



LETTER AGREEMENT TO ACT AS SCHEDULING COORDINATOR/AGENT FOR ANTELOPE DSR 2 SOLAR PV PROJECT

GENERAL

Southern California Public Power Authority ("SCPPA") has requested that the City of Riverside ("Riverside") be designated as the Scheduling Coordinator/Agent ("SCA") to perform project coordination and scheduling functions with the California Independent System Operator (CAISO) for the Antelope DSR 2 Solar Project ("Project") on SCPPA's behalf, which designation is hereby accepted by Riverside. SCPPA and Riverside may be referred to as "Parties" and Antelope DSR 2 Solar Project may be referred to as the "Project", and the City of Azusa and the City of Colton, collectively, may be referred to as "SCPPA Participants." In consideration of this service to SCPPA, during each month that SCA performs the service, SCPPA will pay SCA three-thousand dollars (\$3,000) per month with an annual escalation of 1.5% per year, effective on the Project's commercial operation date (COD). In addition, SCPPA will pay SCA a one-time fee of five-thousand dollars (\$5,000) for coordinating with Seller in the Project and the CAISO on initial Project implementation activities and setting up appropriate processes for scheduling and settlement.

The Project SCA will accept energy schedules from the Project at the project POD and schedule the Project energy at the project POD within CAISO. Under CAISO's current market and operating structure, the entire amount of energy from the Project will be scheduled/bid into the CAISO markets at the project POD and the corresponding CAISO settlement amounts will be divided among the project participants' based on the pro-rata shares, shown below.

SCPPA Participants	Scheduling ID	Contract Share	Participant Share
Colton	CLTN	40%	2 MW
Azusa	AZUA	60%	3 MW
Total		100%	5.0 MW

SCPPA has established a project bank account, which the SCA will use to apply for a SCID with the CAISO, and the new SCID will be used exclusively for scheduling energy and associated products/services from this Project. While this Letter Agreement is in effect, SCPPA shall timely fund the project bank account based on

an approved budget and ensure sufficient funds are in the account, including appropriate amount set aside as working capital, prior to the beginning of each contract month. Sufficiency of funds shall take into account, among other project expenses, all possible charges from the CAISO, including costs incurred by the project as a result of negative pricing in the market.

INDEMNIFICATION

Except as to the gross negligence or willful misconduct of the SCA, SCPPA shall release and hold harmless the SCA from and against any and all liability, loss, damage, and expense arising from, alleged to arise from, in connection with, or incidental to the services rendered under this Agreement.

The SCA shall not be liable for any consequential, incidental, punitive, special, or exemplary damages or lost opportunity costs, lost profit, or other business interruption damages, by statute or in tort or contract, under any provision of this Agreement.

SCPPA shall indemnify, defend, and hold harmless the SCA, its directors, members, officers, employees, and agents from and against any and all third-party claims, suits, or actions instituted on account of personal injuries or death of any person (including but not limited to workers and the public) or physical damage to property resulting from or arising out of the SCPPA's willful misconduct or grossly negligent act or omission while engaging in the performance of obligations or exercise of rights under this Agreement.

It is further understood that nothing in this Letter Agreement shall be deemed to designate SCA to act as the Project Manager of the Project; as such term is used in the Power Sales Agreement dated as of July 16, 2015, between SCPPA Participants and SCPPA.

This Letter Agreement ("Agreement") may be terminated at a request of a Party provided that (a) (90) calendar days advanced written notice has been provided to the other Party and (b) all Parties consent to the termination, consent of which shall not be unreasonably withheld. This Agreement may be modified, supplemented or amended only by a writing duly executed by all Parties.

The attached Service Schedule outlines the services SCA will provide for the Project. The terms and conditions of this Agreement shall govern the performance of their obligations under the Service Schedule. In no event shall the terms and conditions of a Service Schedule be deemed to amend or modify the terms and conditions of this Agreement.

If the above accurately reflects your understanding of the Project scheduling arrangement, please indicate by signing below.

IN WITNESS WHEREOF, the parties hereto have caused their duly authorized representatives to execute this Agreement.

DATE:_____

SOUTHERN CALIFORNIA PUBLIC
POWER AUTHORITY

By: _____

Name: _____

Title: _____

DATE:_____

CITY OF RIVERSIDE

By: _____

Name: _____

Title: _____

APPROVED AS TO FORM:

BY: *Susan Wilson*
ASSISTANT CITY ATTORNEY

SCHEDULING COORDINATOR SERVICES SERVICE SCHEDULE

CAISO and WREGIS:

- CAISO SCID Cost – CAISO related cost for SCID (presently \$1,000 / month) will be passed through to SCPPA in addition to the monthly SC Services Charge;
- All CAISO Costs will be passed through to SCPPA in addition to the SC Services Charge;
- Power Settlements – no additional costs; monthly costs noted above include “business systems” costs based on labor costs allocated to SCA services to be provided;
- WREGIS Services performed by SCPPA - Billed directly to all participants.

Scheduling Coordinator/Agent Services include:

- Management of Project energy schedules in order to minimize imbalance charges and maximize expected revenue stream;
- Creation, submission, confirmation and adjustment of Project Daily/Real Time schedules and bids, per generation forecast provided by the generator and/or the CAISO and any interactions with the CAISO;
- Monitoring and management of transmission outages and derates resulting in Project outages or derates or otherwise affecting Project generation outages;
- Coordination of generation facilities and transmission system maintenance schedules in order to minimize Project outage or de-rate impacts;
- Annual and monthly Project Resource Adequacy (RA) filings to CAISO, including Supply Plan preparation and submittal to the CAISO using the new scheduler ID (to be determined); SC will provide participants prorata share of Annual/Monthly RA using values from CAISO Final Net Qualifying Capacity Report for relevant compliance year. Each participant will submit its own Annual and Monthly RA Plans based on the data provided by the SC.
- WREGIS Tracking coordination with SCPPA;
- Submit to the CAISO Project planned and scheduled outage information by the due dates (per CAISO Tariff):
 - January 15th: Quarterly Updates on Planned Outages
 - April 15th: Quarterly Updates on Planned Outages
 - July 15th: Quarterly Updates on Planned Outages
 - October 15th: Planned Outages for next calendar year
- Submit Project scheduled outages to the CAISO through the Outage Management System (OMS);
- Submit Project outage requests to CAISO OMS upon occurrence of outages:

- Review and validate CAISO Project related settlement statements and as applicable, ensure dispute resolution by submitting disputes to the CAISO in a timely manner and subsequent follow-up;
- Ensure the integrity of electronic communication between the Project generator and the CAISO EMS system via the CAISO RIG and coordinate with Antelope DSR 2 Solar, LLC or its lawfully designated Project Operator/Agent for the resolution of issues associated with generation data transmission to the CAISO system;
- Periodic tasks on an as-needed basis per CAISO Tariff, e.g., forced outage reporting, trouble-shooting OMAR data problems.
- Basic monthly reports that Riverside would normally provide to itself as its own SCA, e.g. summary of CAISO charges for the resource; OMAR meter report; comparison of schedule vs. actual generation;

Exclusions:

- Additional more advanced services including economic bidding of the resource and specialized reports requested by project participants are currently outside the scope of the services provided and therefore excluded from this Agreement. The inclusion of advanced services will be subject to discussion among the participants and priced (if applicable) accordingly.

Related Contracts

- Power Purchase Agreement between SCPPA and Antelope DSR 2 Solar, LLC
- Power Sales Agreements between SCPPA and each SCPPA Participants
- Letter Agreement between SCPPA and Riverside to act as SCPPA's Project Scheduling Coordinator/Agent
- Participating Generator Agreements between the Project and the CASO
- Meter Service Agreement between the Project and the CAISO
- Large Generator Interconnection Agreement (LGIA) for SP Antelope DSR TOT585 (Q#768)

SCA is the Scheduling Coordinator for Antelope DSR 2 Solar Project with an expected COD of 12/31/2016:

<u>Unit Resource Name</u>	<u>CAISO Resource ID</u>	<u>POD/CAISO Substation</u>	<u>CAISO Internal Number</u>	<u>Nameplate Capacity (MW)</u>
Antelope DSR 2	BIGSKY_2_SOL AR5	Antelope 230kV Bus		5

CAISO Bidding and Scheduling

- Scheduling shall conform to the requirements established by the California Independent System Operator (CAISO) and the Western Electricity Coordinating Council (WECC), to the extent applicable.
- Daily and Real Time scheduling services with the CAISO and the WECC shall be performed in accordance with scheduling procedures, agreed upon by the scheduling representatives prior to the start of the power deliveries
- SCA shall act as SCPPA's scheduling agent and schedule or arrange for scheduling services in accordance with the CAISO scheduling procedures and good utility practice using the new SCID.
- As the project's scheduling coordinator, SCA will accept energy schedules from the project (or its agent) within the CAISO's balancing authority area and be responsible for all scheduling-related interactions with the CAISO.
- The entire amount of energy from the project will be scheduled/sold into the CAISO market and the net amount of revenue from the CAISO, less any CAISO charges, will be divided among the participants based on the participants' pro-rata shares of the project.
- SCA shall schedule the solar generation resource into the CAISO on a daily basis, in accordance with the CAISO generation forecast.
- SCA shall monitor those schedules in the Real-Time Market and adjust schedules as required due to changes in operating conditions.

Settlements

- SCPPA shall invoice each SCPPA Participant its pro rata share amounts per the project's operating budget. This will be done in advance, by the 5th day of the delivery month. Each SCPPA Participant is responsible for approving/paying their invoice to SCPPA.
- SCPPA shall provide SCA a copy of the bill from Antelope DSR 2 Solar, LLC no later than the 10th day of each calendar month for the previous month's energy delivery. SCA shall forward Omar meter data to Antelope DSR 2 Solar, LLC to verify the metered quantities on a monthly basis. SCA shall notify SCPPA of any discrepancies. SCPPA shall pay the invoice to Antelope DSR 2 Solar, LLC with the funds already collected from SCPPA Participants during the delivery month (after verification by SCA).
- SCA shall ensure that a credit of \$9,091 for reimbursement of CAISO Costs is properly reflected on the first month bill of each Contract Year from Antelope DSR 2 Solar, LLC.

- SCPPA shall true up the differences between budget and metered amounts with each SCPPA Participant after each fiscal year and provides the running totals on a monthly basis. A 6-month adjustment may be made if necessary.
 - SCA shall verify and validate the accuracy of CAISO billings on a weekly basis and according to the market rules of the CAISO by performing shadow settlements for each charge type that is invoiced to the project.
 - SCA shall prepare and provide supporting documentation for financial clearing to SCPPA in a timely manner to enable SCPPA to pay CAISO Invoices or validate the receipt of payments from the CAISO for the Project.
 - When discrepancies in CAISO settlement statements are identified by the shadow settlements process, SCA shall file disputes on behalf of SCPPA for the Project with the CAISO and shall attempt to resolve such disputes in a timely manner.
 - SCA shall provide to SCPPA supporting documentation and instructions in a timely manner to enable SCPPA to net the CAISO settlement amounts among the participants' based on SCPPA Participants' pro-rata share of the project.
 - SCPPA will disburse or invoice the net CAISO settlement amounts to SCPPA Participants every month by the 20th day of each calendar month (or the next business day if the 20th happens to fall on a weekend or holiday) based on settlements that have been verified by SCA as of that point in time.
-

SCHEDULING AND SETTLEMENT CONTACTS PAGE FOLLOWS

Scheduling and Settlement Contacts			
Antelope DSR Solar 2			
Name	Title	Phone	Email
Rob Adams	Director of Operations (scheduling)	801-679-3507	radams@spower.com
Natalie Thomas	Revenue Accountant (settlements)	801-679-3526	nthomas@spower.com
Riverside (RVSD)			
Name	Title	Phone	Email
Preschedule	Preschedule	951-715-3542	rvsd-marketoperations@riversideca.gov
24 Hour Desk	Real Time	951-715-3519	rvsd-marketoperations@riversideca.gov
Settlements	Settlements	951-826-8514	settlements@riversideca.gov

The Parties acknowledge that changes to the CAISO scheduling practices may occur during the term of the Agreement, and hereby agree that any modifications to this schedule necessary to accommodate such changes will endeavor to reasonably match the intent reflected in this agreement.