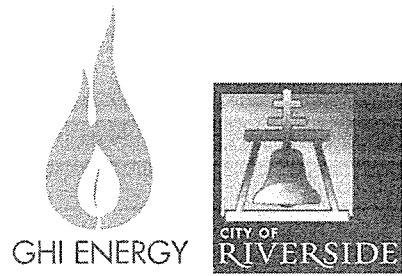


TRANSACTION CONFIRMATION  
FOR IMMEDIATE DELIVERY

Letterhead/Logo



Date: December 17, 2018  
Seller Transaction Confirmation #: SCG0004-002

This Transaction Confirmation is subject to the Base Contract and Addendum between Supplier and Customer dated December 11, 2013. The terms of this Transaction Confirmation are binding unless disputed in writing within two Business Days after receipt, unless otherwise specified in the Base Contract or herein.

**SUPPLIER:**

GHI Energy, LLC  
800 Bering Dr, Suite 301  
Houston, TX 77057

Attn: John Greene  
Phone: 281-761-7835  
Fax: 832-415-9724  
Base Contract No.: SCG00004

CPUC Registration #: CTA0017

**CUSTOMER:**

City of Riverside, California  
3900 Main Street  
Riverside, CA, 92522

Attn: Garrett Reynolds, Fleet Operations Manager  
Phone: 951-826-5555  
Fax: 951-351-6143  
Base Contract No.: \_\_\_\_\_

Distribution Company:  
As listed in Appendix A

Distribution Company Contract Number:  
As listed in Appendix A

Commodity: Electricity ☐ Natural Gas ☒

**Contract Price:**

**INDEX PRICING:**

For CNG Fueling Stations:

90% of the monthly Procurement Price published by Southern California Gas Company

**FIXED PRICING:**

As defined below.

TRANSACTION CONFIRMATION  
FOR IMMEDIATE DELIVERY

**Billing and Payment Information:**

As defined below.

**Delivery Period:**

On or around February 1, 2019 through January 31, 2022

Supplier and Customer agree that the timing of the exact start date is ultimately dependent on the actions of the Distributing Company.

The delivery period shall be extended automatically for two discrete one year periods beginning on February 1, 2022 and February 1, 2023, respectively, unless Customer provides written notice to supplier of its intent not to extend by October 31 of each year.

**Performance Obligation and Contract Quantity:**

As defined below.

**Delivery Point:**

Downstream of Utility's meter at the Fueling Station(s) listed in Appendix A to this Transaction Confirmation.

**Facility/Account Information:**

Customer's Compressed Natural Gas Fueling Stations and other locations listed in Appendix A to this Transaction Confirmation (respectively, the "Fueling Station(s)" and the "Other Locations"). Parties may add additional Fueling Stations and Other Locations at any time pursuant to an amendment to Appendix A (which shall also be "Fueling Station(s)").

**Special Conditions:**

**1. ADDITIONAL DEFINITIONS**

- 1.1. "Balancing Requirements" means steps required by the Receiving Distribution Company to insure that Receipts of Gas into its transmission system are equal to Deliveries out of its transmission system over a defined period of time.
- 1.2. "Base Contract" means the Base Contract defined on the cover page of this Transaction Confirmation.
- 1.3. "CARB" means California Air Resources Board.
- 1.4. "CNG" means Compressed Natural Gas
- 1.5. "Compressed Natural Gas" means Gas that has been compressed to a standard pressure for the purpose of fueling a motor vehicle.
- 1.6. "Contract" means collectively this Transaction Confirmation, the RTA Contract Agreement and the Base Contract and Addendum referenced on the cover page thereof.

TRANSACTION CONFIRMATION  
FOR IMMEDIATE DELIVERY

- 1.7. "Cover Standard", as defined in the Base Contract, is expanded to also include the value of any payments for LCFS credits, as stipulated below.
- 1.8. "Effective Date" means the first date that this Agreement becomes effective, as specified in Section 3 below.
- 1.9. "Gas Discount" means the difference between the Monthly Amount Owed for Delivered Gas and the Nominal Undiscounted Cost of Gas.
- 1.10. "Fueling Stations" means locations owned by Customer where Customer fuels vehicles with Compressed Natural Gas and designated to receive Gas under this Contract.
- 1.11. "LCFS" means Low Carbon Fuel Standard.
- 1.12. "LCFS Credits" means emissions credits created under the LCFS Regulation and marketable according to rules set by CARB.
- 1.13. "LCFS Regulation" means the regulations defined under title 17, California Code of Regulations (CCR), sections 95480-95490, or any additions thereto, collectively with other referenced material therein.
- 1.14. "Market Index Price" means an index price for wholesale Gas delivered at certain location for an applicable period published by a major natural gas price reporting publication or exchange, such as Platts Gas Daily, Natural Gas Intelligence, Intercontinental Exchange, or any other comparable publication.
- 1.15. "Monthly Amount Owed for Gas" means the product of the quantity of therms of natural gas delivered in a given month multiplied by the respective monthly contract price for natural gas.
- 1.16. "MMBtu" means one million British thermal units as defined in the Receiving Distribution Company's Tariff and used as a unit of measurement of quantities of natural gas.
- 1.17. "Nominal Volume" means Customer's typical (or average) consumption of Gas on a regular basis, whether daily, monthly, or annually.
- 1.18. "Nominal Undiscounted Cost of Gas" means Customer's actual monthly consumption of gas, multiplied by the monthly Procurement Price, without any discount.
- 1.19. "Other Locations" means any other facility owned by Customer that consumes natural gas but is not a Fueling Station.
- 1.20. "Procurement Price" means the regulated price for Gas, not including transmission services that the Distribution Company may charge to customers, published monthly and approved by the California Public Utilities Commission.
- 1.21. "Receipt" means Gas that enters the Receiving Distribution Company's transmission system.
- 1.22. "Receiving Distribution Company" means the Distribution Company defined on the cover page of this Transaction Confirmation.
- 1.23. "Renewable Natural Gas" means natural gas from a renewable or biogenic resource that is identical to conventional fossil natural gas and has been injected into a common carrier pipeline for delivery to end-users.
- 1.24. "RNG" means Renewable Natural Gas
- 1.25. "Shrinkage" means losses of quantities of Gas due to pipeline leakage, compression use, line fill, or other causes.

TRANSACTION CONFIRMATION  
FOR IMMEDIATE DELIVERY

- 1.26. "Tariff" means the regulatory documents filed by the Receiving Distribution Company with applicable regulatory bodies and governing its transmission system.
- 1.27. "Therm" means 0.1 MMBtu of energy, or approximately 100 scf of Gas, as defined in the Receiving Distribution Company's Tariff.

**2. NATURE OF SERVICE**

- 2.1. Supplier agrees to sell and Customer agrees to purchase and receive Gas to serve one hundred percent (100%) of Customer's natural gas fueling requirements in the form of guaranteed supply for Customer's Fueling Station and Other Locations listed in Appendix A to this Transaction Confirmation and utilizing the natural gas delivery system of the respective Receiving Distribution Company for each Fueling Station. Parties may add additional Fueling Station locations at any time pursuant to an amendment to Appendix A.
- 2.2. Under this Contract, Supplier shall provide Customer with Gas, in return for payments addressed herein, and Customer shall provide Supplier with rights to LCFS Credits created under the LCFS Regulation. In accordance with the terms of Section 8 of this Transaction Confirmation, all LCFS Credits created at the Fueling Station(s) shall be the sole property of Supplier, and Supplier shall compensate Customer for the value of those credits, but at no time shall this Contract be construed as a purchase or sale of LCFS Credits from Fueling Station(s).
- 2.2.1. Supplier shall make best efforts to meet Customer's natural gas requirements using Renewable Natural Gas. Should renewable natural gas be unavailable during any part of any particular Delivery Period, Supplier shall instead meet Customer's natural gas requirements using conventional fossil natural gas instead. At no time shall the provision of fossil natural gas affect the calculation of the LCFS payments outlined in Section 8 below, except where otherwise allowed by the terms outlined elsewhere in this Transaction Confirmation.
- 2.3. Supplier and Customer agree that Gas delivered to the Fueling Station(s) will be for use as CNG as a vehicle transportation fuel only and will be used for no other purposes.
- 2.4. Customer agrees and acknowledges that Supplier shall deliver Gas to the Fueling Stations and that the source of such Gas may occasionally from time to time be from biogenic sources ("biogas"). Any such biogas delivered to Customer shall be chemically identical to, and indistinguishable from, natural gas and shall at all times meet the quality specifications of the local distribution company system as discussed in Section 6 of the NAESB Benchmark Contract.
- 2.5. Customer acknowledges that this Contract covers only the natural gas commodity delivered to Customer and consumed thereby and that Customer shall continue to be responsible for any and all metering and transmission charges and fees charged and billed separately by Receiving Distribution Company. Customer further acknowledges that this Contract may be suspended or terminated by Supplier at any time upon written notice to Customer if Customer fails to maintain its responsibility to and pay all charges and fees owing to Receiving Distribution Company.

**3. TERM OF AGREEMENT**

- 3.1. This Transaction Confirmation shall commence and become effective as of the dates of the signatures below and continue thereafter through the end of the Delivery Period, as defined on the cover page to this Transaction Confirmation.

**4. QUANTITY**

**TRANSACTION CONFIRMATION  
FOR IMMEDIATE DELIVERY**

- 4.1. Supplier shall deliver or cause to be delivered to Customer all natural gas requirements each month during the term of this Contract including applicable Receiving Distribution Company Shrinkage and Balancing Requirements. Parties agree that the initial Nominal Volume provided under this Contract shall be approximately equal to 3,300,000 Therms per year and that Parties will work together to regularly reevaluate the Nominal Volume as Customer's circumstances and gas usage changes.
- 4.2. Notwithstanding the Early Termination Damages defined in the Base Contract, Customer shall be financially responsible for deliveries of Gas as follows:
  - 4.2.1. For all variable priced Gas consumed by Customer in a particular delivery month, Customer shall be responsible to pay Supplier the price for the quantity of Gas that is consumed at a variable price.
  - 4.2.2. Should Customer choose to convert any portion of the Gas supplied under this Contract to a fixed price structure in accordance with Section 6 below, Customer shall be responsible to pay Supplier the following:
    - 4.2.2.1. The price for the quantity of all Gas which Customer has agreed to purchase at a fixed price, on a "take or pay" basis, even if Customer's actual monthly use of Gas is less than the total quantity of Gas which Customer agreed to purchase at a fixed price; plus
    - 4.2.2.2. The price for all Gas consumed by Customer that exceeds the quantity of Gas which Customer agreed to purchase at a fixed price, which quantity of Gas shall be considered to be variable price Gas subject to the terms of subsection 4.2.1 above.

**5. PRICE**

- 5.1. The sales price for any quantity of Gas in excess of the volumes within a Fixed Price Tranche (as hereinafter defined), if any, shall be equal to the designated index price for that facility as defined above.
- 5.2. The sales price for the Gas within a Fixed Price Tranche shall be an agreed upon fixed price per Therm of Gas delivered to Customer (as hereinafter defined) in dollars and rounded to 3 decimal points. A listing of all Fixed Price Tranches with respective quantities and volumes, if any, are listed in Appendix B to this Transaction Confirmation. Pursuant to Section 6 below, Parties may add additional Fixed Price Tranches as an amendment to Appendix B.

**6. CONVERSION OF CONTRACT**

- 6.1. Customer reserves the right, from time to time, pursuant to a written election to convert all or a portion of the Gas to be delivered under this Contract from a variable price structure to a fixed price structure. Such conversions, if any, may occur once per calendar quarter, for a minimum term of three months, will be effective on the first day of a particular delivery month, as set forth in the Conversion Notice (as hereinafter defined) and shall be in tranches of 1000 Therms per day, excluding the final conversion, which shall include 100% of the remaining unconverted Nominal Volume (defined below) under contract (each, a "Fixed Price Tranche").
- 6.2. Supplier and Customer agree to work together from time to time to monitor and evaluate market prices for Gas delivered in future periods for the purpose of converting volumes of Gas to a fixed price structure. Should Supplier and Customer agree upon a fixed price for a specific volume of Gas over a defined term, Parties shall transact for such fixed price Gas pursuant to a written agreement.
- 6.3. Customer agrees to notify Supplier in writing of its intent to convert all or a portion of the Gas to be delivered under this Contract from a variable price structure to a fixed price structure at least 10 business days prior to the beginning of any particular month in which Customer wishes to convert (the "Conversion Notice").

TRANSACTION CONFIRMATION  
FOR IMMEDIATE DELIVERY

- 6.4. Upon the conversion of a quantity of Gas to a Fixed Price Tranche, the transacted fixed price for that particular Fixed Price Tranche shall be confirmed in writing and included as an amendment to Appendix B to this Transaction Confirmation.
- 6.5. Customer acknowledges that due to the inherent quick-changing nature of the natural gas market, Supplier cannot guarantee a particular price in advance and that the actual fixed price for any particular Fixed Tranche may not be known with certainty until the actual day or moment of conversion. Parties agree that, upon the provision of the requisite written notice, a conversion shall actually take place upon the verbal acquiescence of a duly authorized representative of Customer in response to a verbal price quoted by Supplier, as thereafter confirmed in writing by Supplier.
- 6.6. Customer agrees that once converted, the quantity and/or volume of a Fixed Price Tranche may not be changed and the obligations associated with such Fixed Price Tranche shall be binding in perpetuity through the last day of a tranche's respective term.

**7. BILLING AND PAYMENT FOR GAS**

- 7.1. Within 10 days of the last day of each delivery month, Supplier shall bill Customer for all Gas delivered to Customer during the preceding month based on the aggregate LDC gas meter readings at the Fueling Stations and the Other Locations. Bills shall be rounded to two decimal points and will include the charges for Gas delivered to Customer, based on Customer's measured monthly usage of Gas and the respective split between fixed and variable price tranches as described in Section 4.2 above, plus all applicable taxes and other governmental fees and assessments that may be associated therewith, if any, that Supplier may be required to collect. Customer shall be solely responsible for all such additional taxes and governmental fees and assessments.
- 7.2. Supplier and Customer agree to work together to minimize and simplify the billing process to the extent feasible and, if applicable, to implement an electronic billing and payment arrangement, if possible.
- 7.3. Bills for service are due and payable upon presentation and will be considered past due if payment is not received within 15 days after the bill is issued by Supplier. If Customer fails to pay any amounts within thirty (30) days after payment is due, unless Customer has timely submitted a written dispute of an invoice or portion thereof, as further detailed in the RTA Contract Agreement, Supplier, in addition to any other remedy it may have under this Contract or at law, may suspend further delivery of Gas until such amount is paid in full.
- 7.4. Payments shall be made by Customer to Supplier by wire transfer or ACH transfer, payable to the account listed in the invoice.

**8. DELEGATION OF REGULATORY STATUS**

- 8.1. As required under the LCFS Regulation, Customer agrees and attests to the following:
  - 8.1.1. Customer owns free and clear the CNG fueling equipment at the Fueling Station(s) and meter(s) listed in Appendix A (under the heading "Customer Owned Stations") or is otherwise responsible for procuring natural gas for the Fueling Station(s) listed in Appendix A (under the heading "Other Fueling Stations for Which Customer is Responsible for Procuring Natural Gas") and as such has the capacity to contract for 3<sup>rd</sup> party of supply of natural gas; and
  - 8.1.2. No other party has an ownership interest in Customer's CNG fueling equipment at the Fueling Station(s) listed in Appendix A (under the heading "Customer Owned Stations") or otherwise has a claim to the regulated party status for the Fueling Station(s) in Appendix A (under the heading "Other Fueling Stations for Which Customer is Responsible for Procuring Natural Gas") as defined in the LCFS Regulation; and

TRANSACTION CONFIRMATION  
FOR IMMEDIATE DELIVERY

- 8.1.3. Customer shall continue to own for the term of this transaction confirmation free and clear any and all present and future CNG fueling equipment for which Supplier is providing Gas under this Contract; and
- 8.1.4. Supplier is designated as the "natural gas provider" of Customer, as described by the LCFS Regulation, and Supplier is therefore eligible to assume Customer's LCFS compliance obligation, thus becoming the officially recognized Regulated Party (as hereinafter defined) for the Fueling Station(s) and the fueling equipment located therein, and may exercise any and all rights of the Regulated Party; and
- 8.1.5. Customer falls within the provisions of section 95484(a)(5)(A)1.a. or (5)(A)2 of the LCFS Regulation and understands that it has the ability to opt into the LCFS program as a regulated party under section 95480.2(a)(the "Regulated Party"); and
- 8.1.6. Customer agrees that Supplier shall register Customer's Fueling Stations for participation in the federal Renewable Fuel Standard (40 CFR Part 80 Subpart M) ("RFS2") at no further cost or obligation to Customer; and
- 8.1.7. Customer has affirmatively elected to discontinue its participation as a Regulated Party in the LCFS program and Customer is currently not participating in the federal RFS, nor is otherwise generating renewable identification numbers ("RIN's") thereunder through its Fueling Station(s), and Customer has affirmatively elected not to so in the future except in connection with the activities contemplated herein with Supplier; and
- 8.1.8. Customer understands and agrees that the elections in Section 8.1.7 are irrevocable for the duration of this Contract; and
- 8.1.9. As a consequence of the election in subparagraph 8.1.7, Customer understands and agrees that all LCFS Credits and RIN's (if any) generated from the sale of CNG dispensed through Customer's natural gas vehicle fueling equipment while this Contract is in effect shall be the sole property of Supplier as of the date of creation, and that Customer shall have no right to these credits or any compensation therefor except as otherwise specified in this Contract.

**9. ALLOCATION OF HEAVY DUTY AND LIGHT DUTY VEHICLE USE**

- 9.1. At the Effective Date, and on the last day of each calendar quarter following the Effective Date, in accordance with the requirements of Section 95484(c)(3)(B) of the LCFS Regulation, Customer may, at customers sole option report to Supplier the of its gas consumption allocated to light duty vehicles (14,000 pounds or less gross vehicle weight)(referred to herein as "Therms<sub>LD</sub>") that utilized the Fueling Station(s) during the period (respectively, the "LD Consumption"), whether by the use of designated separate meters for each vehicle class or through some other method designed to calculate such an allocation, and this information will be used to calculate the number of LCFS Credits earned at the Fueling Station(s) and the payment for such LCFS Credits owed to Customer. Should Customer choose not to report LD Consumption, all therms consumed at the fueling station shall be assumed to be Heavy Duty only (referred to herein as "Therms<sub>HD</sub>").

**10. CALCULATION OF LCFS CREDITS EARNED EACH MONTH**

- 10.1. In accordance with Section 12.1 of this Contract, Supplier shall compensate Customer for a fossil-equivalent volume of credits created at the Fueling Station(s) each month, using the guidance provided in Sections 95485 and 95486 for credits created from the latest *Natural Gas Produced from North American Sources* pathway, first published by CARB in 2009 and included within the LCFS Regulation by reference, and summarized in the Table 1 below.
- 10.2. Customer shall provide to Supplier (or to Supplier's designee), via email or facsimile, at the close of business on the last business day of each week in which CNG was consumed, with a written record of its weekly natural

TRANSACTION CONFIRMATION  
FOR IMMEDIATE DELIVERY

gas consumption (a "meter reading") from each gas metering or other measurement device used to dispense natural gas for CNG fueling purposes at the Fueling Stations.

- 10.2.1. At Customer's request, Supplier may provide meter reading services to Customer at Customer's expense, to be billed as an additional charge on Customer's monthly invoice;
- 10.2.2. Should any of Customer's metering devices be self-reporting "smart meters" or otherwise able to automatically provide remote metering data without a physical manual reading, Customer shall be exempt from this requirement so long as Supplier (or Supplier's designee) is able to receive and use such consumption data for reporting purposes.
- 10.3. For all monthly billing periods in each year in Table 1, the formula for determining the LCFS Credits created at the Fueling Station(s) shall be as follows, rounded to 6 decimal points, where "FRate" refers to fossil-equivalent natural gas credits having a CI of 74.8 and "RRate" refers to renewable natural gas credits having a CI of 42.:

$$\text{Credits}_{\text{LCFS}} = 100\% \times [ (\text{FRate}_{\text{HD}} \times \text{Therms}_{\text{HD}}) + (\text{FRate}_{\text{LD}} \times \text{Therms}_{\text{LD}}) ] + \text{Share}\% \times [ ((\text{RRate}_{\text{HD}} - \text{FRate}_{\text{HD}}) \times \text{Therms}_{\text{HD}}) + ((\text{RRate}_{\text{LD}} - \text{FRate}_{\text{LD}}) \times \text{Therms}_{\text{LD}}) ]$$

**TABLE 1:**

**Baseline "Fossil Equivalent" LCFS Credit Rates**

**per Therm of gas delivered based on a Carbon Intensity of 78.4 gCO<sub>2</sub>e/MJ**

Year	FRate <sub>HD</sub>	FRate <sub>LD</sub>
2019	0.000605	0.001413
2020	0.000498	0.001294
2021	0.000390	0.001176
2022	0.000283	0.001057
2023	0.000175	0.000938



TRANSACTION CONFIRMATION  
FOR IMMEDIATE DELIVERY

**TABLE 2:**

**RNG LCFS Credit Rates**

**per Therm of gas delivered based on a Carbon Intensity of 42.0 gCO<sub>2</sub>e/MJ**

Year	RRate <sub>HD</sub>	RRate <sub>LD</sub>
2019	0.004073	0.004881
2020	0.003966	0.004761
2021	0.003858	0.004643
2022	0.003751	0.004525
2023	0.003643	0.004406

10.3.1. Except for those circumstances outlined in Section 10.3.2 below, Share% shall be equal to 27%.

10.3.2. If during any portion of any respective delivery period Supplier is notified by its own suppliers of RNG that a *force majeure* situation is in effect that affects the availability of RNG, Share% shall be equal to 27% times the actual percentage of gas delivered to Customer that was RNG during the time when the *force majeure* was in effect.

10.4. Customer and Supplier agree that the credit creation rates for years 2021-2023 are subject to CARB's pending publication of its post-2020 carbon reduction targets and shall be calculated using the same methodology and added to this agreement by amendment once such targets are available.

## **11. DETERMINATION OF LCFS CREDIT PRICE**

11.1. In accordance with Section 12 of this Transaction Confirmation, the monthly price for LCFS Credits shall be determined according to one of the following methods (ranked in order of preference and/or data availability):

TRANSACTION CONFIRMATION  
FOR IMMEDIATE DELIVERY

- 11.1.1. A published monthly index, designated as such, for "spot" or "current year" California LCFS Credits, denominated in \$/MTCO<sub>2</sub>e, published by a major national energy publication or exchange mutually agreeable to Supplier and Customer; then
- 11.1.2. A simple average, calculated across the entire month, of a daily published index or market assessment for "spot" or "current year" California LCFS Credits, denominated in \$/MTCO<sub>2</sub>e, published by a major national energy publication or exchange mutually agreeable to Supplier and Customer; then
- 11.1.3. A simple average, calculated across the entire month, of regular daily price assessments for "spot" or "current year" California LCFS Credits, denominated in \$/MTCO<sub>2</sub>e, provided by one or more reputable over-the-counter energy brokers mutually agreeable to Supplier and Customer; then
- 11.1.4. Any other methodology or pricing source that is mutually agreeable to Supplier and to Customer and based on publicly available market information for the explicit or implicit value of LCFS Credits.

**12. QUARTERLY PAYMENTS FOR LCFS CREDITS**

- 12.1. Using the results of the calculations in Sections 10 and 11 above, for each respective month, Supplier shall pay to Customer an amount equal to the monthly quantity of LCFS Credits multiplied by 100% of the average monthly market LCFS credit price (the "LCFS Calculation"), rounded to two decimal points.
- 12.2. The LCFS Calculation shall be performed on a monthly basis using monthly data and paid within 90 days following the end of the subsequent calendar quarter, following Supplier's quarterly LCFS regulatory filing.
- 12.3. Parties agree that:
  - 12.3.1. Supplier's payment for LCFS Credits shall be separate and distinct from Customer's payment for Gas; and
  - 12.3.2. Supplier shall not be required to make any payments for LCFS Credits unless and until Customer's account is current and Customer has paid Supplier for all Gas delivered during the quarter for which payment for the LCFS Credits is due plus all prior Delivery Months preceding that quarter.
  - 12.3.3. The payments made under this Section, the credits created in Section 10, and the price determined in Section 11, are purely formulaic and have no connection whatsoever to any specific or actual quantity of credits created, any specific or actual transaction for LCFS credits, or any other tangible or recordable data or thing aside from the number of therms consumed and the formulas listed in this Transaction Confirmation.
  - 12.3.4. Customer shall have no interest whatsoever, whether economic or otherwise, in any actual or tangible LCFS transaction executed by Supplier or in any credits owned by Supplier as the result of this Transaction Confirmation. All LCFS credits created by Supplier using gas provided to Customer shall remain the sole property of Supplier and shall not in any way be attached to the quarterly LCFS payments owed to Customer under this Transaction Confirmation. Accordingly, Customer shall have no rights to audit or inspect Supplier's underlying LCFS credit transactions aside from the calculations specified in this Transaction Confirmation for the formulaic payment owed herein.
- 12.4. Payments shall be made by Supplier to Customer by wire transfer, payable to the following account:

Per invoice \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

TRANSACTION CONFIRMATION  
FOR IMMEDIATE DELIVERY

**13. MONTHLY PAYMENTS FOR RIN'S**

- 13.1. Within 30 days following the end of each month, Supplier shall compensate Customer in an amount equal to a percentage share of the value of a theoretical quantity of RIN's (the "RIN Sharing Percentage") based on the volumes of fuel dispensed at the Fueling Station(s) according to the following formula:

$$PAYMENT_{RIN's} = THERMS_{MONTH} \times 1.298 \times PRICE_{MONTH} \times RIN\ SHARING\%$$

Where

THERMS<sub>MONTH</sub> = The total number of therms consumed in a month

1.298 = the number of RIN's per therm of gas consumed

PRICE<sub>MONTH</sub> = The monthly average RIN price

RIN SHARING% = The RIN Sharing Percentage

- 13.2. The RIN price in Section 13.1 shall be the greater of the daily published price for "D3 Cellulosic Biofuel" RIN's or "D5 Advanced Biofuel" RIN's, denominated in \$/RIN, determined using a similar hierarchy of sources to that specified in Section 11 above.

13.2.1. Except for those circumstances outlined in Section 13.2.2 below, RIN SHARING% shall be equal to 12%.

13.2.2. If during any portion of any respective delivery period Supplier is notified by its own suppliers of RNG that a *force majeure* situation is in effect that affects the availability of RNG, RIN SHARING% shall be equal to 12% times the actual percentage of gas delivered to Customer that was RNG during the time when the *force majeure* was in effect.

- 13.3. Regardless of the source of Gas provided in any given month, Seller shall be obligated to make this payment each month. Supplier may cease making this payment only in the case of termination of the federal Renewable Fuel Standard or a material modification therein to the treatment of biogas used as CNG.

13.3.1. If during any portion of any respective delivery period Supplier is notified by its own suppliers of RNG that a *force majeure* situation is in effect that affects the availability of RNG, Share% shall be equal to 25% times the actual percentage of gas delivered to Customer that was RNG during the time when the *force majeure* was in effect.

- 13.4. Customer shall have no interest whatsoever, whether economic or otherwise, in any actual or tangible RIN transaction executed by Supplier or in any credits owned by Supplier as the result of this Transaction Confirmation. All RIN credits created by Supplier using gas provided to Customer shall remain the sole property of Supplier and shall not in any way be attached to the monthly RIN payments owed to Customer under this Transaction Confirmation. Accordingly, Customer shall have no rights to audit or inspect Supplier's underlying RIN credit transactions aside from the calculations specified in this Transaction Confirmation for the formulaic payment owed herein.

- 13.5. Payments shall be made by Supplier to Customer by wire transfer, payable to the following account:

Per invoice

**14. TERMINATION**

TRANSACTION CONFIRMATION  
FOR IMMEDIATE DELIVERY

14.1. If, at any time during the term of this Transaction Confirmation, Supplier, in its sole discretion, determines that there is no longer a market for LCFS Credits or that the LCFS Regulation is no longer a viable or functioning regulation, or that, for any other reason, the regulatory environment surrounding the subject matter of this Transaction Confirmation has changed, Supplier may terminate this Transaction Confirmation upon 90 days prior written notice to Customer, subject to the termination payment addressed in Section 14.2 below.

14.1.1. If Supplier elects to terminate under the provisions in Section 14.1 above during the time period that Customer is ineligible to return to utility natural gas service (i.e. within the first 12 months of the third party procurement on Socal Gas), Supplier shall remain as Customer's natural gas supplier until such time that customer is eligible to return to utility service or otherwise has commenced receiving natural gas service from a new third party supplier and Customer price paid for such natural gas shall revert to 100% of the local utility Procurement Price.

14.1.2. In the event Supplier elects to terminate this Transaction Confirmation in accordance with Section 14.1, the Early Termination Payment referenced in the Base Contract shall be waived and Customer shall instead be entitled to a cancelation fee equal to the product of Customer's total natural gas usage for the preceding 12 months multiplied by the difference between Customer's weighted average fixed price under contract (if any) and the published forward market price at each Fueling Station for the succeeding 12 months, proportionally allocated and averaged among multiple Fueling Stations, if any, beginning with the first month after the date of termination. Should the published 12 month average forward market price be less than the weighted average fixed price under contract, or should Customer have no fixed price gas under contract, the cancelation fee shall be zero.

14.2. If at any time in the Delivery Period, Customer receives written notice from the Distribution Company that Customer's use of Supplier's gas (and/or gas from any other 3rd party provider) will financially hinder or harm any planned capital project of Customer, unless Customer once again procures gas directly from the Distribution Company, Customer shall have the unilateral right of termination with 60 day notice to Supplier.

**15. AMENDMENT**

15.1. This Transaction Confirmation may be amended upon the mutual written agreement of both Parties and any such written amendment agreement shall be incorporated herein by reference.

Supplier: GH Energy, LLC

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

John W. Greene

Title: President

Date: 1-10-19, 2017

Customer:

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

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

Date: \_\_\_\_\_, 2017

**CERTIFIED AS TO FUNDS AVAILABILITY:**

BY: \_\_\_\_\_

Chief Financial Officer/ City Treasurer

**Approved as to Form:**

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

Ruthann M. Salera  
Deputy City Attorney

TRANSACTION CONFIRMATION  
FOR IMMEDIATE DELIVERY

**APPENDIX A**

**CUSTOMER OWNED FUELING STATIONS**

Station ID	Distribution Company	Applicable Market Index	Location Description	Approximate Daily Gas Consumption	Date Added to Base Contract
10273939	Southern California Gas Co.	Socal Citygate	City of Riverside Fueling Station: 8095 Lincoln Avenue #A NGV, Riverside, CA	3,800 Therms/Day	2/1/13
14166267	Southern California Gas Co.	Socal Citygate	City of Riverside Fueling Station: 5950 Acorn Street NGV, Riverside, CA	450 Therms/Day	7/1/15

**OTHER FUELING STATIONS FOR WHICH CUSTOMER IS RESPONSIBLE  
FOR FUEL PROCUREMENT**

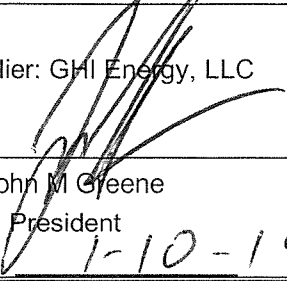
Station ID	Distribution Company	Applicable Market Index	Location Description	Approximate Daily Gas Consumption	Date Added to Base Contract

**CUSTOMER OTHER LOCATIONS**

Meter Number	Distribution Company	Applicable Market Index	Location Description	Approximate Daily Gas Consumption	Date Added to Base Contract

In witness whereof, this Appendix is agreed to and incorporated into the Contract as of the dates below:

TRANSACTION CONFIRMATION  
FOR IMMEDIATE DELIVERY

Supplier: GHI Energy, LLC	Customer: City of Riverside, California
By:  John M. Greene	By: _____
Title: President	Title: _____
Date: 1-10-19	Date: _____

TRANSACTION CONFIRMATION  
FOR IMMEDIATE DELIVERY

**APPENDIX B**

**FIXED PRICE TRANCHES**

Date Executed	Volume	Term	Price

In witness whereof, this Appendix is agreed to and incorporated into the Contract as of the dates below:

Supplier:  
GHI Energy, LLC

Customer:  
City of Riverside

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

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

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

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

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

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