October 2024 - CAISO Weekly Statement of Activity	755,638.64
11/08/2024	Wire	THE ENERGY AUTHORITY	October 2024 - CAISO Weekly Statement of Activity	814,935.45
11/18/2024	Wire	THE ENERGY AUTHORITY	October 2024 - CAISO Weekly Statement of Activity	213,215.70
11/25/2024	Wire	THE ENERGY AUTHORITY	November 2024 - CAISO Weekly Statement of Activity	559,114.29
11/27/2024	ACH/CHECK	THE ENERGY AUTHORITY	October 2024 - Resource Management Monthly Fees	9,215.08
11/27/2024	ACH/CHECK	Tripepi, Smith & Associates, Inc.	October 2024 - Communications and Marketing Service	804.58
11/26/2024	ACH/CHECK	Tripepi, Smith & Associates, Inc.	November 2024 - Communications and Marketing Service	14,843.10
11/04/2024	ACH/CHECK	USPS	First-Class Mail and First-Class Package Service	1,039.86
11/13/2024	ACH/CHECK	USPS	First-Class Mail and First-Class Package Service	122.41
11/13/2024	ACH/CHECK	USPS	First-Class Mail and First-Class Package Service	1,653.71
11/18/2024	ACH/CHECK	USPS	First-Class Mail and First-Class Package Service	937.12
11/26/2024	ACH/CHECK	USPS	First-Class Mail and First-Class Package Service	836.01
11/05/2024	ACH/CHECK	Z NEMS	NEM Cash Out	743.14
<b>Total for Operating Account</b>				<b>39,464,345.94</b>
11/25/2024	Lockbox	Constellation Generation Company, LLC	September 2024 - Power Purchase	390,673.40
11/25/2024	Lockbox	NRG	September 2024 - Energy Purchase	2,866,746.40
11/25/2024	Lockbox	Shell Oil North America	September 2024 - Energy Purchases	3,860,199.70
11/25/2024	Lockbox	MORGAN STANLEY CAPITAL GROUP	September & October 2024 - Electricity	6,136,211.14
<b>Total for Lockbox Account</b>				<b>13,253,830.64</b>



## Staff Report

**DATE:** January 30, 2025

**TO:** Clean Energy Alliance Board of Directors

**FROM:** Gregory Wade, Chief Executive Officer

**ITEM 4:** Consideration of Resolution No. 2025-001 Approving the Distributed Microgrids Framework Program Agreements for the Solar Plus Program and Authorizing the Chief Executive Officer to Execute the Agreement

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### **RECOMMENDATION:**

That the Clean Energy Alliance (CEA) Board of Directors (Board) adopt Resolution No. 2025 – 001 approving the Distributed Microgrids Framework Program Agreement with Participate.Energy, LLC and authorizing the Chief Executive Officer to execute all documents subject to General and Special Counsel approval.

### **BACKGROUND:**

On October 26, 2023, the Board adopted Resolution No. 2023-009 setting rates and approving agreements for the CEA Solar Plus Residential Distributed Microgrid Program making Solar and Battery Storage Systems available to CEA customers. The Solar Plus Program (Program) is offered through an agreement with Participate.Energy, LLC (PE) and their partnership with Tesla, Inc. (Tesla).

The Program offers single family residential customers access to solar and battery storage systems with no out-of-pocket up-front costs, down payment, or credit check. Customers do not buy the system, rather, they enter into an agreement to allow the system to be installed at their residence and enroll in a per kWh rate with CEA for the generation of solar power and a monthly fee for the battery. Customers can also include pre-construction costs, such as roof repairs or electric panel upgrades, related to the installation of the solar and battery storage system in the Solar Plus Rate.

Customers currently enrolled in the Program pay a \$0.145 - \$0.155 per kWh fee depending on Pre-Construction costs and a flat fee of \$115 per month for the 1<sup>st</sup> Battery and \$75 for each additional Battery. This pricing structure is unique to systems installed by Tesla.

### **Solar Plus Connect**

Under the terms of the current agreements, Tesla installs, operates, and maintains the installed systems under an agreement with Participate. Solar Plus Connect program additions include expanded rate options as well as a special SGIP rate. The Solar Plus Program also allows local installers (Channel Partners) to participate in the Program. Channel Partners are entities that are approved to install solar and battery systems that will be able to drive demand in a way that Tesla cannot, through their own experienced marketing and sales teams. These partners will be able to provide more of a white glove service to

customers, work on roofing types that Tesla has previously rejected, and provide services in languages other than English. CEA will have approval rights for Channel Partners brought into the Program.

**DISCUSSION:**

On November 21, 2024, the Board conducted a Public Hearing and approved Resolution No. 2024-021 setting new rates for Solar Plus and Solar Plus Connect.

While the rate setting was done correctly, there were some minor ambiguities with respect to the approval of the Distributed Microgrids Framework Program Agreement outlined above. Specifically, the Board Agenda inadvertently did not include Recommendation 3 that was included in the Staff Report and Resolution No. 2024-021 did not include language approving the Agreement. Also, the Distributed Microgrid Framework Program Agreement did not include Attachment A: Power Purchase Agreement (PPA) between Participate.Energy and the customer. Additionally, there were some mislabeling in connection with other attachments.

Due to these omissions, staff is recommending that the Board re-approve the Agreement with PE to expand the Solar Plus program by allowing installers other than Tesla to participate in the Program. As previously noted, the addition of the Channel Partners provides the ability to install solar systems on roof types previously rejected by Tesla, expand Solar Plus program marketing, and provide services in languages in addition to English.

**FISCAL IMPACT:**

There is no impact by this action. Funding for the energy purchased through the Power Purchase Agreement is included in the Energy Supply line item of the adopted Fiscal Year 2024/2025 budget.

Submitted for Board consideration:



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Gregory Wade  
Chief Executive Officer

**ATTACHMENTS:**

- A. Resolution No. 2025-001
- B. Distributed Microgrids Program Agreement, including its schedule and attachments

**CLEAN ENERGY ALLIANCE  
RESOLUTION NO. 2025-001**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CLEAN ENERGY ALLIANCE APPROVING THE DISTRIBUTED MICROGRIDS PROGRAM AGREEMENT WITH PARTICIPATE.ENERGY FOR THE SOLAR PLUS PROGRAM AND AUTHORIZING THE CHIEF EXECUTIVE OFFICER TO EXECUTE THE AGREEMENT**

**WHEREAS**, the Clean Energy Alliance (CEA) is a joint powers agency, formed in November 2019, under the Joint Exercise of Power Act, California Government Code Section 6500 *et seq.*; and

**WHEREAS**, Section 4.6 of the Joint Powers Authority (JPA) Agreement establishes the specific responsibility of the CEA Board of Directors to adopt retail rates for power; and

**WHEREAS**, on October 26, 2023, the Board adopted Resolution No. 2023-009 setting rates and approving agreements for the CEA Solar Plus Residential Distributed Microgrids Program making Solar and Battery Storage Systems available to CEA customers; and

**WHEREAS**, on November 21, 2024, the Board conducted a Public Hearing and approved Resolution No. 2024-021 setting new rates for Solar Plus and Solar Plus Connect that contemplated allowing allows local installers (Channel Partners) to participate in the Solar Plus Program.

**NOW, THEREFORE, BE IT RESOLVED**, by the Board of Directors of the Clean Energy Alliance, as follows:

Section 1. The Board of Directors of Clean Energy Alliance hereby approves the Distributed Microgrids Framework Program Agreement, including its schedule and attachments, with Participate.Energy (the "Agreement") for the expansion of the Solar Plus Program to allow additional Installers, also known as Channel Partners, as presented to the Board on January 30, 2025.

Section 2. CEA's Chief Executive Officer is hereby authorized and directed to execute the Agreement in a form substantially similar to those presented to the Board on January 30, 2025 and to executed such other documents in forms acceptable to General and Special Counsel and take such other and further actions as may be necessary and proper to expand the Solar Plus Program to Channel Partners and accomplish the purposes of this Resolution.

Section 3. This Resolution shall take effect immediately upon approval.

The foregoing Resolution was passed and adopted this 30th day of January, 2025, by the following vote:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

APPROVED:

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[VACANT], Chair

ATTEST:

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Kaylin McCauley, Board Secretary

**Distributed Microgrids Framework Program Agreement**

This **Distributed Microgrids Framework Program Agreement** (this "Agreement") is entered into as of [Month Day, Year] (the "Effective Date"), among the parties listed below (each, a "Party" and together the "Parties"). This Agreement comprises (i) the Key Terms set out below (the "Key Terms"), and (ii) all schedules referenced in the "Attachments" section of the Key Terms, which are fully incorporated herein.

<b><u>Key Terms</u></b>	
This Agreement sets out the terms and conditions on which the Clean Energy Alliance (" <b>Member</b> ") shall market and offer a program for the deployment of solar PV systems and or/battery energy storage products (" <b>System</b> ") to customers (" <b>Customers</b> ") located in the Member territory, with sales and educational support provided by Member, product and product installation support provided by installers approved by Participate.Energy LLC (" <b>The Program Fund Manager</b> ") and Member (the foregoing, " <b>Installer</b> "), purchase and operation of System by The Program Fund Manager for the sale of energy from the Systems to Member for resale to Customers (the " <b>Program</b> ").	
<b><u>Parties:</u></b>	
<b>Member:</b>	Clean Energy Alliance, a California joint power authority
<b>The Program Fund Manager:</b>	Participate.Energy, LLC, a Delaware limited liability company
<b><u>Framework Agreement Term:</u></b>	
<b>Term:</b>	The period commencing on the Effective Date and ending on the second (2 <sup>nd</sup> ) anniversary of the Effective Date (the " <b>Term</b> "), which shall automatically be extended for additional, one-year periods upon the expiration of the then-current Term unless (i) one Party gives to the other Party, at least six (6) months prior to the end of the initial two (2) year term or any subsequent renewal term, a written notice of non-renewal, or (ii) this Agreement is otherwise terminated early in accordance with this Agreement.
<b><u>Notices:</u></b>	
<b>Member Notice Address:</b>	Clean Energy Alliance Attn: Chief Executive Officer 5857 Owens Ave, 3rd Floor Carlsbad, CA 92008 ceo@thecleanenergyalliance.org
<b>The Program Fund Manager Notice Address:</b>	Participate.Energy, LLC Attn: Ethan Friedman c/o Virtual Post Solutions, Inc. 2093 Philadelphia Pike #3125 Claymont, DE 19703 notices@participate.energy

<b><u>NDA:</u></b>	
<b>NDA:</b>	The non-disclosure agreement dated [MM/DD/YY] between The Program Fund Manager and Member.
<b><u>Attachments:</u></b>	
The attachments below are incorporated by reference into this Agreement. In the event of any conflict, the order of precedence shall be (i) these Key Terms and (ii) the Schedules, in order of appearance.	
<b>Schedule 1:</b>	Program Terms and Conditions
<b>Attachment A:</b>	Form of Solar Power Purchase & Energy Services Agreement
<b>Attachment B:</b>	Form of Installation Order and Program Terms
<b>Attachment C:</b>	Work Standards
<b>Attachment D:</b>	Installer Insurance Requirements
<b>Attachment E:</b>	Installer Framework Program Agreement

EXECUTED by the Parties on the Effective Date.

<p><b>CLEAN ENERGY ALLIANCE</b></p> <p><b>By:</b></p> <p>_____ (SIGNATURE)</p> <p><b>Gregory Wade</b></p> <p>_____ (PRINT NAME)</p> <p><b>Chief Executive Officer</b></p> <p>_____ (PRINT TITLE)</p>	<p><b>PARTICIPATE.ENERGY, LLC</b></p> <p><b>By:</b></p> <p>_____ (SIGNATURE)</p> <p>_____ (PRINT NAME)</p> <p>_____ (PRINT TITLE)</p>
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**Schedule 1**  
**Program Terms and Conditions**

1. The Program. The objective of the Program is to deploy eligible Systems with a target of 500 MW of direct current capacity on properties throughout the territorial boundaries of Member (the "Territory"), as further set forth in this Agreement (the "Objective").
2. Program Development.
  - (a) Geographic Focus. Only Customers located or operating within the Territory are potentially eligible.
  - (b) Site Eligibility. Eligible sites include all properties ("Properties") located in the Territory.
  - (c) Marketing Outreach. Parties shall collaborate in good faith to promote and enlist the participation of Customers and potential Customers located in the Member Territory.
  - (d) Customer Support. Member shall:
    - (i) Respond to Customer billing inquiries;
    - (ii) At minimum, provide basic information regarding Systems and components thereof on Member website; and
    - (iii) Direct inbound interest and leads to The Program Fund Manager or Installers.
  - (e) Order Funding. The Program Fund Manager shall be obligated to pay for Installer Products, equipment, installation and related services and materials identified in each order placed in accordance with the Program criteria set forth herein. The Program Fund Manager shall own and operate the Systems in accordance with the terms and conditions of each Solar Power Purchase & Energy Services Agreement ("SPP/ESA"), which shall be in the form attached hereto as Attachment A.
3. Customer Eligibility.
  - (a) Eligibility. To be eligible for participation in the Program, a Customer must: (i) either own a Property or have the written consent of the owner of Property to enter into the SPP/ESA, (ii) be an existing participant, or agree to become a participant, in the Member's Community Choice Aggregation program ("CCA") with utility service provided by San Diego Gas & Electric ("Utility") and remain a customer of CCA in CCA's "Solar Plus" program throughout the term of the SPP/ESA, (iii) agree to host a System installed on the Customer's property ("Site") and to provide The Program Fund Manager, as System owner, and its agents with a non-exclusive license (the "Site License") for access to the Site for the entire term of the SPP/ESA for the purposes operating and maintaining the System; and (iv) enter into a SPP/ESA.
4. Orders.
  - (a) The Program Fund Manager shall require Installer to design, build, deliver, and install each System in accordance with the Terms set forth in the Installation Order and Program Terms (each an "Order"), which shall be in the form attached hereto as Attachment B. The Program Fund Manager shall purchase and pay for each System as specified in each applicable Order. The Program Fund Manager shall require Installer and Orders comply with all Program criteria.
  - (b) For each Order, The Program Fund Manager shall require Installer to design, procure, deliver, install and commission the System at the Site identified in accordance with each Order and the Work Standards described in Section 7(a) (the "Work").

- (c) For purposes of this Agreement and each Order, “Installer Products” means a traditional solar system and/or a battery energy storage product as described in detail in each Order. A solar system means a solar photovoltaic generating system comprising of solar modules, an inverter and various balance of system components (“PV System”). A battery energy storage product means an energy storage system approved by The Program Fund Manager to be installed as part of the System (“BESS Product”). Installer Products shall be procured from vendors approved in writing by Member, which approval shall not be unreasonably withheld or delayed.
  - (d) The Program Fund Manager shall require Installer to install Systems subject to this Agreement using equipment approved by The Program Fund Manager and provide Member and The Program Fund Manager with complete access, (at no cost) to allow The Program Fund Manager to integrate the System to The Program Fund Manager’s software platform which controls, monitors, and/or aggregates such Systems as distributed energy resources.
5. Pricing; Order Payment.
- (a) Pricing. The current applicable pricing policy and tool shall be approved in writing by Member, which approval shall not be unreasonably withheld, conditioned, or delayed. System pricing is set forth in each Order and shall comply with the current pricing policy and tool available on the Portal. The System size or design may be adjusted by Installer in its reasonable discretion and with Customer’s written approval based on a variety of factors, including installation complexity or product availability, provided that the Pricing remains at or below the Pricing set in each Order.
  - (b) Order Payment. For Orders, the price for the Work performed by Installer under each Accepted Order shall be identified in that Order. The Program Fund Manager shall pay Installer the Contract Price for each Order plus applicable taxes.
6. Installer Selection and Approval. The Program Fund Manager shall select a qualified and reputable Installer to perform the Work and obtain prior written consent from Member as to the selected Installer, which consent shall not be unreasonably withheld, conditioned, or delayed.
7. Installation.
- (a) Work Standards. The Program Fund Manager shall require Installer, or its approved subcontractors, to perform the Work according to the stricter of prevailing industry standards and the “Work Standards” set forth in Attachment C, exercising the reasonable skill and care of an installation contractor and in accordance with all applicable laws, regulations and permits applicable to the Work.
  - (b) Subcontractors. The Program Fund Manager shall require Installer to be responsible for all work performed by, and acts or omissions of, each subcontractor and to ensure that all subcontractors are licensed as required by applicable law.
  - (c) Safety. The Program Fund Manager shall require Installer to ensure that all Installer employees and subcontractors comply with Installer and Customer’s safety procedures and requirements while on Sites during performance of the Work.
  - (d) Liens. To the extent legally permissible, The Program Fund Manager shall itself and shall require Installer to save and protect each Site from and against the imposition of any mechanics’, materialmen’s or other lien arising out of or pertaining to the subject of this Agreement against such Site and will cause each such lien to be fully discharged and released at the time the performance of any obligation secured by any such lien matures or becomes due.

8. Failure to Perform.

(a)

- (i) If any Party believes that any other Party is not satisfying its obligations under this Agreement, such Party shall promptly notify the other Party in a writing which specifies the deficiency ("Notice of Default"). The Party receiving the Notice of Default shall have 30 days from the date of the Notice of Default to correct the deficiency(ies) identified therein. If the Party receiving the Notice of Default fails to timely cure the deficiency(ies), the notifying Party may, at its sole discretion, terminate this Agreement in accordance with Section 11.

If any Party believes that any other Party is not satisfying its obligations with respect to an Order, such Party shall promptly notify the other Party in a writing which specifies the deficiency ("Notice of Default"). The Party receiving the Notice of Default shall have 30 days from the date of the Notice of Default to correct the deficiency(ies) identified therein. If the Party receiving the Notice of Default fails to timely cure the deficiency(ies), the notifying Party may, at its sole discretion, terminate the affected Order in accordance with Section 11.

- (b) If a Customer terminates an Order for Installer's failure to perform before installation of the System for that Order has commenced, The Program Fund Manager shall require Installer to return any payment(s) made toward the Order price.
- (c) If any Party terminates an Order for the other Party's failure to perform, each Party may pursue all rights and remedies available at law or in equity with respect to the failure to perform, except as otherwise provided in Section 11, below. Breaches of one or more Orders will not constitute breaches under any other Orders or under this Agreement, and breaches of this Agreement independent of any Orders shall not constitute breaches of any Orders.

9. Warranties.

- (a) Starting on the date of installation, The Program Fund Manager shall require Installer to warrant to The Program Fund Manager and Customer that all materials, equipment and work furnished by Installer as part of an Order will be:

- (i) of good quality, free from fault and defects, and
- (ii) performed in a good and workmanlike manner, in accordance with all applicable laws, building codes and ordinances, and in strict conformity with the Order.

The Program Fund Manager shall require Installer, at its sole expense, to immediately correct or replace any Work that is defective or determined to be not in accordance with the requirements of the above warranties within 1 year after the Installer provides a list of deliverables defined in each Order and The Program Fund Manager confirms receipt and acceptance of this list of deliverables ("Final Completion").

- (b) System equipment warranties are covered by manufacturer's warranty, assigned to The Program Fund Manager upon title transfer. The Program Fund Manager shall require Installer to perform operations, repair and maintenance work on the System and manage the entire warranty claims process required by each respective manufacturer. All work covered by Installer warranties shall be at no cost. All work covered by equipment manufacturer warranties shall be the responsibility of The Program Fund Manager at a price preapproved by The Program Fund Manager. If Installer fails to perform operations, repair and maintenance work in a timely manner according to industry standard practices, The Program Fund Manager shall perform the required operations, repair and maintenance work.
- (c) The Program Fund Manager shall provide to Customer any "Workmanship" and "Installation"

warranties of no fewer than ten (10) years from the Final Completion Date. The Program Fund Manager shall require Installer to warrant that it will repair or replace any work on the System that it does not perform in a good workmanlike manner according to the standards of care and diligence generally practiced by solar engineering, construction, installation, and roofing companies when installing commercial photovoltaic solar power with optional incorporated energy storage systems. This provision includes roof penetrations and other roof work related to the installation of the System.

- (d) With respect to any warranty claim by The Program Fund Manager under Section 9 for the correction, replacement and warranty work, the remedies set forth in Section 9 and in Section 8, as applicable, are The Program Fund Manager's sole and exclusive remedies. For clarity, the foregoing shall not limit The Program Fund Manager's ability to bring claims for other purposes not related to the correction, replacement and warranty work as set forth in this Section 9, including, without limitation, The Program Fund Manager's rights to indemnification under Section 12.

10. Proprietary Rights.

- (a) Ownership. As between the Parties, The Program Fund Manager shall remain the sole and exclusive owner of any and all Proprietary Rights associated with the development, financing, engineering, procurement and construction of the System or any parts or derivations thereof. "Proprietary Rights" means patents, trademarks, copyrights, mask work rights, trade secrets and any other intellectual or proprietary rights.
- (b) License. The Program Fund Manager shall require Installer to grant to Member and The Program Fund Manager a limited, non-exclusive, non-sublicensable, non-transferable license to use the materials that Installer provides for general marketing purposes in accordance with this Agreement.

11. Termination.

- (a) Termination for Cause. Each Party may terminate its participation in this Agreement or any Accepted Order for cause in the event (i) an insolvency event involving one of the other Parties; or (ii) any Party has materially breached any provision of this Agreement (other than non-payment) and, within 30 days after receipt of written notice of such breach from a non-breaching party, the breaching party has failed to cure such breach or, in the event the breach cannot reasonably be cured within such 30 day period, submit a plan for cure acceptable to each non-breaching party in its reasonable discretion. The termination of this Agreement by any single Party shall result in the termination of this Agreement as to all Parties.
- (b) Insolvency Event. An "Insolvency Event" occurs with respect to a Party (i) if it is adjudged bankrupt; (ii) if it makes a composition or arrangement with its creditors; (iii) if it has a winding up petition or a petition for an administration order presented against it; or (iv) if it has a receiver or manager or administrative receiver or provisional liquidator appointed.
- (c) Effects of Termination. Except as otherwise set forth in this Agreement, the expiration or termination of this Agreement will not affect any rights or obligations of the Parties that were incurred or that accrued prior to such expiration or termination. Termination shall not be deemed an election of remedies, and the non-defaulting party shall have all rights and remedies available under applicable law in connection with and following such termination.

12. Indemnification.

- (a) For purposes of this Agreement and each Order, “Indemnified Parties” means for each identified entity, (i) the Party and any person providing financing to the Party with respect to the System, (ii) any affiliate of the persons set forth in clause (i), and (iii) any director, elected or appointed official, officer, partner, member, manager, agent or employee of a person described in clause (i) or (ii); and, “Indemnifying Party” means each other Party, as the context requires.
- (b) Installer’s Indemnities. The Program Fund Manager shall require Installer to indemnify, defend (with counsel reasonably acceptable to Member) and hold harmless Member and Customer, as well as their respective Indemnified Parties, from any claim, action, suit, proceeding, investigation, losses, damages, liabilities, deficiencies, actions, judgments, interest, awards, penalties, fines, costs or expenses, including reasonable legal fees (“Losses”) arising out of any claim, action, suit, proceeding, or investigation made or brought by any third party (“Claims”):
- i. that Installer Products (or any component or software thereof) or Installer’s Work pursuant to any Accepted Order infringes the intellectual property rights of a third party, other than a Claim for which Customer is responsible due to such Customer’s unauthorized alteration of the Installer Products. In addition, if such Party is enjoined from the use, operation or enjoyment of Installer Products or any part thereof as a result of any Claim alleging that Installer Products or Installer’s Work infringes the intellectual property rights of a third party, Installer will at no cost to such Party, at Installer’s option: (1) have such injunction removed, (2) substitute non-infringing goods or processes, or (3) modify the infringing goods or processes so they become non-infringing and provide the same or better functionality and performance relative to the affected item’s then-current functionality and performance; and
  - ii. in connection with the design, construction, installation, warranty service, workmanship, materials or functionality of any materials, equipment and/or element of the Work furnished by Installer, or any other act or omission of the Installer, except with respect to any modification by any Party other than Installer (directly or indirectly) or use or reuse of Installer Products that are the subject of an Accepted Order other than as permitted under this Agreement or their warranties.
- (c) The Program Fund Manager. The Program Fund Manager shall indemnify, defend (with counsel reasonably acceptable to Member) and hold harmless Member, as well as their respective Indemnified Parties, from any Losses arising out of any Claims of The Program Fund Manager’s negligence, willful misconduct, or material breach of The Program Fund Manager’s obligations under this Agreement or any Order, except to the extent caused by Member or Member’s Indemnified Parties.
- (d) The Member. The Member shall indemnify, defend (with counsel reasonably acceptable to The Program Fund Manager) and hold harmless The Program Fund Manager, as well as their respective indemnified Parties, from any Losses arising out of any Claims of the Member’s negligence, willful misconduct, or material breach of the Member’s obligations under this Agreement or any Order, except to the extent caused by The Program Fund Manager or The Program Fund Manager’s Indemnified Parties.
- (e) Survival. The provisions of this Section 12 shall survive any expiration or termination of this Agreement or any Order, but only for the duration of any applicable statute of limitations.

13. Limitation of Liability. Except for indemnification obligations (Section 12), breach of confidentiality (Section 15), fraud, or any gross negligence or willful misconduct, (i) The Program Fund Manager’s total liability for all damages of any kind arising out this Agreement will not exceed \$1,000,000.00, and (ii) Member shall not

bear any liability whatsoever for any damages of any kind arising out this Agreement. No Party will have to pay any other Party for any indirect, special or consequential damages.

14. Force Majeure. Each Party shall be excused from performance and shall not be considered to be in breach with respect to any obligation hereunder other than any obligation to pay money due and owing, if and to the extent that such Party's failure of, or delay in, performance is caused by or results from acts or circumstances beyond the reasonable control of such Party (a "Force Majeure Event"); provided:

- (a) such Party gives the other Parties notice describing the particulars of the Force Majeure Event as soon as is reasonably practicable and in any event within ten (10) Business Days after the discovery of the Force Majeure Event and its impact on such Party's performance;
- (b) the suspension of performance is of no greater scope and of no longer duration than is reasonably required by the Force Majeure Event;
- (c) the Party uses reasonable endeavors to:
  - (i) overcome or mitigate the effects of such occurrence, and
  - (ii) minimize costs and expenses attendant to or arising from such occurrence; and
- (d) when the Party is able to resume performance of the affected obligations, such Party shall so notify the other Party and promptly resume performance.

15. Confidentiality; Publicity.

- (a) Each Party will keep any disclosures, as well as the terms of this Agreement, confidential in accordance with the non-disclosure agreements between them (the "NDAs") and agree that this Agreement is confidential information of each of them for purposes of the NDAs. (Even though the NDAs are separate documents, they are considered part of this Agreement).
- (b) Neither Party will advertise or issue any public announcement about this Agreement, or use the other Party's mark, name or logo in any marketing literature, web sites, articles, press releases (including interviews with representatives of media organizations of any form), or any other document or electronic communication, without the other Party's written consent.
- (c) Nothing in this Agreement, the NDAs, or any other agreement between the Parties limits or prohibits any announcement, disclosure, or other act that is required by law, including, but not limited to, the California Public Records Act and the Ralph M. Brown Act. The Parties expressly acknowledge and agree that this Agreement will be appended to one or more publicly posted agendas of Member.
- (d) Installer and The Program Fund Manager must comply with the privacy policy available in the footer of The Program Fund Manager's website located at [www.participate.energy](http://www.participate.energy) as of the date hereof.

16. Governing Law; Disputes.

- (a) The Parties agree to comply with all applicable laws and regulations in connection with this Agreement. This Agreement is governed by the laws of the State of California. Any dispute arising out of or relating to this Agreement shall be brought in the Superior Court of California, County of San Diego, or the United States District Court for the Southern District of California. The Parties waive, to the extent allowed by law, any rights that they may have under Code of Civil Procedure

Section 394.

- (b) The Parties are not bound by any terms relating to Installer Products or other matters covered by this Agreement or any Order that are not contained in this Agreement or the affected Order.
- (c) Each of the Parties also agree to promptly notify the other's senior level management if there is any dispute relating to this Agreement or any Orders and to try to resolve the dispute in good faith. If the Parties are unable to resolve a dispute within 20 days after that notice is given, then either Party may bring an action in accordance with this Section 16.

17. Miscellaneous.

- (a) Representations. Each Party represents and warrants to the other Parties that (i) it is a legal entity, duly organized, validly existing and in good standing under the laws of jurisdiction of incorporation; (ii) this Agreement constitutes a legal, valid and binding obligation of such Party enforceable in accordance with its terms; and (iii) the execution, delivery and performance of this Agreement (A) is within its powers, (B) has been duly authorized by all requisite action and (C) will not violate any agreement, commitment, certificate or other document to which it is a party or by which any of its assets may be bound or affected.
- (b) Compliance with Law. Each Party will comply with all applicable laws and regulations in connection with its performance under Agreement.
- (c) Notices. All notices under this Agreement must be in writing and must be sent via regular U.S. mail with a copy via email, or express and/or certified mail, to the contacts identified in the Key Terms.
- (d) Assignment. With Member's prior written consent, which consent shall not be unreasonably withheld or delayed, Installer or The Program Fund Manager may assign this Agreement and each Accepted Order (i) to an affiliate of Installer or The Program Fund Manager, respectively, and (ii) as collateral in connection with its financing activities, in either case without the need for consent from any other Party.
- (e) Insurance. Each Party shall carry and maintain in force, with reputable insurance companies authorized to do business in the jurisdictions where the portion of the Member Territory is located. Each of the Parties shall each maintain all insurance that such Party is required by law to maintain. In connection with the Work pursuant to each Order.
- (f) Cumulative and Certain Exclusive Remedies. Except as otherwise specifically set forth in this Agreement, all rights and remedies provided under this Agreement are cumulative and not exclusive, and the exercise by either Party of any right or remedy does not preclude the exercise of any other rights or remedies that may now or subsequently be available at law, in equity, by statute, in any other agreement between the Parties or otherwise.
- (g) Entire Agreement; Severability. This Agreement constitutes the entire agreement between the Parties regarding the subject matter hereof and supersedes all prior agreements, representations and understandings, oral or written, between the Parties regarding the subject matter hereof. If any provision of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, such term shall be severable from the remainder of this Agreement and the remainder of this Agreement or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected and each term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by the law.
- (h) Amendment and Modification. No amendment or modification of this Agreement is effective unless it is in writing and signed by each Party.

- (i) Waiver. No waiver by either Party of any provision of this Agreement is effective unless explicitly set forth in writing and signed by such Party. No failure to exercise, or delay in exercising, any right or remedy arising from this Agreement operates or may be construed as a waiver thereof. No single or partial exercise of any right or remedy hereunder precludes any other or further exercise thereof or the exercise of any other right or remedy.
- (j) Relationship of the Parties. The relationship between the Parties is that of independent contractors. Nothing contained in this Agreement shall be construed as creating any agency, partnership, joint venture or other form of joint enterprise, employment or fiduciary relationship between the Parties, and neither Party shall have authority to contract for or bind the other Party in any manner whatsoever.
- (k) No Third-Party Beneficiaries. This Agreement is for the sole benefit of the Parties hereto and their respective successors and permitted assigns and nothing herein is intended to or shall confer upon any other person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.
- (l) Survival. Provisions of this Agreement which by their nature contemplate or govern performance or observance subsequent to the termination or expiration of this Agreement shall survive such termination or expiration.

18. Levine Act Compliance

(a) California Government Code section 84308 ("Levine Act") requires certain disclosures of any contribution of more than \$250 that a party (or their agent) to a contract has made to an elected official or any other officer of Member as defined in the Levine Act within the prior 12 months and recusals. The Levine Act also prohibits for 12 months following a final decision, a party (or their agent) from making a contribution of more than \$250 to any elected official or any other officer of Member or any other officer as defined in the Levine Act who may participate in the making of this Agreement.

(b) By its signature on this Agreement, The Program Fund Manager represents and warrants [select one]:

Neither The Program Fund Manager nor any agent acting on behalf of The Program Fund Manager has, within the 12 months preceding the commencement of negotiations of this Agreement, made any political contribution of more than \$250 to any elected official or any other officer of Member or any other officer as defined in the Levine Act who may have participated in the making of this Agreement.

OR

The Program Fund Manager (or an agent acting on behalf of The Program Fund Manager) has made a political contribution of more than \$250 within the preceding 12 months to:  
Identify the person(s) or agent(s) who made the contribution:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Identify Member officer(s) who received the contribution:

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_

(c) By its signature on this Agreement, The Program Fund Manager further represents and warrants [select one]:

Neither The Program Fund Manager nor any agent acting on behalf of The Program Fund Manager intends, within the 12 months following the execution of this Agreement, to make or will make any political contribution of more than \$250 to any elected official or any other officer of Member or any other officer as defined in the Levine Act who may have participated in the making of this Agreement.

OR

The Program Fund Manager (or an agent acting on behalf of The Program Fund Manager) intends to make a political contribution of more than \$250 within the next 12 months to:  
Identify the person(s) or agent(s) who will make the contribution:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Identify the Member officer(s) who will receive the contribution:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Attachment A**

**Form of Solar Power Purchase & Energy Services Agreement**

**SOLAR POWER PURCHASE & ENERGY STORAGE SERVICES  
("PPA/ESA")**

**DISCLOSURE STATEMENT**

*This statement is designed to help you understand the terms and costs of your solar power purchase and energy storage services agreement. This statement is not a substitute for reading the contract and other documents associated with this transaction. Read your contract and other documents carefully. All information presented below is subject to the terms of your contract.*

<b>System Owner:</b> Participate Energy, LLC pursuant to the Solar Plus Program	<b>Installer:</b> [Installer]	<b>Customer:</b> [Customer]
<b>Address:</b> 440 N Barranca Ave #8854, Covina, CA 91723	<b>Address:</b> [ ]	<b>System Installation Address:</b> [ ]
<b>Tel.:</b>	<b>Tel.:</b> ( ) -	<b>Tel.:</b> ( ) -
<b>License # (if applicable):</b> N/A	<b>State/County Contractor License #:</b> CSLB	<b>Customer Notice Address:</b> [ ]
<b>Email:</b> support@participate.energy	<b>Email:</b> [ ]	<b>Customer Email:</b> [ ]
		<b>Contract Date:</b> [MM/DD/202X]

**\* NOTE: YOU ARE ENTERING INTO AN AGREEMENT TO PURCHASE POWER AND SERVICES; NOT A SOLAR SYSTEM. YOU WILL NOT OWN THE SOLAR OR BATTERY SYSTEM INSTALLED ON YOUR PROPERTY.**

**Rate and Term**

The prices are: [Only one box must be checked among Residential and Special Offers]

**FOR RESIDENTIAL CUSTOMERS** [Only one box of either of the below must be checked]

[X¢ / kWh] for solar and [\$X / per month] for battery

[X¢ / kWh] for solar and battery

Rate includes an annual escalator of 1.9% which increases the prices and goes into effect immediately after each 12 month period beginning the date the system began operating.

**FOR SPECIAL OFFERS**

Prices, qualifying criteria, terms and conditions for special offers are contained in the enclosed addendum and Section 10 of the Installation Order & Program Terms Agreement.

Your estimated first year solar production: [ ] kWh [NOTE: kWh-based payments will vary every month]

Your monthly storage services payments will be monthly fee of [ \$ ]

The length of your solar Power Purchase Agreement (PPA): 25 Years

### Amount Due Up-Front

Amount you owe System Owner at Agreement signing: \$0.00

Amount you owe System Owner at installation: \$0.00

Amount you owe System Owner at building inspection: \$0.00

Total up-front payments you owe System Owner: \$0.00

### Other Possible Charges

**Late Charge:** Late Payments to monthly solar PPA payments accrue interest at the lesser of twelve percent (12%) annually or the maximum allowable by applicable law.

**UCC Notice Removal and Re-filing Fee:** There may be up to a \$250 document processing fee to have the UCC-1 financing statement or fixture filing removed for refinance and/or other real estate transaction purposes.

**Non-Connection to Internet:** If you do not maintain a high-speed internet connection, we will not be able to monitor the System and may be required to estimate your power usage as set forth in the Agreement.

**Number of Monthly Payments:** 300 monthly payments.

### When Payments Are Due

Your monthly payments will be incorporated into your utility bill, provided by San Diego Gas & Electric and billed under the appropriate Clean Energy Alliance Solar Plus tariff which you are obligated to be enrolled in for the term of this Agreement. We estimate that the first invoice will be included in your utility bill between 1 to 3 months from the date of your System activation, though actual time may vary

Upon System activation, you will immediately notice an offset in your energy purchases. Your payments will start accruing on the system activation date, which is the date you start to receive benefit.

Based on the time needed to update utility billing systems, and other factors out of our control, you may not see your charges appear on your utility bill for an estimated 1 to 3 billing cycles after you receive Permission-to-Operate (PTO) from your local utility, though actual time may vary. Your monthly invoice under this Agreement is integrated into your utility bill, therefore your due date is the due date on your utility bill. Your utility bill will include your payments owed and outstanding for that period and all previously billed or unbilled periods.

Customer Initial: \_\_\_\_\_

### Site & Design Assumptions for your System

Estimated annual system production decrease due to natural aging of system: 0.5%

System location: [location of solar and battery]

Connectivity: The solar system **WILL** be connected to the electric grid.

Net metering: At the time of installation, the system **WILL** be net metered. Net metering rules are set by the jurisdiction you live in. **Your utility offers a net energy metering policy as required under state statute or as regulated by a public utility commission. Changes in net energy metering policy or utility rate structures during the life of the system may result in lower utility bill savings than estimated or none at all; System Owner will not be responsible for reassessing the contract rate.**

### **Security Filings**

System Owner **MAY NOT** file a lien against your real property (e.g. a lien on your property) for non-payment by terms of the Agreement

System Owner **MAY** file a fixture filing or a UCC-1 on the system (a public filing informing others that System Owner owns the system, but does not put a lien on your property)

### **Warranty, Repair & Maintenance**

System repairs **ARE** included for the term of the Agreement from System Owner or a third party (such as an installer or equipment manufacturer). During this time, above and beyond the equipment warranties or installer workmanship warranties, System Owner will be responsible to repair or replace the System or System components to restore good working condition of the System at no cost to you. *Exclusions include damage or issues caused by you or where you are responsible.*

System maintenance **IS** included for the term of the Agreement. You are required to perform the following system maintenance:

- **Shade Management: Shading on your solar display dramatically reduces electricity production. Keep trees or other tall plants trimmed to prevent shade on your system.**
- **Panel Cleaning: Cleaning your panels of debris can improve your system performance. Flushing the panels from the ground with a water hose can let more sunlight penetrate through the glass cover.**

### **Roof Warranty**

Your roof **IS** warranted against leaks from the system installation for the first 10 year(s).

Your roof **IS** warranted against leaks caused by removal of the system for a period of 1 year(s) following system removal at the end of the Agreement. Any portions of your roof impacted by the system **WILL** be substantially returned to their original condition following the removal of the system (ordinary wear and tear excepted).

### **Certification of Own or Rent / Lease**

You hereby confirm you are the lawful property owner or, if you rent/lease, that you have a Lease Rider agreement executed between you and the property owner prior to executing this PPA/ESA to be eligible for this program. If you don't have a Lease Rider agreement executed, contact your Installer for support in doing so **PRIOR TO** executing this Agreement.

Customer Initial: \_\_\_\_\_

### **Transferring your Agreement and Selling your Property**

If you sell your property, you **MAY** transfer this Agreement to the purchaser(s) of your property.

If you transfer the Agreement, the transfer will be subject to the following conditions:

- **The new utility account owner enrolls in the Clean Energy Alliance**
- **The new utility account owner assumes this contract.**

Customer Initial: \_\_\_\_\_

### **Transfer of Obligations by System Owner**

The Agreement may be assigned, sold or transferred by System Owner without your consent to a third-party that will be bound to all the terms of the Agreement at System Owner's sole discretion. If such a transfer occurs, you will be notified if this will change the address or phone number to use for Agreement-related questions, payments or service requests. The System Owner may replace the Installer identified in this Agreement without your consent to any wholly owned subsidiary of System Owner or Tesla, Inc. that will be bound to all the terms of the Agreement.

### **Performance or Production Guarantee**

System Owner is **NOT** providing you with a Performance Guarantee

### **Taxes**

You are responsible for property taxes on property you own. Consult a tax professional to understand any tax liability that may result from entering the Agreement.

### **Utility and Electricity Usage/Savings Assumptions**

You **HAVE** been provided with a savings estimate based on your Agreement. The savings estimate was calculated based on: **System size**.

The savings estimate provided to you assumes the following: [\_\_\_\_\_]

Years of electricity production from your System: **25 years**

It is important to understand that electricity rates are estimates only. Your actual current and future utility rates and utility rate increases may vary. System Owner **IS NOT** guaranteeing these savings.

### **Renewable Energy Certificates (RECs)**

Any tax credit, renewable energy certificates or credits (RECs) from producing renewable solar energy with the system **WILL NOT** be owned by you, but **WILL** be owned by System Owner. If you do not own the RECs, you will not be able to sell, use or claim them.

### **Cooling Off Period/ Right to Cancel**

In addition to any rights you have under state or local law, you **HAVE** the right to terminate this Agreement without penalty within three (3) business days of Contract Date by notifying System Owner in writing at the above address.

### **SEIA Solar Business Code**

System Owner **DOES** abide by and agrees to be bound by SEIA's Solar Business Code and its complaint resolution process. For more information about the SEIA Solar Business Code and complaint resolution process, please visit <http://www.seia.org/consumers>

Customer Initial: \_\_\_\_\_

**SUMMARY OF YOUR SOLAR POWER PURCHASE &  
ENERGY STORAGE SERVICES AGREEMENT**

**IMPORTANT**

**THIS PAGE PROVIDES A SUMMARY OF KEY TERMS CONTAINED IN YOUR SOLAR POWER PURCHASE & ENERGY STORAGE SERVICES AGREEMENT (THE “AGREEMENT”) AND IS PROVIDED AS A COURTESY. CAPITALIZED WORDS ARE DEFINED IN YOUR AGREEMENT. IN THE EVENT OF A CONFLICT BETWEEN THIS SUMMARY PAGE AND YOUR AGREEMENT, YOUR AGREEMENT CONTROLS.**

<b>PROPERTY OWNER(S):</b>	[Insert Name]	<b>DATE OF AGREEMENT:</b>	[Insert Date]
<b>MAILING ADDRESS:</b>	[Insert Street Address] [Insert City, State & Zip]	<b>INSTALLATION ADDRESS:</b>	[Insert Street Address] [City], CA [Insert Zip]
<b>\$0.00</b> Upfront costs	<b>\$0.XX</b> Monthly Fee	<b>\$0.XX</b> Rate per kWh (Year One)	<b>[1.9%] or [Utility Rate Indexed] Annual Escalator</b>
			<b>25 Years</b> Agreement term

**System installation, maintenance, and warranty:**

- We insure, maintain, and repair the System (including the inverter) at no additional cost to you, as specified in your Agreement.
- We provide 24/7 monitoring at no additional cost to you, as specified in your Agreement.
- We warranty your roof against leaks for 10 year after installation, 1 year after removal and restore your roof (excluding normal wear and tear) at the end of the Agreement, as specified in your Agreement.
- The rate you pay us for electricity and battery storage services, exclusive of taxes, will never increase by more than [1.9%] per year.

**Options for system purchase and transfer:**

- If you move, you may transfer your Agreement to the purchaser of your property, as specified in your Agreement.
- At certain times, as specified in your Agreement, you may purchase the System.

These options apply during the term of your Agreement.

**Options at the end of the 25-year term:**

- System Owner will remove the System at no cost to you.
- You may purchase the System from System Owner for its fair market value as specified in your Agreement.
- Your Agreement will renew for five (5) years at the end of the Initial Term unless you notify us that you prefer that it terminate.

I understand, acknowledge, and agree that this page is a non-binding summary of the attached Agreement. In the event of a conflict, the provisions of the Agreement control.

\_\_\_\_\_  
Authorized Signatory

\_\_\_\_\_  
Authorized Signatory

# **SOLAR POWER PURCHASE & ENERGY STORAGE SERVICES AGREEMENT**

## 1. INTRODUCTION

This Solar Power Purchase & Energy Storage Services Agreement (this “Agreement”) is the agreement between you and Participate.Energy LLC (the “System Owner”) (together with its successors and assigns, or altogether, “we,” “us” or “our”), relating to (a) the installation of a solar panel system (the “Solar System”) plus battery (the “Battery,” together with the Solar System, the “System”) at your property, (b) the sale of power generated by the Solar System (the “System Generation”) by System Owner to the [City/Town Name], your local Community Choice Aggregation provider [(“Clean Energy Alliance”), and (3) your purchase of an amount of the power equivalent to the System Generation from your utility in accordance with Solar Plus tariff. The System has been or will be installed by [Installer Name] (“Installer”) at the installation address (the “Property”) indicated on the “Summary of Your Solar Power Purchase & Energy Storage Services Agreement” that accompanies this Agreement.

## 1. TERM

System Owner agrees to sell to Clean Energy Alliance the System Generation for resale to you pursuant to the Solar Plus tariff of an amount of power equivalent to the System Generation for 25 years (300 months), plus, if the Interconnection Date is not on the first day of a calendar month, the number of days left in that partial calendar month. We refer to this period of time as the “Term.” The Term begins on the System Installation Date. The “System Installation Date” is the date that the System is turned on and generating power. Unless the Installer turns the system on while on site, the Installer will notify you by email and mail when your System is ready to be turned on, and your solar Power purchases starts on this date.

## 2. SOLAR POWER PURCHASE & ENERGY STORAGE SERVICE AGREEMENT PAYMENTS; AMOUNTS

**2.1. Price.** During the Term, you agree to purchase power for your Property pursuant to the Solar Plus tariff for an amount equivalent to the System Generation, During the first year of the Term, the power purchase price is \$0.XX per kWh. If applicable and in addition, during the first year of the Term, the energy storage services price is a fixed fee of [\$XXX.XX]. Thereafter, the price per kWh (up to the amount of System Generation) and fixed monthly fee for energy storage services will annually increase by [1.9%] of the previous year’s price. There are no upfront installation costs to you.

**2.2.** If utilizing a special offer as indicated by the SPECIAL OFFER box being selected in the disclosure statement above. The governing pricing, qualifying criteria, terms and special conditions are included in the enclosed Incentive Pricing Addendum. The Incentive Pricing Addendum shall take priority of any conflicting terms in this Agreement. Other terms and conditions of this Agreement remain the same.

**2.3. Payments.** Your monthly energy payment obligations will be in accordance with the Solar Plus tariff, provided that for the System Generation the amount of your payment obligations will be calculated as the product of (A) the rate per kWh set forth in Section 2.1 above, multiplied by (B) the actual kWh output of System Generation for each calendar month during the Term; and (2) the fixed monthly fee for energy storage services throughout the Term (“Monthly Payments”). Invoices for Monthly Payments will be included with your monthly utility bills provided by your utility provider [San Diego Gas & Electric] (“Utility”). Monthly Payments will change as your price per kWh and energy storage fee changes over the Term of this Agreement and as Solar System production varies (e.g., summer has higher production). You will have regular access to the Solar System’s production via your online account. Payments due upon installation, if any, are due immediately prior to commencement of installation.

**2.4. Estimated Production.** If (i) the System is shut down for more than seven (7) full twenty-four (24) hour days cumulatively during the Term because of your actions; (ii) you take some action that significantly reduces the output of the System; (iii) you don’t trim your bushes or trees to their appearance when you signed this Agreement to avoid foliage growth from shading the System; or (iv)

your System is not reporting production to System Owner (*e.g.*, you have disconnected the monitoring system or the Internet connection at your Property goes down on the reporting day), then we will reasonably estimate the amount of power that would have been delivered to you during such System or reporting outages or reduced production periods (“Estimated Production”) and shall consider Estimated Production as actual production for purposes of this section 3. In the first year of the Term, Estimated Production will be based on our production projections. After the first year of the Term, Estimated Production will be based on historical production for that month in the prior year. If we bill you for Estimated Production because your System is not reporting production, and we subsequently determine that we have either overestimated or underestimated the actual production, then we will adjust the next bill downward (to refund overbilling) or upward (to make up for lost billing). You will not be charged for Estimated Production when the System is not producing electricity due to our fault, or if it’s due to grid failure or power outages caused by someone other than you. WE DO NOT WARRANT OR GUARANTEE THE AMOUNT OF ENERGY PRODUCED BY THE SYSTEM FOR ANY PERIOD OR THAT YOU WILL REALIZE ANY SAVINGS AS COMPARED TO THE COSTS OF PURCHASING EQUIVALENT POWER FROM YOUR LOCAL UTILITY.

### 3. ENERGY STORAGE SERVICES

**3.1. Energy Storage Services; Grid Outages.** During the Term, System Owner will operate and maintain the Battery and discharge electricity from the System to offset your electricity usage. We will determine the times and rates of charging and discharging in our sole discretion. You may use the System to provide backup power to your Property in the event of a grid outage.

**3.2. Energy Storage Management.** You acknowledge and agree that we may use the System to support the local grid or provide certain services, including ancillary services, capacity, and similar services (“Energy Storage Services”) and that we may assign this right to third parties, including your utility. For the avoidance of doubt, your consent shall not be required for any actions undertaken by us over the operation and maintenance of the System, and you shall not be entitled to any compensation in connection with these services.

**3.3. Metering.** You agree to permit us to conduct temporary shutdowns of the main electrical service in order to install the necessary metering to provide the Energy Storage Services. If such a shutdown is not permissible, then you agree to work with us in good faith to provide real-time access to load data through an existing energy management system or other means.

### 4. YOUR OBLIGATIONS

#### 4.1. System and Property Maintenance.

You agree to:

→ only purchase electric power for your Property from Clean Energy Alliance: (i) pursuant to the Solar Plus tariff for amounts equivalent to the System Generation; and (ii) pursuant to any supplemental utility tariff for your onsite energy requirements in excess of that satisfied by this foregoing subsection (i);

→ only have the System repaired pursuant to the Limited Warranty (described in Section 5) and reasonably cooperate when repairs are being made;

→ keep trees, bushes and hedges trimmed so that the System receives as much sunlight as it did when the Installer installed it;

→ not modify your property in a way that impedes with the System Operations or performance;

→ be responsible for any conditions at your Property that affect the installation (*e.g.*, blocking access to the roof, or removing any tree or vegetation that is in the way, prior work you have done on your Property that was not permitted);

- not remove any markings or identification tags on the System;
- as set forth in 4.7, permit System Owner or its designees, after giving you reasonable notice, to inspect the System for proper operation as we reasonably determine necessary;
- use the System primarily for personal, family or household purposes, but not to heat a swimming pool;
- not do anything, permit or allow to exist any condition or circumstance that would cause the System not to operate as intended at the Property;
- notify System Owner (a) if you think the System is damaged or appears unsafe, (b) if any part of the System is stolen, and/or (c) prior to changing your power supplier;
- have anyone with an ownership interest in your Property sign this Agreement;
- return any documents we send you for signature (like incentive claim forms) within seven (7) days of receiving them; and
- maintain and make available, at your cost, a functioning indoor Internet connection with one available wired Ethernet port and standard AC power outlet within eighty (80) feet of the System's AC/DC inverter(s).

#### **4.2. System Construction, Repair, Insurance and System Owner's obligations.**

We agree to:

- schedule the installation of the System at a mutually convenient date and time once all preconditions to construction are met, including but not limited to securing necessary financial incentives;
- construct the System according to written plans you approve or review;
- provide you with a web-enabled meter to accurately measure the amount of power the System delivers to you;
- provide you with a site energy evaluation;
- notify you if the System design has to be materially changed so that you can review any such changes;
- clean up after ourselves during the construction of the System;
- insure the System against all damage or loss unless (A) that damage or loss is caused by your gross negligence; or (B) you intentionally damage the System (Upon damage to or destruction of the System, you will not be entitled to receive or retain any insurance proceeds. In cases where we bear the risk of loss, our sole obligation to you will be to repair or replace the System to the extent required by the Warranty);
- insure our actions, covering damages to your Property caused by faulty installation, System malfunction or manufacturing defects;
- not be a loss payee (or named insured) on the insurance policy covering your System; and
- repair the System solely in accordance with the Limited Warranty and reasonably cooperate with you when scheduling repairs.

**4.3. Property Renovations or Repairs.** If you want to make any repairs or improvements to the Property that could interfere with the System (such as repairing the roof where the System is located), you may only have the System removed and replaced pursuant to the Limited Warranty.

**4.4. Late Charges.** In addition to any other amounts you agree to pay in this Agreement, you agree to pay the following:

→ Late Payments: accrue interest at the lesser of twelve percent (12%) annually or the maximum allowable percentage by applicable law. Clean Energy Alliance may elect to charge these fees on your utility bill.

**4.5. Taxes.** Your electricity rate as set forth in this Agreement is composed of an electricity rate plus current applicable taxes. You agree to pay any changes in the applicable taxes related to this Agreement. Thus, if current tax rates change or new taxes are imposed, your electricity rate under this Agreement will change to reflect the changed and/or new taxes. If this Agreement contains a purchase option at the end of the Term, you agree to pay any applicable tax on the purchase price for the System. You also agree to pay as invoiced any applicable personal property taxes on the System.

**4.6. No Alterations.** You agree that you will not make any modifications, improvements, revisions or additions to the System or take any other action that could void the Limited Warranty on the System without System Owner's prior written consent. If you make any modifications, improvements, revisions or additions to the System, they will become part of the System and shall be System Owner's property.

**4.7. Access to the System.**

**4.7.1.** You grant to System Owner and Installer, as well as its designees and their employees, agents and contractors, a non-exclusive license running with the Property with the right to reasonably access all of the Property as necessary for the following purposes:

- installing, constructing, operating, maintaining, owning, repairing, removing and replacing the System or making any additions to the System or installing complementary technologies on or about the location of the System;
- enforcing System Owner's rights as to this Agreement and the System;
- installing, using and maintaining electric lines and inverters and meters, necessary to interconnect the System to your electric system at the Property and/or to the utility's electric distribution system; and/or
- taking any other action reasonably necessary in connection with installing, constructing, operating, maintaining, owning, repairing, removing and replacing the System.

This access right shall continue for up to ninety (90) days after this PPA expires (the "License Term") to provide System Owner with time to remove the System at the end of the Agreement. We shall provide you with reasonable notice of a need to access the Property when giving such notice is possible and commercially reasonable.

**4.7.2.** During the time that System Owner has access rights you shall ensure that its access rights are preserved and shall not interfere with or permit any third party to interfere with such rights or access. You agree that System Owner or its designee may record a customary memorandum of license in the land records respecting the License. You agree that the System is not a fixture, but System Owner has the right to file any UCC-1 financing statement or fixture filing that confirms its interest in the System. Neither this Agreement nor any UCC-1 financing statement we may file in connection with this Agreement constitutes or imposes a consensual lien on your Property.

**4.8. Indemnity.** To the fullest extent permitted by law, you shall indemnify, defend, protect, save and hold harmless the City in which System was installed, System Owner, Installer, each of their respective elected and appointed officials, employees, officers, directors, agents, financing partners, successors and assigns (the "Indemnified Parties") from any and all third party claims, actions, costs, expenses (including reasonable attorneys' fees, expert witness fees, and expenses), damages, liabilities, penalties, losses, obligations, injuries, demands and liens of any kind or nature arising out of, connected with,

relating to or resulting from your negligence or willful misconduct; provided, that nothing herein shall require you to indemnify any Indemnified Party for its own negligence or willful misconduct. The provisions of this paragraph shall survive termination or expiration of this Agreement.

**4.9. Payments.** SUBJECT TO SECTION 4.2 ABOVE, YOU AGREE THAT THE OBLIGATION TO PAY ALL AMOUNTS DUE UNDER THIS AGREEMENT SHALL BE ABSOLUTE AND UNCONDITIONAL UNDER ALL CIRCUMSTANCES AND NOT BE SUBJECT TO ABATEMENT, DEFENSE, COUNTERCLAIM, SETOFF, RECOUPMENT OR REDUCTION FOR ANY REASON WHATSOEVER, IT BEING THE EXPRESS INTENT OF THE PARTIES THAT ALL AMOUNTS PAYABLE BY YOU HEREUNDER SHALL BE, AND CONTINUE TO BE, PAYABLE IN ALL EVENTS INCLUDING BY YOUR HEIRS AND ESTATE AND YOU HEREBY WAIVE ALL RIGHTS YOU MAY HAVE TO REJECT OR CANCEL THIS AGREEMENT, REVOKE ACCEPTANCE OF THE SYSTEM, OR TO GRANT A SECURITY INTEREST IN THE SYSTEM.

## **5. WARRANTY**

### **5.1. Limited Manufacturer Warranties.**

The solar panels, inverter and battery energy storage system each come with a warranty from their manufacturers (each, a "Limited Warranty"). The inverter warranty will cover defects for at least 10 years. The battery energy storage systems will cover defects for at least 10 years. You agree that, as the System Owner, we have the right to make warranty claims for any part of the System.

### **5.2. Warranty Disclaimer**

YOU UNDERSTAND THAT THE SYSTEM IS WARRANTED SOLELY UNDER THE LIMITED MANUFACTURER WARRANTIES, AND THAT NEITHER INSTALLER NOR SYSTEM OWNER MAKES ANY REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, AS TO THE MERCHANTABILITY, FITNESS FOR ANY PARTICULAR PURPOSE, CONDITION, DESIGN, CAPACITY, SUITABILITY OR PERFORMANCE OF THE SYSTEM OR ITS INSTALLATION.

## **6. TRANSFER**

You agree that System Owner may assign, sell or transfer the System and this Agreement, or any part of this Agreement or the exhibits, without your consent. Such an assignment will not change our obligation to maintain and repair your System as set forth in the Warranty. An assignment of System Owner's rights and/or obligations under this Agreement shall not result in any change to your rights and/or obligations under this Agreement.

## **7. OWNERSHIP OF THE SYSTEM; TAX CREDITS AND/OR REBATES**

You agree that the System is the System Owner's personal property under the Uniform Commercial Code. You understand and agree that this Agreement is not a contract to sell or lease the System to you. System Owner owns the System for all purposes, including any data generated from the System. You shall at all times keep the System free and clear of all liens, claims, levies and legal processes not created by us, and shall at your expense protect and defend us against the same.

You understand and agree that any and all tax credits, incentives, renewable energy credits, green tags, carbon offset credits, utility rebates or any other non-power attributes of the system are the property of and for the benefit of the System Owner or its designee, usable at its sole discretion. System Owner shall have the exclusive right to enjoy and use all such benefits, whether such benefits exist now or in the future. You agree to refrain from entering into any agreement with your utility that would entitle your utility to claim any such benefits. You agree to reasonably cooperate with System Owner so that it may claim any tax credits, renewable energy credits, rebates, carbon offset credits or any other benefits from the system. This may include to the extent allowable by law, entering into net metering agreements, interconnection agreements, and filing renewable energy/carbon offset credit registrations and/or applications for rebates

from the federal, state or local government or a local utility and giving these tax credits, renewable energy/carbon credits, rebates or other benefits to System Owner.

## **8. PURCHASING SYSTEM PRIOR TO END OF TERM**

In addition to having the option to purchase the System at the end of the Term, you have the option to purchase the System prior to the end of the Term as detailed below. To exercise this option, you must be in good standing under this Agreement, and you need to give us at least one (1) month, but not more than three (3) months prior written notice. You can purchase this System:

- on the five (5) year anniversary of the beginning of the Term and every annual anniversary after the five (5) year anniversary; and
- at any time after the five (5) year anniversary of the beginning of the Term, when you sell your Property; and
- if we ever cease our operations and fail to provide for a substitute System provider.

The price you will pay for the System under this section will be the higher of (a) the System's fair market value ("FMV") and (b) the Income Loss (as defined below). If you and the System Owner cannot agree upon FMV, a third-party independent appraiser will be retained to compute the System's FMV. Our maintenance and repair obligations in accordance with the Limited Warranty set forth in Section 5 will end when and if you purchase the System pursuant to this section.

## **9. RENEWAL**

If you are in compliance with this Agreement, you have the option to renew this Agreement for an additional five (5) year renewal period. We will send you a renewal form three (3) months prior to the expiration of the Term, which form shall set forth the new Monthly Payments due under the renewal Agreement, based on our assessment of the then current fair market value of the System. If you want to renew, complete the renewal form and return it to us at least one (1) month prior to the end of the Agreement. In the event that you notify us that you do not agree to the new Monthly Payments this Agreement shall expire by its terms on the termination date. If you don't send us anything in writing after we send you the renewal form, then this Agreement shall automatically renew for an additional five (5) year term (the "Renewal Term") with (i) an energy rate set at ten percent (10%) less than the then-current average rate charged by your utility for your property if the System was otherwise not operating, as reasonably estimated by System Owner.. Following renewal, the Agreement shall terminate at the end of the Renewal Term.

## **10. SELLING YOUR PROPERTY**

If you sell your Property, you can:

- Transfer the Agreement and the Monthly Payments. If the person buying your Property agrees to abide by the terms and conditions for participating in the Solar Plus Program, then the person buying your Property can sign a transfer agreement assuming all of your rights and obligations under this Agreement.
- Purchase the System (Section 8).

You agree to give us at least fifteen (15) days but not more than three (3) months prior written notice if you want someone to assume your Agreement obligations. In connection with such assumption, you, your approved buyer and we shall execute a written transfer of this Agreement.

If you sell your Property and cannot comply with any of the options above, you will be in default under this Agreement. This Section 10 includes a Property sale by your estate or heirs.

This Agreement is free of any restrictions that would prevent the property owner from freely transferring the Property. In the event of a foreclosure of the Property, your lender has the right (but not the obligation) to do ONE of the following:

- terminate this Agreement and require the System Owner to remove the System subject to your obligations under Sections 13 and 14;
- become a beneficiary (but not obligor) of your Agreement free of charge (*i.e.*, receive power from the System and enforce the Limited Warranty but not have the obligation to make payment, which obligation will remain with you – if you don't make timely payment, you will be in default under Section 13 and we can terminate, remove the System and take all other remedies we have under Section 14;
- enter into a new power purchase agreement with us on terms no less favorable than this Agreement; or
- require transfer of this Agreement under this Section 10 to a subsequent purchaser of the Property.

We will not prohibit the sale, conveyance or refinancing of the Property. The System Owner may choose to file in the real estate records a UCC-1 financing statement (“Fixture Filing”) that preserves its rights in the System. The Fixture Filing is intended only to give notice of its rights relating to the System and is not a lien or encumbrance against the Property. The System Owner shall explain the Fixture Filing to any subsequent purchasers of the Property and any related lenders as requested. The System Owner shall also accommodate reasonable requests from lenders or title companies to facilitate a purchase, financing or refinancing of the Property.

EXCEPT AS SET FORTH IN THIS SECTION 10, YOU WILL NOT ASSIGN, SELL, PLEDGE OR IN ANY OTHER WAY TRANSFER YOUR INTEREST IN THIS AGREEMENT WITHOUT OUR PRIOR WRITTEN CONSENT, WHICH SHALL NOT BE UNREASONABLY WITHHELD.

## **11. LOSS OR DAMAGE**

Unless you are grossly negligent or you intentionally damage the System, the System Owner will bear all of the risk of loss, damage, theft, destruction or similar occurrence to any or all of the System. Except as expressly provided in this Agreement, no loss, damage, theft or destruction will excuse you from your obligations under this Agreement, including Monthly Payments.

If there is loss, damage, theft, destruction or a similar occurrence affecting the System, and you are not in default of this Agreement, you shall continue to timely make all Monthly Payments and pay all other amounts due under the Agreement and, cooperate with us, at our sole cost and expense, to have the System repaired pursuant to the Limited Warranty.

## **12. LIMITATION OF LIABILITY**

**12.1.** No Consequential Damages. LIABILITY UNDER THIS AGREEMENT SHALL BE LIMITED TO DIRECT, ACTUAL DAMAGES ONLY. YOU AGREE THAT IN NO EVENT SHALL INSTALLER OR EITHER PARTY BE LIABLE TO ANY OTHER PARTY FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY, SPECIAL OR INDIRECT DAMAGES EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT.

**12.2.** Actual Damages. EXCEPT FOR CLAIMS UNDER SECTION 4.8 (INDEMNITY), NO PARTY'S LIABILITY TO ANY OTHER WILL EXCEED AN AMOUNT EQUAL TO THE MAXIMUM AMOUNT THAT COULD BE PAYABLE BY YOU UNDER SECTION 14. DAMAGES TO YOUR BELONGINGS OR PROPERTY RESULTING FROM THE INSTALLATION OR OPERATION OF THE SYSTEM ARE COVERED IN THE LIMITED WARRANTY SET FORTH IN SECTION 5.

### 13. DEFAULT

You will be in default under this Agreement if any of the following occur:

- you fail to make any payment when it is due and such failure continues for a period of ten (10) days;
- you fail to perform any material obligation that you have undertaken in this Agreement (which includes doing something you have agreed not to do, like alter the System) and such failure continues for a period of fourteen (14) days after written notice;
- you or your guarantor have provided any false or misleading financial or other information to obtain this Agreement;
- you assign, transfer, encumber, sublet or sell this Agreement or any part of the System without our prior written consent; or
- you or any guarantor makes an assignment for the benefit of creditors, admits in writing its insolvency, files or there is filed against you or it a voluntary petition in bankruptcy, is adjudicated bankrupt or insolvent or undertakes or experiences any substantially similar activity.

### 14. REMEDIES IN CASE OF DEFAULT

If you default under the terms of this Agreement, we may take any one or more of the following actions. If this Agreement or the law requires us to do so, we will give you notice and wait any period of time required before taking any of these actions.

We may:

- terminate this Agreement;
- take any reasonable action to correct your default or to prevent our loss, including by directing your utility to file a lien against your real property; any amount we pay will be added to the amount you owe us and will be immediately due;
- require you, at your expense, to return the System or make it available to us in a reasonable manner;
- proceed, by appropriate court action, to enforce performance of this Agreement and to recover damages for your breach;
- disconnect, turn off or take back the System by legal process or self-help, subject to applicable law.
- report such non-operational status of the System to your utility, informing them that you are no longer net metering;
- charge you a reasonable reconnection fee for reconnecting the System to your utility or turning your System back on after we disconnect or turn off the System due to your default;
- recover from you a payment equal to the (i) any and all direct damages incurred by System Owner as a result of your default, plus (ii) any loss of income under any agreement between Owner and Program Fund with resulting for the remaining Term, discounted to net present value at a discount rate of 3% ("Income Loss"), plus (iii) reasonable compensation, on a net after tax basis assuming a tax rate of 35%, for the loss or recapture of (A) the investment tax credit equal to the percentage amount under then applicable tax laws of the System cost, including installation; and (B) accelerated depreciation over five (5) years in a percentage amount allowed under then applicable tax laws of the System cost, including installation, plus (iv) all taxes, late charges, penalties, interest and all or any other sums then accrued or due and owing; or
- use any other remedy available to us in this Agreement or by law.

We may submit to credit reporting agencies (credit bureaus) negative credit reports that would be reflected on your credit record if you do not pay any amounts due under this Agreement as required.

You agree to repay us for any reasonable amounts we pay to correct or cover your default. You also agree to reimburse us for any costs and expenses we incur relating to the System's return resulting from early termination. By choosing any one or more of these remedies, We do not give up any right to use another remedy. By deciding not to use any remedy should this Agreement be in default, we do not give up our right to use that remedy in case of a subsequent default.

#### **15. SYSTEM REMOVAL; RETURN**

At the end of the Term or the termination of this Agreement, if this Agreement has not been renewed or if you have not exercised your purchase option (if any) and you have not defaulted, then within ninety (90) days you agree to call us at the telephone number listed in the accompanying Disclosure Statement to schedule a convenient time for us to remove the System from your Property at no cost to you.

#### **16. APPLICABLE LAW**

This Agreement is made and entered into in the State of California, and shall in all respects be interpreted, enforced and governed under the laws of said State. The parties agree that the exclusive jurisdiction for any lawsuit related to or arising under this Agreement shall be in the Superior Court of California, County of San Diego, or the United States District Court for the Southern District of California. Each party waives any objection to jurisdiction and venue for any such lawsuit.

#### **17. WAIVER**

Any delay or failure of a party to enforce any of the provisions of this Agreement, including but not limited to any remedies listed in this Agreement, or to require performance by the other party of any of the provisions of this Agreement, shall not be construed to (i) be a waiver of such provisions or a party's right to enforce that provision; or (ii) affect the validity of this Agreement.

#### **18. NOTICES**

All notices under this Agreement shall be in writing and shall be delivered by personal delivery, facsimile transmission, electronic mail, overnight courier, or certified or registered mail, return receipt requested.

#### **19. ENTIRE AGREEMENT; CHANGES**

This Agreement contains the parties' entire agreement regarding the sale and purchase of power generated by the System. There are no other agreements regarding this Agreement, either written or oral. Any change to this Agreement must be in writing and signed by both parties. If any portion of this Agreement is determined to be unenforceable, the remaining provisions shall be enforced in accordance with their terms or shall be interpreted or re-written so as to make them enforceable.

#### **20. PUBLICITY**

You give us permission to take pictures of the System as installed on your Property to show to other customers, include in informational materials, include in promotional materials, and/or display on our website(s).

I have read this Agreement, including the Exhibits, in its entirety and agree to be bound by its terms. I also acknowledge that I have received a complete copy of this Agreement.

**Customer Name [Insert]:**

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

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

**Co-Property Owner's Name (if any): [Insert]**

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

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

**System Owner**

**PARTICIPATE.ENERGY LLC**, a Delaware limited liability company:

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

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

## INCENTIVE PRICING ADDENDUM

Special subsidized or incentive pricing may be available to you depending upon your ability to qualify for certain State of California programs or “Incentive Program(s)”.

By signing this Addendum, **you acknowledge** that the Incentive Programs are “first come, first served.”

Thus, **you further acknowledge** that signing this Addendum and applying for the Incentive Programs does not guarantee 1) your qualification for the Incentive Programs, or 2) the availability to you of any Incentive Program funds even if you qualify.

If you do not qualify for the Incentive Programs, partially or in whole for any reason, or there are no Incentive Program funds available to you, **you further acknowledge** that either of us may cancel your order and Participation without penalty, *unless* we otherwise agree to apply a normal, non-Incentive Program rate (i.e. the standard, then-applicable solar system and battery storage tariff), in which case this Agreement and your order and Participation will continue.

### You further acknowledge:

- You are only eligible for Incentive Pricing if you are a participant in Clean Energy Alliance.
- You may, depending upon your initial and ongoing eligibility/enrollment, qualify for incentives and/or discounts in the Program by and through your eligibility and qualification for participation in the Self-Generation Incentive Program of the California Public Utilities Commission (“SGIP”), the California Alternate Rates for Energy program (“CARE”), or the Family Electric Rate Assistance Program (“FERA”) (collectively, the “Incentive Programs”).
- Specifically, with respect to the Incentive Programs:
  - for SGIP, upon fully executing your Customer Order, Customer Agreement, SGIP Reservation Request Form and System Owner validating your most current utility bill confirms you are on an eligible CARE or FERA tariff – you consent that System Owner may submit your incentive reservation request. You further agree to comply in all respects with the requirements at any time of the SGIP and applicable, if any Qualified DR programs;
  - if required by the incentive program administrators, you consent to enroll in one of the approved demand response programs and further agree to comply in all respects with the requirements at any time of the foregoing programs or, alternatively, you consent to allow System Owner to enroll you, without any additional consent at the time of such enrollment, in the next most appropriate alternative Qualified DR program, as determined in System Owner’s sole discretion. You acknowledge and agree that the System will not be installed until you have been approved and accepted into one of the foregoing Qualified DR programs; and
  - you will only receive the stated, discount rate for the applicable Qualified DR program once (a) the System obtains PTO, and (b) System Owner has received the Qualified DR program rebate. If the System Owner does not, for whatever reason, receive the Qualified DR program rebate, then you will revert to the standard, then-applicable solar system and battery storage tariff.

### Applicable Rates and Terms

#### Price

Pricing is for solar and for battery with an annual escalator of 1.9% which increases the prices and goes into effect immediately after each 12 month period beginning the date the system began operating.

Pricing for solar and battery is calculated as:

For PV <10kW\*, the Price is \$0.070 / kWh

For PV ≥10kW\*, the Price is \$0.096 / kWh

### **Battery Sizing Guidelines**

For solar <10kW, customers are eligible for battery storage with capacity between 10 to 19 kWh  
For solar ≥10kW, customers are eligible for battery storage with capacity between 20 to 29 kWh  
\*solar must be sized at >80% offset to annual loads and ≥4kW to qualify

### **Installation Schedule**

Your system will not be installed until the System Owner secures certain government incentives. This might cause day for day delays to your installation schedule.

### **Special Agreement Termination Right**

Your rate is contingent upon your System qualifying for and System Owner securing and receiving incentives under the Self Generation Incentive Program Equity program (SGIP E). One qualification for SGIP E is active enrollment in either CARE or FERA which is notated on your utility bill. A second qualification is enrollment in a qualifying Demand Response program as listed in the most current SGIP policy documentation, if applicable. If System Owner is not able to secure SGIP E incentives for any reason, the System Owner may terminate this Agreement without cause by providing a written notice to you.

I have read and acknowledge this Incentive Pricing Addendum in its entirety.

**Customer:**

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Signature

Name/Title:

**Participate.Energy, LLC:**

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Signature

Name/Title: Ethan Friedman, Managing Director

## **SOLAR ENERGY SYSTEM DISCLOSURE DOCUMENT**

**This disclosure shall be printed on the front page or cover page of every solar energy contract for the installation of a solar energy system on a residential or commercial building.**

**The UPFRONT COST for the solar energy system is: \$0.00. The ongoing monthly fee is \$xx and/or energy rate per KWh (year one) is \$0.xx, with x% annual escalator.**

**To make a complaint against a contractor who installs this system and/or the home improvement salesperson who sold this system, contact the Contractors State License Board (CSLB) through their website at [www.cslb.ca.gov](http://www.cslb.ca.gov) (search: "complaint form"), by telephone at 800-321-CSLB (2752), or by writing to P.O. Box 26000, Sacramento, CA 95826.**

**If the attached contract was not negotiated at the contractor's place of business, you have a Five-Day Right to Cancel the contract, pursuant to *Business and Professions Code* (BPC) section 7159, as noted below. For further details on canceling the contract, see the Notice of Cancellation, which must be included in your contract.**

### **Five-Day Right to Cancel**

**You, the buyer, have the right to cancel this contract within five business days. You may cancel by e-mailing, mailing, faxing, or delivering a written notice to the contractor at the contractor's place of business by midnight of the fifth business day after you received a signed and dated copy of the contract that includes this notice. Include**

**your name, your address, and the date you received the signed copy of the contract and this notice.**

*This document was developed through coordination of the California Contractors State License Board and the California Public Utilities Commission pursuant to Business and Professions Code section 7169.*

## Installation Order and Solar Plus Program Terms

**\*\*\*PLEASE READ\*\*\***

Thank you for your participation in the Solar Plus Program (the "Program")! Please carefully review this Installation Order and Solar Plus Program Terms ("Order").

Now that we have completed your order for your solar and or battery energy storage system (all of which we call your "System" below), the next step is to prepare for and schedule installation of your System.

In the meantime, this Order contains some basic terms we need you to agree to in order to make sure we are on the same page (and along with this document are some required disclosures for you to review as well). We look forward to working with you!

The Installer and System Owner names and contact information can be found on the SOLAR POWER PURCHASE & ENERGY STORAGE SERVICES AGREEMENT ("PPA/ESA") you executed related to this System.

**\*Please note that any references in this document to "you" or "your" shall mean and include, jointly and severally, the Customer and Customer's spouse (if applicable) who signed this document.**

- Your Program Participation.** You agree to participate in the Program on the terms set forth herein in this Order and the PPA/ESA with Clean Energy Alliance and to enroll in the applicable Solar Plus Program ("Participation"). Participation means you agree to allow Installer to install the System on your home ("Site"), to provide Site access for regular operation and maintenance of the System, and to purchase an equivalent amount of power generated by the System during the term of your Agreement. You have five (5) days after you agree to these terms to revoke your Participation. If you don't do so, or if you move forward with scheduling your installation, that means you are agreeing to these Program Terms.
- Updates to Participation Sheet.** Even though we have completed an initial design of the System, we might need to make changes to that design, which also means we might need to update the System size, the estimated System production, or the Agreement rate based on a variety of factors, such as installation complexity or product availability. We can make minor adjustments to the size of the System provided that it does not impact projected system production by more than 20%. Your Agreement rate may increase in accordance with the Program terms depending upon the scope of any required pre-installation work required to accommodate your System. If a change is expected to impact either A) System production by more than 20% or B) your PPA/ESA rate, we will update the terms of your Participation. You have 7 days after you receive the updated terms to reject them. If you don't reject them, or if you move forward with scheduling your installation, that means you are agreeing to the updated Participation terms and authorize us to develop and submit permit packets and otherwise prepare for your upcoming installation. The updated Participation terms replaces any prior terms we have agreed upon.
- Cancellation.** At any point prior to the time when we 1) scheduled your installation for residential Systems, or 2) received your approval to begin engineering, procurement, and construction activities ("Notice to Proceed") in writing, either of us can cancel your order and participation for any reason or no reason at all, provided that we let the other know in writing prior to the effective date of cancellation (so there is no misunderstanding). In addition, either of us may cancel your order and participation if you do not qualify for the Incentive Programs, as that term is defined below in Section 10.
- Permission to Operate.** Installer's work includes ensuring that the System obtains permission to operate ("PTO") from your utility, provided that PTO is required for the System. There can sometimes be delays in obtaining PTO. Installer will work with you and your utility to try to minimize such delays. Subject to regulation, policy and code, Installer and System Owner may begin operating your System

in “non-export mode” prior to PTO, whereby your property will benefit from the operation of the System and you consent in such a case that you will therefore begin to be invoiced.

6. **Homeowner’s Association and any other Approvals.** You are responsible for getting any required approvals and authorizations for installing the System from entities *other than* from the Utility, Building and Safety Departments, or local government agencies. If your home is governed by a homeowner’s association or similar community organization, you are responsible for obtaining any required approvals and authorizations for the System.
7. **Installation.** We will contact you to schedule installation of the System. During installation, we might choose to make minor repairs commonly needed to install the System (like simple electric upgrades and roof preparation). We promise to repair or pay for damage we negligently cause to your home or your property during installation of the System (and that will be your only remedy). You need to let us know in writing of any damage within 1 year of installation.
8. **Equipment Limited Warranties.** During the term of your participation, any manufacturers’ limited warranties accrue to Participate.Energy, LLC (the “System Owner”) as the owner of the System. If you (or a subsequent owner of your home) exercise an option to purchase the System, any then-valid and assignable manufacturers’ limited warranties will be assignable to you (or the subsequent owner). Solar panels, inverters, and battery energy storage systems come with a warranty from their manufacturers. We reserve the right make warranty claims on any or all System components. In all cases, System Owner shall maintain the System during the term of your PPA/ESA, initially 25 years, and replace System components as and when needed, but not when the need for such replacement is caused by you, your guests, or your invitees.
9. **Site Access, Remote Monitoring and Firmware Upgrades.** You agree that the Installer and the System Owner can access the System, including remotely, to monitor its performance, perform diagnostics and upgrade firmware. You also hereby grant to the Installer, the System Owner, and their respective agents, employees, contractors and the utility a non-exclusive license running with the Site for access to, on, over, under and across the Site the date of the Order until the date that is ninety (90) days following the date of expiration or earlier termination of this Order (the “License Term”), for the purposes of performing all of the Program-related obligations and enforcing all of the Program-related rights set forth in this Order and otherwise as required in order to effectuate the purposes of the Program. During the License Term, you shall preserve and protect the parties’ rights under the Licenses and access to the Site and shall not interfere, or permit any of your guests, invitees, or third parties under your control to interfere, with such rights or access. You agree that either Installer or the System Owner may record a customary memorandum of license in the land records respecting the Licenses.
10. **Grid Services.** You agree System Owner may automatically and without additional consent, enroll your System in any grid service, virtual power plant or other use, if applicable, which does not benefit the property where your System is installed (“Grid Service(s)”), under the condition that System Owner, at minimum, makes you whole for any reduction of utility bill savings you would have otherwise received on your utility bill if your System wasn’t otherwise used for such Grid Services. You may not enroll the System into any other Grid Services without System Owner’s prior written consent.  
Customer Initial: \_\_\_\_\_
11. **Incentive Programs.** Special subsidized or incentive pricing may be available to you depending upon your ability to qualify for certain State of California programs (“Incentive Program(s)"). **In such a case, you will be required to review and execute the “Incentive Pricing Addendum” attached to the PPA/ESA (the “Addendum”).** You acknowledge that the Incentive Programs are “first come, first served.” Thus, you further acknowledge that signing the Addendum and applying for the Incentive Programs does not guarantee 1) your qualification for the Incentive Programs, or 2) the availability to you of any Incentive Program funds even if you qualify.  
**NOTE: If you do not qualify for the Incentive Programs, partially or in whole for any reason, or there are no Incentive Program funds available to you, you further acknowledge that either of us may cancel your order and participation without penalty, unless we otherwise agree to apply a normal, non-Incentive Program rate (i.e. the standard, then-applicable solar system and battery storage tariff), in which case the PPA/ESA and this Order and Participation will continue.**
12. **Intellectual Property.** System Owner owns all patents, trademarks, copyrights, trade secrets and any other intellectual property rights associated with developing, financing, engineering, procuring

or constructing the System. System Owner gives you a limited, non-exclusive, revocable license to use any software embedded in the System solely to the extent necessary in connection with the use and operation of the System.

13. **Privacy and Confidentiality.** Information developed by, or shared with, Installer or System Owner in accordance with this Program will be governed by System Owner's Privacy Policy located in the footer of System Owner's website at [www.participate.energy](http://www.participate.energy). You agree that we may share your information with Clean Energy Alliance, the System Owner, your utility provider and our respective service providers, business partners and affiliates.
14. **Limitation of Liability.** If there is a dispute, the maximum amount that either of us will have to pay the other is the replacement cost of the System for anything arising out of these Program terms. Also, neither of us will have to pay the other for any indirect, special, consequential, or punitive damages.
15. **Governing Law.** These Program terms are governed by the laws of the State where your System is installed.
16. **Notices.** You can find applicable lien notices, certain warnings required by law, and details of our insurance attached to these purchase terms.

17. **Agreement to Arbitrate.** *Please read this part carefully because it means you are agreeing that any unresolved dispute between you and the System Owner, or the Installer will not be decided by a judge or jury in a public courtroom, but instead by a single arbitrator in a private arbitration.*

If you have a dispute with Participate.Energy, LLC, PE Operations, LLC, or Installer or Installer's affiliates or any party participating in the Program **arising out of or relating to any aspect of this Order, the PPA/ESA, or your Participation in this Program**, please send us an email to [notices@participate.energy](mailto:notices@participate.energy), describing your dispute and how you would like it resolved. If it is not resolved within 60 days from the date of your email, you agree that your dispute can only be resolved by a single arbitrator in an arbitration administered by the American Arbitration Association (AAA) under its Consumer Arbitration Rules. This includes claims arising before you ordered your System (such as claims related to statements Installer made about products and your System). We will pay all AAA fees for any arbitration, which will be held in the city or county of your legal residence. To learn more about the Rules and how to begin an arbitration, you can call any AAA office or go to [www.adr.org](http://www.adr.org). The arbitrator can only resolve disputes between you and the System Owner and the Installer, and cannot consolidate claims from others without consent from you, the System Owner, the Installer, and any others. You can only bring claims in arbitration against the System Owner or the Installer in your individual capacity and not as a plaintiff or class member in any class or representative action (and the same is true for the System Owner and the Installer). If a court or arbitrator decides that any part of this agreement to arbitrate cannot be enforced as to a specific claim for relief or remedy (such as what lawyers call "injunctive" or "declaratory" relief), then that claim or remedy (and only that claim or remedy) will be carved out of the arbitration and can be filed in court; all other claims must be arbitrated. If you prefer, you can take your individual dispute to a small claims court instead provided your claim(s) meet the jurisdictional requirements for small claims court. If you don't want to agree to arbitration, you can "opt out" of arbitration by sending us a letter within 30 days after placing your initial order for your System. Please send the letter to [notices@participate.energy](mailto:notices@participate.energy), or Participate.Energy, 440 N Barranca Ave #8854, Covina, CA 91723 and include your name, your order number, the name of the product you ordered, and a statement explaining your desire to opt out of arbitration. If you do not opt out, your agreement to arbitrate overrides any different arbitration agreement between us, including any arbitration agreement in a contract involving another Installer or Clean Energy Alliance product or service.

## Solar Plus Program Participation Sheet

### Customer & Notice information and installation location

Customer Name

2<sup>nd</sup> Customer Name (if applicable)

Street Address

City, State, Zip

Phone

Email

### Property / Installation Location

Street Address

City, State, Zip

### System Owner Information

Participate.Energy, LLC. 440 N Barranca Ave #8854, Covina, CA 91723

Email: notices@participate.energy

### Installer Information

Installer Name

Street Address

City, State, Zip

Phone

Email

CA CSLB Number

Notice Address

Street Address

City, State, Zip

Email

## System

### Solar:

Nameplate Capacity: [X kW]

Solar Modules: Quantity x [brand name] [product name] [wattage]

### Battery Energy Storage System:

Nameplate Capacity: [X kW / X kWh]

Battery: Quantity x [brand name] [product name]

### Inverter:

Quantity x [brand name] [product name] [rating] [model]

### Mounting/Racking:

Quantity x [brand name] [product name] [model]

## Approximate Installation Start Date

For residential systems, 30-180 days from contract signing.

## Approximate Substantial Completion Date

7- 180 days from the day installation begins

## Signature

Customer

Contractor

\_\_\_\_\_

Name:

Date:

2<sup>nd</sup> Name (if applicable):

Date:

\_\_\_\_\_

Name:

Title:

**Exhibit 1**

**Cancellation Rights**

**(Participate.Energy LLC. COPY)**

**NOTICE OF CANCELLATION  
STATUTORILY-REQUIRED LANGUAGE  
Notice of Cancellation**

**Date of Transaction:**

**You may CANCEL this transaction, without any penalty or obligation, within FIVE BUSINESS DAYS (CA CUSTOMERS ONLY) from the above date.**

**To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice, or any other written notice to Participate.Energy LLC (notices@participate.energy) or mail a copy to Participate.Energy, LLC. 440 N Barranca Ave #8854, Covina, CA 91723 NO LATER THAN MIDNIGHT of the date that is FIVE BUSINESS DAYS from the date you signed the Order.**

**I, \_\_\_\_\_, hereby cancel this transaction on \_\_\_\_\_ [Date].**

**Customer's Signature:**

\_\_\_\_\_

**Customer's Signature:**

\_\_\_\_\_

**(CUSTOMER COPY)**

**NOTICE OF CANCELLATION  
STATUTORILY-REQUIRED LANGUAGE**

**Notice of Cancellation**

**Date of Transaction:**

**You may CANCEL this transaction, without any penalty or obligation, within FIVE BUSINESS DAYS (CA CUSTOMERS ONLY) from the above date.**

**To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice, or any other written notice to Participate.Energy LLC (notices@participate.energy) or mail a copy to Participate.Energy, LLC. 440 N Barranca Ave #8854, Covina, CA 91723 NO LATER THAN MIDNIGHT of the date that is FIVE BUSINESS DAYS from the date you signed the Order.**

I, \_\_\_\_\_, hereby cancel this transaction on \_\_\_\_\_ [Date].

**Customer's Signature:**

\_\_\_\_\_

**Customer's Signature:**

\_\_\_\_\_

## Exhibit 2

### Change Order and Insurance Requirements

**Extra Work and Change Orders.** Extra Work and Change Orders become part of the contract once the order is prepared in writing and signed by the parties prior to commencement of any work covered by the new change order. You may not require the Installer to perform extra or change-order work without providing written authorization prior to the commencement of work covered by the new change order. Extra work or a change order is not enforceable against you unless the change order also identifies all of the following in writing prior to the commencement of work covered by the new change order: (i) the scope of the extra work or change, (ii) the cost to be added or subtracted from the contract; and (iii) the effect the order will have on the schedule of progress payments or the completion date. Notwithstanding this provision, the Installer shall have the right to substitute System equipment without Customer's agreement, so long as that substitution adds no extra cost to the project and does not materially affect the System's performance. The Installer failure to comply with the requirements of this paragraph does not preclude the recovery of compensation for work performed based on legal or equitable remedies designed to prevent unjust enrichment.

**Insurance.** Installer carries the following insurance applicable to the work being performed under this Order:

- Commercial General Liability Insurance (CGL). Installer carries commercial general liability insurance with coverage amounts that meet or exceed those required by law.
- Workers' Compensation Insurance. Installer carries workers' compensation insurance for all employees in compliance with law.
- Automobile Insurance. Installer carries automobile insurance for all employees in compliance with law.

## Additional Notices

### California

**CALIFORNIA CONTRACTOR LICENSING INFORMATION:** CSLB is the state consumer protection agency that licenses and regulates construction contractors. Contact CSLB for information about the licensed contractor you are considering, including information about disclosable complaints, disciplinary actions and civil judgments that are reported to CSLB. Use only licensed contractors. If you file a complaint against a licensed contractor within the legal deadline (usually four years), CSLB has authority to investigate the complaint. If you use an unlicensed contractor, CSLB may not be able to help you resolve your complaint. Your only remedy may be in civil court, and you may be liable for damages arising out of any injuries to the unlicensed contractor or the unlicensed contractor's employees. For more information:

- Visit CSLB's Internet website at [www.cslb.ca.gov](http://www.cslb.ca.gov)
- Call CSLB at 800-321-CSLB (2752)
- Write CSLB at P.O. Box 26000, Sacramento, CA 95826

### **MECHANICS' LIEN RELEASES** (if applicable)

Upon satisfactory payment for any portion of the work performed, Installer shall, prior to any further payment, furnish to Customer a full and unconditional release from any potential lien Claimant claim or mechanics' lien pursuant to Sections 8400 and 8404 of the California Civil Code for that portion of the work for which payment has been made.

### **CALIFORNIA MECHANICS LIEN WARNING:**

**NOTICE TO PROPERTY OWNER:** If bills are not paid in full for the labor, services, equipment, or materials furnished or to be furnished, a mechanic's lien leading to the loss, through court foreclosure proceedings, of all or part of your property being so improved may be placed against the property even though you have paid your contractor in full. You may wish to protect yourself against this consequence by (1) requiring your contractor to furnish a signed release by the person or firm giving you this notice before making payment to your contractor or (2) any other method or device that is appropriate under the circumstances.

Anyone who helps improve your property, but who is not paid, may record what is called a mechanics lien on your property. A mechanics lien is a claim, like a mortgage or home equity loan, made against your property and recorded with the county recorder.

Even if you pay your contractor in full, unpaid subcontractors, suppliers, and laborers who helped to improve your property may record mechanics liens and sue you in court to foreclose the lien. If a court finds the lien is valid, you could be forced to pay twice or have a court officer sell your home to pay the lien. Liens can also affect your credit.

To preserve their right to record a lien, each subcontractor and material supplier must provide you with a document called a 'Preliminary Notice.' This notice is not a lien. The purpose of the notice is to let you know that the person who sends you the notice has the right to record a lien on your property if he or she is not paid.

**BE CAREFUL.** The Preliminary Notice can be sent up to 20 days after the subcontractor starts work or the supplier provides material. This can be a big problem if you pay your contractor before you have received the Preliminary Notices.

You will not get Preliminary Notices from your prime contractor or from laborers who work on your project. The law assumes that you already know they are improving your property.

**PROTECT YOURSELF FROM LIENS.** You can protect yourself from liens by getting a list from your contractor of all the subcontractors and material suppliers that work on your project. Find out from your contractor when these subcontractors started work and when these suppliers delivered goods or materials. Then wait 20 days, paying attention to the Preliminary Notices you receive.

**PAY WITH JOINT CHECKS.** One way to protect yourself is to pay with a joint check. When your contractor tells you it is time to pay for the work of a subcontractor or supplier who has provided you with a Preliminary Notice, write a joint check payable to both the contractor and the subcontractor or material supplier.

For other ways to prevent liens, visit CSLB's Internet Web site at [www.cslb.ca.gov](http://www.cslb.ca.gov) or call CSLB at 800-321-CSLB (2752).

**REMEMBER, IF YOU DO NOTHING, YOU RISK HAVING A LIEN PLACED ON YOUR HOME.** This can mean that you may have to pay twice, or face the forced sale of your home to pay what you owe.

**Exhibit 3**  
**Preliminary Site Plan**

**[Insert]**

## Exhibit 4

### Renewable Energy Credit Agreement

1. **Introduction.** This Renewable Energy Credit Agreement (this "REC Agreement") is between Participate.Energy, LLC ("System Owner" or "we") and you ("Customer") concerning the Environmental Attributes associated with the electricity generated by the photovoltaic system ("Solar System"), which System Owner owns and operates which is installed on your property pursuant to your agreement to participate in the Solar Plus Program. "Environmental Attributes" are commonly referred to as renewable energy credits ("RECs") and include all solar renewable energy credits, carbon offset credits, green tags, and other similar credits and benefits, however named, generated by or associated with the Solar System. Environmental Attributes do not include electricity or tax credits.

2. **Ownership.** You recognize that you will not own the Environmental Attributes to sell, use or claim, and a third party may have the right to claim clean, green or renewable energy based on its purchase of Environmental Attributes from your Solar System.

3. **Your Obligations.** You agree to cooperate with the System Owner of the System to allow the System Owner (and any party to which the Environmental Attributes have been sold or transferred) to claim the Environmental Attributes, including, but not limited to taking the following actions:

- a. To the extent allowable by law, enter into net metering agreements and interconnection agreements for the Solar System;
- b. Promptly, but in no case more than 7 days after an initial request, sign and/or file documentation in connection with the registration and/or transfer of the Environmental Attributes to any party to which the Environmental Attributes have been sold or transferred;
- c. Maintain and make available, at your cost, a functioning indoor internet connection with the understanding that an intermittent internet connection (which includes but is not limited to temporary wireless hotspots) will not satisfy this obligation;
- d. Allow the System Owner of the System, its agent or subcontractor to monitor and report the Solar System's production;
- e. Upon reasonable prior written notice, provide System Owner and/or its designees, with access to the System for inspections and maintenance;
- f. Maintain the Solar System in good working condition; and
- g. Maintain the Solar System's interconnection to the local electric utility.

Additionally, you understand that by you will have no right to sell the Environmental Attributes, or any component thereof, to any other party.

4. **Remedies.** If you fail to comply with the obligations set forth in Section 3 within 30 days after written notice to you, and that failure results in any disruption in the production of Environmental Attributes or the System Owner's ability to claim, transfer, or otherwise make use of the Environmental Attributes, System Owner will have the right to invoice and collect from you an amount equal to System Owner's direct, actual damages resulting from such disruption. In no case, however, will you be liable to System Owner under this REC Agreement for amounts in excess of the REC Credit.

5. **Third-Party Beneficiaries.** We each agree that the owner(s) of the Solar System and the Environmental Attributes is/are intended third-party beneficiary(ies) of this REC Agreement.

I have read this REC Agreement in its entirety and I acknowledge that I have received a complete copy of this REC Agreement.

**Customer:**

---

Signature

Name/Title:

**Participate.Energy, LLC:**

---

Signature

Name/Title: Ethan Friedman, Managing Director

**Attachment C**  
**Work Standards**

All materials, equipment, supplies, and any other items incorporated into the Work shall be new, and all Work shall (a) be of good and workmanlike quality generally, and specifically according to the standards of care and diligence generally practiced by solar engineering, construction, installation, and roofing companies when designing, building, and/or installing photovoltaic solar power with optional incorporated energy storage systems; (b) be in strict conformance with the Order and plans and specifications applicable thereto, all applicable local and state building codes and standards, and other local, state, and federal governmental and agency laws, rules, regulations, requirements, and agreements as may be applicable thereto; and (c) pass all applicable state, local, or federal governmental or agency inspections. Designation of any manufactured articles, implement, equipment, or series thereof in the plans or specifications by name, trade name, or manufacturer's name establishes a standard of merit and quality, and Subcontractor shall not be entitled to use a substitute of any such item unless it meets or exceeds such standards and is approved in writing by The Program Fund Manager. If Subcontractor initiates a substitution, deviation, or change without the written consent of The Program Fund Manager and such substitution, deviation, or change affects the scope of the Work or the expense of other trades, Installer shall be liable for the expense thereof.

**Attachment D**  
**Installer Insurance Requirements**

**General Obligations.** The Program Fund Manager shall require Installer to maintain in effect the insurance coverages referenced herein either: (a) with responsible insurance carriers with a Best Insurance Reports rating of "A-" or better; or (b) through a formal self-insurance mechanism that has either (i) a Best Insurance Reports rating of "A-" or better, or (ii) a financial size category of "VI" or higher, provided, that if such self-insurance program does not meet either (i) or (ii), then the party's use of self-insurance for the coverages herein shall be subject to the other party's approval, not to be unreasonably withheld, conditioned, or delayed. The below limits may be adjusted upon mutual agreement of the Parties.

**1. Commercial General Liability Insurance.**

**1.1. Limits.**

- 1.1.1. \$1,000,000 each occurrence or per claim, combined single limit for third party bodily injury or property damage.
- 1.1.2. \$2,000,000 general aggregate.
- 1.1.3. \$2,000,000 products/completed operations aggregate.

**1.2. Coverages.**

- 1.2.1. The total required limits for liability coverage required herein may be met by combination of Primary and Umbrella or Excess Liability policies.
- 1.2.2. Include the other Party as additional insured.

**2. Business Automobile Liability or Similar Insurance.**

**2.1. Limits.**

- 2.1.1. \$1,000,000 combined single limit for third party bodily injury or property damage.

**2.2. Coverages.**

- 2.2.1. Coverage with respect to any and all vehicles of installer whether owned, hired, leased, borrowed, or non-owned, assigned to or used in connection with the Work performed under this Agreement.
- 2.2.2. Include the other party as additional insured.

**3. Workers Compensation and Employers Liability Insurance.**

**3.1. Limits.**

- 3.1.1. Workers Compensation – as required by state or federal laws. Each Party may waive Workers' Compensation Insurance requirements if the insured is a qualified self-insured in the state in which the Work is performed.
- 3.1.2. Employers Liability.
  - \$1,000,000 bodily injury for each accident.
  - \$1,000,000 bodily injury by disease for each employee.
  - \$1,000,000 bodily injury by disease policy limit.

**4. Other Requirements**

- 4.1. All policies shall include a waiver of subrogation, where permitted by law. This release and waiver shall be null and void if such loss or damage may have been caused by the sole or gross negligence of the other party. If one party's insurance carrier prohibits waiver of subrogation, then each party's release and waiver shall become null and void as each waiver is given in consideration for the other.
- 4.2. Each party shall give the other party prior written notice in the event of cancellation, termination or for non-payment of premium of any policy required to be obtained under Attachment.
- 4.3. Prior to commencing any work, and upon each renewal of insurance during the term of the Agreement, Installer shall provide certificates of insurance with endorsements evidencing the required insurance as required by this Agreement. All certificates shall be executed by a duly authorized representative.

5. **Subcontractor Requirements.** The Program Fund Manager shall require Installer and each of its subcontractors performing Work at the Site to maintain insurance coverage in accordance with the insurance requirements of Installer's standard subcontract, supplier or designer agreements, as applicable.

**ATTACHMENT E**

**INSTALLER FRAMEWORK PROGRAM AGREEMENT**

This **Installer Framework Program Agreement** (this “**Agreement**”) is entered into as of [\_\_\_\_\_, 202X] (the “**Effective Date**”), among the parties listed below (each, a “**Party**” and together the “**Parties**”). This Agreement comprises, and the term “Agreement” shall include (i) the Key Terms set out below (the “**Key Terms**”), (ii) the **Program Terms and Conditions** set out in Schedule 1, and (iii) any and all agreements, guidelines, or policies currently in the private, secure, web-accessible portal that can be accessed at <https://participate.energy> (collectively, the “**Portal**” or “**Portal Documents**”).

**NOTE: The Key Terms, Program Terms and Conditions, and Portal Documents are incorporated by reference into one another and intended to be considered together. In the event of any conflict in terms, the order of precedence shall be (1) Key Terms, (2) Program Terms and Conditions, and (3) the Policies in the Portal Documents.**

<b><u>Key Terms</u></b>	
This Agreement sets out the terms and conditions on which the Installer listed below shall (i) sell to potential, qualified customers (“ <b>Customers</b> ”) solar PV systems or battery energy storage products (“ <b>System</b> ”), (ii) provide product and product installation support for the System, and (iii) sell finished Systems to Participate.Energy, LLC (“ <b>The Program Fund Manager</b> ”) for The Program Fund Manager’s sale of energy from the Systems.	
<b><u>Parties:</u></b>	
<b>Installer:</b>	[VARIABLE]
<b>The Program Fund Manager:</b>	Participate.Energy, LLC, a Delaware limited liability company [or such special purpose entity as may be formed]
<b><u>Approved Members:</u></b>	
<b>Member:</b>	Clean Energy Alliance
<b><u>Framework Agreement Term:</u></b>	
<b>Term:</b>	The period commencing on the Effective Date and ending on the second (2 <sup>nd</sup> ) anniversary of the Effective Date (the “ <b>Term</b> ”), which shall automatically be extended for additional, one-year periods upon the expiration of the then-current Term unless terminated early in accordance with this Agreement.
<b><u>Notices:</u></b>	
<b>Installer Notice Address:</b>	[Insert Installer address]
<b>Installer Address for submission of Purchase Orders:</b>	orders@participate.energy
<b>The Program Fund Manager Notice Address:</b>	Participate.Energy, LLC Attn: Ethan Friedman c/o Virtual Post Solutions, Inc. 2093 Philadelphia Pike #3125 Claymont, DE 19703 notices@participate.energy

<b><u>NDA:</u></b>	
<b>NDA:</b>	The non-disclosure agreement dated [MMM DD, YYYY] between Installer and The Program Fund Manager.
<b><u>Attachments:</u></b>	
<b>Schedule 1:</b>	Program Terms and Conditions

[signatures on following page]

**\*\*\*IMPORTANT NOTICES\*\*\***

Each Party to this Agreement affirms and acknowledges by its signature hereto that (i) it has reviewed the Portal Documents as of the Effective Date, and (ii) the Party expressly acknowledges and agrees to each and every term in the Portal Documents.

Each Party to this Agreement further affirms and acknowledges its agreement to receive, during the Term and after the Effective Date, any and all amendments, notifications, notices, and the like (collectively, the "Portal Updates") by and through the Portal, and that the Party's acceptance of same shall be established through its electronic assent (including by email if needed) and acknowledgment of the Portal Updates.

EXECUTED by the Parties on the Effective Date.

<b>[INSTALLER]</b>	<b>PARTICIPATE.ENERGY, LLC</b>
_____ (SIGNATURE)	_____ (SIGNATURE)
_____ (PRINT NAME)	_____ (PRINT NAME)
_____ (PRINT TITLE)	_____ (PRINT TITLE)

**Schedule 1**  
**Program Terms and Conditions for Installer**

19. **Definitions.** In addition to those terms already defined in the Key Terms, the following definitions apply:

- (a) **“Final Completion Turnover Package”** shall mean and refer to that certain “Final Completion Turnover Package” located on the Portal.
- (b) **“Installer Insurance Requirements”** shall mean and refer to those certain “Installer Insurance Requirements” as updated, modified, and/or amended from time to time, either as a form template or for each Customer, all as located on the Portal.
- (c) **“Installer Products”** means a traditional solar system and/or a battery energy storage product as described in detail in each Order. A traditional solar system means and refers to a solar photovoltaic generating system comprising of solar modules, an inverter and various balance of system components. A battery energy storage product means and refers to an energy storage system approved by The Program Fund Manager to be installed as part of the System. The current list of approved Installer Products is available in the Portal.
- (d) **“Order(s)”** shall mean and refer to that certain fully and accurately executed “Installation Order and Program Terms” and that certain “Solar Power Purchase & Energy Storage Services Agreement,” all as updated, modified, and/or amended from time to time, either as a form template or for each Customer, all as located on the Portal.
- (e) **“Work Standards”** shall mean and refer to those certain “Work Standards” as updated, modified, and/or amended from time to time, as located on the Portal.

20. **The Program.** The objective of the **“Program”** is to deploy eligible Systems with a target of 500 MW of direct current capacity on commercial and industrial properties throughout the territorial boundaries of Member and the Community Choice Aggregation (**“CCA”**) service territories managed by Member or its CCA partners (the **“Territory”**). Installer’s obligations with regard to the Program and System are set forth in this Agreement.

21. **Orders.**

- (a) For each Order, Installer shall design, procure, deliver, install and commission the System at the **“Site”** identified in each Order in accordance therewith and the Work Standards. The Program Fund Manager will not purchase and has no obligation to purchase Systems that do not comply with all requirements outlined in this Agreement and within the Portal.
- (b) Installer shall review each submitted Order to ensure that it tracks the Program criteria. Each Order must also meet the **“Site Eligibility”** criteria set forth and made available in the Portal. If Installer reasonably believes that the Order does not track the Program criteria, it will immediately notify The Program Fund Manager. Installer may, in its discretion, subcontract with engineering, procurement, construction, and installation or **“EPC”** contractors, but Installer acknowledges that doing so shall not limit its obligations under this Agreement.
- (c) Installer shall assess and determine Customer eligibility for the Program. To be eligible for participation in the Program, a Customer must: (i) own an existing property or have written consent from the property owner to enter the Program per a “Lease Rider” on the Portal, (ii) be an existing participant, or agree to become a participant, in the Program with the Member utility, (iii) agree to host a System installed on the property and to provide The Program Fund Manager, as System owner, and its agents with a non-exclusive license for access to the Site for the entire term of the Customer’s participation in the Program for the purposes operating and maintaining the System; (iv) Installer, System and Customer are in compliance with all applicable Policies in the Portal; and (v) fully and accurately execute the most current and approved form of “Solar Power Purchase & Energy Storage Services Agreement” and “Installation Order and Program Terms”.

- (d) Customers may, depending upon initial and ongoing eligibility, qualify for incentives and/or discounts by and through the Customer's or System's eligibility and qualification for participation in those incentives (each, an "Incentive" and collectively, the "Incentives" or "Incentive Programs"). Additional obligations of the Customer or Installer for these Incentive Programs are set forth in the applicable Solar Power Purchase & Energy Storage Services Agreement and Incentive Pricing Addendum on the Portal, provided that the Installer shall be responsible for ensuring Customer eligibility under the Incentive Programs in Installer's installation of the qualifying Customer's System. Installer is also responsible for securing, managing, processing and executing on all tasks and requirements for the Incentive to be fully-earned and received by either The Program Fund Manager or Customer, as directed by The Program Fund Manager. For the avoidance of doubt, the Installer is responsible for all elements of the Incentive until the Incentive is realized and received by its intended recipient unless otherwise approved by The Program Fund Manager. **Orders for which Customers fail to qualify for Incentives required to receive special rates shall automatically be terminated at no cost to Customer or The Program Fund Manager.**
- (e) Installer shall install Systems subject to this Agreement using equipment approved by The Program Fund Manager in the approved vendor list policy available on the Portal. Installer shall provide or cause the original equipment manufacturer to provide, Member and The Program Fund Manager with a complete software integration, permissions and access (at no cost) to allow all Systems to be monitored and controlled remotely and in an aggregated fashion or as independent distributed energy resources ("DER Assets"). For clarity, Installer shall not charge any fees or require any other form of compensation to provide The Program Fund Manager complete control and benefit from monetizing DER Assets covered under this Agreement.

22. Pricing; Order Payment.

- (a) Pricing. System pricing is set forth in each Order. System size or design may be adjusted by Installer, with The Program Fund Manager's written approval, based on a variety of factors, including installation complexity or product availability, provided that the pricing remains at or below the pricing set in each Order. To the extent that Installer is affected by any force majeure circumstances set forth in Section 12 herein, Installer shall provide to The Program Fund Manager a change order detailing the adjustment it believes is warranted. If such change order is rejected, Installer has the right to terminate the Order with no penalty to the Installer.
- (b) Order Payment. The price for the work performed by Installer under each Order shall be identified in that Order. Installer shall invoice The Program Fund Manager according to any terms and conditions, including without limitation any milestone schedule(s), set forth in each Order. The Program Fund Manager shall pay 85% of the contract price for each Order (plus applicable taxes) upon (i) completed inspection of the work performed, with such inspection determined and carried out to the sole satisfaction of The Program Fund Manager, and (ii) the receipt of The Program Fund Manager of any and all supporting documentation requested of the Installer. Installer shall pay any balance due and owing on the Order within thirty (30) days of The Program Fund Manager's acceptance of "Final Completion" (which as used herein means the Installer's completion of all work, issuance of all final permits for the System, and the System's receipt of Permission to Operate or "PTO") and the existence of a Final Completion Turnover Package approved by The Program Fund Manager.

23. Title; Risk of Loss; System Purchase by Fund. Title to and risk of loss for any final, built System shall pass from Installer to The Program Fund Manager upon (i) The Program Fund Manager's acceptance of Final Completion (as defined above) and the existence of a Final Completion Turnover Package approved by The Program Fund Manager, and (ii) receipt of payment by The Program Fund Manager in accordance with the Order. To facilitate title transfer, Installer agrees to execute any documents required by The Program Fund Manager, including without limitation any bill of sale.

24. Permits. Installer shall bear the obligation and cost to obtain and maintain all permits required for Installer to install each System (the "Permits").

25. Installation.

- (a) Work Standards. Installer, or its subcontractors, shall perform the work according to the stricter of prevailing industry standards and the Work Standards, exercising the reasonable skill and care of an installation contractor and in accordance with all applicable laws, regulations and permits applicable to the work.
- (b) Subcontractors. Installer shall be responsible for all work performed by, and acts or omissions of, each subcontractor and shall ensure that all subcontractors are licensed as required by applicable law.
- (c) Safety. Installer shall ensure that all Installer employees and subcontractors comply with Installer and Customer's safety procedures and requirements while on Sites during performance of the work.
- (d) Liens. To the extent permissible by law, Installer shall save and protect each Site from and against the imposition of any mechanics', materialmen's or other lien(s) against such Site, arising out of or pertaining to the subject of this Agreement, and will cause each such lien to be fully discharged and released at the time the performance of any obligation secured by any such lien matures or becomes due.

26. Failure to Perform; Termination.

- (a) If any Party believes that any other Party is not satisfying its obligations under this Agreement or with respect to an Order, such Party shall promptly notify the other Party in a writing which specifies the deficiency ("**Notice of Default**"). The Party receiving the Notice of Default shall have thirty (30) days from the date of the Notice of Default to correct the deficiency(ies) identified therein. If the Party receiving the Notice of Default fails to timely cure the deficiency(ies), the notifying Party may, in its sole discretion, terminate this Agreement in accordance with this Section 8.
- (b) If a Customer terminates an Order for Installer's failure to perform before installation of the System for that Order has commenced, Installer shall return any payment(s) made toward the Order price.
- (c) The Program Fund Manager may, in its sole discretion, terminate this Agreement for convenience at any time and without needing to first send a Notice of Default to Installer.
- (d) If any Party terminates an Order for the other Party's uncured failure to perform or if The Program Fund Manager terminates this Agreement for convenience pursuant to Section 8(c), then except as specified in the next sentence, Installer may take back all components Installer delivered but that have not yet been installed for that Order and shall not have any further obligation to perform pursuant to this Agreement or that Order. If, however, The Program Fund Manager is the terminating party (whether for convenience or an uncured default), then if requested by The Program Fund Manager, Installer shall either (i) complete the installation of System where installation is partially complete, or (ii) deinstall and remove the products from the Site and return the jobsite to its original condition, at no cost.
- (e) Each Party may pursue all rights and remedies available at law or in equity with respect to the failure to perform, except as otherwise provided herein. Breaches of one or more Orders will not constitute breaches under any other Orders or under this Agreement, and breaches of this Agreement independent of any Orders shall not constitute breaches of any Orders.
- (f) Except as otherwise set forth in this Agreement, the expiration or termination of this Agreement will not affect any rights or obligations of the Parties that were incurred or that accrued prior to such expiration or termination. Termination shall not be deemed an election of remedies, and the non-defaulting Party shall have all rights and remedies available under applicable law in connection

with and following such termination.

27. Warranties.

- (a) Starting on the date of installation, Installer warrants to The Program Fund Manager and Customer that all materials, equipment and work furnished by Installer as part of an Order will be:
  - (i) of good quality, free from fault and defects, and
  - (ii) performed in a good and workmanlike manner, in accordance with all applicable laws, building codes and ordinances, and in strict conformity with the Order.Installer shall, at its sole expense, immediately correct or replace any Work that is defective or determined to be not in accordance with the requirements of the above warranties within ten (10) year after the date of Final Completion.
- (b) System equipment warranties are covered by manufacturer's warranty and are assigned to The Program Fund Manager upon title transfer consistent with Section 5. Installer shall perform operations, repair and maintenance work on the System and manage the entire warranty claims process required by each respective manufacturer. All work covered by Installer warranties shall be at no cost. If Installer fails to perform operations, repair and maintenance work in a timely manner (as reasonably determined by The Program Fund Manager) and according to industry standard practices, The Program Fund Manager shall perform the required operations, repair and maintenance work at its sole discretion with no impact to or waiver of the Installer's obligations under this Agreement.
- (c) Installer warrants that it will repair or replace any work on the System that it does not perform in a good workmanlike manner according to the standards of care and diligence generally practiced by solar engineering, construction, installation, and roofing companies when installing commercial photovoltaic solar power with optional incorporated energy storage systems. This provision includes roof penetrations and other roof work related to the installation of the System.
- (d) Installer's warranties under this Agreement shall in all cases survive termination of this Agreement and the transfer of title of the System to The Program Fund Manager.
- (e) The warranties provided herein do not limit Installer's indemnification obligations to The Program Fund Manager and other Parties as set forth in Section 10.

28. Indemnification.

- (f) For purposes of this Agreement and each Order, "**Indemnified Parties**" means for each identified entity, (i) the Party and any person providing financing to the Party with respect to the System, (ii) any affiliate of the persons set forth in clause (i), and (iii) any director, officer, partner, member, manager, agent or employee of a person described in clause (i) or (ii); and, "**Indemnifying Party**" means each other Party, as the context requires.
- (g) Installer's Indemnities. Installer shall indemnify, defend (with counsel reasonably acceptable to The Program Fund Manager) and hold harmless The Program Fund Manager, Member and Customer, as well as their respective Indemnified Parties, from any claim, action, suit, proceeding, investigation, losses, damages, liabilities, deficiencies, actions, judgments, interest, awards, penalties, fines, costs or expenses, including reasonable legal fees ("Losses") arising out of any allegations, claim, action, suit, proceeding, or investigation made or brought by any third party ("**Claim**"):
  - i. that Installer Products (or any component or software thereof) or Installer's work pursuant to any accepted Order infringes the intellectual property rights of a third party, other than a Claim for which Customer is responsible due to such Customer's unauthorized alteration of the Installer Products. In addition, if such Indemnified Party is enjoined from the use, operation or enjoyment of Installer Products or any part thereof as a result of any Claim alleging that Installer Products or Installer's Work infringes the intellectual property rights of a third party, Installer will at no cost to such Indemnified

Party, at Installer's option: (1) have such injunction removed, (2) substitute non-infringing goods or processes, or (3) modify the infringing goods or processes so they become non-infringing and provide the same or better functionality and performance relative to the affected item's then-current functionality and performance; and

- ii. in connection with the design, construction, installation, warranty service, workmanship, materials or functionality of any materials, equipment and/or element of the work furnished by Installer, or any other act or omission of the Installer, except with respect to any modification by any party other than Installer (directly or indirectly) or use or reuse of Installer Products that are the subject of an accepted Order other than as permitted under this Agreement or their warranties.

(h) Survival. The provisions of this Section 10 shall survive any expiration of termination of this Agreement or any Order.

29. Limitation of Liability. Except for indemnification obligations (Section 10), breach of confidentiality (Section 13), or any gross negligence or willful misconduct, each Party's total liability for all damages of any kind arising out of this Agreement will not exceed the amount of the System pricing set forth in each Order. No Party will have to pay any other Party for any indirect, special or consequential damages.

30. Force Majeure. Each Party shall be excused from performance and shall not be considered to be in breach with respect to any obligation hereunder other than any obligation to pay money due and owing, if and to the extent that such Party's failure of, or delay in, performance is caused by or results from acts or circumstances beyond the reasonable control of such Party (a "**Force Majeure Event**"); provided:

- (d) such Party gives the other Parties notice describing the particulars of the Force Majeure Event as soon as is reasonably practicable and in any event within ten (10) business days after the discovery of the Force Majeure Event and its impact on such Party's performance;
- (e) the suspension of performance is of no greater scope and of no longer duration than is reasonably required by the Force Majeure Event;
- (f) the Party uses reasonable endeavors to:
  - (iii) overcome or mitigate the effects of such occurrence, and
  - (iv) minimize costs and expenses attendant to or arising from such occurrence; and
- (e) when the Party is able to resume performance of the affected obligations, such Party shall so notify the other Party and promptly resume performance.

31. Confidentiality; Publicity.

- (a) Each Party will keep any disclosures, as well as the terms of this Agreement, confidential in accordance with the non-disclosure agreements between them (the "**NDAs**") and agree that this Agreement is confidential information of each of them for purposes of the NDAs. (Even though the NDAs are separate documents, they are considered part of this Agreement.)
- (b) Neither Party will advertise or issue any public announcement about this Agreement, or use the other Party's mark, name or logo in any marketing literature, web sites, articles, press releases (including interviews with representatives of media organizations of any form), or any other document or electronic communication, without the other Party's written consent.
- (c) Nothing in this Agreement, the NDAs, or any other agreement between the Parties limits or prohibits any announcement, disclosure, or other act that is required by law, including, but not limited to, the California Public Records Act and the Ralph M. Brown Act. The Parties expressly acknowledge and agree that this Agreement will be appended to one or more publicly posted agendas of Member.

- (d) Installer must comply with the privacy policy available in the footer of The Program Fund Manager's website located at [www.participate.energy](http://www.participate.energy) as of the date hereof.

32. Governing Law; Disputes.

- (a) The Parties agree to comply with all applicable laws and regulations in connection with this Agreement. This Agreement is governed by the laws of the State of California.
- (b) The Parties are not bound by any terms relating to Installer Products or other matters covered by this Agreement or any Order that are not contained in this Agreement or the affected Order.
- (c) Each of the Parties also agree to promptly notify the other's senior level management if there is any dispute relating to this Agreement or any Orders and to try to resolve the dispute in good faith. If the Parties are unable to resolve a dispute within twenty (20) days after that notice is given, then either Party can take the dispute to arbitration through Judicial Arbitration and Mediation Services ("JAMS") according to JAMS Streamlined Arbitration Rules. The existence, content and result of the arbitration will be confidential. The arbitration will be conducted by a single arbitrator in English and in the County of San Diego, California, unless otherwise agreed by the Parties. Each Party will bear its own expenses in the arbitration and will share equally the costs of the arbitration unless the arbitrator assigns costs to one of us. Judgment upon the award rendered in the arbitration may be entered in any court of competent jurisdiction.

33. Miscellaneous.

- (m) Representations. Each Party represents and warrants to the other Parties that (i) it is a legal entity, duly organized, validly existing and in good standing under the laws of jurisdiction of incorporation; (ii) this Agreement constitutes a legal, valid and binding obligation of such Party enforceable in accordance with its terms; and (iii) the execution, delivery and performance of this Agreement (A) is within its powers, (B) has been duly authorized by all requisite action and (C) will not violate any agreement, commitment, certificate or other document to which it is a party or by which any of its assets may be bound or affected.
- (n) Compliance with Law. Each Party will comply with all applicable laws and regulations in connection with its performance under Agreement.
- (o) Notices. All notices under this Agreement must be in writing and must be sent via email, or express and/or certified mail, to the contacts identified in the Key Terms.
- (p) Assignment. Installer or The Program Fund Manager may assign this Agreement and each accepted Order (i) to an affiliate of Installer or The Program Fund Manager, respectively, and (ii) as collateral in connection with its financing activities, in either case without the need for consent from any other Party.
- (q) Insurance. Installer shall carry and maintain in force, with reputable insurance companies authorized to do business in the jurisdictions where the portion of the Member Territory is located, the insurance in the Installer Insurance Requirements. In addition, Installer shall maintain all insurance that Installer is required by law to maintain in connection with the Work pursuant to each Order.
- (r) Cumulative and Certain Exclusive Remedies. Except as otherwise specifically set forth in this agreement, all rights and remedies provided under this Agreement are cumulative and not exclusive, and the exercise by either Party of any right or remedy does not preclude the exercise of any other rights or remedies that may now or subsequently be available at law, in equity, by statute, in any other agreement between the Parties or otherwise.
- (s) Entire Agreement; Severability. This Agreement constitutes the entire agreement between the Parties regarding the subject matter hereof and supersedes all prior agreements, representations

and understandings, oral or written, between the Parties regarding the subject matter hereof. If any provision of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, such term shall be severable from the remainder of this Agreement and the remainder of this Agreement or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected and each term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by the law.

- (t) Amendment and Modification. No amendment or modification of this Agreement is effective unless it is in writing and signed by each Party.
- (u) Waiver. No waiver by either Party of any provision of this Agreement is effective unless explicitly set forth in writing and signed by such Party. No failure to exercise, or delay in exercising, any right or remedy arising from this Agreement operates or may be construed as a waiver thereof. No single or partial exercise of any right or remedy hereunder precludes any other or further exercise thereof or the exercise of any other right or remedy.
- (v) Relationship of the Parties. The relationship between the Parties is that of independent contractors. Nothing contained in this Agreement shall be construed as creating any agency, partnership, joint venture or other form of joint enterprise, employment or fiduciary relationship between the Parties, and neither Party shall have authority to contract for or bind the other Party in any manner whatsoever.
- (w) No Third-Party Beneficiaries. This Agreement is for the sole benefit of the Parties hereto and their respective successors and permitted assigns and nothing herein is intended to or shall confer upon any other person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.
- (x) Survival. Provisions of this Agreement which by their nature contemplate or govern performance or observance subsequent to the termination or expiration of this Agreement shall survive such termination or expiration.



## Staff Report

**DATE:** January 30, 2025

**TO:** Clean Energy Alliance Board of Directors

**FROM:** Gregory Wade, Chief Executive Officer

**ITEM 5:** Community Advisory Committee Member Appointments for Term through December 31, 2026

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### **RECOMMENDATION:**

Adopt Resolution No. 2024-002 appointing members to the Community Advisory Committee for a term through December 31, 2026.

### **BACKGROUND AND DISCUSSION:**

Per the Board adopted Community Advisory Committee (CAC) policy, each member agency of Clean Energy Alliance (CEA) has two appointments to the CAC. Each appointee serves a two-year term, with terms being staggered.

On December 31, 2024, each member agency had one of their two seats reach a term expiration. The vacancies were advertised on CEA's website and through social media. CEA also reached out to the member agencies and asked them to advertise the vacancy within their respective communities. The application window was open for 30 days, November 22, 2024 – December 21, 2024. The Board Secretary received a total of 10 applications. The number of applications per member agency is reflected below:

Agency	No. of Applications Received
Carlsbad	1
Del Mar	3
Escondido	1
Oceanside	2
San Marcos	1
Solana Beach	1
Vista	1

Board Members were given 14 days to review the applications for their respective agencies and select one applicant to recommend to the full Board of Directors for appointment. The Board Member selections were as follows:

Member Agency	Appointee
Carlsbad	Paige DeCino
Del Mar	Jas K. Grewal
Escondido	Rick Paul
Oceanside	Daniel Dominquez
San Marcos	Kevin Norris
Solana Beach	Mika Nagamine
Vista	Joe Houde

**FISCAL IMPACT:**

The costs associated with the CAC are included in the adopted FY 2024/25 Budget. There are no new costs with this action.

Submitted for Board consideration:

  
\_\_\_\_\_  
Gregory Wade  
Chief Executive Officer

**ATTACHMENTS:**

- A. Resolution No. 2025-002

**CLEAN ENERGY ALLIANCE  
RESOLUTION NO. 2025-002**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CLEAN ENERGY ALLIANCE  
COMMUNITY ADVISORY COMMITTEE APPOINTMENTS FOR A TERM THROUGH  
DECEMBER 31, 2026**

**WHEREAS**, the Clean Energy Alliance (CEA) is a joint powers agency, formed in November 2019, whose members include the cities of Carlsbad, Del Mar, Escondido, Oceanside, San Marcos, Solana Beach and Vista; and

**WHEREAS**, the CEA Community Advisory Committee Policy states that the Community Advisory Committee (CAC) membership shall consist of two (2) appointees from each CEA member agency, serving staggered two (2) year terms; and

**WHEREAS**, one of the CAC seats for each of the member agencies had a term expiration of December 31, 2024; and

**WHEREAS**, at CEA's regular January 30, 2025, each Board Member nominated one applicant from their respective cities.

**NOW, THEREFORE, BE IT RESOLVED**, by the Board of Directors of the Clean Energy Alliance, as follows:

Section 1. The Board of Directors of the Clean Energy Alliance approves and appoints the following persons to serve as members on the CAC:

Member Agency	CAC Appointee	Term Expiration
Carlsbad	Paige DeCino	December 31, 2026
Del Mar	Jas K. Grewal	December 31, 2026
Escondido	Rick Paul	December 31, 2026
Oceanside	Daniel Dominquez	December 31, 2026
San Marcos	Kevin Norris	December 31, 2026
Solana Beach	Mika Nagamine	December 31, 2026
Vista	Joe Houde	December 31, 2026

The foregoing Resolution was passed and adopted this 30th day of January, 2025, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

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[VACANT], Board Chair

ATTEST:

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Kaylin McCauley, Board Secretary



## Staff Report

**DATE:** January 30, 2025

**TO:** Clean Energy Alliance Board of Directors

**FROM:** Gregory Wade, Chief Executive Officer

**ITEM 6:** 2025 Community Advisory Committee Meeting Schedule and Work Plan and Review 2024 Subcommittee Reports

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### **RECOMMENDATION:**

Review the 2024 Reports of the Ad-Hoc Subcommittees of the Community Advisory Committee and Adopt Resolution No. 2025-003 Approving the 2025 Community Advisory Committee Meeting Schedule and Work Plan.

### **BACKGROUND AND DISCUSSION:**

Pursuant to the Clean Energy Alliance (CEA) Community Advisory Committee (CAC) Policy (Attachment C), the CAC is comprised of two (2) appointees from each member agency for a total of 14 CAC members representing 7 member agencies. The CAC Work Plan and meeting schedule is determined annually by the CEA Board.

The objectives of the CAC are to provide feedback to the Board, act as a liaison between the Board and the community and serve as a forum for community input on those matters assigned to the CAC in the annual Work Plan. The CAC does not have any decision-making authority but serves as an advisory body to the CEA Board of Directors.

The 2024 CAC Work Plan is detailed below:

<b>MEETING DATE</b>	<b>WORK PLAN/TOPICS</b>
March 14, 2024 1pm – 3pm Oceanside Council Chambers	Discuss a Clean Energy Recognition Program for Board consideration; Review Oceanside & Vista Marketing & Outreach strategy for input and CAC Assistance Assignment; Identify Ad-Hoc CAC Subcommittees - purpose and CAC assignments
April 11, 2024 1pm – 3pm Oceanside Council Chambers	Review FY 2024/25 CEA Budget Projection and Provide Input for Board Consideration Solar Plus Update
June 13, 2024 1pm – 3pm Oceanside Council Chambers	Review CEA Draft FY 2024/25 Budget Review Website
August 8, 2024	Oceanside/Vista Enrollment Recap

1pm – 3pm Oceanside Council Chambers	
October 10, 2024 1pm – 3pm Oceanside Council Chambers	Review Ad-Hoc Subcommittee Work for Preparation to Present to Board 2024 Achievements and 2025 Workplan Suggestions for Board Consideration in January
TBD 1pm – 3pm Oceanside Council Chambers	

During the last year, the CAC met as a full committee five times between March-October, formed ad-hoc subcommittees to discuss relevant issues around topics covered in the Work Plan and many of its members volunteered at numerous community outreach events. The 2024 ad-hoc subcommittees were:

- EV Infrastructure & Incentives
- Schools Subcommittee
- 100% Green by 2035
- Programs for Disadvantaged Communities
- Outreach to New Communities

The subcommittees’ final reports can be found in Attachment B.

Staff recommend continuing the bimonthly meeting schedule, meeting on the second Thursday of the month, with the exception of not scheduling a meeting for the month of December 2025. Below is the draft 2025 Schedule and Work Plan, which reflects staff recommendations:

MEETING DATE	WORK PLAN/TOPICS
February 6, 2025 1 pm – 3 pm Oceanside Council Chambers	Board Organization Update CAC Orientation/Brown Act Review Review Strategic Plan/Organizational Update Ad-Hoc CAC Subcommittees Discussion
April 10, 2025 1 pm – 3 pm Oceanside Council Chambers	CEA Budget Update Energy Program Plan Input Rate Premiums
June 12, 2025 1 pm – 3 pm Oceanside Council Chambers	Review CEA Draft FY 2025/26 Budget Programs Update
August 14, 2025 1 pm – 3 pm Oceanside Council Chambers	Update on outside organization collaboration Social Media Marketing Feedback
October 9, 2025 1 pm – 3 pm	2025 Achievements and 2026 Workplan Suggestions Climate Action Plan Updates

Oceanside Council Chambers	
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**FISCAL IMPACT:**

The cost of the CAC meetings is included in the adopted FY 2024/25 Budget. There are no new costs with this action.

Submitted for Board consideration:



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Gregory Wade  
Chief Executive Officer

**ATTACHMENTS:**

- A. Resolution No. 2025-003
- B. 2024 Ad-hoc Subcommittee Final Reports
- C. Clean Energy Alliance Community Advisory Committee Policy

**CLEAN ENERGY ALLIANCE  
RESOLUTION NO. 2025-003**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CLEAN ENERGY ALLIANCE  
APPROVING THE 2025 COMMUNITY ADVISORY COMMITTEE MEETING  
SCHEDULE AND WORKPLAN**

**WHEREAS**, the Clean Energy Alliance (CEA) is a joint powers agency, formed in November 2019, whose members include the cities of Carlsbad, Del Mar, Escondido, Oceanside, San Marcos, Solana Beach and Vista; and

**WHEREAS**, the CEA Community Advisory Committee Policy states that the CEA Board shall determine the annual CAC meeting schedule and workplan; and

**WHEREAS**, special meetings of the Community Advisory Committee (CAC) will be called as necessary and following the requirements of the Brown Act (Government Code §54954).

**NOW, THEREFORE, BE IT RESOLVED**, by the Board of Directors of the Clean Energy Alliance, as follows:

Section 1. The Board of Directors of the Clean Energy Alliance hereby establishes the following dates, times, and location, for regular CAC meetings during calendar year 2025:

Location:	City of Oceanside, City Council Chambers 300 North Coast Hwy Oceanside, CA 92054	
	February 6, 2025	1 p.m.
	April 10, 2025	1 p.m.
	June 12, 2025	1 p.m.
	August 14, 2025	1 p.m.
	October 9, 2025	1 p.m.

Section 2. That the calendar year 2025 meeting calendar will be posted to the Clean Energy Alliance website.

Section 3. The Board of Directors of the Clean Energy Alliance hereby establishes the following Workplan CAC meetings during calendar year 2025:

MEETING DATE	WORK PLAN/TOPICS
February 6, 2025 1 pm – 3 pm Oceanside Council Chambers	Board Organization Update CAC Orientation/Brown Act Review Review Strategic Plan/Organizational Update Ad-Hoc CAC Subcommittees Discussion
April 10, 2025 1 pm – 3 pm Oceanside Council Chambers	CEA Budget Update Energy Program Plan Input Rate Premiums
June 12, 2025 1 pm – 3 pm Oceanside Council Chambers	Review CEA Draft FY 2025/26 Budget Programs Update
August 14, 2025 1 pm – 3 pm Oceanside Council Chambers	Update on outside organization collaboration Social Media Marketing Feedback
October 9, 2025 1 pm – 3 pm Oceanside Council Chambers	2025 Achievements and 2026 Workplan Suggestions Climate Action Plan Updates

The foregoing Resolution was passed and adopted this 30th day of January, 2025, by the following vote:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

APPROVED:

\_\_\_\_\_  
[VACANT], Board Chair

ATTEST:

\_\_\_\_\_  
Kaylin McCauley, Board Secretary



CLEAN ENERGY ALLIANCE  
COMMUNITY ADVISORY COMMITTEE SUBCOMMITTEE REPORT  
11/06/2024

**Subcommittee Name:** SCHOOLS COMMITTEE

**Subcommittee Members:**

Chair: Debra Schade (Solana Beach)

Member: Paige DeCino (Carlsbad)

Member: Lynda Daniels (Carlsbad)

Member: Mo Lahsaiezadeh (Oceanside)

Member: Nanci Oechsle (Vista)

Member: Jennifer Kerschbaum, P.E. (San Marcos)

**Mission Statement:**

Support schools to become models of sustainability and environmental responsibility by the adoption of 100% clean energy solutions. Through resources, initiatives and education we strive to empower CEA schools to embrace renewable energy sources and energy-efficient practices.

**Problem Areas Identified:**

Schools should be partners in their city's climate action plan and clean energy goals.

Schools are important links to community, i.e. underserved community and next generation.

**CAC Prioritized Recommendations to Board to Address Problem Areas:**

- a. Recommend utilizing the established Green Champions program to engage and enroll local private schools and public school districts to opt up to 100% Clean Energy.
- b. Be more connected with the student population as CEA becomes built out to full enrollment. Design a schools outreach program on environmental stewardship/clean energy curriculum and partner with schools (with city volunteers) at school health fairs



and events. Brand the program, align with CEA marketing and mission. Current CAC Schools subcommittee members are available and interested in being part of this work.

- c. Explore school ambassador programs or climate action clubs to partner with CEA to educate the community regarding clean energy solutions as an internship or community service opportunity.
- d. Provide school resources and support for clean energy solutions i.e. Electric Buses, Renewable Energy Self Generation Programs and Solar Grant Programs on website and part of Green Champions program.

**CLEAN ENERGY ALLIANCE  
COMMUNITY ADVISORY COMMITTEE SUBCOMMITTEE REPORT**

**Subcommittee Name:** 100% Green by 2035

**Subcommittee Members:**

**Chair:** Dolores Davies Jamison (Del Mar)

**Member:** Tracy Reed (Escondido)

**Member:** Debra Schade (Solana Beach)

**Mission Statement:**

- To identify best practices and most effective communications and outreach strategies to increase customer opt-ups to 100% renewable energy to accelerate CEA's goal of 100% renewable energy by 2035. To accomplish this, we have gathered valuable feedback and insight from other CCA's that have been operating much longer than CEA.

**Problem Areas Identified:**

- Marketing campaigns, social media promotions, and related public relations efforts to encourage CCA members to opt-up, have typically resulted in only single-digit percentage enrollments.
- In spite of the minimal cost involved in opting-up to 100% renewable, a number of factors have been identified that appear to stymie these efforts, including: perceived value, especially when existing rates and cost of living are high; lack of understanding and therefore confidence in the CCA model; customer inertia and perceived low priority; and concerns about the reliability of renewable energy sources.

**CAC Prioritized Recommendations to Board to Address Problem Areas:**

- CEA may wish to consider addressing these problems (as staffing permits) by increasing public awareness of the real need for CCA's and the importance and value of opting up. Such strategies might include: videos or podcasts with board members/Green Impact Champions and other community supporters; local radio or TV interviews; op-ed pieces with CEO/board member/community partners.
- While CEA has conducted numerous community outreach events to encourage local residents not to opt-out and consider opting-up in the initial stages, CEA should also

consider partnering with like-minded organizations at environmental events, such as Earth Day, where participants are already likely to be environmentally conscious.

- Customers who have already transitioned to EV's and/or have solar installations at their homes (but have not yet opted-up to 100% renewable energy) should be targeted for opt-up solicitations/direct contacts.
- CEA might want to equip CAC members with essential facts, messaging, background information, and public statements so that members can serve more effectively as CEA advocates in their communities.
- The CEA Board should look to future opportunities to raise current energy default rates among members—including municipal operations—to 100% green, before 2035. Clearly, this is the most effective strategy for getting a critical mass of customers to opt-up 100% renewable energy.

# CLEAN ENERGY ALLIANCE

## COMMUNITY ADVISORY COMMITTEE SUBCOMMITTEE REPORT

### Subcommittee Name:

EV Infrastructure & Incentives

### Subcommittee Members:

Don Mosier  
Mika Nagamine  
Jennifer Kerschbaum  
Kevin Norris  
Roger Davenport  
Tracy Reed

### Chair:

Kevin Norris

### Mission Statement:

Make sure all communities that CEA serves receive enough renewable electricity for an increasing number of EVs, including chargers at home and businesses, and in public places, with a reasonable price. Support CEA to move toward one of the goals: all members of CEA use 100% renewable energy.

### Problem Areas Identified:

Barriers against increasing the number of EV chargers:

- Cost of electricity
- Various brands of chargers are available; it is not clear which ones are reliable
- Houses and communities with old infrastructure that does not support the loads of EV chargers

## CAC Prioritized Recommendations to Board to Address Problem Areas:

Address the cost of electricity (particularly renewable electricity)

**Find ways of modifying the current rate structure and incentivize people to use more when the renewable electricity is least expensive.**

### Potential Rate Adjustment:

- For people charging EVs at home (remote workers for example):
  - The rate at night needs to be the least expensive
  - Encourage them opt-up (100% renewable)
  - Incentivize the use of solar panels + batteries to store renewable electricity
- For businesses with employees who want to charge their EVs while working:
  - The least expensive time needs to be daytime, around 11AM – 3PM.
  - Recommend the charging stations with a low power output (2.2 kW) rather than level 2.
    - Charging speed is slow, which allows the employees keep their cars plugged in and avoid moving them during the work time.
    - Make it easy for the employers to install a large number of charging stations
    - Help the employees living in multi-family residential settings to charge their EVs

**Work with the providers of EV charging stations who use a business model similar to how a cell phone company operates. The model might guarantee a win-win situation for people/business who install EV chargers and the providers of charging stations.**

### *Cell phone company model in general:*

A land owner leases the small portion of her/his land to a cell phone company → Cell phone company builds a cell tower there and pays monthly fee to the land owner → Cell phone company makes money through the use of the tower.

### *Apply the model to EV chargers:*

A land owner leases the small portion of her/his land to an energy company offering EV charger, solar panels installation and other services → the company installs EV chargers there and pays monthly fee to the land owner or/and supply electricity to the land owner with a low rate → the company makes money through the use of the charging stations.

For example, ForeFront Power <https://www.forefrontpower.com/> seems to take an approach that is similar to the one that a cell phone company uses. This might provide CEA a model for incentivize the land owners to install EV chargers.

**Apply for grants to support initiatives by home owners and businesses who want to install EV chargers.**

Various brands of chargers are available, it is not clear which ones are reliable

**Various companies offer the installation services of charging stations, but it is difficult to know which companies' stations are reliable and meet the demands within the CEA's service areas. This difficulty might slow the adoption of EVs and EV chargers.**

CEA might:

- Develop a standard for a reliable charger and create a list of the companies that meet the standard.
  - The standards can include the items such as
    - 100% renewable sources of electricity
    - Low output chargers are included in the installation services.
    - Cautious about ChargePoint (unfortunately, the company declared bankruptcy in March 2024 and emerged from bankruptcy in May 2024)
- Consider conducting research on the reliability of charging stations and/or set up a standard for the charging stations within the cities CEA serves.  
This is one of the research examples: <https://evadoption.com/wp-content/uploads/2022/05/Cool-the-Earth-UCB-study.pdf>

Houses and communities with old infrastructure that does not support the loads of EV chargers

CEA might:

- Make SolarPlus or other programs available to the residents in the communities to install solar panels and batteries to store electricity generated by the solar panels. Ideally, the electricity stored in the batteries can be discharged whenever the residents of the communities are in need for electricity (night time, power outage etc).
- Potentially work with SDG&E and identify the areas that are necessary for upgrading the infrastructure.

Charging stations located in inconvenient places. Policies for the locations of the chargers do not seem to be enforced.

A member of the subcommittee reported that some hotels, for example, locate the chargers near their lobby and beside handicap parking spaces. There are state

regulations for the locations that the first and the next few EV chargers need to be installed.

To help businesses and individuals to install EV chargers, CEA might:

- Post the regulatory requirements regarding the installation of EV chargers in the web site.
- Give a better rate for the businesses that install EV chargers in convenient places to many people and that use 100% renewable electricity.

## Appendix

### Number of EV Chargers and Electricity Usage in 2035 – Rough Estimates

Mika Nagamine

The UCLA Institute of Transportation Studies mentions, “In 2035, Los Angeles County is expected to have between 160,000 and 290,000 Level 2 chargers, 40,000 to 70,000 Level 3 chargers (also known as DC fast chargers)” (<https://escholarship.org/uc/item/31s100mv>).

I estimated the numbers of charging stations for the CEA service areas, based on the statement above and the numbers of 2023 population estimates by the Census. Please note these are rough estimates.

#### Step 1:

Find the population estimates for the CEA service areas

#### CEA Service Area Population in 2023

CEA service areas	Population in 2023
Carlsbad	113,495
Del Mar	3,850
Escondido	148,122
Oceanside	170,020
Solana Beach	12,675
Vista	98,344
Total	546,506

#### Step 2:

Calculate ratio :

(CEA service area population / LA county population in 2023 (9,663,345)) = 0.05655453. Apply this ratio for the expected number of charging stations in LA county in 2035. For example, Min count for Level 2 station was calculated as 160,000 \* 0.05655453 = ~9048

**Estimated Numbers of Charging Stations for CEA Service Area in 2035**

	Min count in 2035	Max count in 2035
Level 2 Stations	9,048	16,400
DCF Stations	2,262	3,958

**Step 3:**

Estimate electricity usage by the charging stations:

According to GenCell, vehicle electricity usage per day (of the typical American driver) is 11.23 kWh (<https://www.gencellenergy.com/resources/blog/ev-charging-power-car-electricity-usage/#:~:text=A%20home%20charger%20uses%2011.81,capacity%20and%20the%20charger's%20efficiency.>). Suppose all the charging stations in the CEA service areas are used by 1 car per day, the rough estimate of electricity usage for a day by the charging stations are below.

**Estimated Number of Charging Stations and Electricity Usage by the Stations**

	Min count in 2035	Min Electricity Usage per Day (kWh)	Max count in 2035	Max Electricity Usage per Day (kWh)
Level 2 Stations	9,048	101,609.04	16,400	184,172
DCF Stations	2,262	25,402.26	3,958	44,448.34
Toal Chargers	11,310	127,011.3	20,358	228,620.34



## COMMUNITY ADVISORY COMMITTEE POLICY PURPOSE AND SCOPE

### Community Advisory Committee (CAC) Authorization

Section 5.9 of the Clean Energy Alliance (CEA) Joint Powers Authority (JPA) Agreement provides the authority for the CEA Board to establish an advisory committee to assist the Board in implementing and operating its CCA program. Pursuant to the JPA Agreement, the committee should have equal representation from the member agencies. The Board may establish criteria to qualify for appointment to the committee, and establish rules, regulations, policies or procedures to govern the committee.

### CAC Membership Criteria

- The CAC membership shall consist of two (2) appointees from each CEA member agency. CAC committee members shall serve staggered two (2) year terms. In the inaugural year of an agency joining CEA, one appointee seat from the member agency shall serve one (1) year.
- CAC Members may reapply at the end of each term for consideration of reappointment by the Board.
- Committee members serve at the pleasure of the Board.
- CAC members will be subject to all applicable conflict of interest laws and may be required to disclose potential conflicts by filing a Form 700 Statement of Economic Interest. (Information about conflicts of interest and Form 700 can be found here: <http://www.fppc.ca.gov/Form700.html>.)
- Members shall be residents (property owners or renters) or business owners within the service territory of CEA.
- CAC membership will be considered for those that have a relevant background in or expertise related to one or more of the following fields: electricity, community outreach or engagement, or policy advocacy.
- Applicants must be committed to serving on the CAC and attending regular committee meetings, and occasional CEA Board meetings. Committee meetings will be held bi-monthly unless additional meetings are directed by the Board. Members are expected to maintain a good attendance record. A committee member may be removed from the CAC if the member has two consecutive unexcused absences from CAC meetings or has

unexcused absences from more than 25% of the CAC meetings in a calendar year.

- The CAC is subject to the Brown Act and all meetings will be publicly noticed and held in public settings pursuant to requirements of the Brown Act.
- CAC meetings, times and location will be determined annually by the CEA Board.
- The CAC shall appoint a Chair from a member of the CAC on an annual basis. The CAC Chair shall attend CEA Board of Directors Meetings on a regular basis to update the Board on current priorities.

### CAC Purpose & Objectives

The purpose of the CAC is to advise the CEA Board of Directors on those matters concerning the operation of its Community Choice Aggregation (CCA) program as directed by the Board of Directors in an annual workplan for the CAC that is adopted by the Board. The objectives of the CAC are to provide feedback to the Board, act as a liaison between the Board and the community and serve as a forum for community input on those matters assigned to the CAC in the annual workplan. The CAC shall not have any decision-making authority but will serve as an advisory body to the Board of Directors.

### CAC Member Selection Process

Applicants must complete and submit the Clean Energy Alliance Community Advisory Committee Application (Attachment A). Board Members will nominate one applicant per each open seat from their respective communities to the full Board for approval.

Attachment A  
Clean Energy Alliance  
Community Advisory Committee Application

CAC Purpose & Objectives

The purpose of the CAC is to advise the CEA Board of Directors on those matters concerning the operation of its Community Choice Aggregation (CCA) program as directed by the Board of Directors in an annual workplan for the CAC that is adopted by the Board. The objectives of the CAC are to provide feedback to the Board, act as a liaison between the Board and the community and serve as a forum for community input on those matters assigned to the CAC in the annual workplan. The CAC shall not have any decision-making authority but will serve as an advisory body to the Board of Directors.

NAME: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

PHONE: \_\_\_\_\_ EMAIL: \_\_\_\_\_

Are you a resident/business owner of one of the CEA member cities?

If yes, which city: \_\_\_\_\_

Please attach a current resume and respond to the following questions. Please attach a separate sheet if additional space is needed.

*What experience/perspective will you bring to the committee?*

*Describe any relevant background in or expertise related to one or more of the following fields: electricity, community outreach or engagement, or policy advocacy.*

*Do you have any interests or associations that might present a conflict of interest? If yes, please explain:*

*What do you hope to accomplish as a member of the Clean Energy Alliance Community Advisory Committee?*

Please provide three references

NAME	Phone Number	Relationship

By signing below, I acknowledge that I have sufficient time to actively participate in the Clean Energy Alliance Community Advisory Committee for the benefit of the program and the communities it serves. I understand that committee members are subject to conflict of interest laws and required to disclose potential conflicts by filing Form 700 Statement of Economic Interest.

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

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

Completed applications should be emailed to: [Clerk@TheCleanEnergyAlliance.org](mailto:Clerk@TheCleanEnergyAlliance.org)



## Staff Report

**DATE:** January 30, 2025  
**TO:** Clean Energy Alliance Board of Directors  
**FROM:** Gregory Wade, Chief Executive Officer  
**ITEM 7:** Clean Energy Alliance Chief Executive Officer Operational and Administrative Report

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### **RECOMMENDATION:**

Receive and File the Chief Executive Officer Operational and Administrative Report.

### **BACKGROUND AND DISCUSSION:**

This report provides an update to the Clean Energy Alliance (CEA) Board regarding operational and administrative activity.

### **OPERATIONAL UPDATE**

#### *Oceanside & Vista May 2024 Enrollment*

CEA continues to enroll remaining Net Energy Metering (NEM) customers in Oceanside and Vista on a monthly basis as each of these customers approaches their annual true-ups. On average, CEA is enrolling approximately 1,800 NEM customers each month.

Following each monthly enrollment, CEA continues to receive calls, opt-outs, and opt-up requests from Oceanside and Vista residents and businesses.

The statistics as of December 31, 2024, are as follows:

City	Eligible Customers	Opt-Downs to 50% Renewable	Opt-Ups to 100% Renewable	Opt-Outs	Participation Rate
Oceanside	72,654	209	74	4,138	94.3%
Vista	38,932	85	271	1,675	95.7%
<b>TOTAL</b>	<b>111,586</b>	<b>294</b>	<b>345</b>	<b>5,813</b>	<b>94.8%</b>

#### *Residential Battery Retrofit Program RFP*

As reported to you last November, staff drafted a Request for Proposals (RFP) to provide a residential customer battery only program. This RFP was issued on November 25, 2024, and submittals were due on Friday, January 17, 2025. CEA received four (4) submittals before the deadline. Staff will begin the process of reviewing the submittals and expects to bring forward the successful respondent to the Board in February.

*CEA in the Community*

To provide opportunities for the communities we serve to meet with CEA staff and have their questions answered, staff continue to attend several in-person community events and give presentations.

CEA has been busy with many of these scheduled outreach efforts. Recent events and presentations that CEA participated in:

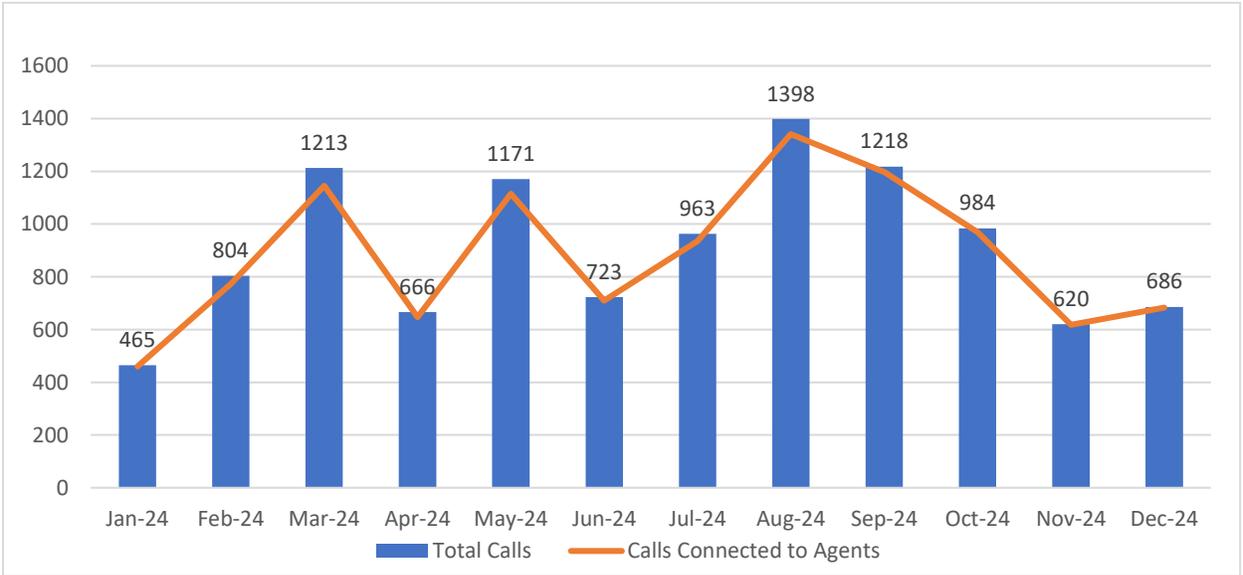
DATE	DESCRIPTION
January 8, 2025	North San Diego County Business Chamber, Regional Connect Networking
January 9, 2025	San Marcos Chamber of Commerce, Government Affairs Meeting

Upcoming events in which CEA will be participating include:

DATE	DESCRIPTION
February 5, 2025	California Efficiency + Demand Management Council (EM&V Forum)
February 12, 2025	SANDAG Regional Climate Table Workshop
March 26, 2025	Vista Environmental Commission Presentation

*Call Center Activity and Participation Statistics*

The following chart reflects customer activity through December 31, 2024.



Call volumes to CEA’s Call Center decreased 11% from November to December 2024. The most common call topics for all customers (commercial and residential) were related to Billing inquiries, Net Energy Metering Cash Out Requests, and Net Energy Metering.

The total number of calls received, response times and call duration through December 31, 2024, were as follows:

Monthly Summary – December 31, 2024					
Stats by Month	Dec	Nov	Oct	Sept	Total
Total Calls	686	620	984	1218	26,239
Total Calls Connected to Agents	683	618	969	1197	25,660
Average Seconds to Answer	0:00:07	0:00:06	0:00:23	0:00:27	
Average Call Duration	0:10:17	0:10:22	0:08:52	0:08:35	

The following chart reflects enrollments in CEA’s power supply products by City as of December 15, 2025:

Member City	Clean Impact – 50% Renewable	Clean Impact Plus - 75% Carbon Free	Green Impact – 100% Renewable
Carlsbad	158	49,523	215
Del Mar	4	2,777	72
Escondido	142	53,096	62
Oceanside	185	66,098	78
San Marcos	119	34,561	64
Solana Beach	14	6,912	157
Vista	75	35,767	307
<b>TOTAL ACCOUNTS</b>	<b>697</b>	<b>248,734</b>	<b>955</b>

*Risk Oversight Committee*

The Risk Oversight Committee met on Thursday, December 5, 2024. In addition to reviewing energy market prices, CEA load forecast, procurement activity, portfolio positions and future procurement activities, the Committee also discussed rate design for CEA’s three energy products – Clean Impact, Clean Impact Plus and Green Impact. Specifically, the Committee discussed adjusting the rate premiums to meet energy actual procurement costs. The Committee recommended bringing this forward to the Board for discussion and consideration which staff expects to do in February. The next regular meeting of the Committee is currently scheduled for March 6, 2025.

*Contracts \$50,000 - \$100,000 entered into by Chief Executive Officer*

VENDOR	DESCRIPTION	AMOUNT
None		

**FISCAL IMPACT:**

There is no fiscal impact with this action.

Submitted for Board consideration:



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Gregory Wade  
Chief Executive Officer

**ATTACHMENTS:**

None.



## Staff Report

**DATE:** January 30, 2025

**TO:** Clean Energy Alliance Board of Directors

**FROM:** Greg Wade, Chief Executive Officer

**ITEM 8:** Public Hearing and Adoption of Resolution No. 2025-004 Setting Rates for PeakSmart Savers Program and Approving Clean Energy Alliance Residential PeakSmart Savers Program Terms and Conditions

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### **RECOMMENDATION:**

That the Clean Energy Alliance (CEA) Board of Directors:

- 1) Conduct the Public Hearing: Open the Public Hearing, Receive Public Testimony, and Close the Public Hearing.
- 2) Adopt Resolution No. 2025-004 Setting Rates for PeakSmart Savers Program and Approving Residential PeakSmart Savers Program Terms and Conditions.

### **BACKGROUND AND DISCUSSION:**

At its November 21, 2024 regular Board meeting, the CEA Board expanded the Solar Plus program to add the Solar Plus-SGIP program. This expanded program provides customers enrolled in California Alternate Rates for Energy (CARE) the opportunity to participate in the California Public Utilities Commission (CPUC) funded Self-Generation Incentive (SGIP) Residential Solar and Storage Equity (RSSE) program. The incentive covers approximately 85% of the average solar and energy storage system, resulting in substantial bills savings to participating customers. One of the requirements of the SGIP program, is that customers must also be enrolled in an eligible demand response (DR) program. CEA does not currently offer a DR program and this item recommends the PeakSmart Savers Program to fulfill this requirement.

After researching DR programs that are on the current SGIP eligible list, as well as evaluating DR programs offered by other community choice aggregation (CCA) programs, staff recommends the CEA Board approve the proposed PeakSmart Savers Program (PeakSmart or Program). The proposed Program assists residential customers with managing their electric bills by offering lower rates during non-called event periods and encouraging reduced energy usage during the higher cost peak time-of-use (TOU) periods. The program has been modeled on an eligible SGIP program offered by San Diego Gas & Electric (SDG&E), which is not available to CEA customers. Modeling PeakSmart after SDG&E's program increases the likelihood of the CPUC approving the Program to be added to the list of eligible SGIP DR programs as well as providing a program that customers may already be familiar with. While the Program has been

developed to meet the SGIP requirements, the Program, as proposed, would be open to any residential CEA customer at the applicable rates.

PeakSmart offers customers rates that are 30% lower than the comparative non-program rates during the On-Peak and Off-Peak TOU periods. During On-Peak TOU periods (4:00pm – 9:00pm) when energy use and demand on the electric grid are high, resulting in higher energy costs during this period, CEA may call a PeakSmart Load Reduction Event. Energy used during On-Peak periods of a Load Reduction Event will incur a Load Reduction Adder, proposed at \$1.10 per kWh. CEA may call the Events up to 18 times per calendar year. Customers will be notified of the event via text and email alerts. CEA will also advertise the called events through its social media outlets. During all other non-event TOU periods, the customer will be billed at the lower rates (30% savings). The proposed rates are detailed in Exhibit A to Resolution No. 2025-004 (Attachment A).

To encourage participation in PeakSmart Savers, staff proposes Bill Protection be provided to customers that enroll, applicable to the initial twelve (12) months the customer is enrolled, as detailed in the PeakSmart Program Terms and Conditions of Service (Exhibit B to Resolution No. 2025-004 at Attachment A). At the end of the 12-month period, CEA will analyze the program charges and compare them to what the customer would have been charged had they not been enrolled in the Program. If a customer's charges were higher, they will be credited for the difference and mailed a check. Customers must be enrolled the full 12 months to be eligible for Bill Protection.

For customers enrolled in CEA's Personal Impact (NEM 1.0 or 2.0), the Load Reduction Adder is only applicable for net consumption during the total On-Peak called event period. There is no credit if the customers generate net surplus energy during the called event period. For customers enrolled in CEA's Solar Impact (Solar Billing Plan) the Load Reduction Adder is applicable to import energy only and is not credited to export energy. These terms are also described in Exhibit B to Resolution No. 2025-004 (Attachment A).

As proposed, approval of Resolution No. 2025-004 will provide the Chief Executive Officer authority to make administrative changes to the Terms and Conditions described in Exhibit B to Attachment A, that do not impact the Program Rates. These changes may include adjustments to how customers sign-up for the program and/or how the credit is paid out. Any changes made to the Terms and Conditions will be reported to the Board.

**FISCAL IMPACT:**

The rates as proposed provide a 30% savings compared to the non-program rates, and a Load Reduction Adder for usage during On-Peak Load Reduction Events.

Submitted for Board consideration:



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Gregory Wade  
Chief Executive Officer

**ATTACHMENTS:**

- A. Resolution No. 2025-004 Setting Rates for PeakSmart Savers Program and Approving Residential PeakSmart Savers Program Terms and Conditions
  - Exhibit A - Residential PeakSmart Savers Program Rates
  - Exhibit B - PeakSmart Savers Program Terms & Conditions
- B. Rate Setting Public Hearing Notice for Demand Response Program

**CLEAN ENERGY ALLIANCE  
RESOLUTION NO. 2025-004**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF CLEAN ENERGY ALLIANCE SETTING RATES FOR CLEAN ENERGY ALLIANCE PEAKSMART SAVERS PROGRAM AND APPROVING CLEAN ENERGY ALLIANCE RESIDENTIAL PEAKSMART SAVERS PROGRAM TERMS AND CONDITIONS**

**WHEREAS**, the Clean Energy Alliance (CEA) is a joint powers agency formed on November 4, 2019, under the Joint Exercise of Power Act, California Government Code section 6500 *et seq.*; and

**WHEREAS**, Section 4.6 of the Joint Powers Authority (JPA) Agreement establishes the specific responsibility of the CEA Board of Directors to adopt retail rates for power; and

**WHEREAS**, the CEA Board desires to establish a demand response program PeakSmart Savers Program; and

**WHEREAS**, the Program rates are set to provide a 30% savings during non-called Load Reduction Event periods; and

**WHEREAS**, a Load Reduction Adder will apply on energy used during the On-Peak time of use Period of Load Reduction Event days; and

**WHEREAS**, the Public Hearing Notice was published in the San Diego Union Tribune on January 17 and 24, 2025 and posted to CEA's website on January 17, 2025.

**NOW, THEREFORE, BE IT RESOLVED**, by the Board of Directors of Clean Energy Alliance, as follows:

Section 1. The Board of Directors of Clean Energy Alliance hereby approves and sets CEA PeakSmart Savers Program Rates as detailed in Exhibit A hereto, which is fully incorporated herein by this reference.

Section 2. The Board of Directors of Clean Energy Alliance hereby approves the Clean Energy Alliance Residential PeakSmart Savers Program Terms and Conditions as detailed in Exhibit B hereto, which is fully incorporated herein by this reference.

Section 3. The Chief Executive Officer is hereby authorized to approve administrative changes to the Residential PeakSmart Savers Program Terms and Conditions that do not impact the Program Rates. The Chief Executive Officer will report any changes made to the Terms and Conditions to the Board of Directors.

Section 4. Rates and Terms and Conditions for the PeakSmart Savers Program are to be effective immediately.

The foregoing Resolution was passed and adopted this 30th day of January, 2025, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

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[VACANT], Chair

ATTEST:

---

Kaylin McCauley, Board Secretary

## EXHIBIT A RESIDENTIAL PEAKSMART SAVERS PROGRAM RATES

### RATE SCHEDULE FOR TOU-DR

RESIDENTIAL TOU-DR-P	Summer June 1 – October 31	Winter November 1 – May 31
Non-Event Energy Charges		
On-Peak	\$0.26631	\$0.13950
Off-Peak	\$0.19433	\$0.05938
Super Off-Peak	\$0.16618	\$0.05163
Load Reduction Adder (per kWh) – applicable on called event days	\$1.10	\$1.10

### RATE SCHEDULE FOR TOU-DR1

RESIDENTIAL TOU-DR-1-P	Summer June 1 – October 31	Winter November 1 – May 31
Non-Event Energy Charges		
On-Peak	\$0.39145	\$0.13985
Off-Peak	\$0.15756	\$0.05959
Super Off-Peak	\$0.04961	\$0.05187
Load Reduction Adder (per kWh) – applicable on called event days	\$1.10	\$1.10

### RATE SCHEDULE FOR TOU-DR2

RESIDENTIAL TOU-DR-2-P	Summer June 1 – October 31	Winter November 1 – May 31
Non-Event Energy Charges		
On-Peak	\$0.39145	\$0.13985
Off-Peak	\$0.10692	\$0.04887
Load Reduction Adder (per kWh) – applicable on called event days	\$1.10	\$1.10

### RATE SCHEDULE FOR EV-TOU, EV-TOU-2 and EV-TOU-5

RESIDENTIAL EV-TOU-P, EV-TOU-2-P, EV-TOU-5-P	Summer June 1 – October 31	Winter November 1 – May 31
Non-Event Energy Charges		
On-Peak	\$0.36179	\$0.17101
Off-Peak	\$0.11183	\$0.11047
Super Off-Peak	\$0.04961	\$0.05187
Load Reduction Adder (per kWh) – applicable on called event days	\$1.10	\$1.10

**EXHIBIT B**  
**CLEAN ENERGY ALLIANCE**  
**RESIDENTIAL PEAKSMART SAVERS PROGRAM**  
**TERMS AND CONDITIONS OF SERVICE**

**A. PURPOSE**

Clean Energy Alliance's (CEA) optional PeakSmart Savers Program (PeakSmart or Program) is offered to residential customers to assist with managing their electric bills by offering lower rates during non-called events periods and encouraging reduced usage during the higher cost peak time of use periods or shifting usage from high-cost time periods to lower cost time periods.

The purpose of the PeakSmart Savers Program terms & conditions (T&C) is to provide a process for how the Program is administered.

**B. APPLICABILITY**

PeakSmart is available to active CEA residential customers on rates TOU-DR, TOU-DR-1, TOU-DR-2 EV-TOU, EV-TOU-2 and EV-TOU-5.

**C. TERRITORY**

Applicable in the CEA service area.

**D. CALLED PEAK LOAD REDUCTION EVENTS**

CEA may call up to 18 PeakSmart Load Reduction Events per calendar year, when energy use and demand on the electric grid are expected to be high. The applicable hours are 4:00pm – 9:00pm on PeakSmart Load Reduction Event days. During these days, the Load Reduction Adder will apply to usage during the On-Peak hours of 4:00pm – 9:00pm. Customers enrolled in the Program will be notified of called events via text and email alerts. CEA will also advertise the called events through its social media outlets.

**E. RATES**

PeakSmart rates, to be set by CEA Board resolution at a noticed Public Hearing, provide a 30% savings during the On-Peak and Off-Peak time of use periods and adds a Load Reduction Adder to be applied during On-Peak hours on called PeakSmart Load Reduction Event days. Reducing usage during the On-Peak hours of 4:00pm – 9:00pm of called PeakSmart Load Reduction Event days will minimize the application of the Load Reduction Adder. Customers enrolled in PeakSmart will be charged based on the Program rates that replace the customer's otherwise applicable rate.

For Personal Impact (Net Energy Metering (NEM) 1.0 and 2.0 customers), the Load Reduction Adder is not applicable to credit against net generation, it only applies to net consumption, as calculated for the total On-Peak hours. For Solar Impact Plan (aka Solar

Billing Plan) customers, the Load Reduction Adder only applies to import energy usage and is not credited to export energy.

**Bill Protection:** Customers that enroll in the Program in 2025 are eligible for Bill Protection for the first twelve (12) months of service. Bill Protection ensures the customers will not pay more for energy under this Program than they would otherwise have paid had they not enrolled in the Program. Customers must be enrolled for a the full twelve (12) months to be eligible for Bill Protection. At the end of the initial 12-months, CEA will analyze the customer's bill. If the customer was charged more under the Program than they would have otherwise paid, the customer will receive a check for the difference.

**F. ENROLLING IN PEAKSMART SAVERS PROGRAM**

Customers may enroll in PeakSmart Savers Program by contacting CEA's customer service at (833) 232-3110. The account enrollment will be effective within two (2) billing periods.

**G. TERM OF SERVICE**

Unless a customer is enrolled in a program that requires participation in PeakSmart Savers Program, customers may request to be removed from the program at any time by contacting CEA's customer service at (833) 232-3110.

PUBLIC HEARING NOTICE  
CLEAN ENERGY ALLIANCE

The Board of Directors of Clean Energy Alliance will conduct a public hearing to consider adopting a resolution adding PeakSmart Savers Program rates to Clean Energy Alliance's (CEA) rate schedule. As proposed, the rates provide a 30% savings for non-called event usage compared to the current comparable CEA rates and add a Called Event Adder in the amount of \$1.10 per kWh for usage during called event On-Peak time of use periods.

DATE OF HEARING: Thursday, January 30, 2025  
TIME OF HEARING: 2:00 p.m. or as soon thereafter as the matter may be heard  
PLACE OF HEARING: City of Oceanside City Hall  
300 N Coast Highway  
Oceanside, CA 92054

Virtual via zoom

Zoom.us  
Meeting ID: 813 7641 0530

Telephonically by dialing:  
(253) 215-8782  
Meeting ID: 813 7641 0530

All interested persons are invited to attend the meeting and comment on the proposed rates for Clean Energy Alliance. Members of the public unable to attend the public hearing may submit their comments and recommendations in writing to Clean Energy Alliance, via email to [clerk@thecleanenergyalliance.org](mailto:clerk@thecleanenergyalliance.org), which must be received no later than 1 p.m. on Thursday, January 30, 2025 to ensure consideration by the Board.

Kaylin McCauley

Kaylin McCauley  
Board Secretary

Dated: January 14, 2025

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Published: Friday, January 17, 2025  
Friday, January 24, 2025

Published: San Diego Union Tribune

Posted: Friday, January 17, 2025

City of Oceanside, City Hall

## Staff Report

**DATE:** January 30, 2025  
**TO:** Clean Energy Alliance Board of Directors  
**FROM:** Gregory Wade, Chief Executive Officer  
**ITEM 9:** Receive Regulatory Update from Keyes & Fox

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**RECOMMENDATION:**

Receive the Regulatory Update from Keyes & Fox.

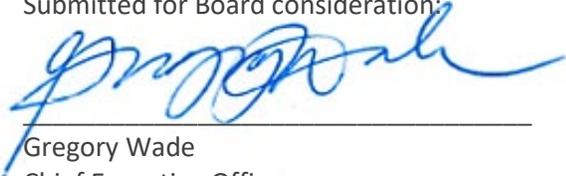
**BACKGROUND AND DISCUSSION:**

Clean Energy Alliance contracts with Keyes and Fox for Regulatory Advocacy related activities. Each month Keyes and Fox provides an update to the CEA Board on key items of interest.

**FISCAL IMPACT:**

There is no fiscal impact from this action.

Submitted for Board consideration:



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Gregory Wade  
Chief Executive Officer

**ATTACHMENTS:**

- A. Keyes & Fox Regulatory Report

## Clean Energy Alliance

### Regulatory Monitoring Report

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To: Clean Energy Alliance (CEA) Board of Directors

From: Tim Lindl, Partner, Keyes & Fox LLP  
Jacob Schlesinger, Partner, Keyes & Fox LLP  
Jason Hoyle, Principal Analyst, EQ Research, LLC

Subject: Monthly Regulatory Memo

Date: January 21, 2025

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Keyes & Fox LLP and EQ Research LLC are pleased to provide CEA's Board of Directors with this informational memo describing recent developments in key California regulatory and compliance-related updates from the California Public Utilities Commission (CPUC). Additional information is available in CEA's [Digest of Regulatory Updates](#).

#### **Resource Adequacy (R.23-10-011)**

- On December 20, Energy Division submitted its [revised LOLE Study](#) and SOD PRM tool workbooks, one [with negative operating units \(NOU\)](#) and one [without NOU](#). In the LOLE Study, Staff recommend a 2026 planning reserve margin (PRM) of 21% for the months from October - May and a 2026 PRM of 22.5% for the months from June – September, both of which are lower than the 26.5% and 23.5% previously recommended.
- Track 3 proposals in response to the November 4 [Scoping Memo and Ruling](#) were filed by parties in January 17. [CalCCA](#) proposals support hourly resource adequacy (RA) transactions or load obligation trading among LSEs and encourage the Commission to address co-located project RA accounting issues to clarify counting for storage charging sufficiency and to allow energy-only resources to count as RA resources. [CalAdvocates'](#) proposals addressed RA brokers and recommended IOUs be ordered to negotiate rate-adder fees (in \$/kW-month) with brokers to eliminate the [potential for perverse incentives at elevated prices and to disallow brokers to be a party to transactions that the broker is brokering. The Joint CPUC-CEC Staff Proposal is [delayed](#), but in the LOLE Study staff indicated it was preparing two proposals, one with a 17% PRM and another with a 22.5% PRM as an RA requirement and System Waiver.

#### **RPS (R.24-01-017)**

- On December 24, the CPUC issued [D.24-12-035](#) on 2024 RPS Procurement Plans. Per OP 46, CEA's Draft 2024 Draft RPS Procurement Plan is approved and deemed final. The Resolution authorizes an incremental budget of \$4 million for costs associated with implementing the deed-restricted affordable housing tier assignment, the marketing, education, and outreach plan, and the facilitation contractor.

#### **Demand Flexibility (R.22-07-005)**

- On December 26, the CPUC issued [Resolution E-5355](#) approving with modifications SDG&E's request to implement the fixed charge pursuant to [D.24-05-028](#). SDG&E is required to submit a Tier 2 advice letter by February 24 to address additional requirements for its marketing, education, and outreach plan. By March 26, SDG&E is also required to submit a Tier 2 advice letter to provide redlined changes to its volumetric rate components of all residential tariffs active in 2025, including legacy rates, and to file a Tier 1 advice letter no later than 30 days before implementation of the fixed charge showing revisions to its tariff language. SDG&E intends to begin communicating with customers about the fixed charge in July 2025 and implement the fixed charge in October 2025.

#### **SDG&E Phase 1 GRC (A.22-05-015)**

- On December 19, the CPUC issued [D.24-12-074](#) addressing Track 1 of SDG&E's and SoCalGas's 2024 Test Year (TY) Phase 1 GRC. The decision adopts a 2024 TY revenue requirement of \$2.698 billion for SDG&E's combined operations (\$2.192 billion for electric and \$506.062 million for gas operations), which is \$308.313 million lower than the \$3.007 billion that SDG&E requested in its Update Testimony. The adopted revenue

requirement represents an increase of \$188.609 million or a 7.5% increase over the current revenue requirement of \$2.510 billion for 2023.

- The Decision did not adopt the utilities' proposed post-test year (PTY) ratemaking framework, but it did authorize a PTY base revenue increase (operations and maintenance and capital revenue requirement) of 3% each year for 2025, 2026, and 2027. For SDG&E, the decision adopts a PTY revenue requirement of \$2.845 billion for 2025, \$2.964 billion for 2026, and \$3.086 billion for 2027. The decision also adopted a budget-based capital exception for undergrounding and system hardening for wildfire capital expenditure of \$166.5 million for 2025, \$167.4 million for 2026 and \$168.6 million for 2027.

### **SDG&E 2025 ERRAs Forecast ([A.24-05-010](#))**

- On December 27, the CPUC issued [D.24-12-040](#) approving SDG&E's 2025 ERRAs forecasts and adopting SDG&E's updated 2025 revenue requirement forecast of \$71.7 million, which is \$682.7 million less than its currently effective revenue requirement of \$754.4 million. For unbundled customers, a typical non-CARE customer can expect to see a monthly bill decrease of around \$23.00 (23.6% reduction) while a typical unbundled CARE customer can expect to see a monthly bill reduction of around \$16.00 (27.5% reduction).
- On December 20, the CPUC [granted](#) SDG&E's request for an extension of time from January 1, 2025 to February 1, 2025 to implement the rate adjustments reflected in the Consolidated Rate Change advice letter (AL) 4548-E. A revised rate change advice letter will be filed in late January.

### **Diablo Canyon Cost Recovery ([A.24-03-018](#))**

- On December 20, the CPUC issued [D.24-12-033](#) approving PG&E's 2024 Diablo Canyon Power Plant (DCPP) extended operations revenue requirement of \$722.6 million, conditionally approving PG&E's 2025 Volumetric Spending Plan, and closing the proceeding. PG&E must file a Tier 1 Advice Letter within by February 18 that includes a detailed plan describing how the 2025 Volumetric Spending Plan complies with the statutory directive to accelerate and increase spending on the enumerated public purpose priorities and describes how PG&E will track project expenditures to ensure they are incremental to and separately identifiable from other costs recorded in existing accounts.

### **NEW Customer Renewables for Priority Communities ([R.25-01-005](#))**

- On January 16, the CPUC approved the [Proposed Decision](#) to initiate this rulemaking proceeding on customer-generated renewables for priority communities and consider modifications to the Solar on Multifamily Affordable Housing (SOMAH) and Disadvantaged Communities Single-Family Affordable Solar Homes programs, and consider modifications and establish programmatic procedural oversight of Renewable Energy Self-Generation Bill Credit Transfer tariffs.

### **Provider of Last Resort ([R.21-03-011](#))**

- Phase 2 of the Provider of Last Resort (POLR) proceeding expands on the Phase 1 efforts to establish a comprehensive framework for existing IOU POLRs by setting rules that allow a non-IOU load-serving entity (LSE) to be designated as POLR. A Phase 2 [Scoping Memo and Ruling](#) was issued on October 24.
- In Parties' January 10 opening comments, no IOU, including SDG&E, expressed an interest in transferring POLR responsibilities to a non-IOU. Comments largely focused on the scope of the Commission's jurisdiction over non-IOU LSEs that elect to become the POLR with some parties (CalCCA, Direct Access providers, and SCE) arguing such jurisdiction is limited and others arguing such jurisdiction is broad (PG&E, SDG&E, and Cal Advocates).

## Staff Report

**DATE:** January 30, 2025

**TO:** Clean Energy Alliance Board of Directors

**FROM:** Gregory Wade, Chief Executive Officer

**ITEM 10:** Consider Adoption of Resolution No. 2025-005 Approving a 20-Year Energy Storage Agreement (ESA) with IEP Camp Pendleton Energy Storage 1, LLC and Authorizing Execution of the ESA

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### **RECOMMENDATION:**

That the Clean Energy Alliance (CEA) Board of Directors (Board) Adopt Resolution No. 2025-005 approving a 20-Year Energy Storage Agreement (ESA) with IEP Camp Pendleton Energy Storage 1, LLC for long-duration energy storage capacity for an amount not to exceed \$38,390,400 and authorizing the Chief Executive Officer to execute all applicable documents, subject to Transactions Attorney approval, if the final ESA terms are consistent with the commercial term sheet (Attachment B).

### **BACKGROUND AND DISCUSSION:**

California Public Utilities Commission (CPUC) Decisions 21-06-035 and 23-02-040 (Decisions) require all load serving entities, including community choice aggregators, to procure additional resources to ensure sufficient capacity is available for reliability as older non-renewable resources are retired. These decisions are commonly and collectively referred to as a load serving entity's Midterm Reliability (MTR) requirement. These Decisions require:

- Incremental project capacity to be brought online on or earlier than each year from 2023 to 2028;
- Resources are available for a term of at least ten (10) years;
- Generation resources must be non-fossil fueled;
- A proportion of these new resources must be new build baseload renewable energy and long-duration storage. CEA's long-duration storage MTR obligation is 3.5MW.

Pursuant to these Decisions, Clean Energy Alliance (CEA) has issued various Requests for Proposals seeking MTR-eligible responses, most recently in January 2024. Despite receiving 41 offers for 28 projects, no long-duration storage offers were received. CEA subsequently developed an Open Offer Form process to receive submissions year-round which do not fall directly within solicitation windows, and indicated a specific interest in nearer-term projects and MTR-eligible projects.

This summer, in response to CEA's Open Offer Form process, staff received a submission for a long-duration storage project sited at Camp Pendleton (the "Project"). The Project is a 6MW 8-hour zinc

bromide battery and meets the procurement requirements as established by the CPUC MTR Procurement requirements for long-duration storage resources. The terms of the proposed agreement are for a period of twenty (20) years, to begin delivering energy on September 1, 2026, for a total amount not to exceed \$38,390,400, or \$1,919,520 per year.

CEA has an executed term sheet with IEP Camp Pendleton Energy Storage 1, LLC (Attachment B). Staff recommends the Board adopt Resolution No. 2025-005 and authorize the Chief Executive Officer to execute the final agreement, subject to CEA's Transactions Attorney's approval.

**FISCAL IMPACT:**

There will be no cost to CEA associated with this Agreement until construction is completed in September 2026. Contract costs will be included in the financial pro-forma and in the FY26/27 CEA Budget.

Submitted for Board consideration:



\_\_\_\_\_  
Gregory Wade  
Chief Executive Officer

**ATTACHMENTS:**

- A. Resolution No. 2025-005, Approving a 20-Year Energy Storage Agreement (ESA) with IEP Camp Pendleton Energy Storage 1, LLC and Authorizing Execution of the ESA
- B. Redacted Term Sheet for ESA with IEP Camp Pendleton Energy Storage 1, LLC

**CLEAN ENERGY ALLIANCE  
RESOLUTION NO. 2025-005**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF CLEAN ENERGY ALLIANCE  
APPROVING A TWENTY-YEAR ENERGY STORAGE AGREEMENT WITH IEP CAMP  
PENDLETON ENERGY STORAGE 1, LLC AND AUTHORIZING THE CHIEF EXECUTIVE  
OFFICER TO EXECUTE THE AGREEMENT IN AN AMOUNT NOT TO EXCEED  
\$38,390,400**

**WHEREAS**, Clean Energy Alliance (CEA) is a joint powers authority established on November 4, 2019, and organized under the Joint Exercise of Powers Act (Government Code Section 6500 *et seq.*); and

**WHEREAS**, California Public Utilities Commission (CPUC) Decisions 21-06-035 and 23-02-040 require all load serving entities, including community choice aggregators, to procure additional resources to ensure sufficient resources are available for reliability as older non-renewable resources (Diablo Canyon, among others), which decisions are commonly and collectively referred to as a load serving entity's Midterm Reliability requirement; and

**WHEREAS**, CEA received an Open Offer Form proposal from IEP Camp Pendleton Energy Storage 1, LLC for a proposed 6MW long-duration battery storage project meeting the procurement requirements established by the CPUC Midterm Reliability Decisions; and

**WHEREAS**, CEA has negotiated a commercial Term Sheet with IEP Camp Pendleton Energy Storage 1, LLC for this 6MW long-duration battery storage project, which was considered by the Board of Directors of Clean Energy Alliance at its January 30, 2025 regular meeting.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of Clean Energy Alliance hereby finds, determines and resolves as follows:

Section 1. The foregoing recitals are true and correct and incorporated fully herein.

Section 2. A twenty-year Energy Storage Agreement (ESA) with IEP Camp Pendleton Energy Storage I, LLC to begin delivering September 1, 2026, for a total amount not to exceed \$38,390,400, is hereby approved.

Section 3. The Chief Executive Officer is hereby authorized and directed to execute an ESA with IEP Camp Pendleton Energy Storage I, LLC consistent with the term sheet presented to the Board of Directors on January 30, 2025 in a form acceptable to CEA's transactional counsel.

Section 4. The Chief Executive Officer is hereby authorized and directed to execute such other documents and take such other and further actions as may be necessary and proper to accomplish the purposes of this resolution.

The foregoing Resolution was passed and adopted this 30th day of January, 2025, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

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[VACANT], Chair

ATTEST:

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Kaylin McCauley, Board Secretary

CEA  
 ESA Term Sheet (Local Projects)  
 1 December 2024

## Term Sheet Energy Storage Agreement – Local Project

THIS TERM SHEET FOR ENERGY STORAGE AGREEMENT (“**Term Sheet**”) is entered into as of the last dated signature on the signature page hereto (the “**Effective Date**”), between Clean Energy Alliance, a California joint powers authority (“**CEA**”) and IEP Camp Pendleton Energy Storage 1, LLC a Pennsylvania limited liability company (“**Respondent**”). This Term Sheet includes the key commercial terms and conditions to be included in a proposed energy storage service agreement (“**ESA**”) to be negotiated between CEA (“**Buyer**”) and Respondent (“**Seller**”) (the “**Proposed Transaction**”). As used herein, Buyer and Seller are each a “**Party**” and collectively the “**Parties**.” Notwithstanding anything herein to the contrary, that until a definitive agreement is approved by CEA’s management and Board of Directors, signed and delivered by the Buyer and Seller, no Party shall have any legal obligations, expressed or implied, or arising in any other manner under this Term Sheet to continue negotiations or enter into the Proposed Transaction or the ESA.

### 1. ESA Terms and Conditions.

<b>Storage Facility:</b>	“ <b>Storage Facility</b> ” or “ <b>Project</b> ” means that certain 6 MW/48 MWh zinc bromide energy storage project at Marine Corps Base Camp Pendleton, located in San Diego County, California.
<b>Storage Product:</b>	<p>“<b>Storage Product</b>” means all energy, capacity, Resource Adequacy Benefits, and ancillary services, however described, produced by, associated with, or capable of being produced by, the Storage Facility, for which Seller has obtained and continues to maintain eligibility for Full Capacity Deliverability Status. Buyer receives full dispatchable rights and energy revenues earned.</p> <p>As used above:</p> <p>“<b>Full Capacity Deliverability Status</b>” or “<b>FCDS</b>” has the meaning set forth in the CAISO Tariff.</p> <p>“<b>Resource Adequacy Benefits</b>” means the rights and privileges attached to the Storage Facility that satisfy any entity’s resource adequacy obligations, and includes any local, zonal or otherwise locational attributes associated with the Storage Facility, in addition to flex attributes.</p>
<b>Storage Contract Capacity:</b>	6 MW <sub>AC</sub>
<b>Delivery Term:</b>	Twenty (20) Contract Years from the Commercial Operation Date, with each 12-month period following the Commercial Operation Date considered a “ <b>Contract Year</b> .” Buyer shall have the right to extend the Delivery Term for an additional Contract Year upon written notice to Seller no less than ninety (90) days prior to the expiration of the final Contract Year of the current Delivery Term, provided, however, that this right may not be exercised for more than five Contract Years in total.

CEA  
 ESA Term Sheet (Local Projects)  
 1 December 2024

<b>Interconnection Point:</b>	The Project shall interconnect to the Haybarn substation (the “ <b>Interconnection Point</b> ”). Seller shall be responsible for all costs of interconnecting the Project to the Interconnection Point.
<b>Delivery Point:</b>	“ <b>Delivery Point</b> ” means the Storage Facility PNode on the CAISO grid.
<b>Contract Price:</b>	<p>The “<b>Storage Rate</b>” shall be \$█/kW-mo., escalated at 0% per Contract Year. Seller shall be paid on a monthly basis at the Storage Rate, <i>multiplied by</i> the Storage Capacity as adjusted for the Storage Capacity Test, for such month, <i>multiplied by</i> the Availability Adjustment for such month.</p> <p>The “<b>RA Rate</b>” shall be \$█/kW-mo., escalated at 0% per Contract Year. Seller be paid on a monthly basis at the RA Rate based upon the quantity (in MW) of Resource Adequacy Benefits delivered to Buyer.</p> <p>“<b>Contract Price</b>” means each of the Storage Rate and the RA Rate.</p>
<b>Progress Reporting:</b>	After execution of the PPA, Seller shall provide a monthly report to Buyers that (a) describes the progress towards meeting the Facility Development Milestones; (b) identifies any missed Facility Development Milestones, including the cause of the delay; and (c) provides a detailed description of Seller’s corrective actions to achieve the missed Facility Development Milestones and all subsequent Facility Development Milestones by the Guaranteed Commercial Operation Date.
<b>Expected PPA Date:</b>	Seller reasonably expects the PPA to be in place by █ (the “ <b>Expected PPA Date</b> ”).
<b>Expected Construction Start Date:</b>	Seller reasonably expects to achieve Construction Start by the following date █ (the “ <b>Expected Construction Start Date</b> ”).
<b>Guaranteed Construction Start Date:</b>	<p>The “<b>Guaranteed Construction Start Date</b>” means the Expected Construction Start Date, subject to extensions on a day-for-day basis due to Force Majeure, permitting, or delays caused by the distribution provider (e.g., SDG&amp;E) that are outside of the reasonable control of Seller (the “<b>Development Cure Period</b>”). The Development Cure Period, including for Force Majeure, shall be no longer than █ days on a cumulative basis. For clarity, the Development Cure Period extends both the Guaranteed Construction Start Date and the Guaranteed COD simultaneously.</p> <p>Failure to achieve Guaranteed Construction Start within █ days of the Guaranteed Construction Start Date shall constitute an Event of Default, and Buyer shall have the right, in its sole discretion, to terminate the ESA and receive a Damage Payment. “<b>Damage Payment</b>” means the dollar amount that equals the amount of the Development Security.</p>
<b>Expected Commercial Operation Date:</b>	Seller reasonably expects to achieve Commercial Operation by the following date September 1, 2026 (the “ <b>Expected Commercial Operation Date</b> ”).

CEA  
 ESA Term Sheet (Local Projects)  
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<p><b>Guaranteed Commercial Operation Date:</b></p>	<p>The “<b>Guaranteed Commercial Operation Date</b>” or “<b>Guaranteed COD</b>” means the Expected Commercial Operation Date, subject to extensions pursuant to the Development Cure Period.</p> <p>If the Seller does not achieve COD of the Facility by the Guaranteed COD, Seller shall pay Delay Damages to the Buyer for each day of delay until Seller achieves COD.</p> <p>“<b>Delay Damages</b>” are equal to the Development Security divided by 90. Delay Damages shall [REDACTED]</p> <p>Failure to achieve COD within 90 days of the Guaranteed COD shall constitute an Event of Default, and Buyer shall have the right, in its sole discretion, to terminate the ESA and receive a Damage Payment.</p>
<p><b>Commercial Operation Date:</b></p>	<p>The “<b>Commercial Operation Date</b>” or “<b>COD</b>” shall be the later of (a) the Expected Commercial Operation Date or (b) the date on which Commercial Operation is achieved. “<b>Commercial Operation</b>” means the condition existing when Seller has fulfilled the following conditions precedent in the ESA and provided notice of same to Buyer, including providing a certificate to Buyer from an independent licensed professional engineer with respect to subparts (ii), (iii) and (iv):</p> <ul style="list-style-type: none"> <li>(i) Storage Facility has met all Interconnection Agreement requirements;</li> <li>(ii) Commissioning of equipment has been completed in accordance with the manufacturer’s specifications;</li> <li>(iii) 95% of Storage Contract Capacity has been installed and commissioned;</li> <li>(iv) Storage Facility has successfully completed all testing required by prudent utility practices or any requirement of law to operate the Storage Facility;</li> <li>(v) The Storage Facility has achieved Full Capacity Deliverability Status and Seller has provided Buyer with a copy of written notice from the CAISO that the Storage Facility has achieved Full Capacity Deliverability Status;</li> <li>(vi) All applicable permits and government approvals required for the operation of the Storage Facility have been obtained;</li> <li>(vii) Seller has obtained all real property rights for site control;</li> <li>(viii) Security requirements for the Delivery Term have been met;</li> <li>(ix) Seller has paid Buyer all amounts owing under this Agreement, if any, including for delay damages; and</li> <li>(x) Insurance requirements for the Storage Facility have been met, with evidence provided in writing to Buyer.</li> </ul>

CEA  
 ESA Term Sheet (Local Projects)  
 1 December 2024

	Seller shall provide notice of expected COD to Buyer in writing no less than sixty (60) days in advance of such date. Seller shall notify Buyer in writing when Seller believes that it has provided the required documentation to Buyer and met the conditions for achieving COD. Buyer shall have five (5) Business Days to approve or reject Seller’s request for COD. Upon Buyer’s approval of Seller’s achievement of COD, Buyer shall provide Seller with written acknowledgement of the COD.
<b>Site Control:</b>	Seller shall maintain site control throughout the Delivery Term.
<b>Permits and Approvals:</b>	Seller shall obtain any and all permits and approvals, including without limitation, environmental clearance under the California Environmental Quality Act (“ <u>CEQA</u> ”) or other environmental law, from the local jurisdiction where the Project is or will be constructed. Seller agrees and acknowledges that Buyer is simply purchasing services under the ESA and does not intend to be the lead agency for the Project.
<b>Project Development Milestones:</b>	<p>██████████ – ██████████</p> <p>September 1, 2026 – Expected Commercial Operation Date</p>
<b>Guaranteed Efficiency Rate:</b>	█%
<b>Failure to Achieve Guaranteed Efficiency Rate:</b>	If during any month during the Delivery Term, the Efficiency Rate applicable to such month is less than the Guaranteed Efficiency Rate, Seller shall owe liquidated damages to Buyer, which damages shall be calculated by multiplying (i) the total Charging Energy for such month, by (ii) the percentage amount by which such applicable Efficiency Rate is less than the Guaranteed Efficiency Rate, by (iii) the monthly average On-Peak Hours LMP for the Storage Facility’s PNode, which amount shall be credited by Seller against amounts owed by Buyer in the applicable monthly invoice.
<b>Ramp Rate Range:</b>	█MW/minute to █MW/minute
<b>Annual Cycles:</b>	█ cycles per Contract Year
<b>Additional Energy Storage Products:</b>	Buyer is entitled to all ancillary services and environmental attributes, if any, produced by the Storage Facility.
<b>Ancillary Services:</b>	All ancillary services, products and other attributes, if any, that may be obtained from the Storage Contract Capacity.

CEA  
 ESA Term Sheet (Local Projects)  
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<p><b>Scheduling Coordinator:</b></p>	<p>Buyer or Buyer’s agent shall act as Scheduling Coordinator (as defined by the CAISO) for the Storage Facility. Buyer shall be financially responsible for such services and shall pay for all CAISO charges (including for charging energy) and retain all CAISO payments (including for discharging energy); provided however, that notwithstanding the foregoing, Seller shall assume all liability and reimburse Buyer for any and all costs or charges (i) incurred by Buyer because of Seller’s failure to perform, (ii) incurred by Buyer because of any outages for which notice has not been provided as required, (iii) associated with Resource Adequacy Capacity (as defined by the CAISO) from the Storage Facility (including Non-Availability Charges (as defined by the CAISO)), if applicable or (iv) to the extent arising as a result of Seller’s failure to comply with a timely Buyer Curtailment Order if such failure results in incremental costs to Buyer.</p> <p>Outage and curtailment notifications will be required by Buyer as well as access to Storage Facility charging and discharging data.</p>
<p><b>Station Use:</b></p>	<p>Buyer will not be responsible for Station Use and Station Use will not be provided by the Storage Facility.</p>
<p><b>Operational Conditions:</b></p>	<p>[REDACTED]</p>
<p><b>Guaranteed Storage Availability:</b></p>	<p>■%</p>
<p><b>Availability Adjustment:</b></p>	<p>The Availability Adjustment (“<b>AA</b>”), which is calculated as follows:              If the monthly storage availability is greater than or equal to the Guaranteed Storage Availability, then:  <math display="block">AA = 100\%</math>              If the monthly storage availability is less than the Guaranteed Storage Availability, but greater than or equal to ■%, then:  <math display="block">AA = 100\% - [(\text{■}\% - \text{monthly storage availability})]</math>              If the monthly storage availability is less than ■%, then:  <math display="block">AA = 0</math></p>
<p><b>Local Workforce:</b></p>	<p>Unless such requirement would conflict with any state or federal law or regulation applicable to the ESA:</p> <p>(a) Seller shall take such commercially reasonable measures to ensure that at least seventy percent (70%) of the construction work hours from its workforce (including contractors and subcontractors) providing construction-related work and services at the Site, as measured during the period beginning on the Construction Start Date ending on the Commercial Operation Date, are qualified individuals, who for at least one (1) year prior to execution of this</p>

CEA  
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	<p>Agreement, have been residents of San Diego County (the “<b>Local Workforce Requirement</b>”).</p> <p>(b) Seller’s failure to meet the Local Workforce Requirement may be waived by Buyer where Seller can demonstrate, to the satisfaction of the Buyer, that Seller has made a made a sufficient good-faith effort to meet the Local Workforce Development, in accordance with the criteria set forth in the ESA.</p> <p>(c) Seller’s construction of the Storage Facility shall also be subject to any local, state or federal hiring requirements specific to location where the Storage Facility is located.</p>
<p><b>Monthly Settlement and Invoice:</b></p>	<p>Within ten (10) days after the end of each month of the Delivery Term, Seller shall send a detailed invoice to Buyer for the amount due for Product delivered during such month. The invoice shall include all information necessary to confirm the amount due.</p> <p>Payment for undisputed amounts shall be due to the applicable party thirty (30) days from the invoice date.</p>
<p><b>Operations and Maintenance:</b></p>	<p>During the months of June through September Seller shall not schedule any non-emergency maintenance that reduces the energy storage capability of the Storage Facility by more than ten percent (10%), unless (i) such outage is required to avoid damage to the Storage Facility, (ii) such maintenance is necessary to maintain equipment warranties and cannot be scheduled outside the months of June through September, (iii) such outage is required in accordance with prudent electrical practices, or (iv) the Parties agree otherwise in writing.</p>
<p><b>Credit Requirements:</b></p>	<p>[REDACTED]</p> <p>“ [REDACTED] .”</p> <p>[REDACTED]</p>
<p><b>Prevailing Wage:</b></p>	<p>Seller shall comply with all federal, state and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts or administrative bodies or tribunals, including, without limitation employment discrimination laws and prevailing wage laws.</p> <p>Seller shall use reasonable efforts to ensure that all employees hired by Seller, and its contractors and subcontractors, that will perform construction work or provide services at the Site related to construction of the Storage Facility are paid wages at rates not less than those prevailing for workers performing similar work in the locality (“<b>Prevailing Wage Requirement</b>”). Seller’s obligations regarding the Prevailing Wage Requirement shall be satisfied upon the execution of a project labor agreement related to construction of the Storage Facility.</p>
<p><b>Compliance with Laws:</b></p>	<p>Seller shall comply with all federal, state and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts</p>

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	<p>or administrative bodies or tribunals, including, without limitation those related to employment discrimination and prevailing wage, non-discrimination and non-preference; and conflict of interest.</p>
<p><b>Assignment:</b></p>	<p>Neither Party may assign the ESA without prior written consent of the other party, which will not be unreasonably withheld; provided, that Seller has the right to assign the ESA as collateral for any financing or refinancing of the Storage Facility without the consent of Buyer.</p> <p>Any direct or indirect change of control of Seller (whether voluntary or by operation of law) will be deemed an assignment and will require the prior written consent of Buyer, which will not be unreasonably withheld.</p> <p>Seller shall pay Buyer’s reasonable expenses, including attorneys’ fees, incurred to provide consents, estoppels, or other required documentation in connection with Seller’s financing for the Storage Facility. Buyer will have no obligation to provide any consent, or enter into any agreement, that materially and adversely affects any of Buyer’s rights, benefits, risks or obligations under the ESA, or to modify such ESA.</p>
<p><b>Dispute Resolution:</b></p>	<p>In the event of any dispute arising under the ESA, within ten (10) days following the receipt of a written notice from either Party identifying such dispute, the authorized members of the Parties’ senior management shall meet, negotiate and attempt, in good faith, to resolve the dispute quickly, informally and inexpensively. If the Parties are unable to resolve a dispute arising hereunder within thirty (30) days of initiating such discussions, the parties shall submit the dispute to mediation prior to seeking any and all remedies available to it at Law in or equity.</p>
<p><b>No Recourse to Members of Buyer:</b></p>	<p>Buyer is organized as a Joint Powers Authority in accordance with the Joint Exercise of Powers Act of the State of California (Government Code Section 6500, et seq.) and is a public entity separate from its constituent members. Buyer will solely be responsible for all debts, obligations and liabilities accruing and arising out of this Confirmation. Seller will have no rights and will not make any claims, take any actions or assert any remedies against any of Buyer’s constituent members, or the officers, directors, advisors, contractors, consultants or employees of Buyer or Buyer’s constituent members, in connection with this Confirmation.</p>
<p><b>Force Majeure:</b></p>	<p>“<b>Force Majeure Event</b>” means any act or event that delays or prevents a Party from timely performing all or a portion of its obligations under this Agreement or from complying with all or a portion of the conditions under this Agreement if such act or event, despite the exercise of reasonable efforts, cannot be avoided by and is beyond the reasonable control (whether direct or indirect) of and without the fault or negligence of the Party relying thereon as justification for such delay, nonperformance, or noncompliance.</p>

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	<p>Notwithstanding the foregoing, the term “<b>Force Majeure Event</b>” does not include (i) economic conditions that render a Party’s performance of this Agreement at the Contract Price unprofitable or otherwise uneconomic (including Buyers’ ability to buy the Product at a lower price, or Seller’s ability to sell Product at a higher price, than the Contract Price); (ii) Seller’s inability to obtain permits or approvals of any type for the construction, operation, or maintenance of the Storage Facility; (iii) the inability of a Party to make payments when due under this Agreement, unless the cause of such inability is an event that would otherwise constitute a Force Majeure Event as described above that disables physical or electronic facilities necessary to transfer funds to the payee Party; (iv) a Curtailment Period, except to the extent such Curtailment Period is caused by a Force Majeure Event; (v) Seller’s inability to obtain sufficient labor, equipment, materials, or other resources to build or operate the Storage Facility except to the extent such inability is caused by a Force Majeure Event; (vi) a strike, work stoppage or labor dispute limited only to any one or more of Seller, Seller’s Affiliates, Seller’s contractors, their subcontractors thereof or any other third party employed by Seller to work on the Storage Facility; or (vii) any equipment failure except if such equipment failure is caused by a Force Majeure Event. Notwithstanding any provision to the contrary, the occurrence and continuation of a Force Majeure Event shall not (a) suspend or excuse the obligation of Seller to achieve the Guaranteed Construction Start Date or the Guaranteed Commercial Operation Date beyond the extensions expressly provided in the ESA or (b) limit Buyer’s right to declare an Event of Default for Seller’s failure to achieve the Guaranteed Construction Start Date or the Guaranteed Commercial Operation Date under the ESA, terminate the ESA, and receive a Damage Payment.</p>
<p><b>Other Standard Contract Terms to be included in the ESA:</b></p>	<p><b>Event of Default:</b> Events of Default shall include, but not be limited to, failure to pay any amounts when due, breach of representations and warranties, failure to perform covenants and material obligations in the ESA, bankruptcy, assignment not permitted by the ESA, Seller failure to achieve Construction Start within [REDACTED] days of Guaranteed Construction Start Date, and Seller failure to achieve Commercial Operation within [REDACTED] days after the Guaranteed Commercial Operation Date.</p> <p><b>Indemnification:</b> Seller to indemnify Buyer for third party claims arising from Seller’s negligence, willful misconduct, or breach of the ESA.</p> <p><b>Governing Law:</b> State of California</p> <p><b>Venue:</b> San Diego, California</p>

**2. Additional Term Sheet Provisions.**

2.1 **Neither Party Obligated to Enter Into Proposed Transaction.** This Term Sheet is intended to provide an overview of the Proposed Transaction and is not intended to constitute a binding contract or an offer to enter into an ESA with respect to the Proposed Transaction and does not obligate

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either Party to enter into the Proposed Transaction or execute any agreement, including the ESA, in connection with the Proposed Transaction. Neither Party will be deemed to have agreed to the ESA and will not be bound by any term thereof, unless and until authorized representatives of both Parties execute final definitive documents, enforceable in accordance with their terms.

2.2 **Expenses.** Each Party will pay its own costs and expenses (whether internal or out-of-pocket, and whether for legal, financial, technical or other consultants, or other purposes) in connection with the Term Sheet and any definitive agreements.

2.3 **Termination.** This Term Sheet will terminate upon the earlier of (a) execution of the ESA or (b) expiration of the Exclusivity Period (as defined in the Exclusivity Agreement), as such Exclusivity Deadline may be extended pursuant to the Exclusivity Agreement.

2.4 **Governing Law.** This Term Sheet is governed by, and construed in accordance with, the laws of the State of California.

2.5 **Counterparts and Electronic Signatures.** This Term Sheet may be executed electronically and in counterparts, each of which will be enforceable against the Parties actually executing such counterparts, and all of which together will constitute one instrument. The Parties may rely on electronic or scanned signatures as originals. Delivery of an executed signature page of this Term Sheet by electronic transmission (including email transmission of a PDF image) shall be the same as delivery of an original executed signature page.

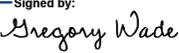
2.6 **Prior Agreements.** This Term Sheet supersedes all prior communications and agreements, oral or written, between the Parties regarding the subject matter herein contemplated.

2.7 **Assignment.** This Term Sheet will be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns. Neither Party will assign, pledge or otherwise transfer this Term Sheet or any right or obligation under this Term Sheet without first obtaining the other Party's prior written consent (which consent will not be unreasonably withheld, delayed, or encumbered).

2.8 **No Consequential Damages.** IN NO EVENT SHALL EITHER PARTY, ITS AFFILIATES AND/OR REPRESENTATIVES BE LIABLE FOR ANY LOST OR PROSPECTIVE PROFITS OR ANY OTHER CONSEQUENTIAL, INCIDENTAL, SPECIAL, PUNITIVE, INDIRECT OR EXEMPLARY DAMAGES UNDER OR IN RESPECT TO THIS TERM SHEET.

IN WITNESS WHEREOF, the Parties have signed this Term Sheet effective as of the Effective Date.

**CLEAN ENERGY ALLIANCE, a California  
joint powers authority**

Signed by:  
  
By: \_\_\_\_\_  
Printed Name: Gregory Wade  
Title: CEO  
Date: 12-23-2024 \_\_\_\_\_

**IEP CAMP PENDLETON ENERGY  
STORAGE 1, LLC, a Pennsylvania limited  
liability company**

Signed by:  
  
By: \_\_\_\_\_  
Printed Name: Michael E. Firenze  
Title: SVP of Operations  
Date: 12-23-24 \_\_\_\_\_

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1 December 2024

## Staff Report

**DATE:** January 30, 2025

**TO:** Clean Energy Alliance Board of Directors

**FROM:** Greg Wade, Chief Executive Officer

**ITEM 11:** Receive and Provide Feedback on the Fiscal Year 2025/26 – 2026/27 Clean Energy Alliance Strategic Plan

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### **RECOMMENDATION:**

Receive and provide feedback on the Fiscal Year 2025/26 – 2026/27 Clean Energy Alliance Strategic Plan.

### **BACKGROUND AND DISCUSSION:**

Since formation in 2019, Clean Energy Alliance (CEA) has been focused on creating a successful organization, initial enrollment of Carlsbad, Del Mar and Solana Beach and expansion into Escondido, San Marcos, Oceanside and Vista. Now that CEA is in a steady state, it is appropriate to identify its focus for the next two (2) fiscal years through adoption of a strategic plan.

The Fiscal Year 2025/26 – 2026/27 Strategic Plan (Plan) proposed to the CEA Board was developed through review of key formation documents (Joint Powers Agreement), direction from the CEA Board and input gathered from meetings of the Community Advisory Committee (CAC).

Key components of the Plan include:

- Core Guiding Principles
- Mission Statement (two options are presented for Board consideration)
- Goals
- Objectives

The Goals and Objectives inform a Work Plan that will guide CEA staff work priorities as well as budget development for the coming two years.

### **Core Guiding Principles**

Six Core Guiding Principles identified through the proposed Plan development process are:

1. *Promote Use & Development of Clean Energy* – reduce GHG emissions by providing 100% renewable energy as the default product for all CEA customers by 2035.
2. *Build & Maintain Financial Sustainability* – achieve financial sustainability and build reserves.
3. *Provide Beneficial Customer Programs* – offer a variety of programs that serve the needs of our customers, promote affordability, address communities of concern and further reduce GHG emissions.

4. *Actively Engage in Customer Advocacy* – engage and advocate for CEA and its customers in regulatory and legislative matters.
5. *Provide Exceptional Customer Service & Community Engagement* – provide highly responsive and helpful customer service and opportunities for our staff to engage with our customers and the communities in which they live.
6. *Promote Organizational Development* – create an organization that fosters employee creativity and engagement in meeting CEA’s goals, recognizes employee achievements and supports employee development and growth.

Plan goals and objectives are tied to each of the six Core Guiding Principles.

### **Mission Statement**

Building on the foundational background, guiding principles, and goals identified in the Plan, CEA staff has developed two draft mission statements for Board consideration:

"Clean Energy Alliance (CEA), is committed to empowering communities by providing accessible, sustainable, and cost-effective energy choices and programs, enabling individuals and businesses to actively participate in shaping a cleaner, greener energy future."

Or

"To empower communities with the choice of sustainable and affordable energy, fostering local economic growth, environmental responsibility, and community well-being."

Staff is seeking Board input on the Mission Statement.

### **Next Steps**

After incorporating the Board input staff will finalize the Strategic Plan and take the following next steps:

1. Review with Community Advisory Committee.
2. Finalize a Work Plan for FY 2025/26 – 2026/27 that includes key performance indicators to track success.
3. Develop the FY 2025/26 Budget and staffing plan to present to the Board for consideration at its May 29, 2025 Regular Board Meeting.

### **FISCAL IMPACT:**

The Strategic Plan and resulting Work Plan will guide development of the budget to be presented for Board consideration at its regular Board meeting May 29, 2025.

Submitted for Board consideration:



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Gregory Wade  
Chief Executive Officer

**ATTACHMENTS:**

- A. Fiscal Year 2025/26 – 2026/27 DRAFT Clean Energy Alliance Strategic Plan

**CLEAN ENERGY ALLIANCE  
STRATEGIC PLAN &  
WORK PLAN OBJECTIVES  
FY 2024/25 – FY 2026/27**

**Purpose:** to establish a strategic plan including guiding principles, goals, and strategic objectives for Clean Energy Alliance (CEA) through FY2026/27.

**Outcomes:**

- Gather background information on CEA’s goals and focus areas based on foundational documents, Community Advisory Committee (CAC) input, and CEA Board (Board) direction, and consolidate into core guiding principles.
- Formalize CEA’s Core Guiding Principles, Goals, and Mission Statement and define Strategic Objectives in the current staff Work Plan that are in support of these.
- Establish a process for updating the Work Plan, incorporating it into the budget, and regularly reporting on its progress.

**Process:**

1. Fall 2024 - Review Joint Powers Authority (JPA) Agreement and other foundational documents for baseline guidance on service and focus areas.
2. December 2024 - Gather input from staff and strategic advisory partners.
3. January 2025 - Present first draft/first phase to Board for initial feedback on components of the Strategic Plan:
  - Core Guiding Principles
  - Mission Statement
  - Goals
  - Objectives
4. February 2025 – gather additional input from CAC and update based on input from Board and CAC
5. March 2025 – present final draft of Strategic Plan reflecting input received to Board for consideration of adoption.
6. April-May 2025 – incorporate principles, goals, and objectives into an updated Work Plan that informs the budget.



## Background – Foundational Guidance

Since formation in 2019, CEA has been focused on successful enrollments: 2021 (Carlsbad, Del Mar & Solana Beach), 2023 (Escondido and San Marcos), 2024 (Oceanside and Vista) and 2025 (Channelside). Now that CEA is at a stable state and nearing full enrollment in its service territory, it is appropriate to identify its focus for the next two (2) fiscal years.

There are several sections of the CEA JPA Agreement that provide guidance on areas of focus over the next few years. These include:

- 6(b) ... rates ... that are competitive with those offered by ...San Diego Gas & Electric (SDG&E), for similar products with a target generation rate at least 2 percent below SDG&E's based product generation rate;
- 6(c) ... achieving – and sustaining – the Climate Action Plan goals of the Parties;
- 6(d) ...lower greenhouse gas (GHG) emission than SDG&E, ... achievement of the Parties' greenhouse gas reduction goals and renewable electricity goals;
- 6(e) ... energy portfolio that incorporates energy efficiency and demand response programs;
- Section 6.4 **Renewable Portfolio Standards**. “...achieve – and sustain – a renewable energy portfolio with 100 percent renewable energy ... by no later than 2035...”
- Section 6.5 **Power Supply Requirements** “... power supply base product will be greater than or equal to 50% qualified renewable sources.... In no event ... a lesser amount of renewable resources than the base product provided by SDG&E to its customers.”
- Section 7.6 **Discretionary Revenues** ... establish policies concerning the expenditure of discretionary revenues... discretionary revenues may be used to:
  - (1) provide programs and develop projects of the Authority or
  - (2) allow Parties to direct funds into qualified Authority programs and projects, or provide other ratepayer benefits.

*The Board shall endeavor to achieve a balanced distribution of program and project benefits substantially commensurate with each Party's energy load (“balanced distribution”).*

*The Board shall conduct periodic audits no less than every two years in order to verify the balanced distribution of program and project benefits and take any corrective action necessary to achieve or continue to maintain a balanced distribution.*

In addition to the directives identified in the JPA Agreement, CEA has a responsibility to ensure long-term financial stability and compliance with legal, regulatory and contractual requirements.

### **Core Guiding Principles and Goals**

Based on the above background as well as staff input reflecting the importance of organizational development in achieving successful overall outcomes for CEA, the following five Guiding Principles have been identified. For each guiding principle, staff have developed a goal statement that drives that principle.

1. *Promote Use & Development of Clean Energy* – reduce GHG emissions by providing 100% renewable energy as the default product for all CEA customers by 2035.
2. *Build & Maintain Financial Sustainability* – achieve financial sustainability and build reserves.
3. *Provide Beneficial Customer Programs* – offer a variety of programs that serve the needs of our customers, promote affordability, address communities of concern and further reduce GHG emissions.
4. *Actively Engage in Customer Advocacy* – engage and advocate for CEA and its customers in regulatory and legislative matters.
5. *Provide Exceptional Customer Service & Engagement* – provide highly responsive and helpful customer service and opportunities for our staff to engage with our customers and the communities in which they live.
6. *Promote Organizational Development* – create an organization that fosters employee creativity and engagement in meeting CEA’s goals, recognizes employee achievements and supports employee development and growth.

### **Mission Statement**

Building on the foundational background, guiding principles, and goals discussed so far, CEA staff has developed two draft mission statements for Board consideration:

"Clean Energy Alliance (CEA), is committed to empowering communities by providing accessible, sustainable, and cost-effective energy choices and programs, enabling individuals and businesses to actively participate in shaping a cleaner, greener energy future."

Or

"To empower communities with the choice of sustainable and affordable energy, fostering local economic growth, environmental responsibility, and community well-being."

## **Strategic Objectives**

Below are objectives currently underway or planned in support of the Core Guiding Principles and Goals as described above. Collectively, these guiding principles, goals, and objectives will guide future operational work plans, staffing, and budget proposals.

### **1. GUIDING PRINCIPLE: PROMOTE USE & DEVELOPMENT OF CLEAN ENERGY**

**Goal:** Reduce GHG emissions by providing 100% renewable energy as the default product for all CEA customers by 2035.

Objectives:

- a) Gradually increase CEA's Renewable Portfolio Standard (RPS) to achieve 100% renewable energy.
- b) Support customer retention and engagement by highlighting customers that have opted up to CEA's 100% renewable energy Green Impact product.
- c) Support achievement of member agencies' CAPs building decarbonization and energy efficiency goals through customer access to grant-funded and/or ratepayer-funded energy efficiency programs.
- d) Pursue local generation projects, including in partnership with member agencies to utilize publicly owned facilities for solar and energy storage projects.

### **2. GUIDING PRINCIPLE: BUILD & MAINTAIN FINANCIAL STABILITY**

**Goal:** Achieve financial sustainability and build reserves.

Objectives:

- a) Achieve sufficient financial reserves with a minimum of one hundred twenty (120) days liquidity on hand (DLOH) to support rate stability.
- b) Manage procurement and financing costs through achievement of an investment-grade credit rating.
- c) Analyze and adjust the rate premiums for the Clean Impact Plus and Green Impact energy products to ensure appropriate cost recovery.
- d) Support customer retention by offering competitive rates while maintaining financial stability and achieving renewable/clean energy goals.
- e) Reduce Resource Adequacy (RA) costs by reducing peak load through energy demand management programs.

### **3. GUIDING PRINCIPLE: PROVIDE BENEFICIAL CUSTOMER PROGRAMS**

**Goal:** Offer a variety of programs that serve the needs of our customers, promote affordability, address communities of concern and further reduce GHG emissions.

Objectives:

- a) Provide customers with access to programs that reduce energy use and address high electric bills.
- b) Provide access to solar and battery storage to all segments of the community that contributes to cost savings; decreases energy usage during peak periods while increasing reliance on clean energy.
- c) Expand access to solar and battery systems at significantly reduced costs to low-income customers.
- d) Retain customers and encourage participation in State funded income-based assistance programs.
- e) Work with member agencies to identify and design energy programs for government on City-owned properties or community hubs.
- f) Collaborate with San Diego Regional Energy Network (SDREN) and Southern California Regional Energy Network (SoCal REN) to expand programs offered to CEA customers.

#### **4. GUIDING PRINCIPLE: ACTIVELY ENGAGE IN CUSTOMER ADVOCACY**

**Goal:** Engage and advocate for CEA and its customers in regulatory and legislative matters.

Objectives:

- a) Maintain participation in legislative and regulatory proceedings that support CEA's guiding principles and goals.
- b) Actively advocate for CEA and its customers in issues such as affordability, renewable energy procurement, and local control.
- c) Monitor and advocate for fair and reasonable Power Charge Indifference Adjustment (PCIA) charges.
- d) Engage with local elected officials to communicate benefits CEA provides its customers and influence legislative decisions that support CEA's goals.

#### **5. GUIDING PRINCIPLE: PROVIDE EXCEPTIONAL CUSTOMER SERVICE & COMMUNITY ENGAGEMENT**

**Goal:** Provide highly responsive and helpful customer service and opportunities for our staff to engage with our customers and the communities in which they live.

Objectives:

- a) Increase CEA's presence in the communities served and provide accurate information to customers.
- b) Promote CEA as the preferred customer-focused renewable energy service provider in North San Diego County and add value to the community and the environment.

- c) Engage with CEA customers to provide information about CEA's programs, services and benefits; maintain strong customer participation and communication; and, gather feedback from customers and community members.
- d) Develop a comprehensive customer communications strategy to reach CEA's diverse communities.

## **6. GUIDING PRINCIPLE: PROMOTE ORGANIZATIONAL DEVELOPMENT**

**Goal:** Create an organization that fosters employee creativity and engagement in meeting CEA's goals, recognizes employee achievements, and supports employee development and growth.

Objectives:

- a) Achieve continuity in operations by developing or expanding upon key operational processes and procedures such as key workflows, performance evaluations, and recruitment and onboarding.
- b) Support employee development through participation in California Community Choice Association's committees, workshops and conferences.
- c) Encourage employee participation in professional education opportunities.

### **Next Steps**

Upon finalization of this Strategic Plan, incorporating Board input, next steps include:

1. Review with Community Advisory Committee.
2. Present final to Board for adoption.
3. Finalize a Work Plan for FY 25-27 from the goals and objectives that includes key performance indicators to track success.
4. Develop a budget and staffing plan to present to the Board for consideration.



## Staff Report

**DATE:** January 30, 2025

**TO:** Clean Energy Alliance Board of Directors

**FROM:** Greg Wade, Chief Executive Officer

**ITEM 12:** Consider Approval of Resolution No. 2025-006 Amending the Clean Energy Alliance Position Control Listing and Resolution No. 2025-007 Amending the Clean Energy Alliance Salary Schedule

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**RECOMMENDATION:**

- 1) Adopt Resolution No. 2025-006 Amending the Clean Energy Alliance (CEA) Position Control Listing
- 2) Adopt Resolution No. 2025-007 Amending the CEA Salary Schedule

**BACKGROUND AND DISCUSSION:**

At its regular meeting on June 29, 2023, the CEA Board of Directors (Board) adopted Resolution No. 2023-005 approving the Fiscal Year (FY) 2023/24 Budget which included funding for employee salaries and benefits. At its special meeting August 31, 2023, and following a survey of other Southern California Community Choice Aggregation (CCA) programs to determine the salary schedules for these positions, the CEA Board adopted Resolution No. 2023-006 approving the following Salary Schedule for CEA's new positions:

<b>POSITION</b>	<b>ANNUAL SALARY RANGE</b>
Board Secretary/Administrative Assistant	\$98,000 - \$164,000
Key Accounts/Programs Manager	\$98,000 - \$164,000
Regulatory Analyst	\$98,000 - \$164,000
Power Procurement Manager	\$137,000 - \$244,000

On November 9, 2023, the Board approved CEA's Position Control Listing which established the following positions for each job title:

POSITION	COUNT
Chief Executive Officer	1
Board Secretary/Administrative Assistant	1
Key Accounts/Program Manager	2
Power Procurement Manager	1
Regulatory Analyst	1

As CEA grew, expanding from the original 3 cities to the current 7, and its enrollment and energy load also increasing, CEA hired the above six (6) full-time staff members during the last fiscal year. CEA also makes use of various professional consulting services including its Chief Financial Officer and its General Counsel.

With CEA’s growth there has been a corresponding increase in the workload for our full-time staff and consultants. In order to keep pace with that workload and to provide an acceptable level of customer service for our energy services and program offerings, CEA’s staff will need to expand beginning in calendar year 2025. The areas in need of staff support include energy procurement and data analytics, programs, finance and administrative support. Over time, expanding staff will also help to alleviate the need for consultant services in these areas. Additionally, given the importance of organizational management for such a lean staff, future consideration of a Chief Operating Officer would also help to provide operational oversight in support of the CEO and during times when the CEO is unavailable. CEA currently utilizes Bayshore Consulting Group (Barbara Boswell) to assist CEA in this capacity who continues to provide invaluable assistance and institutional knowledge.

At present, CEA’s operational budget accounts for approximately 3.1% of CEA’s Total Expenditure Budget for FY 2024/2025 (FY25) with power supply accounting for the other 96.9%. Additionally, the FY25 Budget included a 25% increase in the staffing budget to allow for salary adjustments and additional staff as needed. This provides sufficient funding for up to four (4) additional staff members to support CEA operations, customer support services and programs administration. After careful consideration and analysis of workload, the following additional staff positions are recommended for the second half of FY25:

- Energy Analytics & Risk Manager/Analyst (1)
- Energy Contracts & Compliance Manager/Analyst (1)
- Programs Specialist/Analyst (1)
- Key Accounts Specialist/Analyst (1)

Other positions to be recommended to be added to the position control and salary schedule for future staffing include:

- Financial Analyst
- Administrative Clerk

In addition to the recommendations above, staff requests consideration of a title change from Board Secretary/Administrative Assistant to Clerk to the Board/Executive Assistant (no salary adjustment).

The following summarizes the recommended Position Control Listing:

POSITION	CURRENT COUNT	PROPOSED COUNT
Chief Executive Officer	1	1
Board Secretary/Administrative Assistant (to be renamed if authorized)	1	0

<b>POSITION</b>	<b>CURRENT COUNT</b>	<b>PROPOSED COUNT</b>
Secretary to the Board/Executive Assistant	0	1
Key Accounts/Program Manager	2	2
Power Procurement Manager	1	1
Regulatory Analyst	1	1
Energy Analytics & Risk Manager or Analyst	0	1
Energy Contracts & Compliance Manager or Analyst	0	1
Programs Specialist or Analyst	0	1
Key Accounts Specialist or Analyst	0	1
Financial Analyst	0	1
Administrative Clerk	0	1
<b>TOTAL</b>	<b>6</b>	<b>12</b>

Based on surveys of similar positions for other CCAs, the recommended salary schedule for the new positions is as follows:

<b>POSITION</b>	<b>ANNUAL SALARY RANGE</b>
Energy Analytics & Risk Manager	\$125,000 - \$200,000
Energy Analytics & Risk Analyst	\$90,000 - \$160,000
Energy Contracts & Compliance Manager	\$125,000 - \$200,000
Energy Contracts & Compliance Analyst	\$90,000 - \$160,000
Programs Specialist	\$80,000 - \$125,000
Programs Analyst	\$85,000 - \$150,000
Key Accounts Specialist	\$80,000 - \$125,000
Key Accounts Analyst	\$85,000 - \$150,000
Financial Analyst	\$85,000 - \$150,000
Administrative Clerk	\$70,000 - \$110,000

During the remainder of FY25, CEA intends to initiate recruitments for some of the above positions and to fill up to four (4) of these positions beginning with energy procurement and key accounts and programs positions. Depending upon the skill level and experience of the applicant pool, the objective will be to recruit for these four positions in a manner that provides flexibility to hire at the analyst, specialist or manager levels. In addition to these positions, it is also recommended that CEA solicit proposals to retain a lobbyist with a background in energy policy and regulation to assist CEA with applicable legislative and regulatory proceedings. These services would be evaluated following the issuance of a request for qualifications and/or proposals. Once selected, the cost of lobbyist services is estimated not exceed \$75,000 per year. The additional positions and staff support are shown in the Proposed Organization Chart in Attachment C.

**FISCAL IMPACT:**

There is sufficient funding for the four (4) above-described positions in the approved Fiscal Year 2024/25 Budget. The other two (2) additional positions will be included for consideration in the Fiscal Year 2025/26 Budget.

Submitted for Board consideration:



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Gregory Wade  
Chief Executive Officer

**ATTACHMENTS:**

- A. Resolution No. 2025-006 Amending the Clean Energy Alliance (CEA) Position Control Listing
- B. Resolution No. 2025-007 Amending the Clean Energy Alliance (CEA) Salary Schedule
- C. Proposed CEA Organization Chart & Staffing Plan

**A RESOLUTION OF THE BOARD OF DIRECTORS OF CLEAN ENERGY  
ALLIANCE AMENDING THE POSITION CONTROL LISTING**

**WHEREAS**, Clean Energy Alliance (CEA) is a joint powers agency formed on November 4, 2019, under the Joint Exercise of Power Act, California Government Code section 6500 *et seq.*, among the Cities of Carlsbad, Solana Beach and Del Mar created by the cities of Carlsbad, Del Mar and Solana Beach; and

**WHEREAS**, on June 29, 2023, the CEA Board of Directors (Board) adopted Resolution No. 2023-005 adopting the Fiscal Year 2023/24 Budget which included salary and benefits for employees; and

**WHEREAS**, on August 31, 2023, the Board adopted Resolution No. 2023-006 approving the salary schedule for CEA’s new positions; and

**WHEREAS**, on November 9, 2023, the Board adopted Resolution No. 2023-012 establishing and approving the CEA Position Control Listing; and

**WHEREAS**, the CEA Board desires to amend and add to the Position Control Listing.

**NOW, THEREFORE, BE IT RESOLVED**, by the Board of Directors of Clean Energy Alliance, as follows:

Section 1. The Board of Directors of the Clean Energy Alliance hereby approves the Position Control Listing as follows:

<b>POSITION</b>	<b>COUNT</b>
Chief Executive Officer	1
Board Secretary/Administrative Assistant (renamed if authorized)	0
Clerk to the Board/Executive Assistant	1
Key Accounts/Program Manager	2
Power Procurement Manager	1
Regulatory Analyst	1
Energy Analytics & Risk Manager or Analyst	1
Energy Contracts & Compliance Manager or Analyst	1
Programs Specialist or Analyst	1
Key Accounts Specialist or Analyst	1
Financial Analyst	1
Administrative Clerk	1
<b>TOTAL</b>	<b>12</b>

The foregoing Resolution was passed and adopted this 30<sup>th</sup> day of January 2025, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

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[VACANT], Board Chair

ATTEST:

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Kaylin McCauley, Board Secretary

**CLEAN ENERGY ALLIANCE  
RESOLUTION NO. 2025-007**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF CLEAN ENERGY  
ALLIANCE AMENDING THE ADOPTED SALARY SCHEDULE**

**WHEREAS**, Clean Energy Alliance (CEA) is a joint powers agency, formed in November 2019; and

**WHEREAS**, the CEA Board of Directors (Board) approved positions and funding with the adoption of the Fiscal Year 2023/24 Budget; and

**WHEREAS**, on August 31, 2023, the Board adopted Resolution No. 2023-006 establishing and approving the CEA Salary Schedule; and

**WHEREAS**, the Board desires to amend the CEA Salary Schedule for the additional positions to support CEA.

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

Section 1. The Board of Directors of CEA hereby amends the salary schedule to include the following positions and salary ranges:

<b>POSITION</b>	<b>ANNUAL SALARY RANGE</b>
Energy Analytics & Risk Manager	\$125,000 - \$200,000
Energy Analytics & Risk Analyst	\$90,000 - \$160,000
Energy Contracts & Compliance Manager	\$125,000 - \$200,000
Energy Contracts & Compliance Analyst	\$90,000 - \$160,000
Programs Specialist	\$80,000 - \$125,000
Programs Analyst	\$85,000 - \$150,000
Key Accounts Specialist	\$80,000 - \$125,000
Key Accounts Analyst	\$85,000 - \$150,000
Financial Analyst	\$85,000 - \$150,000
Administrative Clerk	\$70,000 - \$110,000

Section 2. Except as expressly amended by this Resolution, Resolution No. 2023-0006 shall remain in effect.

The foregoing Resolution was passed and adopted this 30<sup>th</sup> day of January, 2025, by the following vote:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

APPROVED:

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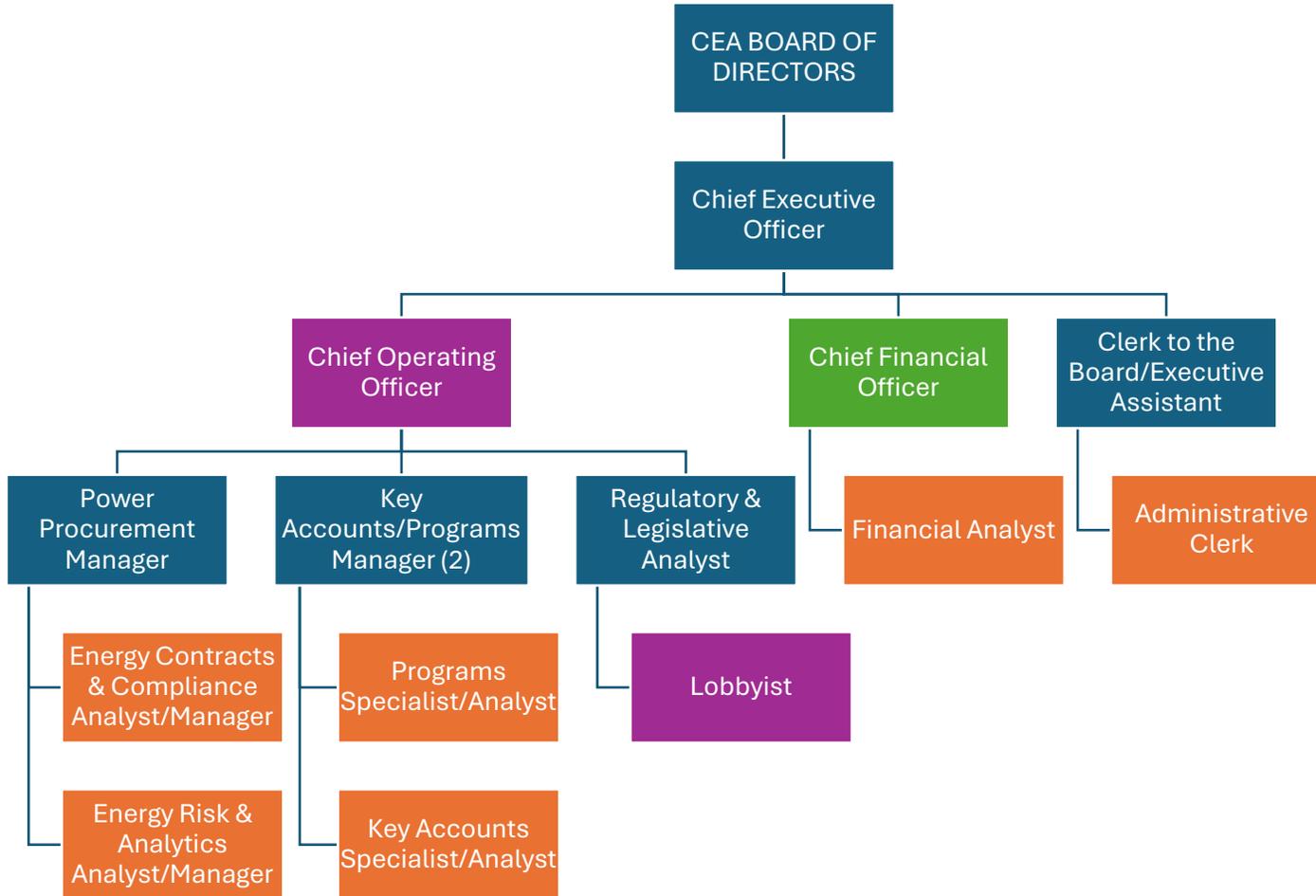
[VACANT], Board Chair

ATTEST:

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Kaylin McCauley, Board Secretary

CLEAN ENERGY ALLIANCE  
PROPOSED  
ORGANIZATION CHART AND STAFFING PLAN



**Current Positions**

**Future Positions**

**Contract Positions**

**Consultant Positions**