



AGENDA

September 9, 2021

**SPECIAL MEETING NOTICE
VIRTUAL MEETING OF
ROSEVILLE CITY COUNCIL
4:00 p.m.
311 Vernon Street
Roseville, California
www.roseville.ca.us/CORTV**

The meeting may be viewed on Comcast channel 14, Consolidated Communications channel 73 and AT&T U-verse. City Council meetings are also video streamed live and are available on the City's website at roseville.ca.us/watch and roseville.ca.us/agenda, and on the City's YouTube channel at youtube.com/CityofRosevilleCa.

Members of the public may offer public comment by the following means:
Dial in Phone Number: 916-774-5353

If you need a disability-related modification or accommodation to participate in this meeting, please contact Voice: 916-774-5200, TDD: 916-774-5220. Requests must be made as early as possible.

THE CITY OF ROSEVILLE WELCOMES YOUR PARTICIPATION

If an agenda item is open to public comment, such public comment shall be addressed to the chair of the meeting.

Public Comment - Speakers have three minutes under Public Comment to speak on issues that are not listed on the agenda and are within the City's jurisdiction. The Brown Act does not permit any action or discussion on items not listed on the agenda.

Consent Calendar - If applicable, the Consent Calendar consists of routine items that may be approved by one motion. Any person can remove an item from the Consent Calendar to be discussed separately.

Agenda Items - Speakers have five minutes to address items that are listed on the agenda.

Americans with Disabilities Act - Notify the City Clerk or Secretary at least 72 hours in advance if special assistance is required to participate in a meeting including the need of

auxiliary aids or services.

Audio/Visual Presentations - If making a presentation regarding an agenda item, audio/visual materials must be submitted to the City Clerk or Secretary at least 72 hours in advance.

Security procedures are in place to attend Roseville City Council meetings. All attendees must successfully pass through a security metal detector. Any person with a prohibited item will not be allowed entry. Prohibited items include, but are not limited to: firearms (even with valid CCW), knives, pepper spray/mace, explosives of any kind/ any weapons and/or dangerous devices of any kind, illegal drugs and alcohol.

Roseville City Clerk 311 Vernon Street, Roseville, CA 916-774-5200 TDD 916-774-5220

1. CALL TO ORDER

2. ROLL CALL

3. PUBLIC COMMENTS

4. RESOLUTIONS

4.1. Emergency Generation Capacity for California Department of Water Resources - Energy Services Agreement and Operations and Maintenance Agreement

Memo from Power Supply Manager William Forsythe and Electric Utility Director Michelle Bertolino recommending the City Council adopt RESOLUTION NO. 21-408 APPROVING AN ENERGY SERVICES AGREEMENT, BY AND BETWEEN THE CITY OF ROSEVILLE AND THE CALIFORNIA DEPARTMENT OF WATER RESOURCES, AND AUTHORIZING THE CITY MANAGER TO EXECUTE IT ON BEHALF OF THE CITY OF ROSEVILLE; and adopt RESOLUTION NO. 21-409 APPROVING AN OPERATIONS AND MAINTENANCE AGREEMENT, BY AND BETWEEN THE CITY OF ROSEVILLE AND THE CALIFORNIA DEPARTMENT OF WATER RESOURCES, AND AUTHORIZING THE CITY MANAGER TO EXECUTE IT ON BEHALF OF THE CITY OF ROSEVILLE. Staff requests Council approval of two agreements, the Energy Services Agreement and Operations and Maintenance Agreement, with the California Department of Water Resources (CDWR) relating to the installation of temporary electric generation facilities at the Roseville Energy Park. The Energy Services Agreement sets forth the roles and responsibilities for fuel procurement, scheduling, and settling, as directed by CDWR. The Operations and Maintenance Agreement sets forth the responsibilities for operating and maintaining the temporary electric generation facilities. These two agreements are associated with the Site Use and Installation Agreement that was previously approved by City Council on September 1, 2021. CDWR will pay Roseville a total of \$1.15 million in revenue for services provided under these two agreements; \$460,000 for the Energy Services Agreement, and \$690,000 for the Operations and Maintenance Agreement. All costs for construction, operations and maintenance will be borne or reimbursed by CDWR.

CC #: 1718

File #: 0800-02

CONTACT: William Forsythe 916-774-5619 wforsythe@roseville.ca.us

5. ADJOURNMENT



COUNCIL COMMUNICATION

CC #: 1718
File #: 0800-02

Title: Emergency Generation Capacity for California Department of Water Resources - Energy Services Agreement and Operations and Maintenance Agreement
Contact: William Forsythe 916-774-5619 wforsythe@roseville.ca.us

Meeting Date: 9/9/2021
Item #: 4.1.

RECOMMENDATION TO COUNCIL

Staff recommends that the City Council adopt a resolution authorizing the City Manager to execute the Energy Services Agreement and the Operations and Maintenance Agreement, by and between the City of Roseville (City) and the California Department of Water Resources (CDWR) for the installation of temporary electric generation facilities at the Roseville Energy Park (REP). These agreements are associated with the Site Use and Installation Agreement that was previously approved by City Council on September 1, 2021.

BACKGROUND

California is suffering an extended drought which has reduced the availability of hydropower and generating capacity in California. The CDWR operates the California State Water Project (SWP) and is both a large producer of hydropower and a large consumer of electricity in operating the SWP. To offset the large decline in generating capability from drought, CDWR is seeking sites that can rapidly add generating capability to the California grid, with a goal of new natural gas peaking units available to provide grid support by mid-September 2021.

When the Roseville Energy Park (REP) was designed and constructed, the site was planned as a hub for various generating technologies. Accordingly, the site has the ability to accommodate additional generating capacity. CDWR has identified the REP site as one of a very few in California capable of rapidly developing generation capacity.

On August 16, 2021, the City Council adopted a resolution authorizing the City Manager to execute a Right of Entry and authorizing staff to negotiate at least three separate agreements between Roseville and CDWR related to this transaction: Site Use and Installation Agreement; Operation and Maintenance Agreement; and an Energy Services Agreement.

On September 1, 2021, the City Council adopted a resolution authorizing the City Manager to execute the Site Use and Installation Agreement. This item is for approval of the final two agreements for siting of the temporary generators. The Energy Services Agreement sets forth

the roles and responsibilities for fuel procurement, scheduling, and settling, as directed by CDWR. The Operations and Maintenance Agreement sets forth the responsibilities for operating and maintaining the units.

FISCAL IMPACT

CDWR will pay Roseville a total of \$1.15 million in revenue for service under these two agreements (\$460,000 for the Energy Services Agreement, and \$690,000 for the Operations and Maintenance Agreement), which expire on December 31, 2023. All costs for construction, operations and maintenance will be borne or reimbursed by CDWR. In addition, Roseville will have the option to procure the generating units at the end of the contract term for an agreed upon purchase price.

ENVIRONMENTAL REVIEW

The proposed project involves the construction of a limited number of small facilities. This activity is categorically exempt from CEQA as a Class 3 Exemption (State CEQA Guidelines Section 15303). The Exemption has been filed and no further CEQA action is required. Additionally, the proposed project involves minor alteration in the condition of the land, water, and or vegetation which will not remove healthy, mature scenic trees. This activity is categorically exempt from CEQA as a Class 4 Exemption (State CEQA Guidelines Section 15304). The Exemption has been filed and no further CEQA action is required. Lastly, Governor Newsom issued a "Proclamation of a State of Emergency" on July 30, 2021, and pursuant to section 10 of that Proclamation of a State of Emergency, the California Environmental Quality Act in Public Resources Code, Division 13 (commencing with section 21000) and regulations adopted pursuant to that Division, are suspended for this project.

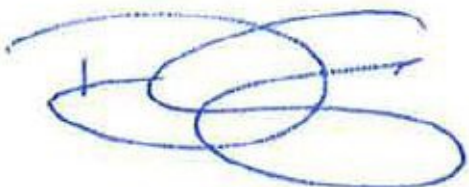
CITY COUNCIL STRATEGIC PLAN/OVERARCHING GOALS

Goal F - Invest in well-planned infrastructure and growth
Goal A - Remain fiscally responsible in a changing world

Respectfully Submitted,

William Forsythe, Power Supply Manager

Michelle Bertolino, Electric Utility Director

A handwritten signature in blue ink, consisting of several overlapping loops and a final horizontal stroke.

Dominick Casey, City Manager

ATTACHMENTS:

Description

Resolution 21-408

Energy Services Agreement

Resolution 21-409

Operations and Maintenance Agreement

RESOLUTION NO. 21-408

APPROVING AN ENERGY SERVICES AGREEMENT, BY AND BETWEEN THE CITY OF ROSEVILLE AND THE CALIFORNIA DEPARTMENT OF WATER RESOURCES, AND AUTHORIZING THE CITY MANAGER TO EXECUTE IT ON BEHALF OF THE CITY OF ROSEVILLE

WHEREAS, an Energy Services Agreement relating to the installation of temporary electric generation facilities at the Roseville Energy Park, by and between the City of Roseville and the California Department of Water Resources, has been reviewed by the City Council; and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Roseville that said Energy Services Agreement is hereby approved and the City Manager is authorized to execute it on behalf of the City of Roseville.

BE IT FURTHER RESOLVED that the City Attorney of the City of Roseville is authorized to approve non-substantive changes to the Energy Services Agreement.

PASSED AND ADOPTED by the Council of the City of Roseville this ____ day of _____, 2021, by the following vote on roll call:

AYES COUNCILMEMBERS:

NOES COUNCILMEMBERS:

ABSENT COUNCILMEMBERS:

MAYOR

ATTEST:

City Clerk

ENERGY SERVICES AGREEMENT

THIS ENERGY SERVICES AGREEMENT (“**Agreement**”), dated as of September __, 2021 (the “**Effective Date**”), is made by and between the CALIFORNIA DEPARTMENT OF WATER RESOURCES (“**CDWR**”) and the CITY of ROSEVILLE, a municipal corporation. (“**Roseville**”). Each of CDWR and Service Provider are also referred to herein as a “**Party**” and collectively as the “**Parties**”.

RECITALS

A, On July 30, 2021, the Governor of the State of California proclaimed a state of emergency due to the accelerating and compounding effects of continuing wildfires, ongoing drought, and extreme heat conditions caused by climate change, which have resulted in an additional projected energy supply shortage of up to 3,500 megawatts during the afternoon-evening “net-peak” period of high power demand on days when there are extreme weather conditions. The proclamation directs CDWR to enter into contracts for the procurement of materials, goods and services necessary for projects likely to be online by October 31, 2021 that would expand energy supply and storage to respond to these projected energy supply shortages.

B. Pursuant to the foregoing proclamation, CDWR has purchased and currently owns two General Electric LM2500 combustion turbine generators with selective catalytic reduction systems (the “**Units**”) and has entered into the Site Agreement (as defined below) to obtain a site on which the Units can be installed and operated through the end of 2023. The Units could be used to provide some of the additional energy supplies required by the State of California during this period.

C. CDWR wishes to engage ROSEVILLE to act as Scheduling Coordinator and fuel manager for the Units, and ROSEVILLE is willing to provide such services on the terms and conditions set forth herein.

NOW, THEREFORE, for good and valuable consideration, the Parties agree as follows:

1. **Definitions; Rules of Interpretation.**

1.1 **Definitions.** When used herein, the following capitalized terms will have the meanings set forth below:

“**AB 32**” means the California Global Warming Solutions Act of 2006, California Health and Safety Code Section 38500 et seq.

“**Allowance**” means any authorization or credit of or by a Governmental Authority or any other recognized marketplace-wide entity or organization for emissions from a generation source, issued for a specific year(s) or control period(s).

“**BANC**” means the Balancing Authority of Northern California, the Balancing Authority in which Roseville is located.

“**Bankrupt**” means with respect to any entity, such entity (i) files a petition or otherwise commences, authorizes or acquiesces in the commencement of a proceeding or cause of action under any bankruptcy, insolvency, reorganization or similar law, or has any such petition filed or commenced against it and such petition filed or commenced against it is not stayed or dismissed

within ninety (90) days thereafter, (ii) makes an assignment or any general arrangement for the benefit of creditors, (iii) otherwise becomes bankrupt or insolvent (however evidenced), (iv) has a liquidator, administrator, receiver, trustee, conservator or similar official appointed with respect to it or any substantial portion of its property or assets, or (v) is generally unable to pay its debts as they become due.

“Business Day” means any day other than Saturday, Sunday, and any day that is a holiday observed by Federal Reserve member banks in San Francisco, California.

“CAISO” means the California Independent System Operator Corporation or any successor entity performing similar functions.

“CAISO Controlled Grid” means the system of transmission lines and associated facilities of the participating transmission owners that have been placed under the CAISO’s operational control.

“CAISO Tariff” means the CAISO Open Access Transmission Tariff (OATT), Business Practice Manuals (BPMs), and Operating Procedures, as the same may be amended or modified from time-to-time and approved by FERC.

“Cap and Trade Regulations” means Mandatory Greenhouse Gas Emissions Reporting and California Cap on Greenhouse Gas Emissions and Market Based Compliance Mechanisms regulations, California Code of Regulations Title 17, Subchapter 10, Articles 2 and 5, respectively, promulgated by the California Air Resources Board pursuant to AB 32.

“CDWR Indemnified Parties” has the meaning defined in Section 9.2.

“Claiming Party” has the meaning defined in Section 6.2.

“Compliance Instrument” means an instrument, certificate or other tradable credit providing a limited authorization to emit emissions, for which markets may exist or be created, including Allowances and Offset Credits.

“Compliance Obligation” means any mandatory compliance obligation imposed by a Governmental Authority under applicable Law that requires the purchase, holding, deposit, surrender or redemption of Compliance Instruments in order to authorize emissions by the Units.

“Confidential Information” means any information disclosed by one Party to the other Party that is or relates to (a) the terms and conditions of, and proposals and negotiations related to, this Agreement, (b) information necessary to protect the reliability and security of each Party’s electric systems, information defined as Critical Energy Infrastructure Information, as defined in Title 18 of the Code of Federal Regulations, or information related to any aspect of the business of a Party which is either information not known by actual or potential competitors of the other Party or is proprietary information of a Party, whether of a technical nature or otherwise, or (c) information that the Disclosing Party stamps or otherwise identifies as “confidential” or “proprietary” before disclosing it to the Receiving Party; provided however, that Confidential Information shall not include (i) information that was publicly available at the time of the disclosure, other than as a result of a disclosure in breach of this Agreement; (ii) information that becomes publicly available through no fault of the Receiving Party after the time of the delivery; (iii) information that was rightfully in the possession of the Receiving Party (without confidential or proprietary restriction) at the time of delivery or that becomes available to the Receiving Party

from a source not subject to any restriction against disclosing such information to the Receiving Party; and (iv) information that the Receiving Party independently developed without a violation of this Agreement.

“Contract Year” means, as applicable, (i) the period from the Effective Date through December 31, 2021 and (ii) each subsequent calendar year thereafter.

“Defaulting Party” has the meaning set forth in Section 7.

“Disclosing Party” has the meaning defined in Section 14.1.

“Early Termination Date” has the meaning set forth in Section 8.1(a)(i).

“Effective Date” has the meaning set forth on the Preamble.

“EFO” has the meaning defined in Section 3.4.

“Environmental Law” means any Law or Permit, and any binding judicial or administrative interpretation or requirement thereof, pertaining to (i) the regulation or protection of employee health or safety, public health or safety, or the indoor or outdoor environment; (ii) the conservation, management, development, control or use of land, natural resources, or wildlife; (iii) the protection or use of surface water or ground water; (iv) the management, manufacture, possession, presence, use, generation, treatment, storage, disposal, transportation, or handling of, or exposure to any Hazardous Substances; or (v) pollution (including release of any hazardous substance to air, land, surface water and ground water), including the Comprehensive Environmental Response, Compensation and Liability Act, the Superfund Amendments and Reauthorization Act of 1986, the Hazardous Material Transportation Act, the Resource Conservation and Recovery Act of 1976, the Toxic Substances Control Act, the Federal Water Pollution Control Act, the Clean Water Act, the Clean Air Act, the Occupational Safety and Health Act, any so-called “superlien” law, all as now or hereafter amended or supplemented, and any regulations promulgated thereunder, and any other similar federal, state, or local statutes, rules and regulations.

“EQR” has the meaning defined in Section 2.4(a).

“Facility” means the Roseville Energy Park as set forth in Exhibit A.

“FERC” means the Federal Energy Regulatory Commission.

“Force Majeure” has the meaning defined in Section 6.1.

“Fuel Management Fee” has the meaning defined in Section 5.2.

“GHG Costs” means the cost of Compliance Instruments and/or other pollution mitigation or offsets or other costs, charges, fees, penalties or payments required or incurred to satisfy the requirements of any applicable Environmental Law or the conditions of any applicable Permit relating to the reduction of Greenhouse Gases as defined in this Agreement.

“Good Industry Practice” means those practices, methods and acts that would be implemented and followed by prudent builders, owners, lessors, and operators of electric generation facilities similar to the Units in the western United States during the relevant time

period, which practices, methods and acts, in the exercise of prudent and responsible professional judgment in the light of the facts known at the time the decision was made, could reasonably have been expected to accomplish the desired result consistent with good business practices, reliability and safety, and shall include, at a minimum, those professionally responsible practices, methods and acts described in the preceding sentence that comply with manufacturers' warranties, restrictions in this Agreement, and the requirements of governmental authorities, NERC or WECC reliability standards, the CAISO and Applicable Laws. Good Industry Practice is not intended to be the optimum practice, method or act to the exclusion of all others, but rather is intended to be any of the practices, methods and/or actions generally accepted in the region.

"Governmental Authority" means any federal, state, local or municipal government, any political subdivision thereof or any other governmental, regulatory or judicial instrumentality, authority, body, agency, department, bureau, or entity with authority to bind a Party at law, including CAISO; provided, however, that "Governmental Authority" shall not include Parties to this Agreement except as prescribed by existing law or statute on matters not related to this Agreement.

"Greenhouse Gases" or "GHGs" means emissions into the atmosphere of carbon dioxide (CO₂), nitrous oxide (N₂O), and methane (CH₄) which are produced as the result of combustion of fossil fuels and which have been found or determined by a Governmental Authority with competent jurisdiction of the Parties to contribute to global warming or climate change. Other greenhouse gases included in this definition are hydrofluorocarbons (HFCs), perfluorocarbons (PFCs) and sulfur hexafluoride (SF₆). Greenhouse Gases may be defined or expressed in terms of a ton of CO₂-equivalent, in order to allow comparison between the different effects of gases on the environment.

"Hazardous Substances" means (a) any chemical, material or substance that is listed or regulated under applicable Laws as a "hazardous" or "toxic" substance or waste, or as a "contaminant" or "pollutant" or words of similar import, (b) any petroleum or petroleum products, flammable materials, explosives, radioactive materials, asbestos, urea formaldehyde foam insulation, and transformers or other equipment that contain polychlorinated biphenyls, and (c) any other chemical or other material or substance, exposure to which is prohibited, limited or regulated by any Laws.

"Indemnified Party" means (i) if CDWR is the Indemnifying Party, each Roseville Indemnified Party, and (ii) if Roseville is the Indemnifying Party, each CDWR Indemnified Party.

"Indemnifying Party" means (i) with respect to the indemnification obligations under Section 9.1, CDWR, and (ii) with respect to the indemnification obligations under Section 9.2, Roseville.

"Law" means any law, statute, rule, regulation, decision, writ, order, decree or judgment, permit, license or authorization, or any interpretation thereof, promulgated, adopted or issued by a Governmental Authority of competent jurisdiction.

"Local Distribution Company" or "LDC" means the local gas distribution company, which in the case of the Facility is Pacific Gas and Electric Company.

"Losses" has the meaning defined in Section 9.1.

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

“NERC Reliability Standards” shall mean the mandatory reliability standards developed by NERC and approved by FERC, as they apply to the Units.

“O&M Agreement” means that certain Operation and Maintenance Agreement, dated as of the Effective Date, by and between CDWR, as CDWR, and ROSEVILLE, as operator.

“Offset Credit” means any authorization or offset credit issued by a Governmental Authority or any other recognized marketplace-wide entity or organization that represents a permanent reduction or enhanced removal of emissions of a registered air pollutant, including, for purposes of the Cap and Trade Regulations, ARB Offset Credits and Sector-Based Offset Credits (as such terms are defined in the Cap and Trade Regulations).

“OFO” has the meaning defined in Section 3.4.

“Operating Characteristics” means the operating characteristics, conditions, restrictions and limitations of the Units as described on Exhibit B.

“Operating Period” means the portion of the Term beginning on the date of initial synchronization of the Units to the CAISO Controlled Grid and ending on the last day of the Term.

“Operations and Maintenance Agreement” means the Operations and Maintenance Agreement, dated as of the Effective Date of that agreement, by and between ROSEVILLE and CDWR.

“Permit” means any permit, authorization, consent, approval, license, order, filing, waiver, exception, variance or exemption filed with or issued by any Governmental Authority and shall include those siting and operating permits and licenses required for the installation, testing, commissioning, operation, maintenance, decommissioning or removal of the Units in compliance with all applicable Laws.

“Person” means any individual, sole proprietorship, corporation, limited liability company, limited or general partnership, joint venture, association, joint-stock company, trust, incorporated organization, institution, public benefit corporation, unincorporated organization, government entity or other entity.

“Receiving Party” has the meaning defined in Section 14.1.

“Reimbursable Costs” has the meaning defined in Section 5.1.

“Requested Confidential Information” has the meaning defined in Section 14.2.

“Required Compliance Instruments” has the meaning defined in Section 2.6(b).

“Roseville Indemnified Parties” has the meaning defined in Section 9.1.

“Schedule” shall mean a schedule in the CAISO’s Day-Ahead Market or Real-Time Market, or a schedule for gas delivery, as applicable.

“Scheduling Coordinator” shall mean the entity that has been certified by the CAISO for the purposes of undertaking scheduling and related functions, as such entity is defined in the CAISO Tariff.

“Scheduling Fee” has the meaning defined in Section 5.2.

“SCR” means a selective catalytic reduction system to be installed on the Unit to reduce nitrous oxide and other Greenhouse Gases.

“Service Fee” means either or both of the Scheduling Fee or the Fuel Management Fee.

“Site Agreement” that certain Site Use and Installation Agreement, dated as of the Effective Date of that agreement, by and between Roseville, as licensor, and CDWR, as licensee.

“WAPA” means Western Area Power Administration or any successor entity performing similar functions.

“Term” has the meaning defined in Section 4.

“Tracking System” shall mean a system that supports the implementation of programs that generate Compliance Instruments for which Persons must account for, hold, or retire.

“WECC” means Western Electricity Coordinating Council or any successor thereto.

1.2 Rules of Interpretation.

(a) The following rules of interpretation shall apply to this Agreement, unless otherwise specified or required by the context:

(i) Terms defined in the singular shall include the plural and vice versa;

(ii) References to “Sections” and “Exhibits” shall be to sections or exhibits of this Agreement;

(iii) All references to a particular entity shall include a reference to such entity’s successors and permitted assigns;

(iv) The words “herein,” “hereof,” and “hereunder” shall refer to this Agreement as a whole and not to any particular section or subsection hereof;

(v) References to this Agreement shall include a reference to all exhibits hereto, as the same may be amended, modified, supplemented, or replaced from time to time;

(vi) Terms used in the masculine shall include the feminine and vice versa;

(vii) The terms “include” and “including,” when used in this Agreement, shall mean to include without limitation; and

(viii) The term “day” when used in this Agreement shall mean a calendar day unless specified otherwise.

(b) Capitalized terms, used but not otherwise defined herein, shall have the meaning ascribed to them in the CAISO Tariff

2. Scheduling of the Units.

2.1 Scheduling Coordinator.

(a) During the Operating Period and, to the extent provided in Section 2.2, prior to the Operating Period, ROSEVILLE shall serve as the Scheduling Coordinator for the Units. CDWR shall take all actions and execute and deliver to ROSEVILLE and the CAISO all documents necessary to authorize, designate or maintain ROSEVILLE as CDWR's Scheduling Coordinator for the Units, including taking all such actions and executing and delivering all such documents necessary to initially authorize and designate ROSEVILLE as CDWR's Scheduling Coordinator prior to the expected start of the Operating Period. Unless and until this Agreement and the O&M Agreement have been terminated, CDWR shall not authorize or designate any other party to act as CDWR's Scheduling Coordinator for the Units, nor shall CDWR act as its own Scheduling Coordinator for the Units, unless otherwise agreed in writing by ROSEVILLE.

(b) CDWR shall take all necessary actions and shall cooperate with ROSEVILLE to ensure that the Units are operated and dispatched in accordance with each Unit's Schedules established pursuant to this Agreement, including giving appropriate instructions to the Unit's operator and other contractors engaged by CDWR with respect to the Units.

2.2 Pre-Operating Period Services.

(a) As Scheduling Coordinator for the Units, ROSEVILLE will use commercially reasonable efforts to do the following prior to the beginning of the Operating Period:

(i) ROSEVILLE will obtain a Resource ID for the Units from the CAISO;

(ii) ROSEVILLE will cooperate with CDWR and CDWR's contractors and equipment suppliers installing, testing and commissioning the Units in scheduling all testing and taking such other actions with CAISO and other Governmental Authorities as may be necessary to interconnect the Units to and synchronize the Units with the CAISO Controlled Grid and to enable CAISO to recognize the Units for purposes of scheduling and dispatch;

(iii) ROSEVILLE will cooperate with CDWR and assist CDWR in developing communications protocols for providing notices and information as provided in this Agreement; and

(b) ROSEVILLE will coordinate with CDWR and CDWR's contractors and equipment suppliers installing, testing and commissioning the Units in order to arrange for all required commissioning and testing, including testing required by BANC, WAPA, and CAISO, and to schedule deliveries of test energy. CDWR hereby authorizes ROSEVILLE to deal directly with CDWR's contractors and equipment suppliers installing, testing and commissioning the Units for these purposes, and CDWR agrees to be bound by and financially responsible for the actions and agreements of such contractors and equipment suppliers, including with respect to the payment of costs.

2.3 Scheduling Requirements.

(a) The Parties acknowledge that, because the installation of an SCR on the Units will not begin until sometime after the Units have begun operation, it is the intent of CDWR and the CAISO to schedule the Units only during CAISO alerts and warnings to prevent emergencies or during CAISO declared emergencies according to procedures, protocols and requirements to be determined. ROSEVILLE will cooperate with CDWR in CDWR's negotiations with CAISO regarding scheduling of the Units, and CDWR will consult with ROSEVILLE before agreeing to any scheduling procedures, protocols or requirements.

(b) ROSEVILLE (as CDWR's Scheduling Coordinator) shall submit Schedules for the Units as instructed by CDWR or the CAISO in accordance with the CAISO Tariff, and in accordance with BANC and WAPA instructions, tariffs, and business practices, and otherwise in compliance with applicable Law and Permits and consistent with the Operating Characteristics of the Units; provided, however, if there is a conflict between instructions given by CDWR and instructions given by CAISO, BANC, or WAPA, the instructions given by CAISO, BANC, or WAPA shall govern provided that the Units are operated within their designed operating limits.

(c) Once CDWR has installed an SCR on the Units, at the request of either Party, the Parties will meet and cooperate to establish new scheduling practices and protocols that are consistent with the Units' Operating Characteristics with an SCR installed, the CAISO Tariff, applicable Law and Permits, Good Industry Practices and the requirements and limitations of this Agreement. To the extent that such new scheduling practices and protocols could reasonably be expected to materially increase the amount of work and time required of ROSEVILLE's personnel, the Service Fees payable hereunder will be equitably adjusted.

2.4 Other Services and Limitations.

(a) To the extent that NERC Reliability Standards apply, CDWR will be considered the "Generation Owner (GO)" and the "Generation Operator (GOP)" of the Units for purposes of the NERC Reliability Standards reporting, and shall perform all duties and obligations of a "Generation Owner (GO)" and a Generation Operator (GOP)" of the Units. ROSEVILLE delegates GO and GOP responsibilities to CDWR and shall have no obligation to perform any such duties or obligations during the Term of this Agreement. To the extent that ROSEVILLE assumes ownership of the Units under the Site Agreement, CDWR shall cooperate with ROSEVILLE and provide all necessary information and records to support any NERC compliance responsibility for such Units.

(b) Except as provided in this Agreement and for certain Permits that ROSEVILLE is seeking to obtain pursuant to the Site Agreement, CDWR shall be responsible for obtaining and maintaining all Permits and approvals and making all filings required to schedule, dispatch and operate the Units.

(c) Subject to timely receipt of all necessary information from CDWR, ROSEVILLE will notify CAISO as and to the extent required by the CAISO Tariff, including on a real time basis as necessary, with respect to the availability of the Units and any outages affecting the Units or its monitoring systems, its SCADA system and any telemetry or communications links used to transmit the Units' availability or operating status and the local meteorological conditions to the CAISO, in accordance with the CAISO Tariff.

2.5 CAISO Costs and Revenues. Notwithstanding that ROSEVILLE is CDWR's Scheduling Coordinator, except as hereinafter provided, CDWR shall be responsible for all CAISO and Energy Imbalance Market fees, costs, charges, penalties, imbalance payments and neutrality payments, including, if applicable, charges with respect to capacity products, and shall receive all CAISO revenues and credits, with respect to the Units, except to the extent the result of ROSEVILLE's gross negligence or willful misconduct. As appropriate, ROSEVILLE (as CDWR's Scheduling Coordinator) shall handle all billing and settlement functions with the CAISO, including review and validation of CAISO settlement statements, correction of errors and, submission of disputes as agreed to by the Parties, and shall remit any net amounts due to CDWR, or, if applicable, invoice CDWR for any net amounts due, in accordance with Section 5.3. All payments and other amounts hereunder that are calculated by ROSEVILLE or determined in whole or in part on the basis of CAISO fees, costs, charges, penalties, payments, revenues and/or credits shall be subject to adjustment if the CAISO adjusts some or all of the fees, costs, charges, penalties, payments, revenues and/or credits that affect such payments or other amounts, regardless of whether such adjustment is made before or after termination of this Agreement, and the Parties shall make or adjust payments and/or refund amounts previously paid as necessary to reflect CAISO's adjustment of fees, costs, charges, penalties, payments, revenues and/or credits. The foregoing provision shall survive termination of this Agreement.

2.6 WAPA Transmission: ROSEVILLE, at CDWR's direction, will procure sufficient WAPA point-to-point transmission service in accordance with the WAPA Open Access Transmission Tariff, to deliver the output of the Units according to CDWR's scheduling instructions, and consistent with CAISO, BANC, and WAPA instructions. CDWR shall be responsible for all transmission costs and expenses related thereto, including any costs required to develop upgrades to facilitate transmission from the Units to the CAISO Controlled Grid. In the event of a derate or outage, ROSEVILLE shall not be responsible for procuring alternative transmission to the CAISO Controlled Grid. Consistent with Good Industry Practice, Roseville may procure alternative transmission, if available, at CDWR's request. CDWR shall be responsible for all costs, expenses, and penalties resulting from such derate or outage or for any alternative transmission procured as a result of such derate or outage.

2.7 GHG and Other Emission Compliance.

(a) CDWR hereby appoints ROSEVILLE as its agent and representative with respect to the Units compliance with the requirements of AB 32 and the Cap and Trade Regulations for purposes of (i) obtaining, transferring and delivering Compliance Instruments and (ii) filing all required reporting related thereto with the applicable Governmental Authorities.

(b) From time to time during the Term, ROSEVILLE will, in accordance with applicable Law and based solely on operational and other data with respect to the Units provided to ROSEVILLE by CDWR, determine the amount and type of Compliance Instruments necessary for the Units to satisfy any applicable Compliance Obligation in accordance with applicable Law, taking into consideration the relevant markets and compliance time frames and the expected operation of the Units (the "**Required Compliance Instruments**"). If ROSEVILLE determines that the Units must obtain Compliance Instruments in order to have the Required Compliance Instruments, ROSEVILLE or CDWR will procure such Compliance Instruments on terms and conditions then available in the relevant markets, and all costs of, if any, so doing shall be Reimbursable Costs hereunder.

(c) CDWR shall deliver to ROSEVILLE, or ROSEVILLE shall deliver to CDWR, as the case may be, such fully executed certificates of ownership, title transfer, records of conveyance,

attestations or other documentation as may be necessary for the recordation, transfer or delivery of Compliance Instruments in accordance with applicable Law, including AB 32 and the Cap and Trade Regulations, and the applicable Tracking System. CDWR and ROSEVILLE will cooperate in performing all required actions and obtain all required consents and approvals to effectuate the acquisition, transfer and delivery of Compliance Instruments by the Units in accordance with the requirements of applicable Law and the applicable Tracking System.

2.8 Limitations on Scheduling. All Schedules requested or directed by CDWR hereunder shall (a) comply with (i) the CAISO Tariff and all instructions from the CAISO, (ii) the requirements of applicable Law and Permits with respect to the operation of the Units, (iii) the Operating Characteristics of the Units and Good Industry Practices, and (iv) BANC and WAPA scheduling and business practices, and (b) not adversely affect the ability of Operator to operate and dispatch the Roseville Energy Park due to limitations in the Roseville Energy Park's Permits relating to air emissions, limitations in the available water supply, and other limitations or restrictions on Roseville Energy Park's operation that may be affected by operation of the Units.

2.9 Generator Resource Data Template (GRDT). ROSEVILLE will assist CDWR in preparing the initial GRDT for the Units based on the Units' Operating Characteristics and other information provided by CDWR, such as specifications and guarantees from the equipment manufacturer. As between CDWR and ROSEVILLE, CDWR shall be responsible for the accuracy of all such information. CDWR shall not amend the GRDT for the Units except (i) in a manner that complies with Section 2.7, (ii) in the case of Section 2.3(c), after agreement between the Parties on revised scheduling practices and protocols, and (iii) upon written notice to ROSEVILLE. ROSEVILLE shall not amend the GRDT for the Units except as approved in writing by CDWR.

2.10 Title to Capacity and Energy. ROSEVILLE is only acting as CDWR's agent with respect to Scheduling of the Units. CDWR is the owner of and shall have title to all capacity attributes of the Units and all energy and other products from the Units, until expiration of the Term of this Agreement.

2.11 Limited Scope of Services. The services that ROSEVILLE is providing under this Section 2 and the following Section 3 are a defined and limited scope of services. Services that are not described in Sections 2 and 3 are not provided for herein, and there are no additional services that are to be inferred or implied from those that are described.

2.12 Performance of Units. Notwithstanding that ROSEVILLE is CDWR's Scheduling Coordinator, except as provided herein, and except as set forth in the Operations and Maintenance Agreement, CDWR shall be responsible for all performance or non-performance of the Units during the term of this Agreement.

3. Fuel Management.

3.1 Fuel Manager; Nominations.

(a) ROSEVILLE or its designee will act as fuel manager for the Units and, subject to CDWR's payment obligations, will use commercially reasonable efforts to nominate and have delivered to the Units' gas meter the volumes of gas necessary to enable the Units to generate energy in accordance with the Schedules established pursuant to Section 2. ROSEVILLE shall have the right to nominate and acquire for CDWR's account such gas as is necessary to meet the Units' Schedules on a day-ahead and/or intra-day basis, as ROSEVILLE considers commercially reasonable, including, if it considers it necessary or prudent (but without any

obligation to do so), day-ahead nominations to address potential volatility in demand or supply. The Parties acknowledge and agree that, given the variable manner in which the Units may be scheduled or dispatched, there are a number of gas nomination and procurement strategies that could be considered reasonable under the circumstances, and therefore that, except for costs resulting from ROSEVILLE's gross negligence or willful misconduct, all costs and expenses of nominating, arranging for, procuring and delivering gas to the Units, including premiums paid to procure or arrange for gas on an intra-day basis, shall be reimbursable as provided herein, whether or not a lower price could have been achieved by using a different nomination and procurement strategy.

Day-Ahead Nominations	
Flow Day	Day-Ahead Notification Deadline (24 Hour Format)
Tuesday	Monday at 0600 Pacific Time
Wednesday	Tuesday at 0600 Pacific Time
Thursday	Wednesday at 0600 Pacific Time
Friday	Thursday at 0600 Pacific Time
Saturday - Monday	Friday at 0600 Pacific Time

(b) ROSEVILLE may nominate and purchase gas from the Local Distribution Company, or other third party gas suppliers and transporters to satisfy the Units' gas requirements. ROSEVILLE will nominate gas based on heat rate and other operating information related to the Units provided by CDWR, but CDWR will be responsible for all costs of gas consumed by the Units, and for all imbalances, fees, penalties or other charges, for any reason including any deviation from such heat rate or other operating information, any changes in the amount of energy generation scheduled, or any other reason, except ROSEVILLE's gross negligence or willful misconduct.

(c) ROSEVILLE shall be excused from its obligations hereunder to Schedule and arrange fuel for the Units if gas is not available for any reason other than ROSEVILLE's gross negligence or willful misconduct.

(d) ROSEVILLE will not be responsible for any failure of either of the Units to operate at the heat rate guaranteed by General Electric, and CDWR will look solely to General Electric to recover any costs due to the failure to achieve a guaranteed heat rate. If a failure to achieve the guaranteed heat rate would result in a Permit violation or would adversely impact ROSEVILLE's ability to operate the Facility, ROSEVILLE may curtail the operation of the Units in order to avoid such violation or adverse effect, and CDWR will hold ROSEVILLE, its officers, directors, employees, partners, lenders, agents and representatives harmless from any costs, penalties, or liabilities as a result of such violation, adverse effect, or curtailment.

3.2 Title to Fuel. ROSEVILLE may acquire gas to be supplied to the Units hereunder in its own name for resale to CDWR (either specifically or as part of a pool) or as CDWR's agent. Title to all gas, including gas that ROSEVILLE procures in its own name, will pass to CDWR at the Units' gas meter.

3.3 Payment of Fuel Costs. CDWR will reimburse ROSEVILLE for all costs, expenses, fees, charges, taxes, penalties and other amounts paid or incurred for or with respect to gas delivered to or used by the Units, whether procured by ROSEVILLE in its own name or as CDWR's agent, including all commodity costs and charges, all transportation and distribution costs, charges and surcharges, losses, all taxes or payments in lieu of taxes based on the gas consumed or the energy generated by the consumption of such gas, imbalance charges, intra-day charges or surcharges, and cash outs. All fuel quantities shall be based on the actual amount of gas consumed by the Units, as measured by the Units' gas meter.

3.4 Fuel Supply Limitations.

(a) ROSEVILLE shall have the right to require that gas deliveries be adjusted in order to comply with instructions regarding Emergency Flow Orders ("**EFOs**") or Operational Flow Orders ("**OFOs**") issued by the Local Distribution Company, and may adjust Schedules hereunder if necessary to comply with an EFO or OFO. Each Party shall comply with all EFOs and OFOs, as directed by PG&E or gas transportation provider, and compliance with EFOs and/or OFOs by either Party, including by adjusting or requiring adjustment of Schedules, shall not be considered a default or an Event of Default under the Agreement by such Party.

(b) Without limiting the generality of the foregoing, the Parties acknowledge and agree that the amount of gas that the Units can use or not use during an OFO or an EFO without incurring penalties and other costs may depend on the amount of gas that was nominated on a day-ahead basis. CDWR shall be responsible for and shall pay all costs, expenses, sanctions and penalties resulting from the use or non-use of gas by the Units outside the allowed range during an OFO or EFO and shall hold ROSEVILLE, its officers, directors, employees, partners, lenders, agents and representatives, harmless from such costs, expenses, sanctions and penalties.

4. **Term.** This Agreement will be effective as of the Effective Date and will continue in effect until December 31, 2023, unless sooner terminated as provided herein (the "**Term**"), or as terminated pursuant to the terms of the Site Agreement.. There are no rights to extend the Term beyond December 31, 2023.

5. Compensation; Reports.

5.1 Reimbursement of Costs. CDWR will reimburse ROSEVILLE for all third party costs and expenses reasonably incurred by ROSEVILLE in carrying out ROSEVILLE's obligations under this Agreement, including (a) all costs of registering the Units with CAISO and interconnecting the Units to the WAPA transmission system for delivery to the CAISO Controlled Grid, (b) all costs of establishing ROSEVILLE as Scheduling Coordinator and of Scheduling the Units, including fees and costs payable to the CAISO, (c) all costs of ongoing reports and filings with Governmental Authorities, (d) all costs of Compliance Instruments and other GHG Costs, (e) all fuel costs payable or reimbursable pursuant to Section 3.3, (f) all costs, expenses, sanctions and penalties for which CDWR is responsible under Section 3.4, (g) the reasonable fees and costs of third party engineers, consultants, attorneys, accountants and other specialists engaged by ROSEVILLE to assist in any of the foregoing or in performing the services to be provided by ROSEVILLE hereunder, (h) all filing fees, permit application fees, registration fees and other fees and costs payable to Governmental Authorities in connection with the operation or scheduling of the Units, and (i) any other cost or expense whose reimbursement is expressly provided for herein (collectively, "**Reimbursable Costs**"). Reimbursable Costs may be netted against amounts due to CDWR as provided in Section 5.3(c).

5.2 Services Fees. In addition to the reimbursement of Reimbursable Costs, CDWR will pay ROSEVILLE a fee for providing the Scheduling services described herein (the “**Scheduling Fee**”) and a fee for providing the fuel management services described herein (the “**Fuel Management Fee**”) for each Contract Year or part thereof Starting on Sept 17th, 2021 during the Term as follows:

	Scheduling Fee	Fuel Management Fee
First Contract Year (09/17/2021 to 12/31/2021)	\$30,000	\$30,000 + \$0/MMBtu of fuel consumed (per Section 3.2) in that Contract Year
Second Contract Year	\$100,000	\$100,000 + \$0/MMBtu of fuel consumed (per Section 3.2) in that Contract Year
Third Contract Year	\$100,000	\$100,000 + \$0/MMBtu of fuel consumed (per Section 3.2) in that Contract Year

Payment of the Service Fee as and when required will be ROSEVILLE's full compensation for internal costs incurred by ROSEVILLE in carrying out ROSEVILLE's obligations under this Agreement; provided, however, the Service Fee is subject to equitable adjustment as provided in Section 2.3(c).

5.3 Billing and Payment.

(a) The Scheduling Fee and the fixed portion of the Fuel Management Fee shall be paid by CDWR to ROSEVILLE as follows: (i) CDWR will pay ROSEVILLE the entire annual amount of the Scheduling Fee and the fixed portion of the Fuel Management Fee set forth in Section 5.2 for the first Contract Year on or before the Effective Date and (ii) CDWR will pay ROSEVILLE one-fourth (1/4) of the annual amounts of the Scheduling Fee and the fixed portion of the Fuel Management Fee set forth in Section 5.2 for the second and third Contract Years on or before the first Business Day of each calendar quarter of each such Contract Year. Reimbursable Costs and the variable portion of the Fuel Management Fee, as well as net CAISO revenues and other amounts subject to this Agreement shall be invoiced by ROSEVILLE monthly on or before the 20th day of the month following the month that is the subject of the invoice. Subject to CDWR's rights under Section 5.3(b), payments for all Reimbursable Costs, the variable portion of the Fuel Management Fee and other amounts due to ROSEVILLE shall be made on or before the forty-fifth (45th) day after receipt of the invoice (California Prompt Payment Act; Government Code, Section 927, et seq). If the due date falls on a non-Business Day, then the payment shall be due on the following Business Day. Payment shall be deemed delivered on time if sent via electronic funds transfer, as set forth in Exhibit D, prior to 5 p.m. Pacific time on the due date. Each Party shall submit all payments under this Agreement to the other Party at the payment address shown in Exhibit D. Any changes to the address designated for purposes

of payment must be made by written notice to the other Party at the address listed in Exhibit D at least sixty (60) days prior to the first submittal of payment to the new address.

(b) The Scheduling Fee and the fixed portion of the Fuel Management Fee payable in each Contract Year are fixed amounts, are payable in all events and are not subject to dispute. If CDWR wishes to dispute an invoice for Reimbursable Costs or the variable portion of the Fuel Management Fee in whole or in part, it must give ROSEVILLE written notice of the amount in dispute on or before the due date for the invoice, including a reasonably detailed statement of the basis for such dispute (including supporting documentation), but it shall nonetheless pay the amount billed, including any disputed portion, on the due date for the invoice. If it is determined that a disputed amount that was paid was not in fact due and owing, ROSEVILLE shall refund such amount to CDWR within thirty (30) days after resolution of such dispute, together with interest on such amount from the date paid to, but not including, the date refunded at the interest rate set forth in Section 5.3(d).

(c) The Parties hereby agree that they shall discharge mutual debts and payment obligations due and owing to each other on the same date through netting. All amounts owed by each Party to the other Party, whether for Reimbursable Costs, Service Fees, in respect of CAISO revenues and credits, or under any other provision of this Agreement in respect of the applicable monthly billing period under this Agreement shall be netted so that only the excess amount remaining due shall be paid by the Party who owes it.

(d) Penalties for delinquent payments shall be assessed in accordance with the California Prompt Payment Act (Government Code Section 927 et seq.) as may be amended. Interest on delinquent amounts (including amounts determined to be owed as a result of the resolution of a billing dispute) shall be calculated at the interest rate specified in the California Prompt Payment Act (Government Code Section 927 et seq.) as may be amended: from the original due date (or, for amounts not properly invoiced, the date that would have been the due date if such amounts were properly invoiced) to the date of payment.

(e) ROSEVILLE shall keep complete and accurate records of Reimbursable Costs and the variable portion of the Fuel Management Fee and shall maintain records for a period of three (3) years from the due date of the applicable invoices. Within a three (3) year period from the original due date of an invoice, CDWR may request in writing copies of such records to the extent reasonably necessary to verify the accuracy of any invoice.

5.4 Reporting. Concurrently with the issuance of each invoice, ROSEVILLE shall provide CDWR a report with respect to the month covered by such invoice describing (i) the amount of energy and other products scheduled from the Units, (ii) the amount of energy and other products actually dispatched from the Units, (iii) the amount of gas used by the Units, (iv) the calculation of Reimbursable Costs and the variable portion of the Fuel Management Fee for such period, and (v) the calculation of net CAISO revenues payable to CDWR for such period.

6. Force Majeure.

6.1 Definition. “**Force Majeure**” means: any cause or event beyond the reasonable control of the affected Party which causes the affected Party to fail to perform that (i) was not specifically foreseeable as of the Effective Date; (ii) was not due to the fault or negligence of the affected Party, and (iii) could not reasonably have been avoided, overcome, prevented, or mitigated, by the affected Party's exercise of due diligence and use of reasonable precautions and efforts. Subject to the foregoing requirements, events that could qualify as Force Majeure

include (x) acts of God, such as droughts, floods, earthquakes, volcanic eruption, epidemics, pandemics or other natural disasters, (y) fires, explosions, or accidents that could not have been prevented by acting in accordance with Good Industry Practice, or (z) war (declared or undeclared), riots, insurrection, rebellion, acts of the public enemy, acts of vandalism, terrorism and/or sabotage, civil disturbance, public disorder, blockades, embargoes, sanctions, import-export controls, or industry-wide strikes. However, Force Majeure shall not include the following events except the portions of such events caused solely by an event of Force Majeure as enumerated in clauses (x), (y) and (z) of the preceding sentence: (1) general market conditions or the economic hardship of either Party, (2) events arising from the failure to operate or maintain the Units in accordance with Good Industry Practice, (3) events that merely increase the cost of a Party's performance; (4) failure of third parties to provide goods or services essential to a Party's performance, (5) mechanical breakdown, or electrical breakdown, or failure of any machinery or equipment constituting all or part of the Units, (6) ROSEVILLE's ability to provide the Services to a third party for more than the Service Fee, (7) CDWR's ability to obtain the Services from a third party for less than the Service Fee, (8) any delay in obtaining, or denial of, any Permit, (9) any delay in providing, failure to obtain, or cancellation of, interconnection service beyond the control of either Party, (10) the inability of a Party to make payments when due under this Agreement, (11) a strike, work stoppage or labor dispute limited only to a Party, its contractors, and their respective subcontractors or any other third party employed by such Party to perform its obligations hereunder, or (12) any delay resulting from litigation relating to or affecting the Units or the Site.

6.2 Effect of Force Majeure. To the extent either Party is prevented by Force Majeure from carrying out, in whole or part, its obligations under this Agreement, and such Party (the "**Claiming Party**") gives notice and details of the Force Majeure to the other Party as soon as practicable, then, unless as otherwise expressly provided herein, and as limited in Section 6.4, the Claiming Party shall be excused from the performance of its obligations (other than the obligation to make payments then due or becoming due with respect to performance prior to the Force Majeure) to the extent affected by the Force Majeure, and no Event of Default shall occur as a result of the failure to perform any excused obligation. The Claiming Party shall remedy the Force Majeure with all reasonable dispatch. The non-Claiming Party shall not be required to perform or resume performance of its obligations to the Claiming Party corresponding to the obligations of the Claiming Party excused by Force Majeure.

6.3 Notice of Force Majeure. Any Party claiming Force Majeure shall advise the other Party as soon as possible of the occurrence of the Force Majeure event and shall provide the other Party with the basis of the claim, in writing, within ten (10) days of the occurrence of the Force Majeure event. The Parties shall make reasonable efforts to avoid the adverse impacts of a Force Majeure and to resolve the event or occurrence once it has occurred to resume performance.

6.4 Certain Obligations Not Excused. Notwithstanding anything herein to the contrary, a Force Majeure shall not excuse the payment of the fixed portions of the Service Fee and any Reimbursable Costs or variable portions of the Service Fee that had accrued as of the date of the Force Majeure.

7. Events of Default. An "**Event of Default**" shall mean, with respect to a Party (a "**Defaulting Party**"), the occurrence of any of the following:

- (a) With respect to either Party:

(i) the failure to make, when due, any payment required pursuant to this Agreement if such failure is not remedied within five (5) Business Days after written notice of the failure,

(ii) any representation or warranty made by such Party herein that is false or misleading in any material respect when made or when deemed made or repeated if the representation or warranty is continuing in nature, which misrepresentation or breach of warranty is not cured within thirty (30) days after written notice thereof,

(iii) except for an obligation to make payment when due, the failure to perform any material covenant or obligation set forth in this Agreement (except to the extent constituting a separate Event of Default or to the extent excused by a Force Majeure) if such failure is not remedied within thirty (30) days after written notice, which written notice sets forth in reasonable detail the nature of the failure; provided, however, that if such failure is not reasonably capable of being remedied within the thirty (30) day cure period, such Party shall have such additional time (not exceeding an additional ninety (90) days) as is reasonably necessary to remedy such failure, so long as such Party promptly commences and diligently pursues such remedy;

(iv) Such Party becomes Bankrupt;

(v) Such Party consolidates or amalgamates with, or merges with or into, or transfers all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving or transferee entity fails to assume all the obligations of that Party under this Agreement to which it or its predecessor was a party by operation of law or pursuant to an agreement reasonably satisfactory to the other Party; or

(vi) Such Party assigns this Agreement or any of its rights hereunder other than in compliance with Section 13.

(b) With respect to CDWR as the Defaulting Party, the occurrence of any of the following:

(i) Any Scheduling or attempt to Schedule the Units in a manner that violates Section 2.7; provided that the remedies for this Event of Default shall be limited as provided in Section 8.2;

(ii) Failure by CDWR to comply with its obligations under Section 9 within the time frames provided therein;

(iii) The O&M Agreement or the Site Agreement is terminated as the result of an event of default by CDWR thereunder.

(c) With respect to ROSEVILLE as the Defaulting Party, the occurrence of any of the following:

(i) Failure by ROSEVILLE to comply with its obligations under Section 9 within the time frames provided therein; or

- (ii) Willful failure to respond to a dispatch order from the CAISO, so long as such order was properly delivered to ROSEVILLE, and ROSEVILLE's compliance with such dispatch order would not violate any applicable Laws or Permits, are not impeded by the physical condition of the Units or the Facility, would have potentially interfered with the safe and reliable operation of the Facility, or is otherwise exempted by any other term of this Agreement.

8. **Remedies; Termination Rights.**

8.1 **Remedies for Events of Default.**

(a) If an Event of Default with respect to a Defaulting Party has occurred and is continuing, the other Party ("**Non-Defaulting Party**") shall have the right to do any one of more of the following, which rights shall be cumulative and in addition to the rights of the Parties otherwise provided in this Agreement:

- (i) Terminate this Agreement by sending a written notice, designating a day, no earlier than the day such notice is deemed to be received and no later than twenty (20) days after such notice is deemed to be received, as an early termination date of this Agreement ("**Early Termination Date**");

- (ii) Accelerate all amounts owing between the Parties as of the Early Termination Date;

- (iii) Withhold any payments due to the Defaulting Party under this Agreement pending resolution of amounts owed by or to each Party;

- (iv) Suspend performance of its obligations under this Agreement;

- (v) Subject to Section 12, recover monetary damages as allowed by law; and

- (vi) Exercise any other rights or remedies available at law or in equity to the extent otherwise permitted under this Agreement;

- (vii) For default under Section 7(c)(ii) CDWR may demand as liquidated damages and not as a penalty, the amount of ten thousand dollars per day (\$10,000/day). Such liquidated damages shall be due and owing during the next billing cycle. The parties agree that damages at the time of default would be very difficult to measure accurately and that the foregoing liquidated damage amount is a reasonable estimate of the amount necessary to compensate CDWR for the default. However, in no case shall the amount of liquidated damages per Contract Year exceed the Scheduling Fee owed to ROSEVILLE for that Contract Year under this Agreement.

(b) The Non-Defaulting Party's election to exercise or not exercise any of the above rights following an Event of Default shall not constitute a waiver by the Non-Defaulting Party of any remedy with respect to any subsequent Event of Default by the Defaulting Party. Amounts accelerated pursuant to Section 8.1(a)(ii) shall be netted, and the Party owing the net amount shall pay such amount to the other Party (or apply such amount against other amounts owed by the Defaulting Party, if the Non-Defaulting Party owes the net amount).

8.2 Limitations on Remedies. Notwithstanding the foregoing, if an Event of Default occurs under Section 7(b)(i), so long as it is possible for ROSEVILLE to suspend performance, CDWR shall not terminate this Agreement, but ROSEVILLE shall be entitled to suspend its performance hereunder and to require CDWR to suspend operation of the Units, until Schedules are revised to comply with Section 2.7.

8.3 Other Termination Rights. In addition to a Non-Defaulting Party's right to terminate as the result of an Event of Default with respect to the Defaulting Party, ROSEVILLE will have the following rights to terminate this Agreement by sending written notice designating an Early Termination Date in the same manner as provided in Section 8.1(a)(i) (although such termination is not due to an Event of Default). Termination of this Agreement also occurs upon termination of the Site Agreement. Any such termination shall be with no further liability on the part of either Party, except (a) CDWR will reimburse ROSEVILLE for all Reimbursable Costs and accrued but unpaid portions of the Service Fee incurred through the effective date of termination, and the Parties will settle and work in good faith to resolve any other unpaid amounts through the effective date of termination, (b) no part of the Service Fee or Reimbursable Costs previously paid shall be refundable or refunded on account of such termination, and (c) all indemnification obligations in Section 9 shall survive such termination and shall continue in effect. ROSEVILLE may terminate this Agreement if:

(a) ROSEVILLE reasonably determines, after consultation with CDWR, that operation of the Units, whether or not in accordance with applicable Permits, would or is likely to adversely affect its ability to operate the Roseville Energy Park in any material respect, including as a result of limitations on air emissions, natural gas consumption, availability of water or hours of operation;

(b) ROSEVILLE reasonably determines, after consultation with CDWR, that, through no default or failure of either Party, the Units cannot be operated or dispatched in compliance with applicable Laws or Permits;

(c) ROSEVILLE reasonably concludes, after consultation with CDWR, that any Losses or other liabilities, obligations or expenses that it or any of the Service Provider Indemnified Parties could incur and that are described in Section 9.1 would not be covered in full by CDWR's indemnification obligations under Section 9 or that CDWR would be excused from covering any such Losses or other liabilities, obligations or CDWR under Section 9 for any reason other than ROSEVILLE's breach of this Agreement or its gross negligence or willful misconduct;

(d) the Site Agreement and/or the O&M Agreement is terminated for any reason.

8.4. Obligations Upon Termination. In connection with the termination of this Agreement, whether as a result of the expiration of the stated Term of this Agreement, the declaration of an Early Termination Date, or otherwise, in addition to such obligations or liabilities as may arise due to an Event of Default, CDWR will reimburse ROSEVILLE for all Reimbursable Costs and accrued but unpaid portions of the Service Fee incurred through the effective date of termination on the effective date of termination or as soon thereafter as the information necessary to compute such amounts becomes available. Any such amounts may be invoiced and paid in accordance with Section 5.3.

9. Indemnification.

9.1 Indemnification By CDWR. To the fullest extent allowed by law, CDWR shall indemnify, defend, save and hold harmless ROSEVILLE, and their respective officers, directors, employees, partners, lenders, agents and representatives, and their respective successors and assigns (collectively, the “**ROSEVILLE Indemnified Parties**”) from and against any and all losses, claims, demands, damages, liabilities, judgments, fines, penalties, costs and expenses, including reasonable attorneys’ fees, expert fees and court costs (“**Losses**”), incurred by or asserted against any ROSEVILLE Indemnified Party arising out of or resulting from (i) any injury or damage to persons or property as a result of any acts or omissions of CDWR, its employees, agents, representatives, contractors or subcontractors in, on or about the Units or in the performance of any work or activities related to this Agreement, (ii) the breach of any covenant or representation made by CDWR under this Agreement; (iii) all Reimbursable Costs and other costs for which CDWR is responsible under this Agreement, (iv) compliance by ROSEVILLE with any schedule or instruction issued by CDWR or CAISO, including any violation of any applicable Law or Permit as a result of such compliance, (v) all CAISO fees, costs, charges, penalties, imbalance payments, replacement or availability charges and neutrality payments with respect to the Units or the operation thereof, except to the extent caused by ROSEVILLE’s gross negligence or willful misconduct, (vi) the performance or non-performance of any duties or obligations of the “Generator Owner (GO)” or “Generator Operator (GOP)” of the Units under the NERC Reliability Standards, (vii) any breach violation of a gas transportation or supply agreement, of a gas transporter’s or the Local Distribution Company’s tariff or of any OFO or EFO in connection with any gas nominated, scheduled or purchased pursuant to this Agreement, except as a result of ROSEVILLE’s gross negligence or willful misconduct, (viii) the failure of the Units to operate in accordance with any Schedule submitted hereunder or any order or direction from CAISO received by CDWR or received by ROSEVILLE and transmitted to CDWR, (ix) any use or operation of the Units in violation of this Agreement or any applicable Law or Permit, except as a result of ROSEVILLE’s gross negligence or willful misconduct, (x) any claim, dispute or litigation, including those based on non-compliance with the requirements of Public Resources Code Division 13 (commencing with 21000) or regulations adopted pursuant to that Division, alleging, and any determination, that installation or operation of the Units was not permitted under applicable Law or the Permits for the Units, (xi) all GHG Costs or other costs related to the air emissions from or the use of fossil fuels by the Units, (xii) any liability under any Environmental Law, except to the extent caused by ROSEVILLE’s gross negligence or willful misconduct or (xiii) all costs, claims, clean up and remediation costs, fines, penalties and other liabilities arising from or related to the cleanup or disposal of any Hazardous Substances brought on to the Site or used by CDWR, its employees, agents, representatives, contractors or subcontractors, except to the extent caused by ROSEVILLE’s gross negligence or willful misconduct.

9.2 Indemnification By ROSEVILLE. To the fullest extent allowed by law, ROSEVILLE shall indemnify and hold harmless CDWR and its officers, directors, employees, agents and representatives, and their respective successors and assigns (collectively, the “**CDWR Indemnified Parties**”) from and against any and all Losses incurred by or asserted against any CDWR Indemnified Party arising out of or resulting from (i) any injury or damage to persons or property as a result of any acts or omissions of ROSEVILLE, its employees, agents, representative, contractors or subcontractors in, on or about the Units or in the performance of any work or activities related to this Agreement, or (ii) the breach of any covenant or representation made by ROSEVILLE under this Agreement.

9.3 Indemnification Procedure. Promptly following receipt by an Indemnified Party of notice of a matter subject to indemnification under Section 9.1 or 9.2, as applicable, including

the commencement of any action, administrative or legal proceeding, or investigation as to which an indemnity provided for in Section 9.1 or 9.2, as applicable, may apply the Indemnified Party shall give the Indemnifying Party written notice of such matter. The Indemnifying Party shall assume the defense of such matter with, if applicable, counsel designated by the Indemnifying Party and reasonably satisfactory to the Indemnified Party, *provided*, if both the Indemnified Party and the Indemnifying Party are involved in such matter (including as co-defendants) and the Indemnified Party shall have reasonably concluded that there may be legal defenses available to it which are different from or additional to, or inconsistent with, those available to the Indemnifying Party or that there is a conflict of interest between the interests of the Indemnified Party and the Indemnifying Party in such matter, the Indemnified Party shall have the right to select and be represented by separate counsel, at the Indemnifying Party's expense. If the Indemnifying Party fails to assume the defense of a claim or other matter properly indemnifiable under Section 9.1 or 9.2, as applicable, the Indemnified Party may at the expense of the Indemnifying Party contest, settle, or pay such claim as it considers appropriate.

9.4 **Survival.** The provisions of this Section 9 shall survive the termination of this Agreement.

10. **Insurance.** Each Party will obtain and maintain in force the insurance described in Exhibit C. However, such insurance shall not be a limitation on a Party's liabilities or obligations hereunder, nor will failure to obtain or maintain any insurance relieve a Party of any such obligations or liabilities. Each Party shall be responsible for all deductible amounts under such insurance policies.

11. **Representations and Warranties.** As of the Effective Date, each Party represents and warrants to the other Party that:

(a) it is duly organized, validly existing and in good standing under the laws of the jurisdiction of its formation;

(b) except for the Permits necessary for the installation and operation of the Units, it has received all regulatory authorizations necessary for it to legally perform its obligations under this Agreement;

(c) the execution, delivery and performance of this Agreement are within its powers, have been duly authorized by all necessary action and do not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any applicable Law;

(d) this Agreement, and any other document executed and delivered in accordance with this Agreement, constitutes its legally valid and binding obligation enforceable against it in accordance with its terms, subject to Laws of general applicability limiting the enforcement of creditors' rights and to any equitable defenses;

(e) it is not Bankrupt and there are no proceedings pending or being contemplated by it or, to its knowledge, threatened against it which would result in it being or becoming Bankrupt; and

(f) there is not pending or, to its knowledge, threatened against it any legal proceedings that could materially adversely affect its ability to perform its obligations under this Agreement.

12. **Limitations of Liability.**

12.1 **CDWR Liability.** Amounts due under this Agreement from CDWR shall not be payable from funds available in the State Water Resources Development Fund (which is authorized by statute at sections 12930 et seq. of the California Water Code), or any successor fund to which the funds currently allocated to the State Water Resources Development Fund may be reallocated.

12.2 **ROSEVILLE Liability.** Notwithstanding anything herein to the contrary, except for liability resulting from its gross negligence or willful misconduct, ROSEVILLE's liability under this Agreement in any Contract Year shall not exceed the Service Fee paid in that Contract Year, and no payment of Reimbursable Costs, the Service Fee and other amounts due to ROSEVILLE under this Agreement shall be reduced in the aggregate by more than such maximum liability.

12.3 **General Limitations.** THE PARTIES CONFIRM THAT THE EXPRESS REMEDIES AND MEASURES OF DAMAGES PROVIDED IN THIS AGREEMENT SATISFY THE ESSENTIAL PURPOSES HEREOF. FOR BREACH OF ANY PROVISION FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, THE OBLIGOR'S LIABILITY SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. EXCEPT AS EXPRESSLY PROVIDED IN THIS AGREEMENT WITH RESPECT TO LIABILITIES TO THIRD PARTIES, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS HEREIN IMPOSED ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID HEREUNDER ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED HEREUNDER CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS. THE PARTIES FURTHER AGREE THAT PAYMENT OF SUCH AMOUNT SHALL BE LIQUIDATED DAMAGES AND NOT AS A PENALTY, AND IS THEREFORE NOT SUBJECT TO AVOIDANCE UNDER CALIFORNIA CIVIL CODE SECTION 1671.

13. **Assignment.**

13.1 **When Consent Required.** Except as specifically provided herein, neither Party shall transfer or assign, or offer to transfer or assign, this Agreement or its rights hereunder, without the prior written consent of the other Party, which consent may not be unreasonably withheld, conditioned or delayed. Either Party may, without the consent of the other Party (and without relieving itself from any liabilities hereunder that arose prior to the date of such transfer unless assumed by the assignee) transfer or assign this Agreement or its rights hereunder: (i) to such Party, or (ii) to any Person succeeding to all or substantially all of the assets of such Party; provided that the assignee assumes all of assignor's obligations; provided that such assignee assumes in writing all of assignor's obligations hereunder at least from and after the date of such assignment or transfer, and agrees to be bound by this Agreement.

13.2 **Binding Effect.** Subject to the foregoing, this Agreement shall benefit and be binding on the permitted successors and assigns of the Parties hereto. Any assignment or transfer not made in compliance with these provisions shall be null and void and of no force or effect.

14. **Confidentiality.**

14.1 **Nondisclosure of Confidential Information.** The Party receiving Confidential Information (the “**Receiving Party**”) from the other Party (the “**Disclosing Party**”) shall not disclose Confidential Information to a third party (other than the Party’s officers, employees, directors, Lenders (including potential Lenders), counsel, accountants, directors or advisors, or any such representatives of a Party’s Affiliates, who have a need to know such information and have agreed to keep such terms confidential as provided herein) except in order to comply with any applicable Law, regulation, or any exchange, balancing authority area or independent system operator rule or in connection with any court or regulatory proceeding applicable to such Party or any of its Affiliates; provided, each Party shall use commercially reasonable efforts to prevent or limit the disclosure. The Parties shall be entitled to all remedies available at law or in equity to enforce, or seek relief in connection with, this confidentiality obligation.

14.2 **Public Records Act.** The Parties acknowledge and agree that this Agreement and the transactions hereunder are subject to the requirements of the California Public Records Act (Government Code Section 6250 *et seq.*) and the Ralph M. Brown Act (Government Code Section 54590, *et seq.*). Upon either Party’s receipt of a request or demand from any Person not a Party hereto pursuant to the California Public Records Act for production, inspection and/or copying of Confidential Information (“**Requested Confidential Information**”), the Party receiving the request shall promptly notify the other in writing that such request has been made. Either Party shall have the right to take, at its sole expense, whatever legal steps are necessary to prevent release of the Requested Confidential Information to such Person by the other Party. If either Party takes no such action within a reasonable period of time after receiving the foregoing notice either Party may, in its discretion, comply with such third-party request or demand and is not required to defend against it. If either Party does take or attempt to take such action, the Parties shall cooperate in a timely manner to prevent the release of the Requested Confidential Information.

14.3 **Injunctive Relief.** Each Party acknowledges that its obligations hereunder as Receiving Party are necessary and reasonable in order to protect Disclosing Party and Disclosing Party’s business, and expressly acknowledges that monetary damages would be inadequate to compensate Disclosing Party for any breach or threatened breach by Receiving Party of any covenants and agreements set forth herein. Accordingly, each Party acknowledges that any such breach or threatened breach by it as Receiving Party will cause irreparable injury to Disclosing Party and that, in addition to any other remedies that may be available, in law, in equity or otherwise, Disclosing Party will be entitled to obtain injunctive relief against the threatened breach of this Agreement or the continuation of any such breach, without the necessity of proving actual damages.

14.4 **Press Releases.** Neither Party shall issue a press release regarding the transactions contemplated by this Agreement unless both Parties have agreed upon the contents of any such public statement.

15. **Notices.** All notices required to be given under this Agreement shall, except as otherwise provided herein, be in writing and shall be sent by prepaid mail, overnight courier

addressed to the respective Party at the addresses listed in Exhibit D or to such other address as may designated hereafter by a Party in writing by like notice from time to time.

16. **General.**

16.1 **Governing Law.** This Agreement shall be governed by, construed under and enforced in accordance with the laws of the State of California without regard to principles of conflicts of law. The venue for any court action brought pursuant to this Agreement shall be Sacramento, California.

16.2 **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which shall constitute one Agreement after each Party has signed at least one counterpart, and the Parties have exchanged signed counterparts. The exchange of copies of this Agreement and of signature pages by facsimile transmission, in portable document format (pdf) or by other electronic means shall constitute effective execution and delivery of this Agreement and may be used in lieu of the original Agreement for all purposes.

16.3 **Entire Agreement.** Together with the O&M Agreement and the Site Agreement and the respective exhibits attached thereto, this Agreement and the Exhibits attached hereto constitute the entire agreement and understanding between CDWR and ROSEVILLE with respect to the subject matter hereof and supersedes all prior agreements relating to the subject matter hereof, which shall be of no further force or effect. The Exhibits attached hereto are integral parts of this Agreement and are made a part of this Agreement by reference. To the extent that any provision of this Agreement or any paragraph, term, sentence, phrase, clause or word of this Agreement shall be found by a court of law having jurisdiction to be void, illegal or unenforceable for any reason, the Parties shall meet to determine whether this Agreement can fulfill the objectives of each Party notwithstanding such ruling. If either Party determines that this Agreement can no longer fulfill its objectives under such ruling, then after 60-days either Party may terminate this Agreement. Otherwise, such paragraph, term, sentence, phrase, clause or word shall be deemed modified or deleted in such a manner as to make the Agreement, as so modified, legal and enforceable under applicable Laws. The remainder of the Agreement shall remain in full force and effect. This Agreement does not create, modify, or diminish any ownership or property rights, nor creates any easements or rights of entry, except as set forth explicitly in this Agreement.

16.4 **Amendments.** This Agreement may only be amended by an instrument in writing duly executed by ROSEVILLE and CDWR.

16.5 **No Waiver.** No waiver of either Party of an Event of Default by the other Party, nor any election to exercise or not exercise any rights following an Event of Default, shall constitute a waiver by such Party of any subsequent Event of Default by the other Party, whether similar or dissimilar, or of any remedy with respect thereto.

16.6 **No Partnership.** Nothing herein is intended to create or is to be construed as creating a joint venture, partnership, agency or other similar relationship between the Parties other than that of contracting parties as set forth in this Agreement. The rights and obligations of the Parties hereunder shall be independent of one another and shall be limited to those expressly set forth herein.

16.7 Third Party Beneficiaries. This Agreement is for the benefit of the Parties hereto and is not intended to be for the benefit of any third party except their respective Affiliates and Lenders of the Parties to the extent expressly set forth herein.

16.8 Joint Efforts. The Parties acknowledge and agree that each Party and its counsel have read this Agreement in its entirety, fully understand it and accept its terms and conditions. This Agreement shall be considered for all purposes as prepared through the joint efforts of the Parties and shall not be construed against one Party or the other as a result of the preparation, substitution, submission or other event of negotiation, drafting or execution hereof.

16.9 Further Assurances. Upon the receipt of a written request from the other Party, each Party shall execute such additional documents, instruments and assurances and take such additional actions as may be reasonably requested by the other Party which are consistent with the provisions of this Agreement and which do not involve the assumptions of obligations other than those provided for in this Agreement, to give full effect to this Agreement and to carry out the intent of this Agreement.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the City of Roseville, a municipal corporation, has authorized the execution of this Agreement in duplicate by its City Manager and attested to by its City Clerk under the authority of Resolution No. _____, adopted by the Council of the City of Roseville on the ____ day of _____, 2021, and the CALIFORNIA DEPARTMENT OF WATER RESOURCES represents that it has caused this Agreement to be duly executed.

**CITY OF ROSEVILLE, a
municipal corporation**

**CALIFORNIA DEPARTMENT OF
WATER RESOURCES**

BY: _____
DOMINICK CASEY
City Manager

BY: Ted Craddock
TED CRADDOCK
Deputy Director

ATTEST:

By: _____
SONIA OROZCO
City Clerk

APPROVED AS TO FORM:

APPROVED AS TO FORM AND LEGAL
SUFFICIENCY:

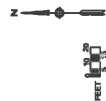
BY: _____
MICHELLE SHEIDENBERGER
City Attorney

BY: Robert Hedrick
ROBERT S. HEDRICK
Attorney IV

APPROVED AS TO SUBSTANCE:

BY: _____
MICHELLE BERTOLINO
Electric Utility Director

EXHIBIT A
FACILITY AND SITE LOCATION



- ① TM2500
- ② COALESCING FILTER
- ③ SCR
- ④ MV/LV SKIDS
- ⑤ DM WATER TREATMENT MODULE
- ⑥ DM WATER STORAGE TANK
- ⑦ DM WATER FORWARDING PUMP SKID
- ⑧ GAS PRV SKID
- ⑨ MV SWITCHGEAR

[illegible]

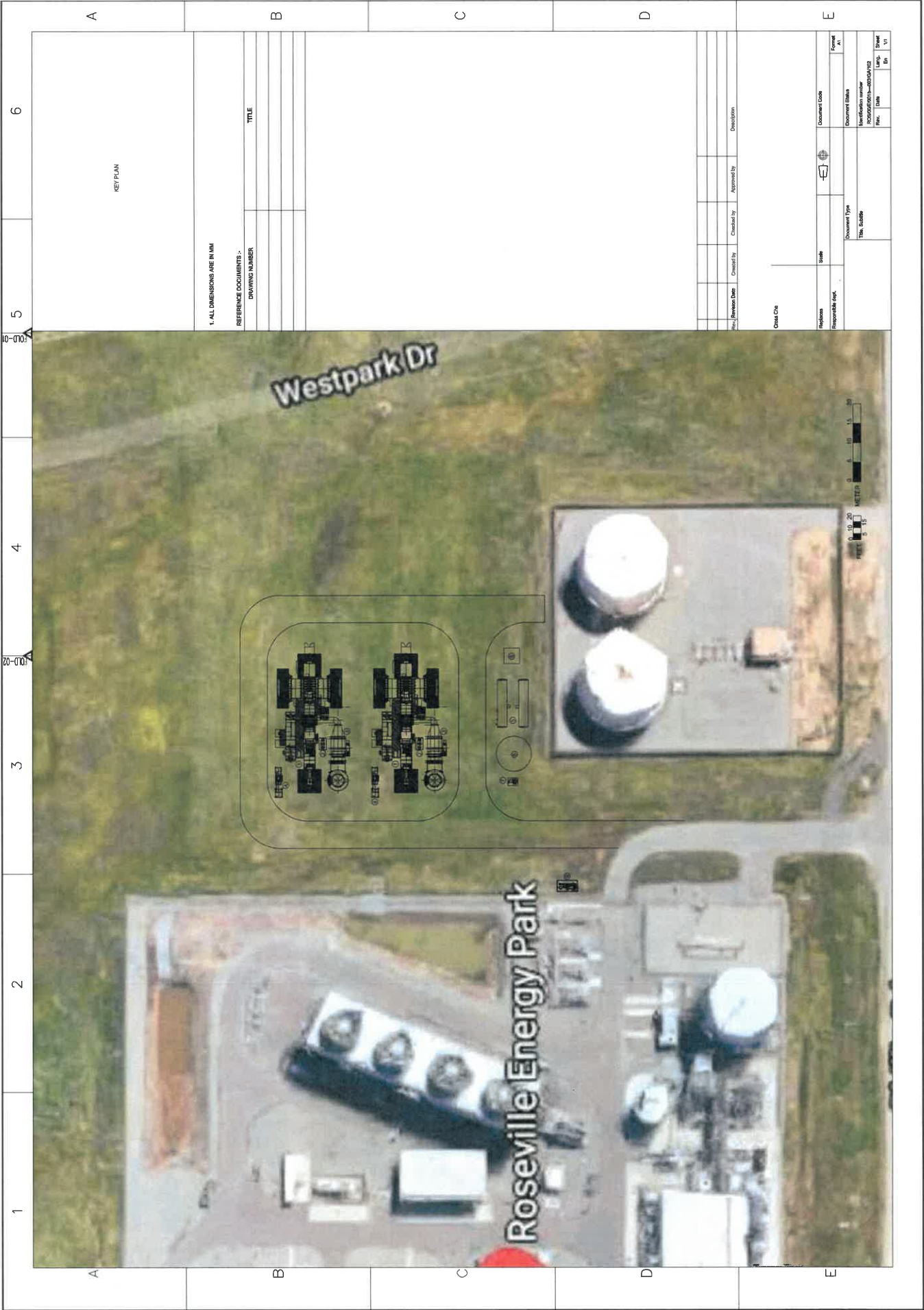


EXHIBIT B
OPERATING CHARACTERISTICS



CAISO Generator Resource Data Template (GRDT)

Version GRDT.15.0

Report generation time stamp : 08/18/2021 10:03
SCID : ROSE
Resource Type : GEN
Resource ID : ALL
Trade Date : 08/18/2021

Version	Effective Date	Description of Change
2.1	4/1/2009	Initial creation of new market Generator Resource Data Template
3.0	12/7/2010	Add new columns and tabs to accommodate Multi Stage Generator modeling: New fields: RESOURCE tab: MSG_YN, SUPPLIED_CONFIG_YN, STARTUP_RAMP_TIME New tabs: MSG_CONFIG TRANSITION CONFIG_RAMP CONFIG_HEAT CONFIG_STRT CONFIG_REG CONFIG_RREG CONFIG_ROPR
4.0	6/14/2011	Changes for independent election of registered and proxy cost options: RESOURCE tab: Remove COST_BASIS_TYPE Add ML_COST_BASIS_TYPE and SU_COST_BASIS_TYPE Changes for previous project implementations: AS HASP, PDR New fields: RESOURCE tab: Add CERT_DAM, CERT_RTM, HR_PRE_DISP
5.0	October 2011	Changes for Fall Release 2011: RESOURCE tab: Add DISCRETE_DISP (for Demand Response) Add MIN_DWN_TM_GP, MIN_DWN_TM_PG (for Grouping Constraints)
6.5	Fall Release 2012	Changes for Fall Release 2012: RESOURCE tab: Add new fields: NGR, REM, MIN_CONT_ENERGY_LIMIT, MAX_CONT_ENERGY_LIMIT, CURT_ENERGY_LIMIT, ENERGY_EFFIC, CHP, RMTG_MAX_ON_PEAK, RMTG_ON_PEAK_EXPIRE_DT, RMTG_MAX_OFF_PEAK, RMTG_OFF_PEAK_EXPIRE_DT, GHG_EMISSION_RATE, GHG_COMPLIANCE_OBLIG MSG_CONFIG tab: Add new field: STARTUP_HEAT_INPUT

Version	Effective Date	Description of Change
7.0	Spring Release 2013	Changes for Spring Release 2013: RESOURCE tab: Remove field: CERT_REG Add new fields: CERT_REG_DOWN, CERT_REG_UP MSG_CONFIG tab: Remove field: CERT_REG Add new fields: CERT_REG_DOWN, CERT_REG_UP
8.0	Spring Release 2014	Changes for Spring Release 2014: Add new columns: RESOURCE tab: Remove fields: RA Flag, RA Capacity Add new fields: CERT_BLKSTRT, ADDER_AMT, VER_YN, FORECAST_SELECTION STARTUP tab: Start_Up MMA MSG_CONFIG tab: Remove field: Default RA Provider Add new fields: ADDER_AMT, RA_RANGE_MIN, RA_RANGE_MAX TRANSITION tab: Remove field: Default RA Path Sequence CONFIG_STRT tab: Start_Up MMA
10.0	Fall Release 2015	Changes for EIM Year 1 Enhancements: Add new column: RESOURCE tab: Add new field: GHG_COST Changes for Commitment Cost Enhancements Phase 2: Add new column: MSG_CONFIG tab: Add new field: STARTUP_YN
11.0	Fall Release 2016	Changes: RESOURCE tab: Remove fields: GHG_COST, MOO_FLAG, STRANDED_LOAD Add field: OPER_MAINT_ADDER_TYPE MSG_CONFIG tab: Remove field: STARTUP_HEAT_INPUT TRANSITION tab: Remove fields: Max Transition Cost, Transition Fuel, Transition Energy Add fields: Transition Midpoint MW, Transition Midpoint Time
12.0	Spring Release 2018	Changes: RESOURCE tab: Add fields: ELECTRIC_REGN, POWER_PRICE_HUB, MKT_MAX_STRT (non-modifiable), COM_MW RAMPRATE tab: Add field: Market Ramp Rate (non-modifiable) REG RAMP tab: Add field: Market Regulation Ramp Rate (non-modifiable) OP RES RAMP tab: Add field: Market Operating Res Ramp Rate (non-modifiable) MSG_CONFIG tab: Add field: IMPLIED_STRTS TRANSITION tab: Add fields: Market Max Daily Transitions (non-modifiable), Implied Starts CONFIG_RAMP tab: Add field: Market Ramp Rate (non-modifiable) CONFIG_RREG tab: Add field: Market Regulation Ramp Rate (non-modifiable) CONFIG_ROPR tab: Add field: Market Operating Res Ramp Rate (non-modifiable)

Version	Effective Date	Description of Change
13.0	Fall Release 2019	Changes: RESOURCE tab: Add fields: DR_TYPE, DEFAULT_ELECTRIC_HUB, HYDRO_RANK_LMPM, MAX_STOR_HORIZON, CAR, BID_DISP_OPT ELECTRIC_PRICE_HUB tab: New tab
14.0	Fall Release 2020	Changes: RESOURCE tab: Add fields: SLOW_DR, APPLY_WHLSLE_CHARGE, METER_DATA_INTERVAL, RUN_OF_RIVER Remove field: MIN_DISP_LEVEL
15.0	Release Summer 2021	Changes: RESOURCE tab: Add fields: EXP_SUPPORT

For data definitions and related business rules, please refer to the CAISO website at the following location:

www.caiso.com

- Enter Market and Operations
- Accurate network modeling supports efficient market operations
- Resource modeling
- Resource data submission

<http://www.caiso.com/market/Pages/NetworkandResourceModeling/Default.aspx>

This page intentionally left blank

RESOURCE TAB

												Maximum Generation Capacity	Minimum Generation Capacity	Minimum On Time	Maximum On Time
PGA Name	Scheduling Coordinator ID	Resource ID	Resource Name	Resource Type	Aggregate?	Fuel Type	Prime Mover Technology	Generator Type	Fuel Region	Electric Region	Power Price HUB				
PGA_NAME	SC_ID	RES_ID	RES_NAME	RES_TYPE	AGGREGATE_YN	FUEL_TYPE	GEN_TECH_TYPE	GEN_TYPE	FUEL_REGN_TYPE	ELECTRIC_REGN	OWER_PRICE_HUB	MAX_GEN	MIN_GEN	MIN_ON	MAX_ON
BANC	ROSE	RPEAK_6_UNITS	Roseville Peakers TM2500	GEN	Y	GAS	GTUR	T	FRPGEBGHG	ERPGEGBGHGW	PHNP15	70.4	11	5	

RESOURCE TAB

Resource ID	Minimum Off Time	Maximum Startups Per Day	Minimum Load Cost	Minimum Load Cost Basis	Startup Cost Basis	Variable Cost Option	Negotiated Rate Option	LMP Option	Certified for AS: Regulation Down	Certified for AS: Regulation Up	Certified for AS: Spin	Certified for AS DAM: Non-Spin	Certified for AS RTM: Non-Spin
RES_ID	MIN_OFF	MAX_STRT	MIN_LOAD_COST	ML_COST_BASIS_TYPE	STARTUP_COST_BASIS_TYPE	COST_RANK_LMPM	NEGO_RANK_LMPM	PRC_RANK_LMPM	CERT_REG_DOWN	CERT_REG_UP	CERT_SPIN	CERT_NSPIN_DAM	CERT_NSPIN_RTM
RPEAK_6_UNITS	10	10		PRXC	PRXC	1	2	3	N	N	N	N	N

RESOURCE TAB

Resource ID	Use Limit	Bid Dispatchable Option - DR	Green House Gas Emission Rate	Green House Gas Compliance Obligation
RES_ID	USE_LIMIT	BID_DISP_OPT	GHG_EMISSION_RATE	GHG_COMPLIANCE_OBLIG
RPEAK_6_UNITS	N	5		

RAMPRATE TAB

Resource ID	Segment Type	Segment Number	Operating Level	Worst Operational Ramp Rate	Best Operational Ramp Rate	Market Ramp Rate	Comment
RPEAK_6_UNITS	RAMP	1	11	2	11.4		
RPEAK_6_UNITS	RAMP	2	26.4	2	11.4		
RPEAK_6_UNITS	RAMP	3	35.2	2	11.4		
RPEAK_6_UNITS	RAMP	4	52.8	4	22.8		
RPEAK_6_UNITS	RAMP	5	70.4	4	22.8		

HEATRATE TAB

Resource ID	Segment Type	Segment Number	Heat Rate Operating Level	Heat Rate	Heat Emission Rate	Average Cost	Comment
RPEAK_6_UNITS	HEAT	1	11	13164	1.72		
RPEAK_6_UNITS	HEAT	2	26.4	9886	1.29		
RPEAK_6_UNITS	HEAT	3	35.2	9382	1.23		
RPEAK_6_UNITS	HEAT	4	52.8	9886	1.29		
RPEAK_6_UNITS	HEAT	5	70.4	9382	1.23		

STARTUP TAB

Resource ID	Segment Type	Segment Number	Registered Cooling Time	Start-Up Time	Start-Up Cost	Start-Up Aux	Start-Up Fuel	Start-Up MMA	Comment
RPEAK_6_UNITS	STRT	1	0	10		0.017	Gas		

GEN_RES_AGGR TAB

Aggregate Resource ID	Aggregate Resource Name	Child Resource ID	Child Resource Name	Maximum Child Generation Capacity
RPEAK_6_UNITS	Roseville Peakars TM2500	RPEAK_6_CT5	RPEAK_6_CT5	35.2
RPEAK_6_UNITS	Roseville Peakars TM2500	RPEAK_6_CT6	RPEAK_6_CT6	35.2

EXHIBIT C
INSURANCE

1. At all times during the Term of this Agreement, each Party shall maintain, at its own expense, with responsible insurers who maintain a financial strength rating of "A-" or higher and a financial size category of VIII or higher with AM Best, or through an applicable public agency insurance risk pool or other self-insurance, the insurance described below with coverages no less than the minimums indicated. If either Party fails to comply with the provisions of this Exhibit C, it shall hold harmless and indemnify the other Party from any direct or indirect losses and liability, including attorney's fees and costs of litigation, resulting from the injury or death of any person or damage to any property, to the extent the indemnified Party would have been protected had the indemnifying Party complied with the requirements of this Exhibit C.
 - (a) General Liability. Each Party shall maintain general liability on an occurrence form with limits not less than one million dollars (\$1,000,000) per occurrence for bodily injury and property damage liability and an annual policy aggregate of three million dollars (\$3,000,000). The policy shall include coverage for liabilities arising out of premises, operations, independent contractors, products, completed operations, personal & advertising injury, and liability assumed under an insured contract. This insurance shall apply separately to each insured against whom claim is made or suit is brought subject to each Party's limit of liability. The policy shall be endorsed to include the other Party, its officers, agents, and employees as additional insureds, but only with respect to work performed under the Agreement and the indemnity obligations hereunder.
 - (b) Automobile Liability. Each Party shall maintain motor vehicle liability with limits not less than one million dollars (\$1,000,000) combined single limit per accident. Such insurance shall cover liability arising out of a motor vehicle including owned, hired and non-owned motor vehicles. The policy shall be endorsed to include the other Party, its officers, agents, and employees as additional insureds, but only with respect to work performed under the Agreement and the indemnity obligations hereunder.
 - (c) Worker's Compensation and Employer's Liability. Each Party shall maintain statutory worker's compensation and employer's liability coverage for all its employees, or employees of its Affiliate, who will be engaged in the performance of the Agreement. Employer's liability insurance shall not be less than one million dollars (\$1,000,000) for injury or death occurring as a result of each accident.
 - (d) Excess/Umbrella Liability Insurance. Excess/umbrella liability insurance covering claims in excess of the underlying insurance described in Sections 1(a) through 1(c) with a combined single limit and annual aggregate limit of twenty-five million dollars (\$25,000,000). The policy shall be endorsed to include the other Party, its officers, agents, and employees as additional insureds, but only with respect to work performed under the Agreement and the indemnity obligations hereunder.

- (e) **Pollution Liability.** Each Party shall maintain pollution liability coverage with limits not less than five million dollars (\$5,000,000) per incident and ten million dollars (\$10,000,000) in the annual aggregate covering liability for bodily injury, property damage, and environmental damage resulting from pollution and related cleanup costs incurred, all arising under this Agreement. Coverage shall be provided for both work performed on site and during transportation as well as proper disposal of hazardous materials. Proof of Pollution Liability coverage during transportation can also be provided by endorsement to the Auto Liability policy.
 - (f) **Professional Liability.** As applicable, CDWR shall require any Contractor performing construction related services to maintain errors and omissions/ professional liability coverage with limits not less than one million dollars (\$5,000,000) each occurrence and in the annual aggregate.
 - (g) **Property Insurance.** Each Party shall obtain and maintain in full force and effect during the term of this Agreement, all-risk property insurance in an amount equal to the full replacement cost value with respect to any equipment, parts, materials or other property owned by each Party with sublimits as appropriate for facilities similar to this Site. Each Party shall be liable for all deductible amounts under any such all-risk property coverage. The policy shall waive all rights of subrogation against the other Party.
2. If any policy is written on a claims-made basis, provide the following:
 - (a) The Retroactive Date must be shown and must be before the date of the Agreement or the beginning of work performed under the Agreement.
 - (b) Insurance must be maintained and evidence of insurance must be provided for at least three (3) years after completion of the Agreement.
 - (c) If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the Execution date, the Seller must purchase "extended reporting" coverage for a minimum of three (3) years after completion of the Agreement.
 3. **Coverage Term.** Coverage shall remain in force for the complete term of the Agreement. If insurance expires during the term of the Agreement, a new certificate must be provided to the other Party as soon as practicable but no later than 15 days following the expiration of the insurance.
 4. **Deductible.** Each Party is responsible for any deductible or self-insured retention contained within their insurance program.
 5. **Primary Clause.** Any required insurance contained in this Agreement shall be primary, and not excess or contributory, to any other insurance carried by the other Party.
 6. **Inadequate Insurance.** Inadequate or lack of insurance does not negate Each Party's obligations under the Agreement.

7. Should CDWR elect to self-insure for any required insurance, CDWR shall be liable to Service Provider for the full equivalent of insurance coverage which would have been available to Service Provider if the applicable insurance policies had been obtained by CDWR from a third party insurer, in full compliance with the provisions under this Exhibit C, and shall pay on behalf of or indemnify Service Provider for all amounts which would have been payable by the third party insurer. In addition, CDWR shall act with the same promptness and be subject to the same standards of good faith as would apply to a third party insurance company.
8. Waiver of Subrogation. All insurance or self-insurance required by this Exhibit C shall waive any right of recovery the insurer (or CDWR in the case of self-insurance) may have against the other Party because of payments the insurer or CDWR makes for injury or damage in connection with this Agreement.
9. Certificate(s). Certificate(s) shall include at least the following information: (i) the name of the insurance company, policy number and expiration date; (ii) the coverage and limits per required coverage, including the amounts of deductibles or self-insured retentions.

Exhibit D

Notices and Payments

Notice to DWR

Ted Craddock
Office of the Director
California Department of Water Resources
P.O. Box 899
Sacramento, CA 94236-0001
Email: Ted.Craddock@water.ca.gov

Robert Hedrick
Office of General Counsel
California Department of Water Resources
P.O. Box 899
Sacramento, CA 94236-0001
Email: Robert.Hedrick@water.ca.gov

Notice to Owner

City of Roseville
Attn: City Clerk
311 Vernon Street
Roseville, CA 95678

Roseville Electric
Attn: Electric Utility Director
2090 Hilltop Circle
Roseville, CA 95747

RESOLUTION NO. 21-409

APPROVING AN OPERATIONS AND MAINTENANCE AGREEMENT, BY AND BETWEEN THE CITY OF ROSEVILLE AND THE CALIFORNIA DEPARTMENT OF WATER RESOURCES, AND AUTHORIZING THE CITY MANAGER TO EXECUTE IT ON BEHALF OF THE CITY OF ROSEVILLE

WHEREAS, an Operations and Maintenance Agreement relating to the installation of temporary electric generation facilities at the Roseville Energy Park, by and between the City of Roseville and the California Department of Water Resources, has been reviewed by the City Council; and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Roseville that said Operations and Maintenance Agreement is hereby approved and the City Manager is authorized to execute it on behalf of the City of Roseville.

BE IT FURTHER RESOLVED that the City Attorney of the City of Roseville is authorized to approve non-substantive changes to the Operations and Maintenance Agreement.

PASSED AND ADOPTED by the Council of the City of Roseville this ____ day of _____, 2021, by the following vote on roll call:

AYES COUNCILMEMBERS:

NOES COUNCILMEMBERS:

ABSENT COUNCILMEMBERS:

MAYOR

ATTEST:

City Clerk

THIS OPERATIONS AND MAINTENANCE AGREEMENT ("**Agreement**"), dated as of September __, 2021 (the "**Effective Date**"), is made by and between the CALIFORNIA DEPARTMENT OF WATER RESOURCES ("**CDWR**" or "**Owner**") and the CITY OF ROSEVILLE, a municipal corporation ("**ROSEVILLE**" or "**O&M Contractor**"). Each of Owner and O&M Contractor are also referred to herein as a "**Party**" and collectively as the "**Parties**".

RECITALS

A, On July 30, 2021, the Governor of the State of California proclaimed a state of emergency due to the accelerating and compounding effects of continuing wildfires, ongoing drought, and extreme heat conditions caused by climate change, which have resulted in an additional projected energy supply shortage of up to 3,500 megawatts during the afternoon-evening "net-peak" period of high power demand on days when there are extreme weather conditions. The proclamation directs CDWR to enter into contracts for the procurement of materials, goods and services necessary for projects likely to be online by October 31, 2021 that would expand energy supply and storage to respond to these projected energy supply shortages.

B. Pursuant to the foregoing proclamation, Owner has purchased and currently owns two General Electric TM2500 combustion turbine generators with selective catalytic reduction systems (the "**Units**") and has entered into the Site Agreement (as defined below) to obtain a site on which the Facility can be installed and operated through the end of 2023. The Facility could be used to provide some of the additional energy supplies required by the State of California during this period.

C. Owner wishes to engage ROSEVILLE to act as O&M Contractor of, and provide some maintenance services for the Units, and ROSEVILLE is willing to provide such services on the terms and conditions set forth herein.

NOW, THEREFORE, for good and valuable consideration, the Parties agree as follows:

1. **Definitions; Rules of Interpretation.**

Definitions. Unless otherwise required by the context in which a defined term appears, the following terms shall have the meanings specified in this Article 1. Terms that are defined in other Articles shall have the meanings given to them in those Articles.

"Annual Budget" has the meaning set forth in Section 6.2(b).

"Annual Project Operating Plan" has the meaning set forth in Section 6.2(b).

"Annual Operating Fee" means an annual operating fee paid to O&M Contractor during each Contract Year as set forth in Section 5.2.

"BANC" means the Balancing Authority of Northern California, the Balancing Authority in which Roseville is located.

"Bankrupt" means with respect to any entity, such entity (i) files a petition or otherwise commences, authorizes or acquiesces in the commencement of a proceeding or cause of action under any bankruptcy, insolvency, reorganization or similar law, or has any such petition filed or

commenced against it and such petition filed or commenced against it is not stayed or dismissed within ninety (90) days thereafter, (ii) makes an assignment or any general arrangement for the benefit of creditors, (iii) otherwise becomes bankrupt or insolvent (however evidenced), (iv) has a liquidator, administrator, receiver, trustee, conservator or similar official appointed with respect to it or any substantial portion of its property or assets, or (v) is generally unable to pay its debts as they become due.

"Business Day" means any day other than Saturday, Sunday, and any day that is a holiday observed by Federal Reserve member banks in San Francisco, California.

"CAISO" means the California Independent System Operator Corporation or any successor entity performing similar functions.

"Confidential Information" means any information disclosed in writing or orally by one Party to the other Party that is or relates to (a) the terms and conditions of, and proposals and negotiations related to, this Agreement, (b) information (i) necessary to protect the reliability and security of each Party's electric systems, (ii) defined as Critical Energy Infrastructure Information, as defined in Title 18 of the Code of Federal Regulations, or (iii) related to any aspect of the business of a Party which is either information not known by actual or potential competitors of the other Party or is proprietary information of a Party, whether of a technical nature or otherwise and is marked as such, or (c) information that the Disclosing Party stamps or otherwise identifies as "confidential" or "proprietary" before disclosing it to the Receiving Party; provided however, that Confidential Information shall not include (i) information that was publicly available at the time of the disclosure, other than as a result of a disclosure in breach of this Agreement; (ii) information that becomes publicly available through no fault of the Receiving Party after the time of the delivery; (iii) information that was rightfully in the possession of the Receiving Party (without confidential or proprietary restriction) at the time of delivery or that becomes available to the Receiving Party from a source not subject to any restriction against disclosing such information to the Receiving Party; and (iv) information that the Receiving Party independently developed without a violation of this Agreement.

"Contract Year" means: (i) for the first Contract Year, that period from the date of this Agreement to and including December 31 of such year; and (ii) for each Contract Year thereafter, the calendar year.

"Energy Services Agreement" means that certain Energy Services Agreement, dated as of the Effective Date of that agreement, by and between Roseville and CDWR.

"Environmental Law" means any Law or Permit, or any lawfully promulgated regulation implementing such Law, and any binding judicial or administrative interpretation or requirement thereof, pertaining to (i) the regulation or protection of employee health or safety, public health or safety, or the indoor or outdoor environment; (ii) the conservation, management, development, control or use of land, natural resources, or wildlife; (iii) the protection or use of surface water or ground water; (iv) the management, manufacture, possession, presence, use, generation, treatment, storage, disposal, transportation, or handling of, or exposure to any Hazardous Substances; or (v) pollution (including release of any hazardous substance to air, land, surface water and ground water), including the Comprehensive Environmental Response, Compensation and Liability Act, the Superfund Amendments and Reauthorization Act of 1986, the Hazardous Material Transportation Act, the Resource Conservation and Recovery Act of 1976, the Toxic

Substances Control Act, the Federal Water Pollution Control Act, the Clean Water Act, the Clean Air Act, the Occupational Safety and Health Act, any so-called "superlien" law, all as now or hereafter amended or supplemented, and any regulations promulgated thereunder, and any other similar federal, state, or local statutes, rules and regulations.

"Good Industry Practice" means those practices, methods and acts that would be implemented and followed by prudent builders, owners, lessors, and operators of electric generation facilities similar to the Units in the western United States during the relevant time period, which practices, methods and acts, in the exercise of prudent and responsible professional judgment in the light of the facts known at the time the decision was made, could reasonably have been expected to accomplish the desired result consistent with good business practices, reliability and safety, and shall include, at a minimum, those professionally responsible practices, methods and acts described in the preceding sentence that comply with manufacturers' warranties, restrictions in this Agreement, and the requirements of governmental authorities, NERC or WECC reliability standards, the CAISO and Applicable Laws. Good Industry Practice is not intended to be the optimum practice, method or act to the exclusion of all others, but rather is intended to be any of the practices, methods and/or actions generally accepted in the region.

"Governmental Authority" means any federal, state, local or municipal government, any political subdivision thereof or any other governmental, regulatory or judicial instrumentality, authority, body, agency, department, bureau, or entity with authority to bind a Party at law, including CAISO; provided, however, that "Governmental Authority" shall not in any event include any Party.

"Hazardous Substances" means (a) any chemical, material or substance that is listed or regulated under applicable Laws as a "hazardous" or "toxic" substance or waste, or as a "contaminant" or "pollutant" or words of similar import, (b) any petroleum or petroleum products, flammable materials, explosives, radioactive materials, asbestos, urea formaldehyde foam insulation, and transformers or other equipment that contain polychlorinated biphenyls, and (c) any other chemical or other material or substance, exposure to which is prohibited, limited or regulated by any Laws.

"Law" means any law, statute, rule, regulation, decision, writ, order, decree or judgment, permit, license or authorization, or any lawfully promulgated regulation or any interpretation thereof, promulgated, adopted or issued by a Governmental Authority.

"NERC" means the North American Electric Reliability Corporation or any successor thereto.

"NERC Reliability Standards" shall mean the mandatory reliability standards developed by NERC and approved by FERC, as they apply to the Project.

"Operations and Maintenance Manuals" means the operating data, design drawings, specifications, vendors' manuals, warranty requirements, procedures (including those for maintenance of the Project and environmental and safety compliance), and similar materials with respect to the Project.

"Permit" means any permit, authorization, consent, approval, license, order, filing, waiver, exception, variance or exemption filed with or issued by any Governmental Authority and shall

include those siting and operating permits and licenses required for the installation, testing, commissioning, operation, maintenance, decommissioning or removal of the Units in compliance with all applicable Laws.

"Process Documentation" has the meaning set forth in Section 6.1.

"Project" means the two 30 megawatt General Electric TM2500 combustion turbine generators and related assets, together with other facilities and related assets, to be constructed on certain real property at the Roseville Energy Park pursuant to the Site Agreement between CDWR and Roseville.

"Project Agreements" means the agreements between CDWR and Roseville relating to the Project, including any Interconnection Agreement, this Agreement, Maintenance Service Agreement and Warranty Agreement and all other agreements applicable to the Project, permits, and licenses required for the operation, maintenance and management of the Project, as identified in writing by Owner.

"Reimbursable Costs" has the meaning set forth in Section 5.3.

"Services" has the meaning set forth in Section 3.1.

"Site" means the area designated as the "Site" on Exhibit A of the Site Agreement.

"Site Agreement" means that certain Site Use and Installation Agreement, dated as of the Effective Date of that agreement, by and between Roseville, as licensor, and CDWR, as licensee.

"WAPA" means Western Area Power Administration, Sierra Nevada Region.

"WECC" means Western Electricity Coordinating Council or any successor thereto.

1.2 Rules of Interpretation.

(a) The following rules of interpretation shall apply to this Agreement, unless otherwise specified or required by the context:

(i) Terms defined in the singular shall include the plural and vice versa;

(ii) References to "Sections" and "Exhibits" shall be to sections or exhibits of this Agreement;

(iii) All references to a particular entity shall include a reference to such entity's successors and permitted assigns;

(iv) The words "herein," "hereof," and "hereunder" shall refer to this Agreement as a whole and not to any particular section or subsection hereof;

(v) References to this Agreement shall include a reference to all exhibits hereto, as the same may be amended, modified, supplemented, or replaced from time to time;

(vi) Terms used in the masculine shall include the feminine and vice versa;

(vii) The terms “include” and “including,” when used in this Agreement, shall mean to include without limitation; and

(viii) The term “day” when used in this Agreement shall mean a calendar day unless specified otherwise.

(b) Capitalized terms, used but not otherwise defined herein, shall have the meaning ascribed to them in the CAISO Tariff.

(c) Any and all logs, records, reports, and other documents required to be maintained or provided to CDWR by Roseville may be provided in electronic form.

2. Engagement of O&M Contractor.

2.1. Engagement. Owner hereby engages O&M Contractor as an independent contractor to operate, and maintain and repair, to the extent required herein, the two Units on the Site, to perform certain administration and management services, and to perform certain other duties, all as set forth in this Agreement. O&M Contractor accepts such engagement and agrees to perform in accordance with the terms and conditions hereof.

2.2. Relationship. O&M Contractor is an independent contractor of Owner with respect to the performance of its obligations hereunder. Neither O&M Contractor nor its Affiliates, employees, subcontractors, vendors or suppliers, or the employees of any such parties employed in connection with this Agreement shall be deemed to be agents, representatives, employees, or servants of Owner. O&M Contractor shall not have the right or authority to assume, create or incur any liability or obligation, express or implied, against, in the name of, or on behalf of Owner. This Agreement is not intended to create, and shall not be construed to create, a relationship of partnership or an association of profit between Owner and O&M Contractor.

2.3. Engagement of Third Parties.

O&M Contractor may engage third party subcontractors for the purpose of performing Scheduled Maintenance, Emergency Actions, or other actions pursuant to Sections 3.8 and 3.9 under this Agreement; provided, however, that such engagement shall not relieve O&M Contractor of any of its obligations or liabilities under this Agreement, including those set forth in ARTICLE 14; and provided further that O&M Contractor's use of Subcontractors shall not modify or increase the compensation payable to O&M Contractor pursuant to ARTICLE 5.

As between Owner and O&M Contractor, and subject to the limitation of liability set forth in Section 14.2 herein, O&M Contractor shall be solely responsible for the acts, errors, omissions and defaults of its subcontractors and their employees, and all Persons engaged by O&M Contractor pursuant to this Section 2.3 with respect to services provided by such Person on behalf of O&M Contractor. Nothing in this Agreement shall be construed to impose on Owner any obligation, liability or duty to a subcontractor, or to create any contractual relationship between such subcontractor and Owner, including the obligation to pay or see to the payment of any moneys due such Subcontractor.

ARTICLE 3. SERVICES TO BE PROVIDED; DUTIES OF O&M CONTRACTOR.

3.1. Scope of Services. In consideration of the fees and cost reimbursements payable to O&M Contractor hereunder, O&M Contractor agrees to operate and maintain, to the extent required herein, the Units at the Site in accordance with the terms of this Agreement and in accordance with the standards set forth herein, and in furtherance thereof to provide the following services during the Term of this Agreement.

O&M Contractor shall (i) operate, maintain and manage, to the extent required herein, the Project on behalf of Owner ("Services") and (ii) also perform the specific duties set forth in this Agreement if they are not otherwise required by the standards defined in Section 3.2 and Exhibit A.

3.2. Standards for Performance of the Services. O&M Contractor shall perform the Services required under this Agreement, including those set forth in Exhibit A, in a prudent, reasonable, and efficient manner and in accordance with (i) Operating Manuals, the Process Documentation (as defined in section 6.1) and applicable vendor warranties, (ii) the applicable Annual Project Operating Plan and Annual Budget, (iii) all applicable Laws, (iv) Good Industry Practice, (v) the Project Agreements, (vi) the requirements of BANC and WAPA instructions, tariffs, and business practices, and (vii) all insurance policies specified in Article 12 of this Agreement. O&M Contractor shall use all reasonable efforts to optimize the useful life of the Units and to minimize Reimbursable Costs and Project outages or other unavailability.

3.3 General Operating Standards.

(a) In performing its obligations hereunder, O&M Contractor shall use commercially reasonable efforts to be consistent with the Annual Budget shall be consistent with the requirements of this Agreement and the Project Agreements, and shall use commercially reasonable efforts in meeting CAISO's and DWR's operations instructions and schedule for the GE TM2500 units at ROSEVILLE.

(b) O&M Contractor shall take all necessary steps to cause the Units at ROSEVILLE to operate in accordance with all applicable Laws or other requirements, including those set forth by the North American Electric Reliability Corporation, Environmental Laws, and safety laws, in each case, to the extent applicable to O&M Contractor's scope of work hereunder. O&M Contractor shall provide Owner prompt written notice of any order or requirement upon first learning of the same; provided, however, that if any applicable Laws come into existence after the Effective Date, the requirements of which materially increase O&M Contractor's cost of performance under this Agreement by 5.0% or more, then the reasonable and documented expenses (other than de minimis expenses) of complying with such Applicable Laws, if any, shall be considered a Reimbursable Expense.

(c) O&M Contractor shall perform its obligations hereunder in accordance with the terms of this Agreement, Good Industry Practice, applicable Laws (including Environmental Laws and Safety Laws), Permits, the Maintenance Service Agreement and Warranty Agreement with GE, the applicable Operating Plan and Budget.

(d) O&M Contractor does not guarantee the output, heat rate, efficiency or any other operational parameter of the Units. Owner shall look solely to GE or other contractor retained by CDWR for any such guarantees. O&M Contractor is not required to institute or defend any litigation,

arbitration, or similar remedies against GE or such other contractor retained by CDWR for failure to meet any warranties, guarantees, or any other breach, in relation to the operation and maintenance of the Project.

3.4. O&M Contractor's Personnel Standards. O&M Contractor shall provide as reasonably necessary all labor and professional, supervisory and managerial personnel as are required to perform the Services. Such personnel shall be qualified to perform the duties to which they are assigned and shall meet any requirements for Project personnel under the Project Agreements. Working hours, rates of compensation and all other matters relating to their employment of all individuals employed by O&M Contractor to perform the Services shall be determined solely by O&M Contractor (other than any indirect impact on matters relating to employment that may result from the Owner's approval rights with respect to the Annual Budget). With respect to labor matters, hiring personnel, and employment policies, O&M Contractor shall comply with all applicable Laws. O&M Contractor also shall act in a reasonable manner that is consistent with the intent and purpose of this Agreement and with O&M Contractor's acknowledgment (hereby given) that O&M Contractor has no authority to enter into any contracts with respect to labor matters that purport to bind or otherwise obligate Owner.

3.5. Operating Records and Reports. O&M Contractor shall maintain, in electronic form accessible to Owner, the Project operating logs, records, and reports that document the operation and maintenance of the Project, all in form and substance sufficient to meet Owner's reporting requirements under the Project Agreements. O&M Contractor shall maintain current revisions of drawings, specifications, lists, clarifications and other materials related to operation and maintenance of the Project provided to O&M Contractor by Owner and vendors. O&M Contractor shall provide Owner reasonably necessary assistance in connection with Owner's compliance with reporting requirements under the Project Agreements, applicable Laws or any other agreement to which Owner is a party relating to the Project. Such assistance shall include providing in electronic form reports, records, logs and other information that Owner may reasonably request as to the Project or its operation.

3.6. No Liens or Encumbrances. O&M Contractor shall maintain the Project free and clear of all liens and encumbrances resulting from any action of O&M Contractor or work done at the request of O&M Contractor, except for such liens or encumbrances that result directly from nonpayment by Owner of amounts due and owing to O&M Contractor under this Agreement.

3.7. No Action. Except where such action is expressly permitted by this Agreement, O&M Contractor shall not take any action that would cause a default under any Project Agreement.

3.8. Emergency Action. If an emergency endangering the safety or protection of persons, the Project, or property located near the Project occurs, O&M Contractor shall promptly notify Owner and take all necessary action to attempt to prevent or mitigate any such threatened damage, injury or loss. O&M Contractor shall make reasonable efforts to minimize any cost associated with remedial action in case of such an emergency.

3.9. Action in Extraordinary Circumstances. In the event that:

(A) the Project or major Project equipment suffers an unplanned outage (or O&M Contractor reasonably believes that such an occurrence is imminent), and

(B) O&M Contractor has made reasonable, but unsuccessful, efforts to notify and communicate with Owner regarding such occurrence or imminent occurrence in accordance with the terms of this Agreement, then O&M Contractor shall

(i) take all commercially reasonable action to prevent or to mitigate such unplanned outage,

(ii) make reasonable efforts to minimize any cost associated with such remedial action,

(iii) continue to attempt to notify and communicate with Owner regarding the occurrence and the remedial action, and

(iv) shall not expend for such purposes more than an aggregate of Twenty Thousand Dollars (\$20,000) in any Contract Year.

For purposes of this Section 3.9, "unplanned outage" includes an occasion where a Unit fails to start.

ARTICLE 4. OWNER RESPONSIBILITIES

4.1. Information. Owner shall provide O&M Contractor with all vendor manuals, spare parts lists, Project data books and drawings which are provided to Owner pursuant to any Project Agreement or by any contractor responsible for construction, installation, repair or maintenance of the Project or a part thereof. Subject to the standards of performance set forth in Section 3.2, O&M Contractor shall be entitled to rely upon such information in performance of the Services. Owner shall also provide O&M Contractor with copies of all Project Agreements and any amendments thereto and any other documents that define the Project's operating requirements.

4.2. Overhaul of Major Equipment and Capital Improvements. The cost of all major equipment teardowns and overhauls and all capital improvements shall be the responsibility of Owner. O&M Contractor shall promptly notify Owner in writing of the need for such teardowns and overhauls of major equipment or capital improvements that O&M Contractor believes are necessary. Owner will coordinate with GE the needed work under warranty or under the service agreements for the Units.

4.3. Annual Budget and Project Operating Plan. In accordance with Section 6.2, Owner shall be responsible for approval of the Annual Budget, and the Annual Project Operating Plan..

Article 5. Compensation.

5.1. Payments. As compensation to O&M Contractor for performance of the Services hereunder, Owner shall pay O&M Contractor the Annual Operating Fee (or a pro rata portion thereof). In addition, Owner shall reimburse O&M Contractor, in the manner and at the times specified in this Article 5 and Exhibit B, as modified from time to time, for all Reimbursable Costs.

5.2. Annual Operating Fee. For the first Contract Year and each subsequent Contract Year, Owner shall pay to O&M Contractor the sum of Seventy-Five Thousand Dollars (\$75,000) per quarter of the Contract Year, for an annual fee of Three Hundred Thousand Dollars (\$300,000.00) prorated quarterly. (the "Annual Operating Fee"). The total prorated Annual Operating Fee for 2021 of Ninety thousand dollars (\$90,000) shall be payable upon execution of this Agreement.

5.3. Reimbursable Costs. Owner shall reimburse O&M Contractor for all costs incurred by O&M Contractor in performing the Services, performance of the specific duties set forth in Section 3.1(ii), and the costs set forth in Exhibit B (collectively, the "Reimbursable Costs"). Owner's

obligation under this provision is subject to (i) Owner's express approval of the costs as part of an Annual Budget or separately in writing, or (ii) O&M Contractor incurring costs in accordance with Section 3.8 (*Emergency*), 3.9 (*Extraordinary Circumstances*). Expenditures made by O&M Contractor in excess of the Annual Budget that are required to comply with any Law applicable to the Services or to the Project, shall be approved and reimbursed by Owner:

(a) Owner will advance to O&M Contractor on a mutually agreed basis, funds required for O&M Contractor to make payments as they become due in accordance with the Annual Budget. Within fifteen (15) days of the end of each month, O&M Contractor shall submit to Owner a statement of receipts and disbursements, in detail satisfactory to Owner, together with supporting documentation.

(b) O&M Contractor shall not incur Reimbursable Costs unless they are incurred in accordance with the applicable Annual Budget, or are permitted by Sections 3.8 (*Emergency*), 3.9 (*Extraordinary Circumstances*), or are required to comply with a Law applicable to the Services or to the Project that are in excess of the Annual Budget. If O&M Contractor becomes aware that Reimbursable Costs exceed or will exceed the amount provided in the applicable Annual Budget by 5% or more, O&M Contractor shall use all reasonable efforts to notify Owner within ten (10) days and shall not, without Owner's approval to amend the applicable Annual Budget or Owner's authorization for O&M Contractor to make such expenditure, perform any further Services that will cause or increase a budget overrun, except as provided in 3.8 (*Emergency*), 3.9 (*Extraordinary Circumstances*), or are required to comply with a Law applicable to the Services or to the Project that are in excess of the Annual Budget. If Owner refuses to authorize expenditures in excess of the Annual Budget, O&M Contractor shall be relieved of those duties or obligations of this Agreement that cannot be performed without the expenditures Owner refuses to approve.

(c) In all cases, O&M Contractor shall use reasonable commercial efforts to mitigate any adverse effect from Owner's refusal to authorize expenditures in excess of the Annual Budget.

5.4. Adjustments and Conditions. Notwithstanding the payment of any amount pursuant to the foregoing provisions, Owner shall remain entitled to conduct a subsequent audit and review of all Reimbursable Costs incurred and paid by Owner and of any supporting documentation for a period of 2 years after the applicable Contract Year. If such audit and review shows that any amount previously paid by Owner to O&M Contractor did not constitute a Reimbursable Cost, Owner may (a) recover such amount without interest from O&M Contractor, or (b) deduct such amount from any payment that thereafter may become due to O&M Contractor.

5.5. Billing and Payment. Within 15 days following the end of each quarter, O&M Contractor shall submit the receipts and disbursements showing Reimbursable Costs for such quarter in accordance with Subsection 5.3(a). Within 45 days after receipt of any such invoice, Owner shall:

(a) Pay O&M Contractor the sum specified in such invoice, less (i) any amounts previously deposited with O&M Contractor relating to such invoice, and (ii) any portion of such invoice amount that Owner disputes in good faith or is permitted to offset under this Agreement; and

(b) With respect to any disputed portion of such invoice, provide O&M Contractor with a written statement explaining, in reasonable detail, the basis for such dispute. The parties shall attempt to resolve any such disputed portion in accordance with Article 8.

ARTICLE 6. PROCEDURES, PLANS AND REPORTING

6.1. Process Documentation. Upon the execution of this Agreement, the parties will develop documented processes for (i) reporting and correspondence pursuant to this Agreement, (ii) procurement and contracting, and (iii) accounting, bookkeeping and record-keeping. The Process Documentation will outline the covered activities of O&M Contractor for the term of this Agreement, subject to such revision and amendment as agreed in writing by Owner and O&M Contractor.

6.2. Annual Project Operating Budget and Plan

(a) Proposal. Within 30 days after execution of this Agreement and at least 45 days before the beginning of each subsequent Contract Year, O&M Contractor shall prepare and submit to Owner a proposed Annual Budget for the Contract Year. Each proposed Annual Budget shall be accompanied by a proposed Annual Operating Plan setting forth the assumptions underlying the proposed Annual Budget. Any actions to be performed by O&M Contractor under the proposed Annual Operating Plan shall be consistent with O&M Contractor's obligations set forth in this Agreement.

(b) Adoption. Owner shall review O&M Contractor's proposed annual budget and annual operating plan within 30 days following receipt of the proposals. Owner may, by written request, propose changes, additions, deletions and modifications to the proposals. If requested by O&M Contractor, Owner shall provide O&M Contractor any cost information in Owner's possession from previous Contract Years applicable to items in the proposed annual budget. Owner and O&M Contractor will then meet and use their reasonable commercial efforts to agree upon a final budget and plan (the "Annual Budget" and "Annual Project Operating Plan", respectively), which shall be approved in writing by both parties. Except to the extent that the terms of Sections 3.8 and 3.9 permit O&M Contractor to take actions which are outside the final Annual Budget without the consent of Owner, the final Annual Budget and Annual Project Operating Plan shall remain in effect throughout the applicable Contract Year, subject to revisions and amendments proposed by either party and consented to in writing by the other party.

(c) Changes. O&M Contractor shall notify Owner as soon as reasonably possible of any significant deviations or discrepancies from the projections contained in the Annual Budget or Annual Project Operating Plan.

(d) Failure to Adopt. If, by the first day of any Contract Year after the first Contract Year, the parties are unable to reach agreement concerning any item or portion of the Annual Budget for such Contract Year, then the amount(s) of such item or portion of the Annual Budget for such Contract Year shall be equal to 105% of the amount for the corresponding item or portion of the Annual Budget for the preceding Contract Year, except, as agreed upon by the Parties, where a new Law causes such item or portion of the Annual Budget to increase, beyond 105% of the amount for the corresponding item or portion of the Annual Budget for the preceding Contract Year, the amount for such item or portion of the Annual Budget shall be full cost.

6.3. Operating Data and Records. With respect to O&M Contractor's obligations under this Agreement, O&M Contractor shall monitor and record all operating data and information that Owner reasonably requests. O&M Contractor shall report required or requested operating data and information to Owner as specified by Owner to support monthly invoicing under the Project Agreements, and within 15 Business Days following a request by Owner. Operating data to be reported include information from operating logs, meter and gauge readings and maintenance records.

6.4. Accounts and Reports. O&M Contractor shall cooperate with Owner in complying with reporting requirements set forth in the Project Agreements and shall, during the term of this Agreement, furnish or cause to be furnished to Owner the following reports concerning the Project operations and the Services:

(a) Monthly Reports. Within fifteen (15) Business Days following the last day of each calendar month, O&M Contractor shall submit: (i) a progress report covering all activities during such month with respect to operations and maintenance (including information regarding the amount of electric energy generated, hours of operation, heat rate, availability, failure to starts, outages including forced outages, accidents and emergencies), and other significant matters. The monthly report shall include a listing of any significant operating problems along with immediately planned remedial actions, and a brief summary of major activities planned for the next reporting period, and (ii) a statement setting forth all Reimbursable Costs paid or incurred in such month, which statement shall itemize, in detail acceptable to Owner, the computation of such Reimbursable Costs and shall state whether or not the Project operations have conformed to the applicable Annual Project Operating Plan and Annual Budget during such reporting period and if not, the extent and reasons for any deviation and the planned remedial action.

(b) Annual Reports. As soon as available, and in any event within 60 days after the end of each Contract Year, O&M Contractor shall submit an annual report describing, in detail substantially similar to that contained in the monthly reports referred to in Section 6.4(a), the Project activities and operating data for such Contract Year. The annual report shall present a comparison of such Project activities and operating data with the goals set forth in the Annual Project Operating Plan and Annual Budget for such Contract Year and an explanation of any substantial deviations. Within 30 days after submission of each annual report, O&M Contractor shall meet with Owner to review and discuss the report and any other aspects of Project operations that Owner may wish to discuss.

(c) Litigation, Permit Lapses. Upon obtaining knowledge thereof, O&M Contractor shall promptly notify Owner in writing of: (i) any event of default under any of the Project Agreements; (ii) any litigation, claims, disputes or actions, threatened or filed, concerning the Project or the Services; (iii) any refusal or threatened refusal to grant, renew or extend (or any action pending or threatened that might affect the granting, renewal or extension of) any license, permit, warranty, approval, authorization or consent relating to the Project or the Services; and (iv) any dispute with any governmental authority relating to the Project or the Services.

(d) Other Information. O&M Contractor shall promptly submit to Owner any material information concerning new or significant aspects of the Project's activities and, upon Owner's request, shall promptly submit any other information concerning the Project or the Services.

7. **Term.** This Agreement will be effective as of the Effective Date and will continue in effect until December 31, 2023, unless sooner terminated as provided herein (the “**Term**”). There are no rights to extend the Term beyond that date.

8. **Force Majeure.**

8.1 **Definition.** “**Force Majeure**” means: any cause or event beyond the reasonable control of the affected Party which causes the affected Party to fail to perform that (i) was not specifically foreseeable as of the Effective Date; (ii) was not due to the fault or negligence of the affected Party, and (iii) could not reasonably have been avoided, overcome, prevented, or mitigated, by the affected Party's exercise of due diligence and use of reasonable precautions and efforts. Subject to the foregoing requirements, events that could qualify as Force Majeure include (a) acts of God, such as droughts, floods, earthquakes, volcanic eruption, epidemics, pandemics or other natural disasters, (b) fires, explosions, or accidents that could not have been prevented by acting in accordance with Good Industry Practice, or (c) war (declared or undeclared), riots, insurrection, rebellion, acts of the public enemy, acts of vandalism, terrorism and/or sabotage, civil disturbance, public disorder, blockades, embargoes, sanctions, import-export controls, or industry-wide strikes. However, Force Majeure shall not include the following events except the portions of such events caused solely by an event of Force Majeure as enumerated in clauses (a), (b) and (c) of the preceding sentence: (1) general market conditions or the economic hardship of either Party, (2) events arising from the failure to operate or maintain the Units in accordance with Good Industry Practice, (3) events that merely increase the cost of a Party's performance; (4) failure of third parties to provide goods or services essential to a Party's performance, (5) mechanical breakdown, or electrical breakdown, or failure of any machinery or equipment constituting all or part of the Units, (6) ROSEVILLE's ability to provide the Services to a third party for more than the Service Fee, (7) CDWR's ability to obtain the Services from a third party for less than the Service Fee, (8) any delay in obtaining, or denial of, any Permit, (9) any delay in providing, failure to obtain, or cancellation of, interconnection service, (10) the inability of a Party to make payments when due under this Agreement, (11) a strike, work stoppage or labor dispute limited only to any a Party, its contractors, and their respective Affiliates or subcontractors or any other third party employed by such Party to perform its obligations hereunder, or (12) any delay resulting from litigation relating to or affecting the Units or the Site.

8.2 **Effect of Force Majeure.** To the extent either Party is prevented by Force Majeure from carrying out, in whole or part, its obligations under this Agreement, and such Party (the “**Claiming Party**”) gives notice and details of the Force Majeure to the other Party as soon as practicable, then, unless as otherwise expressly provided herein, and as limited in Section 6.4, the Claiming Party shall be excused from the performance of its obligations (other than the obligation to make payments then due or becoming due with respect to performance prior to the Force Majeure) to the extent affected by the Force Majeure, and no Event of Default shall occur as a result of the failure to perform any excused obligation. The Claiming Party shall remedy the Force Majeure with all reasonable dispatch. The non-Claiming Party shall not be required to perform or resume performance of its obligations to the Claiming Party corresponding to the obligations of the Claiming Party excused by Force Majeure. If a Force Majeure event continues for six months, either party may terminate this Agreement upon proper notice under Section 10.1(a)(1).”

8.3 **Notice of Force Majeure.** Any Party claiming Force Majeure shall advise the other Party as soon as possible of the occurrence of the Force Majeure event and shall provide

the other Party with the basis of the claim, in writing, within ten (10) days of the occurrence of the Force Majeure event. The Parties shall make reasonable efforts to avoid the adverse impacts of a Force Majeure and to resolve the event or occurrence once it has occurred to resume performance.

8.4 **Certain Obligations Not Excused.** Notwithstanding anything herein to the contrary, a Force Majeure shall not excuse the payment of the fixed portions of the Service Fee and any Reimbursable Costs or variable portions of the Service Fee that had accrued as of the date of the Force Majeure.

9. **Events of Default.** An “**Event of Default**” shall mean, with respect to a Party (a “**Defaulting Party**”), the occurrence of any of the following:

(a) With respect to either Party:

(i) the failure to make, when due, any payment required pursuant to this Agreement if such failure is not remedied within five (5) Business Days after written notice of the failure,

(ii) any representation or warranty made by such Party herein is false or misleading in any material respect when made or when deemed made or repeated if the representation or warranty is continuing in nature, which misrepresentation or breach of warranty is not cured within thirty (30) days after written notice thereof,

(iii) except for an obligation to make payment when due, the failure to perform any material covenant or obligation set forth in this Agreement (except to the extent constituting a separate Event of Default or to the extent excused by a Force Majeure) if such failure is not remedied within thirty (30) days after written notice, which written notice sets forth in reasonable detail the nature of the failure; provided, however, that if such failure is not reasonably capable of being remedied within the thirty (30) day cure period, such Party shall have such additional time (not exceeding an additional ninety (90) days) as is reasonably necessary to remedy such failure, so long as such Party promptly commences and diligently pursues such remedy;

(iv) Such Party becomes Bankrupt;

(v) Such Party consolidates or amalgamates with, or merges with or into, or transfers all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving or transferee entity fails to assume all the obligations of that Party under this Agreement to which it or its predecessor was a party by operation of law or pursuant to an agreement reasonably satisfactory to the other Party;

(vi) Such Party assigns this Agreement or any of its rights hereunder other than in compliance with Section 15; or

(vii) A Force Majeure event continues for six (6) months, as described in Section 8.2.

10. **Remedies; Termination Rights.**

10.1 **Remedies for Events of Default.**

(a) If an Event of Default with respect to a Defaulting Party has occurred and is continuing, the other Party ("**Non-Defaulting Party**") shall have the right to do any one of more of the following, which rights shall be cumulative and in addition to the rights of the Parties otherwise provided in this Agreement:

(i) Terminate this Agreement by sending a written notice, designating a day, no earlier than the day such notice is deemed to be received and no later than sixty (60) days after such notice is deemed to be received, as an early termination date of this Agreement ("**Early Termination Date**");

(ii) Accelerate all amounts owing between the Parties as of the Early Termination Date;

(iii) Withhold any payments due to the Defaulting Party under this Agreement pending resolution of amounts owed by or to each Party;

(iv) Suspend performance of its obligations under this Agreement;

(v) Subject to Section 14, recover monetary damages as allowed by law; and

(vi) Exercise any other rights or remedies available at law or in equity to the extent otherwise permitted under this Agreement;

(b) The Non-Defaulting Party's election to exercise or not exercise any of the above rights following an Event of Default shall not constitute a waiver by the Non-Defaulting Party of any remedy with respect to any subsequent Event of Default by the Defaulting Party. Amounts accelerated pursuant to Section 10.1(a)(ii) shall be netted, and the Party owing the net amount shall pay such amount to the other Party (or apply such amount against other amounts owed by the Defaulting Party, if the Non-Defaulting Party owes the net amount).

10.2 [RESERVED].

10.3 **Other Termination Rights.** In addition to a Non-Defaulting Party's right to terminate as the result of an Event of Default with respect to the Defaulting Party, ROSEVILLE will have the following rights to terminate this Agreement by sending written notice designating an Early Termination Date in the same manner as provided in Section 10.1(a)(i) (although such termination is not due to an Event of Default). Any such termination shall be with no further liability on the part of either Party, except (a) CDWR will reimburse ROSEVILLE and its Affiliates for all Reimbursable Costs and accrued but unpaid portions of the Service Fee incurred through the effective date of termination, and the Parties will settle and resolve any other unpaid amounts through the effective date of termination, (b) no part of the Service Fee or Reimbursable Costs previously paid shall be refundable or refunded on account of such termination, and (c) all indemnification obligations in Section 11 shall survive such termination and shall continue in effect. ROSEVILLE may terminate this Agreement if:

(a) ROSEVILLE reasonably determines that operation of the Units, whether or not in accordance with applicable Permits, would or is likely to adversely affect its or its Affiliate's ability to operate the Roseville Energy Park in any material respect, including as a result of limitations on air emissions, natural gas consumption, availability of water or hours of operation;

(b) ROSEVILLE reasonably determines that, through no default or failure of either Party, the Units cannot be operated or dispatched in compliance with applicable Laws or Permits;

(c) ROSEVILLE reasonably concludes that any Losses or other liabilities, obligations or expenses that it or any of the Service Provider Indemnified Parties could incur and that are described in Section 11.1 would not be covered in full by CDWR's indemnification obligations under Section 11 or that CDWR would be excused from covering any such Losses or other liabilities, obligations or CDWR under Section 11 for any reason other than ROSEVILLE's breach of this Agreement or its gross negligence or willful misconduct; or

(d) the Site Agreement and/or the Energy Services Agreement is terminated for any reason.

10.4. Obligations Upon Termination. In connection with the termination of this Agreement, whether as a result of the expiration of the stated Term of this Agreement, the declaration of an Early Termination Date, or otherwise, in addition to such obligations or liabilities as may arise due to an Event of Default, CDWR will reimburse ROSEVILLE for all Reimbursable Costs and accrued but unpaid portions of the Service Fee incurred through the effective date of termination on the effective date of termination or as soon thereafter as the information necessary to compute such amounts becomes available. Any such amounts may be invoiced and paid in accordance with Section 5.3.

11. Indemnification.

11.1 Indemnification By CDWR. To the fullest extent allowed by law, CDWR shall indemnify, defend, save and hold harmless ROSEVILLE, its Affiliates and their respective officers, directors, employees, partners, lenders, agents and representatives, and their respective successors and assigns (collectively, the "**ROSEVILLE Indemnified Parties**") from and against any and all losses, claims, demands, damages, liabilities, judgments, fines, penalties, costs and expenses, including reasonable attorneys' fees, expert fees and court costs ("**Losses**"), incurred by or asserted against any ROSEVILLE Indemnified Party arising out of or resulting from (i) any injury or damage to persons or property as a result of any acts or omissions of CDWR, its employees, agents, representatives, contractors or subcontractors in, on or about the Project or in the performance of any work or activities related to this Agreement, (ii) the breach of any covenant or representation made by CDWR under this Agreement; (iii) all Reimbursable Costs and other costs for which CDWR is responsible under this Agreement, (iv) compliance by ROSEVILLE with any schedule or instruction issued by CDWR or CAISO, including any violation of any applicable Law or Permit as a result of such compliance, (v) all CAISO fees, costs, charges, penalties, imbalance payments, replacement or availability charges and neutrality payments with respect to the Units or the operation thereof, except to the extent caused by ROSEVILLE's gross negligence or willful misconduct, (vi) the performance or non-performance of any duties or obligations of the "Generator Owner" or "Generator Operator" of the Units under the NERC Reliability Standards, (vii) any breach violation of a gas transportation or supply agreement, of a gas transporter's or the Local Distribution Company's tariff or of any OFO or EFO in connection

with any gas nominated, scheduled or purchased pursuant to this Agreement, except as a result of ROSEVILLE's gross negligence or willful misconduct, (viii) the failure of the Units to operate in accordance with any Schedule submitted hereunder or any order or direction from CAISO received by CDWR or received by ROSEVILLE and transmitted to CDWR, (ix) any use or operation of the Units in violation of this Agreement or any applicable Law or Permit, except as a result of ROSEVILLE's gross negligence or willful misconduct, (x) any claim, dispute or litigation, including those based on non-compliance with the requirements of Public Resources Code Division 13 (commencing with 21000) or regulations adopted pursuant to that Division alleging, and any determination, that installation or operation of the Units was not permitted under applicable Law or the Permits for the Units, (xi) all GHG Costs or other costs related to the air emissions from or the use of fossil fuels by the Units, (xii) any liability under any Environmental Law, except to the extent caused by ROSEVILLE's gross negligence or willful misconduct or (xiii) all costs, claims, clean up and remediation costs, fines, penalties and other liabilities arising from or related to the cleanup or disposal of any Hazardous Substances brought on to the Site or used by CDWR, its employees, agents, representatives, contractors or subcontractors, except to the extent caused by ROSEVILLE's gross negligence or willful misconduct.

11.2 Indemnification By ROSEVILLE. To the fullest extent allowed by law, ROSEVILLE shall indemnify and hold harmless CDWR and its officers, directors, employees, agents and representatives, and their respective successors and assigns (collectively, the "**CDWR Indemnified Parties**") from and against any and all Losses incurred by or asserted against any CDWR Indemnified Party arising out of or resulting from (i) any injury or damage to persons or property caused by the gross negligence or willful misconduct of ROSEVILLE, its employees, agents, representative, contractors or subcontractors in, on or about the Units or in the performance of any work or activities related to this Agreement, or (ii) the breach of any covenant or representation made by ROSEVILLE under this Agreement.

11.3 Indemnification Procedure. Promptly following receipt by an Indemnified Party of notice of a matter subject to indemnification under Section 11.1 or 11.2, as applicable, including the commencement of any action, administrative or legal proceeding, or investigation as to which an indemnity provided for in Section 11.1 or 11.2, as applicable, may apply the Indemnified Party shall give the Indemnifying Party written notice of such matter. The Indemnifying Party shall assume the defense of such matter with, if applicable, counsel designated by the Indemnifying Party and reasonably satisfactory to the Indemnified Party, *provided*, if both the Indemnified Party and the Indemnifying Party are involved in such matter (including as co-defendants) and the Indemnified Party shall have reasonably concluded that there may be legal defenses available to it which are different from or additional to, or inconsistent with, those available to the Indemnifying Party or that there is a conflict of interest between the interests of the Indemnified Party and the Indemnifying Party in such matter, the Indemnified Party shall have the right to select and be represented by separate counsel, at the Indemnifying Party's expense. If the Indemnifying Party fails to assume the defense of a claim or other matter properly indemnifiable under Section 9.1 or 11.2, as applicable, the Indemnified Party may at the expense of the Indemnifying Party contest, settle, or pay such claim as it considers appropriate.

11.4 Survival. The provisions of this Section 11 shall survive the termination of this Agreement.

12. Insurance. Each Party will obtain and maintain in force the insurance described in Exhibit D. However, such insurance shall not be a limitation on a Party's liabilities or obligations

hereunder, nor will failure to obtain or maintain any insurance relieve a Party of any such obligations or liabilities. Each Party shall be responsible for all deductible amounts under such insurance policies.

13. **Representations and Warranties.** As of the Effective Date, each Party represents and warrants to the other Party that:

(a) it is duly organized, validly existing and in good standing under the laws of the jurisdiction of its formation;

(b) except for the Permits necessary for the installation and operation of the Units, it has received all regulatory authorizations necessary for it to legally perform its obligations under this Agreement;

(c) the execution, delivery and performance of this Agreement are within its powers, have been duly authorized by all necessary action and do not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any applicable Law;

(d) this Agreement, and any other document executed and delivered in accordance with this Agreement, constitutes its legally valid and binding obligation enforceable against it in accordance with its terms, subject to Laws of general applicability limiting the enforcement of creditors' rights and to any equitable defenses;

(e) it is not Bankrupt and there are no proceedings pending or being contemplated by it or, to its knowledge, threatened against it which would result in it being or becoming Bankrupt; and

(f) there is not pending or, to its knowledge, threatened against it any legal proceedings that could materially adversely affect its ability to perform its obligations under this Agreement.

14. **Limitations of Liability.**

14.1 **CDWR Liability.** Amounts due under this Agreement from CDWR shall not be payable from funds available in the State Water Resources Development Fund (which is authorized by statute at sections 12930 et seq. of the California Water Code), or any successor fund to which the funds currently allocated to the State Water Resources Development Fund may be reallocated to the extent such reallocated fund represents amounts dedicated to the State Water Resources Development Fund.

14.2 **ROSEVILLE Liability.** Notwithstanding anything herein to the contrary, except for liability resulting from its gross negligence or willful misconduct, ROSEVILLE's liability under this Agreement in any Contract Year shall not exceed the Annual Operating Fee paid in that Contract Year, and no payment of Reimbursable Costs, the Annual Operating Fee and other amounts due to ROSEVILLE under this Agreement shall be reduced in the aggregate by more than such maximum liability.

14.3 **General Limitations.** THE PARTIES CONFIRM THAT THE EXPRESS REMEDIES AND MEASURES OF DAMAGES PROVIDED IN THIS AGREEMENT SATISFY THE

ESSENTIAL PURPOSES HEREOF. FOR BREACH OF ANY PROVISION FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, THE OBLIGOR'S LIABILITY SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. EXCEPT AS EXPRESSLY PROVIDED IN THIS AGREEMENT WITH RESPECT TO LIABILITIES TO THIRD PARTIES, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS HEREIN IMPOSED ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID HEREUNDER ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED HEREUNDER CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS. THE PARTIES FURTHER AGREE THAT PAYMENT OF SUCH AMOUNT SHALL BE LIQUIDATED DAMAGES AND NOT AS A PENALTY, AND IS THEREFORE NOT SUBJECT TO AVOIDANCE UNDER CALIFORNIA CIVIL CODE SECTION 1671.

15. **Assignment.**

15.1 **When Consent Required.** Except as specifically provided herein, neither Party shall transfer or assign this Agreement or its rights hereunder, without the prior written consent of the other Party, which consent may not be unreasonably withheld, conditioned or delayed. Either Party may, without the consent of the other Party (and without relieving itself from any liabilities hereunder that arose prior to the date of such transfer unless assumed by the assignee) transfer or assign this Agreement or its rights hereunder: (i) to an Affiliate of such Party, or (ii) to any Person succeeding to all or substantially all of the assets of such Party; provided that the assignee assumes all of assignor's obligations; provided that such assignee assumes in writing all of assignor's obligations hereunder at least from and after the date of such assignment or transfer, and agrees to be bound by this Agreement.

15.2 **Binding Effect.** Subject to the foregoing, this Agreement shall benefit and be binding on the permitted successors and assigns of the Parties hereto. Any assignment or transfer not made in compliance with these provisions shall be null and void and of no force or effect.

16. **Confidentiality.**

16.1 **Nondisclosure of Confidential Information.** The Party receiving Confidential Information (the "**Receiving Party**") from the other Party (the "**Disclosing Party**") shall not disclose Confidential Information to a third party (other than the Party's officers, employees, directors, lenders (including potential lenders), counsel, accountants, or advisors, or any such representatives of a Party's Affiliates, who have a need to know such information and have agreed to keep such terms confidential as provided herein) except in order to comply with any applicable Law, regulation, or any exchange, control area or independent system operator rule or in

connection with any court or regulatory proceeding applicable to such Party or any of its Affiliates; provided, each Party shall use commercially reasonable efforts to prevent or limit the disclosure. The Parties shall be entitled to all remedies available at law or in equity to enforce, or seek relief in connection with, this confidentiality obligation.

16.2 Public Records Act. The Parties acknowledge and agree that this Agreement and the transactions hereunder are subject to the requirements of the California Public Records Act (Government Code Section 6250 *et seq.*) and the Ralph M. Brown Act (Government Code Section 54590, *et seq.*). Upon either Party's receipt of a request or demand from any Person not a Party hereto pursuant to the California Public Records Act for production, inspection and/or copying of Confidential Information ("**Requested Confidential Information**"), the Party receiving the request shall promptly notify the other in writing via email that such request has been made. Either Party shall have the right to take, at its sole expense, whatever legal steps are necessary to prevent release of the Requested Confidential Information to such Person by the other Party. If either Party takes no such action within a reasonable period of time after receiving the foregoing notice either Party may, in its discretion, comply with such third-party request or demand and is not required to defend against it. If either Party does take or attempt to take such action, the Parties shall cooperate in a timely manner to prevent the release of the Requested Confidential Information.

16.3 Injunctive Relief. Each Party acknowledges that its obligations hereunder as Receiving Party are necessary and reasonable in order to protect Disclosing Party and Disclosing Party's business, and expressly acknowledges that monetary damages would be inadequate to compensate Disclosing Party for any breach or threatened breach by Receiving Party of any covenants and agreements set forth herein. Accordingly, each Party acknowledges that any such breach or threatened breach by it as Receiving Party will cause irreparable injury to Disclosing Party and that, in addition to any other remedies that may be available, in law, in equity or otherwise, Disclosing Party will be entitled to obtain injunctive relief against the threatened breach of this Agreement or the continuation of any such breach, without the necessity of proving actual damages.

16.4 Press Releases. Neither Party shall issue a press release regarding the transactions contemplated by this Agreement unless both Parties have agreed upon the contents of any such public statement.

17. Notices. All notices required to be given under this Agreement shall, except as otherwise provided herein, be in writing and shall be sent by prepaid mail or overnight courier addressed to the respective Party at the addresses listed in Exhibit C or to such other address as may designated hereafter by a Party in writing by like notice from time to time. Any notice delivered after 5:00 p.m. Pacific Time on a Business Day shall be deemed to have been delivered on the following Business Day.

18. General.

18.1 Governing Law. This Agreement shall be governed by, construed under and enforced in accordance with the laws of the State of California without regard to principles of conflicts of law. The venue for any court action brought pursuant to this Agreement shall be Sacramento, California.

18.2 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which shall constitute one Agreement after each Party has signed at least one counterpart, and the Parties have exchanged signed counterparts. The exchange of copies of this Agreement and of signature pages by facsimile transmission, in portable document format (pdf) or by other electronic means shall constitute effective execution and delivery of this Agreement and may be used in lieu of the original Agreement for all purposes.

18.3 Entire Agreement. Together with the O&M Agreement and the Site Agreement and the respective exhibits attached thereto, this Agreement and the Exhibits attached hereto constitute the entire agreement and understanding between CDWR and ROSEVILLE with respect to the subject matter hereof and supersedes all prior agreements relating to the subject matter hereof, which shall be of no further force or effect. The Exhibits attached hereto are integral parts of this Agreement and are made a part of this Agreement by reference. To the extent that any provision of this Agreement or any paragraph, term, sentence, phrase, clause or word of this Agreement shall be found by a court of law having jurisdiction to be void, illegal or unenforceable for any reason, the Parties shall meet to determine whether this Agreement can fulfill the objectives of each Party notwithstanding such ruling. If either Party determines that this Agreement can no longer fulfill its objectives under such ruling, then either Party may terminate this Agreement. Otherwise, such paragraph, term, sentence, phrase, clause or word shall be deemed modified or deleted in such a manner as to make the Agreement, as so modified, legal and enforceable under applicable Laws. The remainder of the Agreement shall remain in full force and effect. This Agreement does not create, modify, or diminish any ownership or property rights, nor creates any easements or rights of entry, except as set forth explicitly in this Agreement.

18.4 Amendments. This Agreement may only be amended by an instrument in writing duly executed by ROSEVILLE and CDWR.

18.5 No Waiver. No waiver of either Party of an Event of Default by the other Party, nor any election to exercise or not exercise any rights following an Event of Default, shall constitute a waiver by such Party of any subsequent Event of Default by the other Party, whether similar or dissimilar, or of any remedy with respect thereto.

18.6 No Partnership. Nothing herein is intended to create or is to be construed as creating a joint venture, partnership, agency or other similar relationship between the Parties other than that of contracting parties as set forth in this Agreement. The rights and obligations of the Parties hereunder shall be independent of one another and shall be limited to those expressly set forth herein.

18.7 Third Party Beneficiaries. This Agreement is for the benefit of the Parties hereto and is not intended to be for the benefit of any third party except their respective Affiliates and Lenders of the Parties to the extent expressly set forth herein.

18.8 Joint Efforts. The Parties acknowledge and agree that each Party and its counsel have read this Agreement in its entirety, fully understand it and accept its terms and conditions. This Agreement shall be considered for all purposes as prepared through the joint efforts of the Parties and shall not be construed against one Party or the other as a result of the preparation, substitution, submission or other event of negotiation, drafting or execution hereof.

18.9 Further Assurances. Upon the receipt of a written request from the other Party, each Party shall execute such additional documents, instruments and assurances and take such additional actions as may be reasonably requested by the other Party which are consistent with the provisions of this Agreement and which do not involve the assumptions of obligations other than those provided for in this Agreement, to give full effect to this Agreement and to carry out the intent of this Agreement.

* * * * *

IN WITNESS WHEREOF, the City of Roseville, a municipal corporation, has authorized the execution of this Agreement in duplicate by its City Manager and attested to by its City Clerk under the authority of Resolution No. _____, adopted by the Council of the City of Roseville on the ____ day of _____, 2021, and the CALIFORNIA DEPARTMENT OF WATER RESOURCES represents that it has caused this Agreement to be duly executed.

CITY OF ROSEVILLE, a
municipal corporation

**CALIFORNIA DEPARTMENT OF
WATER RESOURCES**

BY: _____
DOMINICK CASEY
City Manager

BY: Ted Craddock
TED CRADDOCK
Deputy Director

ATTEST:

By: _____
SONIA OROZCO
City Clerk

APPROVED AS TO FORM:

APPROVED AS TO FORM AND LEGAL
SUFFICIENCY:

BY: _____
MICHELLE SHEIDENBERGER
City Attorney

BY: Robert Hedrick
ROBERT S. HEDRICK
Attorney IV

APPROVED AS TO SUBSTANCE:

BY: _____
MICHELLE BERTOLINO
Electric Utility Director

EXHIBIT A

SCOPE OF SERVICES

O&M CONTRACTOR SHALL PERFORM EACH OF THE SERVICES LISTED IN THIS EXHIBIT A IN ACCORDANCE WITH THE STANDARDS REQUIRED UNDER SECTION 3.2 OF THE AGREEMENT.

The specific obligations of the O&M Contractor will depend on the Project. The following provisions are illustrative and are provided to identify some of the possible areas of coverage and show the level of detail that may be appropriate.

I. Programs

- A. In addition to those responsibilities described in the Agreement, O&M Contractor shall be responsible for completing Preventative Maintenance (PM) activities as outlined and assigned in Table 1 below related to the Project.
 - 1. Perform, document, and report on Items in Table 1 identified to be completed by O&M Contractor.
 - 2. Perform tasks in Item A using qualified staff.
 - 3. Arrange for and facilitate the completion of Items in Table 1 identified to be completed by the General Electric.
 - 4. Prepare supporting documentation, emission data, meter readings and information necessary to accurately prepare, justify and support monthly invoices in accordance with the terms and conditions of the Project Agreements.
 - 5. Extend O&M Contractor's Safety Program and requirements to include the Operation and Maintenance of the Project.
 - 6. Provide monthly and yearly reporting of Project performance to Owner.
 - 7. Extend O&M Contractor's security program for maintaining the security of the Project and surrounding area.

II. Project Preservation

- A. Table 2 in this Exhibit shall be adhered to in order to maintain the operational availability and readiness of the Project because of potential infrequent dispatch of the Project.

III. Specific Requirements

- A. O&M Contractor's scope of Services is based on the Project design as described in the different Project Agreements, the Project Operations and Maintenance Manuals, vendor manuals and design drawings. O&M Contractor will follow these documents when operating and maintaining the Project.
- B. O&M Contractor, as part of the Services, is responsible for:
 - 1. Providing such trained personnel as is reasonably necessary to operate and maintain the Project and provide the Services set forth in this Agreement.
 - 2. Operating and maintaining the Project in accordance with the Project Operations and Maintenance Manual.

3. Planning and managing on-site operations and maintenance activities, following Good Industry Practice.
4. Assuring that the Project is operated in accordance with this Agreement and in a safe, reliable, efficient, and prudent manner.
5. Assuring that operations and maintenance personnel are trained and qualified for their assigned responsibilities and tasks, and that such qualification is maintained.
6. Assuring that the Project meets contract, regulatory, and environmental requirements and subject to the exceptions set forth in the Project Agreements or otherwise identified by Owner or O&M Contractor.
7. Managing and controlling costs consistent with budget requirements, consistent with the allowances set forth in the Agreement.
8. Planning, scheduling and managing work and maintenance activities.
9. Defining and delineating responsibilities between O&M Contractor and Owner's Contractor (General Electric) and identifying reporting requirements.
10. Establishing labor relations and personnel programs that will meet state and federal requirements.
11. Maintaining a current inventory of Owner provided spare parts and materials. O&M Contractor will identify required items, cost, quantity and need date.
12. Managing outages, both planned and forced outages, by using detailed and integrated plans and schedules, and resource management.
13. Performing certain tasks, duties, responsibilities and obligations assigned to Owner under the Interconnection Agreements, including, but not limited to, the following:
 - a. Providing the System Operator and Owner with all required information regarding the Project's availability for generating.
 - b. Responding to dispatch orders from the System Operator and Owner, subject to applicable NERC, WECC, BANC, and CAISO restrictions and requirements.
 - c. Monitoring and adjusting the reactive output of the generators to maintain transmission voltage levels within the capability of the Project's generators.
 - d. Responding to and correcting generator dynamic instability in accordance with instructions from the System Operator.
14. Oversight of periodic corrective maintenance ("CM") activities in accordance with Good Utility Practice to troubleshoot, inspect, and repair the equipment upon identification and detection of certain conditions, including without limitation to ensure operational availability of the Project.
 - a. Physical fault conditions such as:
 - A) Blocked / stopped flow
 - B) Fractures / break / breaches
 - C) Cracks
 - D) Distortion / displacement

- E) Corrosion / discoloration
 - b. Out of specification conditions such as:
 - A) High / low flow, pressure, temperature, or chemistry
 - B) Off voltage
 - C) Out of limits / adjustments
 - D) Erratic output
 - E) Intermittent / spurious operation
 - F) Failure to control / hold
 - G) High / low output
 - H) Improper timing
 - c. Demand fault conditions such as failure to:
 - A) Start / run / operate
 - B) Stop
 - C) Open
 - D) Close
 - E) Move / release / respond
 - d. Abnormal characteristics such as:
 - A) Overheating
 - B) Noise
 - C) Vibration
 - D) Chatter
 - E) False response
 - e. Leakage conditions such as:
 - A) Leakage to surrounding environment
 - B) Leakage past seats / stems / packing / seals
 - f. CM activities not requiring equipment shutdown shall be performed as soon as possible and in order of priority. CM activities requiring equipment shutdown shall be performed when equipment is removed from service.
 - g. CM activities and preventive maintenance will be performed on a system-by-system basis and shall be according to Table 1
- 15. Performing such other tasks and services within the scope of the Project Agreements which Owner may reasonably request from time to time in connection with operation of the Project.

TABLE 1: TM2500 MAINTENANCE QUICK REFERENCE

SYSTEM	INSPECTED ITEM	INSPECTION FREQUENCY	RESPONSIBLE PARTY	REMARKS
Auxiliary System	On-Engine Electrical Harnesses & Cables	- First 500 Hours - Annually	GE	- Check for security. - Check ignition leads and thermocouple harness for burning or chafing.
Auxiliary System	Temperature Sensors(RTDs)	- First 500 Hours 1000 Hours - Annually	GE	- Visually inspect the element. Ensure element is not damaged. - Function check with a calibrated meter. If temperatures observed seem to be incorrect: - Replace element and seals whenever variation in the controlled temperature is noticed. - Inspect and clean engine cable connectors with contact cleaner. - Tighten cable connectors. - Replace on component failure.
Auxiliary System	On-Engine Thermocouple Temperature Elements	- First 500 Hours 1000 Hours - Annually	GE	- Visually inspect the element. Ensure element is not damaged. - Function check with a calibrated meter. If temperatures observed seem to be incorrect: - Replace element and seals whenever variation in the controlled temperature is noticed. - Inspect and clean engine cable connectors with contact cleaner. - Tighten cable connectors. - Replace on component failure.
Auxiliary System	Flow Control Valve (VSV)	Annually	GE	Inspect/verify proper operation per manufacturer recommendations.
Auxiliary System	Linear Variable differential Transformers (LVDT)	Annually	GE	- Visually inspect for any damage. - Verify operation. LVDT feedback should at least be verified at 0% and 100%. - Verify the actual position versus the control position.
Auxiliary System	Turbine Speed Elements	- Semi-Annually - Annually	GE	<u>Semi-Annually</u> As per table 11-2 in the engine manual, test the redundant overspeed protection by simulating and confirm functionality of system. <u>Annually</u> - Visually inspect the element to ensure it is not damaged. - Measure for any shorts between the signal common and the shield that could create ground loops and induce noise. Ensure that the noise level remains in accordance with the specification by which it is designed. If the sensor does not perform within the specified limits, send to repair.
Auxiliary System	Turbine Ignitor(s) and Exciter(s)	Annually	GE	- Check for moisture or other contaminants on the terminal where the lead and plug couple. - Exciters are designed to require little or no maintenance. - An ignition exciter often lasts to engine overhaul. Ignitor plug inspections consist of a simple distance measurement from the plug shell to the center electrode. - The amount of shell material necessary to survive between scheduled inspection periods is determined by the engine and plug manufacturers. When this gap limit is reached, the plug should be replaced.
Auxiliary System	Pressure Transmitters(PTs)	Annually	GE	- Visually inspect to ensure it is not damaged. - Ensure transmitter is free of moisture. - Ensure electrical connections are not damaged. Calibrate per manufacturer recommendation. Set zero and span to 4 and 20 mA at required pressures. Can be calibrated more often if drift occurs. - If malfunction is suspected, verify that the hardware and process connections are in good working order. - If the unit is still malfunctioning, refer to the manufacturer maintenance and troubleshooting manual for further instructions.
Auxiliary System	Turbine Flame Detectors	Annually	GE	The flame sensor output will deteriorate as the lens becomes dirty. It is recommended, when initially installed, that the signal level be recorded during normal operation. During subsequent running, the signal level should be compared with the initial values. If a significant reduction in the signal level is noticed, then it is recommended that the lens be cleaned at the next opportunity, with the turbine shut down and cold. - Clean the lens with isopropyl alcohol or other residue free solvent compatible with sapphire. In order to reduce the risk of galling, an anti-seize (refer to engine O&M for approved type) compound should be applied to the mounting thread prior to reinstallation of the sensor. - The UV flame detectors can be tested with a lighter. - Replace on component failure.
Control System	PLC Batteries	Semi-Annually	GE	Ensure LED is Green. If not replace batteries.
Control System	Electrical Connections	Annually	GE	Generally inspect for condition and tighten any loose connections.

{D0464109.DOCX / 3}

CITY ATTORNEY\CYCOM\WPDOCS\D008\P003\00059719

Dual Fuel with Water Injection System	Ball Valves	• Annually	GE	- Check valve body for leakage. - If leakage occurs, tighten the valve connections or fasteners. - If valve is damaged or fails, replace valve.
Dual Fuel with Water Injection System	Globe/Instrument Valves	• Annually	GE	- Check valve stem for leakage. - If valve is damaged or fails, replace valve. - Inspect more often if repeated problems occur.
Dual Fuel with Water Injection System	Pressure Relief Valves	• Annually	GE	- Check valve stem for leakage. - If valve is damaged or fails, replace valve. - Inspect more often if repeated problems occur.
Dual Fuel with Water Injection System	Gas Fuel/Liquid Fuel Filter	• Daily	O&M Contractor	Replace on differential pressure as required.
Dual Fuel with Water Injection System	Pressure Differential Transmitters (PDTs)	• Annually	GE	- Visually inspect to ensure it is not damaged. - Ensure transmitter is free of moisture. - Ensure electrical connections are not damaged. - Calibrate per manufacturer recommendation. Set zero and span to 4 and 20 mA at required pressures. Can be calibrated more often if drift occurs. - If malfunction is suspected, verify that the hardware and process connections are in good working order. If the unit is still malfunctioning, refer to the manufacturer maintenance and troubleshooting manual for further instructions.
Dual Fuel with Water Injection System	Pressure Transmitters (PTs)	• Annually	GE	- Visually inspect to ensure it is not damaged. - Ensure transmitter is free of moisture. - Ensure electrical connections are not damaged. Calibrate per manufacturer recommendation. Set zero and span to 4 and 20 mA at required pressures. Can be calibrated more often if drift occurs. If malfunction is suspected, verify that the hardware and process connections are in good working order. If the unit is still malfunctioning, refer to the manufacturer maintenance and troubleshooting manual for further instructions.
Dual Fuel with Water Injection System	Flow Transmitter and Meters	• Annually	GE	- Visually inspect to ensure it is not damaged. - Ensure transmitter is free of moisture. - Ensure electrical connections are not damaged. - Calibrate per manufacturer recommendation. Set zero and span to 4 and 20 mA at required pressures. Can be calibrated more often if drift occurs. - If malfunction is suspected, verify that the hardware and process connections are in good working order. If the unit is still malfunctioning, refer to the manufacturer maintenance and troubleshooting manual for further instructions.
Dual Fuel with Water Injection System	Solenoid Operated Valves (SOVs)	• Annually	GE	- Ensure valve is not leaking or damaged. - If leak occurs, tighten connections as necessary and ensure electrical connection are tight with no damage.
Dual Fuel with Water Injection System	Temperature Sensors (RTDs)	• Annually	GE	- Visually inspect the element. Ensure element is not damaged. - Function check with a calibrated meter. If temperatures observed seem to be incorrect: - Replace element and seals whenever variation in the controlled temperature is noticed. - Inspect and clean engine cable connectors with contact cleaner. - Tighten cable connectors. - Replace on component failure.
Dual Fuel with Water Injection System	Temperature Sensors (RTDs)	• Annually	GE	- Visually inspect the element. Ensure element is not damaged. - Function check with a calibrated meter. If temperatures observed seem to be incorrect: - Replace element and seals whenever variation in the controlled temperature is noticed. - Inspect and clean engine cable connectors with contact cleaner. - Tighten cable connectors. - Replace on component failure.
Dual Fuel with Water Injection System	Gas and Liquid Fuel Flow Control Valve	• Annually	GE	- Calibrate as per manufacturer instructions. If malfunction is suspected, verify that the hardware and process connections are in good working order. - If the unit is still malfunctioning, refer to the manufacturer maintenance and troubleshooting manual for further instructions. - Ensure meter assembly is not damaged or leaking. - Ensure electrical connections are not damaged. - If plugs are removed, sensor case should be re purged with dry inert gas. - Lubricate the ball screw and bearing in accordance with the manufacturer installation and operation manual.
Dual Fuel with Water Injection System	Gas and Liquid fuel Flow Control Valve	• 6 Years	GE	Complete remanufacture (overhaul).

{D0464109.DOCX / 3}

CITY ATTORNEY\CYCOM\WPDOCS\D008\P003\00059719

Dual Fuel with Water Injection System	Pressure Safety Valve	• Annually	GE	- Inspect for damage. - Replace if released.
Dual Fuel with Water Injection System	Check Valves	• Annually	GE	- Check valve body for leakage. - If leakage occurs, tighten the valve connections or fasteners. - If valve is damaged or fails, replace valve.
Dual Fuel with Water Injection System	Liquid Fuel Strainer	• Semi-Annually	GE	- Ensure strainer is not clogged, or damaged. - Check for pressure loss across strainer. If pressure loss or clogging is observed, remove access cover and clean strainer. Replace o-ring if necessary and re-install strainer and access cover. - Clean strainer, and ensure strainer is free from debris. - Ensure strainer is not leaking after replacement.
Dual Fuel with Water Injection System	Butterfly Valves	• Annually	GE	- Ensure valve is not leaking or damaged. - If leakage occurs, tighten the valve connections or fasteners. - Inspect and verify proper operation.
Dual Fuel with Water Injection System	Liquid Fuel Motor & Pump	• Refer to TP2010	O&M Contractor	Greasing inspection and storage requirements to be followed as per TP2010.
Dual Fuel with Water Injection System	Water Injection Motor & Pump	• Refer to TP2010	O&M Contractor	Greasing inspection and storage requirements to be followed as per TP2010.
Dual Fuel with Water Injection System	Pressure Control Valves	• Annually	GE	- Ensure the pressure regulator is not damaged or leaking. - Calibrate per manufacturer recommendation. - Ensure the valve is not damaged and the seat is not leaking. - Examine settings against manufacturer's standard. - Inspect and verify proper operation.
Dual Fuel with Water Injection System Engine Related	General Conditions	• Daily	O&M Contractor	General appearance and integrity of unit.
Dual Fuel with Water Injection System Engine Related	Engine Plumbing	• 500 hours	GE	Check fuel and oil plumbing line to and on engine for security, chafing, and leaks.
Dual Fuel with Water Injection System Engine Related	Fuel Filters	- Quarterly - As required by Delta P	O&M Contractor	- Check for cleanliness and damage. - Replace on Delta P.
Dual Fuel with Water Injection System Engine Related	Turbine First Stage	• Semi-Annually	GE	Inspect at 500 hours, then 4000 hours or 6 months.
Dual Fuel with Water Injection System Engine Related	Combustor	• Semi-Annually	GE	Maintenance findings will determine if Level III maintenance is needed.
Dual Fuel with Water Injection System Engine Related	Mount/Skid/Piping Valves	• Semi-Annually	GE	Check for leaks, cracks and proper alignment.
Fire and Gas Protection System	Gas Sensors	• Monthly	O&M Contractor	Calibrate
Fire and Gas Protection System	Aerosol Canister	• Semi-Annually	GE	Inspect as per instructions included in this supplement.
Fire and Gas Protection System	Backdraft Damper (part of ventilation fan)	• Semi-Annually	GE	Inspect and ensure damper fully closes when the ventilation fan is not running.
Fire and Gas Protection System	Visual/Audio Alarm	• Semi-Annually	GE	Test
Fire and Gas Protection System	Thermal Spot Detectors	• Semi-Annually	GE	Inspect
Fire and Gas Protection System	Manual Pull Stations	• Semi-Annually	GE	Test functionality (with system disabled).
Fire and Gas Protection System	IR Gas Sensors	• Semi-Annually	GE	Calibrate
Generator	Generator Frame	• Monthly	O&M Contractor	Conduct general inspection.
Generator	Grounding System	• Monthly	O&M Contractor	Verify shaft and frame grounding.
Generator	Vibration Signatures	• Daily	O&M Contractor	Check Bently Nevada gauges for measuring vibration.
Generator	Oil Pump Coupling	• Annually	GE	- Inspect - Note: This is a dry coupling and no grease is required. Check axial play according to generator manual.
Generator	Bearings	• Annually	GE	Maintenance level dependent on findings.

{D0464109.DOCX / 3}

CITY ATTORNEY\CYCOM\WPDOCS\D008\P003\00059719

Generator	Bearing Insulation	• Annually	GE	• Check resistance.
Generator	Stator Core	After 1st year of operation After 3rd year of operation	GE	• Check air-gap side for shorts between laminations.
Generator	Stator Winding	• After 1st year of operation • After 5th year of operation	GE	• Check winding, insulation, and take measurements of resistance. • Verify radial wedge tightness. • Perform hi-pot tests.
Generator	Generator Inspection	• 50,000 HRS	GE	• Perform in accordance with Generator Operation and Maintenance Manual.
Generator	Generator Inspection	• 100,000 HRS	GE	• Perform in accordance with Generator Operation and Maintenance Manual.
Generator Lube Oil System	Lube Oil	• Semi-Annually	GE	• Have oil samples analyzed.
Generator Lube Oil System	Lube Oil Level	• Weekly	O&M Contractor	• Check reservoir sight gauge.
Generator Lube Oil System	Bearing Drains	• Weekly	O&M Contractor	• Check that flow is maintained.
Generator Lube Oil System	Filter	• Semi-Annually • As required by Delta P	GE	• Inspect filter element every six months or sooner if required. • Have ample supply of spare elements. If external leakage is noted, replace O-ring or bonded seal at leak. For bowl seal leaks, replace O-ring seal. If leakage persists, check sealing surfaces for scratches or cracks and replace any defective parts. • Differential pressure devices indicate when the element needs changing or because of high fluid viscosity in "cold start" conditions.
Generator Lube Oil System	Tank Level Transmitter	• Annually	GE	• Calibrate as necessary. Replace component if defective or fails. Calibrate at Least Once a Year (more often if drift occurs).
Generator Lube Oil System	Thermostatic 3-Way Control Valve	• Annually	GE	• Replace thermostatic element and seals whenever some variation in the controlled temperature is noticed. More often if repeated problems occur.
Generator Lube Oil System	DC Pump Relief Valve	• Annually	GE	• Check valve stem for leakage. If valve is damaged or fails, replace valve. More often if repeated problems occur.
Generator Lube Oil System	Tank Heater - Thermostatically Controlled Heater	• Semi-Annually	GE	• Check heaters for coatings and corrosion. Clean if necessary. • Check tank for sediment around the heater and remove as necessary. • Check heater and tank for accumulated sludge deposits and remove if necessary. Inspect for loose or corroded terminal connections/ends. • If corrosion is found, check box gasket and replace as necessary. • Check conduit layout to correct conditions that allow corrosion to enter terminal housing.
Generator Lube Oil System	Tank Level Gauge	• Annually	GE	• Replace component if damaged or fails.
Generator Lube Oil System	Tank Fill Cap and Strainer	• Annually	GE	• Inspect filler cap for missing parts which would prevent cap from sealing and allow water or contaminants to enter tank. Replace missing parts as needed. More often if repeated problems occur. • Remove access cover and clean strainer. Replace o-ring if necessary and re-install strainer and access cover.
Generator Lube Oil System	Suction Strainer - Basket	• Quarterly	O&M Contractor	• Check for pressure loss across strainer. If pressure loss or clogging is observed, remove access cover and clean strainer. Replace o-ring if necessary and re-install strainer and access cover.
Generator Lube Oil System	Tank Air/Oil Separator	• Weekly	O&M Contractor	• Check differential gauge filter element should be replaced when the differential pressure gauge reads 3" WC, per manufacturer guidelines. • Replace component if damaged or fails.
Generator Lube Oil System	Check Valves	• Annually	GE	• Check valve for stem seal leakage. • If leaking, tighten packing gland nuts until leakage stops. If valve is damaged or fails, replace valve. • More often if repeated problems occur.
Generator Lube Oil System	Ball Valves	• Annually	GE	• Check valve for stem seal leakage. • If leaking, tighten packing gland nuts until leakage stops. If valve is damaged or fails, replace valve. • More often if repeated problems occur.
Generator Lube Oil System	Cooler Drain/Vent Valve	• Annually	GE	• Check valve for stem seal leakage. • If leaking, tighten packing gland nuts until leakage stops. If valve is damaged or fails, replace valve. • More often if repeated problems occur.
Generator Lube Oil System	Instrument Valves	• Annually	GE	• Check valve for stem seal leakage. • If leaking, tighten packing gland nuts until leakage stops. If valve is damaged or fails, replace valve. • More often if repeated problems occur.
Generator Lube Oil System	Flow Indicator	• Annually	GE	• Replace component if damaged or fails.

{D0464109.DOCX / 3}

CITY ATTORNEY\CYCOM\WPDOCS\D008\P003\00059719

Generator Lube Oil System	Temperature Sensors(RTDs)	• Annually	GE	- Visually inspect the element. Ensure element is not damaged. - Function check with a calibrated meter. If temperatures observed seem to be incorrect: - Replace element and seals whenever variation in the controlled temperature is noticed. - Inspect and clean engine cable connectors with contact cleaner. - Tighten cable connectors. - Replace on component failure.
Generator Lube Oil System	DC Pump Coupling	• Annually	GE	If coupling is defective or fails, replace coupling.
Generator Lube Oil System	Pressure Control Valve	• Annually	GE	- Inspect for damage or leaking. - If leaking is found, repair in accordance with manufacturer recommendations. - Inspect more often if repeated problems occur.
Generator Lube Oil System	DC Pump	• Annually	GE	Protect pump from freezing temperatures. Ensure motor is lubricated as per TP2010.
Generator Lube Oil System	Tank	Annually	GE	Replace component if damaged or fails.
Generator Lube Oil System	Orifice Plates	Annually	GE	Replace if component is damaged or fails.
Generator Lube Oil System	Pressure Differential Transmitters (PDTs)	Annually	GE	- Visually inspect to ensure it is not damaged. - Ensure transmitter is free of moisture. - Ensure electrical connections are not damaged. - Calibrate per manufacturer recommendation. Set zero and span to 4 and 20 mA at required pressures. Can be calibrated more often if drift occurs. If malfunction is suspected, verify that the hardware and process connections are in good working order. • If the unit is still malfunctioning, refer to the manufacturer maintenance and troubleshooting manual for further instructions.
Generator Lube Oil System	Pressure Transmitters(PTs)	Annually	GE	- Visually inspect to ensure it is not damaged. - Ensure transmitter is free of moisture. - Ensure electrical connections are not damaged. - Calibrate per manufacturer recommendation. Set zero and span to 4 and 20 mA at required pressures. Can be calibrated more often if drift occurs. If malfunction is suspected, verify that the hardware and process connections are in good working order. • If the unit is still malfunctioning, refer to the manufacturer maintenance and troubleshooting manual for further instructions.
Hydraulic Starter System	MOT-6015 Hydraulic Starter Motor	Quarterly As per TP2010	O&M Contractor	- Monitor oil temperature. Lubricate bearing (see placard with precise instructions at the pressure-feed lubrication nipples). - Renew grease in the bearings in accordance with TP2010.
Hydraulic Starter System	SOV-6019 Hydraulic Pump SOV Actuator	Quarterly	O&M Contractor	Check hoses for damage or aging. Replace if defective.
Hydraulic Starter System	Low Pressure Return Filter	Weekly Annually As required	O&M Contractor	- Check visual indicators on both sides of filters. If indicator is activated, replace filter element. - Replace filter on a regular basis and once a year regardless of visual indication.
Hydraulic Starter System	Hose Assemblies	Quarterly	O&M Contractor	Check hoses for damage or aging. Replace if defective.
Hydraulic Starter System	Starter Motor Assembly	Semi-Annually	GE	- Keep both interior and exterior of the motor free from dirt, water, oil, and grease. - Motors operating in dirty places should be periodically disassembled and thoroughly cleaned. - Check to see that all bolts and nuts are tightened securely.
Hydraulic Starter System	Charge Pump Filter Element	Weekly Annually As required	O&M Contractor	- Check visual indicator weekly. - Replace filter on a regular basis and replace filter once a year regardless of visual indicator indication.
Hydraulic Starter System	Main System Pressure Gauge	Annually	GE	- Check for broken glass, replace if necessary. - Disassemble and oil moving components with high grade instrument oil.
Hydraulic Starter System	Charge Pump Pressure Gauge	Annually	GE	- Check for broken glass, replace if necessary. - Disassemble and oil moving components with high-grade instrument oil.
Hydraulic Starter System	Starter Clutch Temp Element	Annually	GE	- Visually inspect the element. Ensure element is not damaged. - Function Check with a calibrated meter. If temperatures observed seem to be incorrect: - Replace element and seals whenever variation in the controlled temperature is noticed. - Inspect and clean engine cable connectors with contact cleaner. - Tighten cable connectors. - Replace on component failure.

{D0464109.DOCX / 3}

CITY ATTORNEY\CYCOM\WPDOCS\D008\P003\00059719

Low Voltage AC/DC System	Batteries	Quarterly	O&M Contractor	- Inspect and ensure connections are clean. - Fill or replace as needed in accordance with manufacturer recommendations.
Low Voltage AC/DC System	General	Annually	GE	Generally inspect all system components. Replace or repair as needed.
Trailers	Hoses and Cables	5 Years		Inspect hoses and cables in the beam of the trailers for any signs of wear or damage repair and replace as necessary.
Trailers	Locking Pins	Annually		- Inspect for corrosion and ensure locking pin moves freely. - Grease if necessary.
Trailers	Electrical Cable Ends	Annually		- Inspect for damage, deterioration or corrosion. - Keep protected from the elements.
Trailers	Split and Air Line Couplings	Annually		- Inspect for damage, deterioration or corrosion. - Keep protected from the elements.
Trailers	All bushings (cams, lack adjusters)	Monthly		Grease as per manufacturer recommendations.
Trailers	Brake Lining	3 Months		Minimum thickness not to be less than 7mm.
Trailers	Tires	Monthly		Use a tire gauge to confirm correct pressure.
Trailers	Paintwork	3 Months		- Check for signs of corrosion. If damage to the paintwork cannot be rectified immediately, apply a thin layer of engine oil to the damaged areas as a temporary measure. - Repair according to TS 95953 Paint Specification, Application of Paint and Protective Coatings.
Trailers	Wheel Nuts	- After First 50 km - After First 150 km - Every 3 Months		Wheel nuts be tightened to the recommended torque setting (also after every wheel change).
Trailers	Wheel Bearings	- After First Month - Annually		Check play on wheel bearings
Trailers	Threaded Connections	- After First Month - Every 3 Months		All threaded connections to be checked and tightened to correct torque setting.
Trailers	Brake System	- After First Month - Before Re-transportation		- Check brakes for correct adjustment and efficiency (roller test). - Have the ABS system inspected and check for possible damage or wear to the cables.
Trailers	Air Bellows	Every 3 Months		Check air bellows or compensation cylinders for air leaks, damage, and dirt.
Trailers	Hydraulic System	Every 3 Months		Check hydraulic steering system (cylinders, rods, rotating elements and lines) for leaks, damage and dirt.
Trailers	Hydraulic System	Upon Installation Completion		Ensure hydraulic oil tanks of the Turbine and Generator trailers are fully topped off and add a high quality anti-rust inhibitor for use with hydraulic oil.
Trailers	Tires	- Annually - Upon Installation Completion		Protect tires from sun damage. Inspect for deterioration and if necessary replace before re-transportation of the package.
Trailers	Air system	Annually		Inspect for deterioration.
Trailers	Lighting System	Annually		Inspect cables for deterioration and repair as necessary.
Turbine Enclosure	Paintwork	- After First Month - Every 3 Months	O&M Contractor	Enclosure ceiling coating maintenance, if necessary, shall be made in accordance with the latest revision TP2118 Instruction
Turbine Lube Oil System	Supply and Scavenge Filters	Semi-Annually	GE	- Inspect filter element every six months or as necessary. - Ensure an ample supply of spare elements. - Ensure filter is not leaking. - Replace on Differential Pressure (DP).
Turbine Lube Oil System	Thermostatic Control Valve	Annually	GE	- Ensure element is not damaged. - Replace the thermostatic element and seals whenever some variation in the controlled temperature is noticed.
Turbine Lube Oil System	Tank Level Transmitter	Semi-Annually	GE	- Visually inspect to ensure it is not damaged. - Ensure transmitter is free of moisture. - Ensure electrical connections are not damaged. - Calibrate per manufacturer recommendation. Set zero and span to 4 and 20 mA at required pressures. Can be calibrated more often if drift occurs. - If malfunction is suspected, verify that the hardware and process connections are in good working order. • If the unit is still malfunctioning, refer to the manufacturer maintenance and troubleshooting manual for further instructions.
Turbine Lube Oil System	Relief Valves	Annually	GE	Ensure the valve is not damaged, and the seat is not leaking.
Turbine Lube Oil System	Tank	Annually	GE	- Check tank for leaks and damage. - Ensure vents are free from debris.
Turbine Lube Oil System	Clutch Drain Return Strainer	Semi-Annually	GE	- Ensure strainer is not damaged. - Ensure strainer is free from debris and magnets are intact. - Ensure strainer is not leaking.

{D0464109.DOCX / 3}

CITY ATTORNEY\CYCOM\WPDOCS\D008\P003\00059719

Turbine Lube Oil System	Tank Heater	• Annually	GE	• Check heaters for coatings and corrosion; clean if necessary. • Check for loose terminal connections and tighten as necessary. • The tank should be checked regularly for sediment around the heater. • Check thermostat for proper setting. • If adjustment is required, remove cover and calibrate per manufacturer recommendation.
Turbine Lube Oil System	VGV Pump Filter Element	• Semi-Annually	GE	• Replace filter element every six months or as necessary. • Ensure an ample supply of spare elements. • Ensure filter is not leaking.
Turbine Lube Oil System	Level Gauge	• Annually	GE	• Ensure the glass is free of scratches, chips or damage. • Ensure the connections are not leaking. • Ensure inside of the sight glass are free of foreign material.
Turbine Lube Oil System	Tank Fill Cap	• Annually	GE	• Ensure spring will let cap automatically close. • Clean cap seal. • Remove any spilled oil.
Turbine Lube Oil System	Filler Strainer	• Semi-Annually	GE	• Ensure strainer is not clogged, or damaged. • Clean strainer, and ensure strainer is free from debris.
Turbine Lube Oil System	Tank Flame Arrestor	• Annually	GE	• Loosen the wing nuts on the weather hood. Remove the weather hood to expose the flame arrester element. • Check the arrester assembly for debris; ensure the passage between the individual plates is clear.
Turbine Lube Oil System	Tank Demister	• Weekly • Annually	O&M Contractor	• Check differential gauge. • Filter element should be replaced when the differential pressure gauge reads 3" WC, per manufacturer guidelines. • Replace component if damaged or fails.
Turbine Lube Oil System	Check Valves	• Annually	GE	• Check valve body for leakage. • If leakage occurs, tighten the valve connections or fasteners. • If valve is damaged or fails, replace valve.
Turbine Lube Oil System	Ball Valves	• Annually	GE	• Check valve body for leakage. • If leakage occurs, tighten the valve connections or fasteners. • If valve is damaged or fails, replace valve.
Turbine Lube Oil System	Instrument Valves	• Annually	GE	• Check valve stem for leakage. • If valve is damaged or fails, replace valve. More often if repeated problems occur.
Turbine Lube Oil System	Magnetic Chip Detectors	• Annually	GE	• Inspect per manufactures recommendations.
Turbine Lube Oil System	Relief Valves	• Annually	GE	• Ensure the pressure regulator is not damaged or leaking. • Calibrate per manufacturer recommendation. • Ensure the valve is not damaged and the seat is not leaking. • Examine setting against manufacturer's standard. • Inspect and verify proper operation.
Turbine Lube Oil System	Pressure Transmitters(PTs)	• Annually	GE	• Visually inspect to ensure it is not damaged. • Ensure transmitter is free of moisture. • Ensure electrical connections are not damaged. Calibrate per manufacturer recommendation. Set zero and span to 4 and 20 mA at required pressures. Can becalibrated more often if drift occurs. If malfunction is suspected, verify that the hardware and process connections are in good working order. • If the unit is still malfunctioning, refer to the Rosemount manufacturer maintenance and troubleshooting manual for further instructions.
Turbine Lube Oil System	Pressure Differential Transmitters (PDTs)	• Annually	GE	• Visually inspect to ensure it is not damaged. • Ensure transmitter is free of moisture. • Ensure electrical connections are not damaged. • Calibrate per manufacturer recommendation. Set zero and span to 4 and 20 mA at required pressures. Can becalibrated more often if drift occurs. If malfunction is suspected, verify that the hardware and process connections are in good working order. • If the unit is still malfunctioning, refer to the Rosemount manufacturer maintenance and troubleshooting manual for further instructions.
Turbine Lube Oil System	Bubble Eliminator	• Annually	GE	• Visually inspect to ensure it is not damaged. • Replace component if failure is suspected
Turbine Lube Oil System	Hose Assemblies	• Annually	GE	• Check hoses for leaks and replace as necessary.
Turbine Lube Oil System	Hydraulic Charge Pump Filter	• Semi-Annually	GE	• Replace filter element every six months or as necessary. • Ensure an ample supply of spare elements. • Ensure filter is not leaking.

{D0464109.DOCX / 3}

CITY ATTORNEY\CYCOM\WPDOCS\D008\P003\00059719

Turbine Lube Oil System	Temperature Sensors(RTDs)	Annually	GE	- Visually inspect the element. Ensure element is not damaged. - Function check with a calibrated meter. If temperatures observed seem to be incorrect: - Replace element and seals whenever variation in the controlled temperature is noticed. - Inspect and clean engine cable connectors with contact cleaner. - Tighten cable connectors. - Replace on component failure.
Turbine Lube Oil System	TLO/HLO Heat Exchanger Motor	Refer to TP2010	O&M Contractor	Greasing inspection and storage requirements to be followed as per TP2010.
Turbine Lube Oil System	TLO/HLO Heat exchanger	Annually	GE	- Perform inspection of the heat exchanger on a regular basis. - Check for external leaks. - Check flow and if less than normal an internal inspection is required.
Turbine Lube Oil System	Orifice Plate	Annually	GE	Replace if suspected of failure
Turbine Lube Oil System	Accumulator	- Annually - Monthly	O&M Contractor	- If there is external leakage, tighten all connections. If leakage continues, remove accumulator from system and replace faulty components. - After original installation, check pre-charge once during first week to see that no leak has developed. Thereafter, check pre-charge monthly. - Check pre-charge if the system is acting sluggish. If pre-charge is low, check gas valve for leakage and recharge. - If there is no gas in bladder and fluid appears at gas valve, unit must be removed and bladder replaced.
Ventilation and Combustion Air System	Exhaust Assembly Weld & Fastener Inspection	Semi-Annually (Increase frequency if excessive wear is noted.)	GE	Inspect per latest revision of TS00002199 Exhaust Assembly Weld & Fastener Inspection. Repair as necessary.
Ventilation and Combustion Air System	Inlet Silencer	Annually	GE	- Visually inspect per SPM-113 Ventilation and Combustion Air System Maintenance. - Ensure drains are clear.
Ventilation and Combustion Air System	Filter Module-to-Silencer Seals	Annually	GE	Visually inspect for cracks and other signs of separation and failure.
Ventilation and Combustion Air System	FOD Screen	Annually	GE	Inspect metal screen for damage, missing or loose hardware.
Ventilation and Combustion Air System	FOD Sock	Annually	GE	Inspect nylon mesh screen for damage, tears, material integrity or decay. Replace if necessary.
Ventilation and Combustion Air System	Combustion Air Path, Turbine Enclosure and Generator Cooling Filter Pressure Differential Transmitters (PDTs)	Annually	GE	- Visually inspect to ensure it is not damaged. - Ensure transmitter is free of moisture. - Ensure electrical connections are not damaged. - Calibrate per manufacturer recommendation. Set zero and span to 4 and 20 mA at required pressures. Can be calibrated more often if drift occurs. If malfunction is suspected, verify that the hardware and process connections are in good working order. • If the unit is still malfunctioning, refer to the Rosemount manufacturer maintenance and troubleshooting manual for further instructions.
Ventilation and Combustion Air System	Turbine Enclosure Ventilation Fan Motor MOT-4017	- Monthly - As required	O&M Contractor	Grease in accordance with TP2010
Ventilation and Combustion Air System	Temperature Sensors(RTDs)	Annually	GE	- Visually inspect the element. Ensure element is not damaged. - Function check with a calibrated meter if temperatures observed seem to be incorrect: - Replace element and seals whenever variation in the controlled temperature is noticed. - Inspect and clean engine cable connectors with contact cleaner. - Tighten cable connectors. - Replace on component failure.
Ventilation and Combustion Air System	Air Conditioner MOT-4270	Monthly	O&M Contractor	- Inspect to ensure temperature setting is correct as per site specific Flow and Instrumentation Diagram(F&ID). - Inspect for unwanted condensation.
Ventilation and Combustion Air System	Battery Compartment Ventilation Fan	Weekly	O&M Contractor	Confirm fan is ventilating the compartment as required.

{D0464109.DOCX / 3}

CITY ATTORNEY\CYCOM\WPDOCS\D008\P003\00059719

Ventilation and Combustion Air System	Generator Space Heaters HE-4050 and HE-4051	• Annually	GE	• Inspect per generator manufacturer's recommendations.
Ventilation and Combustion Air System	Generator Cooling Filtration Media	• Annually • As required	GE	• Change filtration media upon DP or annually. • Inspect regularly for visual signs of deterioration or problems.
Ventilation and Combustion Air System	Clean Air Filtration Media	• Annually • As required	GE	• Inspect filtration media as described in SPM-113 and change on DP. • Inspect for damage Inspect regularly for visual signs of deterioration or problems.
Vibration System	Vibration Proximity Probes	• Annually	GE	• Visually inspect the element to ensure it is not damaged. • Check the gap voltage. In the instance of a problem, look for short between the signal common and the shield that could create ground loops and induce noise. • Ensure that the noise level remains in accordance with the specification by which it was designed. If the sensor does not perform within the specified limits, send to repair or replace element.
Vibration System	Vibration Accelerometer Probes	• Annually	GE	• Visually inspect the element to ensure it is not damaged In the instance of a problem, look for short between the signal common and the shield that could create ground loops and induce noise. • Ensure that the noise level remains in accordance with the specification by which it designed. If the sensor does not perform within the specified limits, send to repair.
Vibration System	Generator Speed Element (SE8100)	Annually	GE	• Visually inspect the element to ensure it is not damaged. In the instance of a problem, look for short between the signal common and the shield that could create ground loops and induce noise. • Ensure that the noise level remains in accordance with the specification by which it designed. If the sensor does not perform within the specified limits, send to repair.
Water Wash System	Tank	Annually	GE	• Inspect tank for leaks and damage, and to ensure vents are free from debris.
Water Wash System	Valves	Annually	GE	• Ensure valve is not damaged and check for leaks at valve connections, tighten as necessary.
Water Wash System	Tank Level Transmitter	Annually	GE	• Ensure transmitter is free from moisture and that the cover and connections are tight. • Calibrate per manufacturer recommendation.
Water Wash System	Filter	Semi-Annually	GE	• Replace the in-line filter element with new seals every 6 months, or as necessary. • Ensure spring is not damaged. • Replace filter when clogged. • Ensure the in-line filter is not leaking after replacement.
Water Wash System	Pump	• Annually	GE	• Check pump and motor for excessive vibration during operation. • Ensure electrical connections are not damaged. • Ensure pump is not leaking or damaged. • If abnormal conditions exist; motor should be removed and pump disassembled per manufacturer instructions.
Water Wash System	Flow Meter	• Annually	GE	• Ensure meter assembly is not damaged or leaking. • Ensure electrical connection at pickoff is not damaged. • Ensure the meter is flowing freely.

TABLE 2: TM2500 PRESERVATION						
Item	INSTALLED ENGINE/POWER TURBINE		NON INSTALLED ENGINE/POWER TURBINE NOT STORED IN A CONTAINER		NON INSTALLED ENGINE/POWER TURBINE STORED IN A CONTAINER	
	≤30	>30	≤30	>30	≤30	>30
Storage Period (days)	≤30	>30	≤30	>30	≤30	>30
Follow requirements of WP 002 00	X	X	X	X	X	X
Inspection of Inlet and Exhaust	X	X	X	X		
Add 5% BRAYCO to lubricating oil		X		X		X
Water wash	X	X				
Operate engine at idle speed to wetbearings	X	X				
Oil wet bearings			X	X	X	X
Use a cover on inlet and exhaust			X	X		
Put a cover or plug on all engineopenings and unattached fittings	X	X	X	X	X	X
Repeat oil wetting procedure every30 days		X		X		
Maintain oil wetting/storage log		X		X		X
Applicable Paragraph	B1-8	B1-9	B1-10	B1-11	B1-13	B1-12

EXHIBIT B
REIMBURSABLE COSTS

Reimbursable Cost items shall be paid to O&M Contractor in accordance with the requirements of Articles 5 and 7. Reimbursable Costs include:

1. Labor costs, including allowances for payroll, taxes, bonuses and benefits
2. Spare and replacement parts
3. All material, tools and equipment necessary to operate and maintain the Project
4. Chemicals
5. Lubricants (including proper disposal costs)
6. Specialized instrumentation and calibration equipment
7. Rigging and handling equipment
8. Consumables and general supplies
9. Cleaning Supplies
10. Shop equipment installed in Project
11. Authorized leased equipment
12. Specialized test and calibration equipment or services
13. Major equipment overhauls
14. GE TM2500 Trailers and structures repairs and maintenance (not caused by contractors under the Project Agreements)
15. Insurance costs in accordance with Section 9.1(d)
16. Taxes (excluding income) required to be paid by O&M Contractor
17. Costs related to training of plant personnel
18. Consultants' fees and expenses, if incorporated in the Annual Budget or otherwise approved in advance by Owner.
19. Contract Services, if incorporated in the Annual Budget or otherwise approved in advance by Owner.
20. Costs of security and cybersecurity measures.

All Services by O&M Contractor that support Project activities and all Reimbursable Costs shall be approved by Owner, through the Annual Budget or otherwise, prior to implementation by O&M Contractor.

EXHIBIT C
NOTICE AND COMMUNICATION PROTOCOLS

Notice to DWR

Ted Craddock
Office of the Director
California Department of Water Resources
P.O. Box 899
Sacramento, CA 94236-0001
Email: Ted.Craddock@water.ca.gov

Robert Hedrick
Office of General Counsel
California Department of Water Resources
P.O. Box 899
Sacramento, CA 94236-0001
Email: Robert.Hedrick@water.ca.gov

Notice to Owner

City of Roseville
Attn: City Clerk
311 Vernon Street
Roseville, CA 95678

Roseville Electric
Attn: Electric Utility Director
2090 Hilltop Circle
Roseville, CA 95747

EXHIBIT D
Insurance

1. At all times during the Term of this Agreement, each Party shall maintain, at its own expense, with responsible insurers who maintain a financial strength rating of "A-" or higher and a financial size category of VIII or higher with AM Best, or through an applicable public agency insurance risk pool or other self-insurance, the insurance described below with coverages no less than the minimums indicated. If either Party fails to comply with the provisions of this Exhibit D, it shall hold harmless and indemnify the other Party from any direct or indirect losses and liability, including attorney's fees and costs of litigation, resulting from the injury or death of any person or damage to any property, to the extent the indemnified Party would have been protected had the indemnifying Party complied with the requirements of this Exhibit D.
 - (a) General Liability. Each Party shall maintain general liability on an occurrence form with limits not less than one million dollars (\$1,000,000) per occurrence for bodily injury and property damage liability and an annual policy aggregate of three million dollars (\$3,000,000). The policy shall include coverage for liabilities arising out of premises, operations, independent contractors, products, completed operations, personal & advertising injury, and liability assumed under an insured contract. This insurance shall apply separately to each insured against whom claim is made or suit is brought subject to each Party's limit of liability. The policy shall be endorsed to include the other Party, its officers, agents, and employees as additional insureds, but only with respect to work performed under the Agreement and the indemnity obligations hereunder.
 - (b) Automobile Liability. Each Party shall maintain motor vehicle liability with limits not less than one million dollars (\$1,000,000) combined single limit per accident. Such insurance shall cover liability arising out of a motor vehicle including owned, hired and non-owned motor vehicles. The policy shall be endorsed to include the other Party, its officers, agents, and employees as additional insureds, but only with respect to work performed under the Agreement and the indemnity obligations hereunder.
 - (c) Worker's Compensation and Employer's Liability. Each Party shall maintain statutory worker's compensation and employer's liability coverage for all its employees, or employees of its Affiliate, who will be engaged in the performance of the Agreement. Employer's liability insurance shall not be less than one million dollars (\$1,000,000) for injury or death occurring as a result of each accident.
 - (d) Excess/Umbrella Liability Insurance. Excess/umbrella liability insurance covering claims in excess of the underlying insurance described in Sections 1(a) through 1(c) with a combined single limit and annual aggregate limit of twenty-five million dollars (\$25,000,000). The policy shall be endorsed to include the other Party, its officers, agents, and employees as additional insureds, but only with respect to work performed under the Agreement and the indemnity obligations hereunder.
 - (e) Pollution Liability. Each Party shall maintain pollution liability coverage with limits not less than five million dollars (\$5,000,000) per incident and ten million dollars

(\$10,000,000) in the annual aggregate covering liability for bodily injury, property damage, and environmental damage resulting from pollution and related cleanup costs incurred, all arising under this Agreement. Coverage shall be provided for both work performed on the Site and during transportation as well as proper disposal of hazardous materials. Proof of Pollution Liability coverage during transportation can also be provided by endorsement to the Auto Liability policy.

- (f) Professional Liability. As applicable, CDWR shall require any Contractor performing construction related services to maintain errors and omissions/professional liability coverage with limits not less than one million dollars (\$5,000,000) each occurrence and in the annual aggregate.
 - (g) Property Insurance. CDWR shall obtain and maintain in full force and effect during the term of this Agreement, all-risk property insurance in an amount equal to the full replacement cost value with respect to any equipment, parts, materials or other property, including but not limited to all property associated with the Project, owned by CDWR with sublimits as appropriate for facilities similar to this Site. CDWR shall be liable for all deductible amounts under any such all-risk property coverage. The policy shall waive all rights of subrogation against the other Party.
- 2. If any policy is written on a claims-made basis, provide the following:
 - (a) The Retroactive Date must be shown and must be before the date of the Agreement or the beginning of work performed under the Agreement.
 - (b) Insurance must be maintained and evidence of insurance must be provided for at least three (3) years after completion of the Agreement.
 - (c) If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the Execution date, the Seller must purchase "extended reporting" coverage for a minimum of three (3) years after completion of the Agreement.
 - 3. Coverage Term. Coverage shall remain in force for the complete term of the Agreement. If insurance expires during the term of the Agreement, a new certificate must be provided to the other Party as soon as practicable but no later than 15 days following the expiration of the insurance.
 - 4. Deductible. Each Party is responsible for any deductible or self-insured retention contained within their insurance program.
 - 5. Primary Clause. Any required insurance contained in this Agreement shall be primary, and not excess or contributory, to any other insurance carried by the other Party.
 - 6. Inadequate Insurance. Inadequate or lack of insurance does not negate Each Party's obligations under the Agreement.
 - 7. Should either party elect to self-insure for any required insurance, that Party shall be liable to O&M Contractor for the full equivalent of insurance coverage which would have been available to O&M Contractor the applicable insurance policies had been obtained by the

Party from a third party insurer, in full compliance with the provisions under this Exhibit D, and shall pay on behalf of or indemnify O&M Contractor for all amounts which would have been payable by the third party insurer. In addition, CDWR shall act with the same promptness and be subject to the same standards of good faith as would apply to a third party insurance company.

8. Waiver of Subrogation. All insurance or self-insurance required by this Exhibit D shall waive any right of recovery the insurer (or CDWR in the case of self-insurance) may have against the other Party because of payments the insurer or CDWR makes for injury or damage in connection with this Agreement.
9. Certificate(s). Certificate(s) shall include at least the following information: (i) the name of the insurance company, policy number and expiration date; (ii) the coverage and limits per required coverage, including the amounts of deductibles or self-insured retentions.