AGENDA
BOARD OF DIRECTORS MEETING
Thursday, August 3, 2017 at 8:45 A.M.
50 Santa Rosa Avenue, Fifth Floor, Santa Rosa, California

I. CALL TO ORDER

II. BOARD OF DIRECTORS CLOSED SESSION CALENDAR

1. The Board of Directors of the Sonoma Clean Power Authority will consider the following in closed session: Public Employee Performance Evaluation – Chief Executive Officer (Gov’t Code Section 54957); Public Employee Labor Negotiations – Chief Executive Officer Position. Authority negotiators: Chair, Bruce Okrepkie; Vice-Chair, Dan Hamburg; General Counsel, Steve Shupe (Govt. Code Section 54957.6)

III. BOARD OF DIRECTORS CONSENT CALENDAR

2. Approve the minutes of the July 6, 2017 meeting of the SCPA Board of Directors.

IV. BOARD OF DIRECTORS REGULAR CALENDAR

3. Receive Operations Update and provide direction as appropriate.

4. Receive State Legislative and Regulatory Updates and provide direction as appropriate.

5. Presentation by Sonoma County Transportation Authority/Regional Climate Protection Authority on Shift Sonoma County, a Low Carbon Transportation Action Plan

6. Appoint ad hoc committee to review applications, interview and recommend potential members for upcoming vacancies on the Community Advisory Committee

7. Approve Amended Agreement with Calpine

8. Approve Conflict of Interest Code Amendment

9. Approve incentives to Transportation Network Company drivers who use electric vehicles.
V. BOARD MEMBER ANNOUNCEMENTS

VI. PUBLIC COMMENT ON MATTERS NOT LISTED ON THE AGENDA

(Comments are restricted to matters within the Board jurisdiction. Please be brief and limit comments to three minutes.)

VII. ADJOURN

DISABLED ACCOMMODATION: If you have a disability which requires an accommodation, an alternative format, or requires another person to assist you while attending this meeting, please contact the Clerk of the Board at (707) 978-3467, as soon as possible to ensure arrangements for accommodation.
Staff Report – Item 01

To: Sonoma Clean Power Authority Board of Directors

From: General Counsel, Steve Shupe

Issue: Closed Session Items

Date: August 3, 2017

Requested Board Action:

The Board of Directors of the Sonoma Clean Power Authority will consider the following in closed session: Public Employee Performance Evaluation – Chief Executive Officer (Gov’t Code Section 54957); Public Employee Labor Negotiations – Chief Executive Officer Position. Authority negotiators: Chair, Bruce Okrepkie; Vice-Chair, Dan Hamburg; General Counsel, Steve Shupe (Govt. Code Section 54957.6)
I. CALL TO ORDER

The meeting was called to order at 8:44 a.m. by Chair Okrepkie.

Present: Chair Okrepkie, Vice Chair Hamburg, Directors Peters, Bagby, Rogers, Belforte, Harrington, Landman, Slayter and Kearney.

Staff: Chief Executive Officer Geof Syphers, General Counsel Steve Shupe

II. BOARD OF DIRECTORS CONSENT CALENDAR

1. Approve the minutes of the March 2, April 13, and May 11, 2017 meetings of the SCPA Board of Directors.

Motion to approve the March 2, 2017 minutes by Director Kearney
Second: Director Rogers
Motion approved: 9-0-1 (Director Landman abstained)

Motion to approve the minutes of April 13 and May 11, 2017 by Director Kearney
Second: Director Rogers
Motion approved: 10-0-0

III. BOARD OF DIRECTORS REGULAR CALENDAR

2. Receive Operations Update and provide direction as appropriate.

CEO Syphers updated the Board on outreach in Mendocino and stated that opt-outs are trending to about 12%. He stated that SCP added its name to the “We Are Still In” movement regarding the Paris Climate Agreement. CEO Syphers stated Peter Renfro resigned from the Community Advisory Committee, leaving ten members. A proposal will be brought to the August Board meeting for direction on the recruitment process. He stated the annual joint-rate mailer went out. CEO Syphers stated that SCP is a small percent over forecast on revenues and about 3.5% under on expenses which means SCP will have approximately $15,000,000 to contribute to reserves at the end of the fiscal year.

Director Landman stated that he would like to see staff come back with a legislative platform for Board adoption to allow staff to continue to move quickly on legislative matters.
Public Comment:
Bob Williamson asked if there was a problem defining how GHGs are measured or if there was a political reason GHGs are not currently published on the Joint Rate Mailer.

CEO Syphers stated that AB 1110 will define a standard method of reporting GHG emissions and that information will be published on the Mailer starting in 2020.

3. Receive Regulatory and State Legislative Updates and provide direction as appropriate.

Kate Brandenburg stated the Governor and Legislature made deadlines of passing and signing the budget on time without any vetoes. She stated that a Cap-and-Trade bill is expected to pass out of the Assembly on Monday. She stated AB 33 was pulled and will be a two-year bill. CEO Syphers stated that AB 79 would require an update to the assumed emissions for electricity that comes from an unspecified source. Ms. Brandenburg updated the Board on AB 920, AB 1405, SB 71, SB100, SB618 and SB775. CEO Syphers added that yesterday we received language on AB 1184 which is an entirely new bill relating to proposing $3 billion for EV incentives over the next ten years to be administered through the CPUC.

Public Comment:
None

Regulatory Affairs Manager Neal Reardon stated the CPUC voted to open a new rulemaking regarding the Power Charge Indifference Adjustment (PCIA) and that the Commission dismissed the utilities’ Portfolio Allocation Methodology (PAM). He stated at the end of the month SCP will have an opportunity to respond to the scope of the proposed rulemaking which has an 18-month time frame. Counsel Shupe stated each year PG&E files an application with the CPUC to set the amount of the PCIA, called the “ERRA” filing, and we are preparing a protest related to exit fees within this filing. He also stated SCP assisted in drafting comments on the CPUC’s staff proposal on integrated resource planning which asserts significant CPUC authority over SCP’s procurement activities which are not justified. Regulatory Affairs Manager Reardon stated that CalCCA filed a petition to change the treatment of data. CEO Syphers introduced the in-coming CEO of East Bay Community Energy, Nick Chaset.

Public Comment:
Dick Dowd asked if staff can talk about what will happen with IOUs and the cost of energy.

Shupe stated we have made this argument previously and the problem right now is the utilities are maintaining their entire portfolios even as CCAs serve increasing portions of their load.
MINUTES
SONOMA CLEAN POWER AUTHORITY
BOARD OF DIRECTORS
THURSDAY, JULY 6, 2017


Director of Customer Service Erica Torgerson explained default time-of-use and its two parts. She stated the first was collapsing the tiers on the E1 rate as well as a plan to move customers from the E1 rate to a time-of-use rate. The three IOUs in the pilot have been instructed to move 5% of their E1 customers to a time-of-use rate. She stated we are looking for approval from the Board to participate in this pilot, which would move about 7,750 of SCP’s E1 customers to this pilot in March of 2018. At that time, the customers would default into a new rate called E-TOU-C which will have a peak period from 4:00p.m. – 9:00p.m. seven days a week. No net metered customers or customers in Mendocino County would be included in the pilot. She stated there are two major issues with moving our customers to a default TOU rate which are the rate comparison tool and bill protection. She stated that from March 2018/19 this will cost SCP approximately $103,000 and customers who end up paying more by going to E-TOU-C will automatically be credited the difference, which would create a net cost to SCP of about $15,000 for this fiscal year.

Director Rogers asked how the 5% will be chosen. Director Torgerson stated that PG&E will randomly select customers.

Director Belforte asked about outreach for seniors and working people, who are busy. Director Torgerson stated that PG&E is required to send each customer a 90, 60, and 30-day notice. Director Harrington stated her concern over the effects on customers who pay more. CEO Syphers stated that in addition to returning any net increase in cost at the end of the pilot period, customers in the pilot will see a very small savings on average and the use of time-of-use periods will make rates easier to understand – costs are always lower in the middle of the day and higher at 4 PM, instead of increasing throughout the billing month period as customers move into higher tiers.

Director Rogers asked if it is possible to conduct the pilot quarterly instead. Director Torgerson stated that because customers would do much better during the winter, the concern was that everyone would opt-out during the winter and skip the summer which would defeat the purpose of the pilot.

Director Harrington asked about the purpose of pilot. Director Torgerson stated it will test outreach strategies, time-of-use rates, customer behavior, opt-out rates and new rates.

Director Bagby asked if there was an app for this. CEO Syphers stated we can do some research and find out.
Public Comment:
Bob Williamson stated that the proposal seems thought out and we should keep this as simple as we can and it is important to communicate with our customers and we should not deviate from the wider PG&E pilot.

Motion to approve SCP participation in CPUC’s Default Time-Of-Use Pilot, Customer Bill Protection, and related revenue reduction while excluding Mendocino by Director Landman.
Second: Director Rogers
Motion approved: 9-1-0

5. Approve customer incentives for the Drive EverGreen electric vehicle program.

Director of Programs Cordel Stillman introduced Programs Manager Rachel Kuykendall. Director Stillman explained to the Board the background for incentives for EVs and charging equipment. He stated that with this next program, SCP would like to include more vehicle options. He stated that after issuing the RFP, SCP received nine proposals and he added an addendum to the packet regarding used vehicles.

Director Hamburg asked if the Mendocino County Air Quality Management District can offer incentives. Director Stillman stated he contacted the District and they do not have the budget at this time but are interested in participating in the marketing of the program.

Director Landman asked for update of negotiations with dealers via email.

Director of Public Relations and Marketing Kate Kelly stated that for this program outreach will include website, vehicles, television, radio, outdoor billboards and direct mail which will be specifically targeted to CARE/FERA customers.

Dick Dowd stated the Community Advisory Committee had a lengthy discussion with staff regarding this program and unanimously support the program.

Public Comment: None

Director Slayter asked for advanced marketing for the Board to assist in getting the word out to let people know but to also hold off on purchasing something else.

Motion to approve customer incentives for the Drive EverGreen electric vehicle program by Director Slayter
Second: Director Rogers
Motion approved: 10-0-0
Director Rogers left the meeting at 10:40 a.m.

6. Approve contract with Sonoma County Water Agency to provide an educational program.

Director of Programs Cordell Stillman explained to the Board how this contract with the Sonoma County Water Agency (SCWA) would incorporate energy and climate issues into their existing programs and train their staff to conduct outreaches to 4th and 5th grades in all SCP service territories.

Director Landman asked how this fits into a best practice for SCP and customer funds.

CEO Syphers stated there are two responses that he recommends. He stated the first is the direct benefits of education and the changes that can occur over the years. He also stated that this agency has customers that can opt-out, unlike every other government agency in this county. SCP needs to be present in the community and educate who we are and the tangible benefits such as this program and seeing local projects get built. It builds the strength of this organization even if our rates are higher than PG&E.

Director Peters stated he has an issue with the cost of the program and the hourly rates. Director Stillman stated that they are weighted rates which include not only the hourly rate that the individual gets paid but the benefits and a share of rent, insurance, admin staff, etc.

CEO Syphers stated we need to look for opportunities to work with Mendocino service providers, contractors, attorneys, accountants and so forth, and we are looking for sites where generators of solar or wind could serve us through feed-in tariff.

Public Comment:
Bob Williamson stated that SCP can afford things like this with future benefits but the important thing is to make sure rates do not have to be higher than PG&E’s to fund social programs and hopes rates can be reduced if needed.

Motion to approve contract with Sonoma County Water Agency to provide an educational program by Director Belforte
Second: Director Kearney
Motion approved: 7-2-0

7. Adopt Resolution authorizing investment of reserve funds with the Sonoma County Auditor-Controller-Treasurer-Tax Collector, approving the related Investment Agreement, and designating signatories.

Public Comment: None
Motion to approve adoption of Resolution 17-001 by Director Kearney
Second: Director Landman
Motion approved: 9-0-0

IV. BOARD MEMBER ANNOUNCEMENTS

Chair Okrepkie mentioned the visit to the turbines and their efficiency.

V. PUBLIC COMMENT ON MATTERS NOT LISTED ON THE AGENDA

None

VI. ADJOURN (11:11a.m.)

Respectfully Submitted,

Braiden Gugel
Executive Assistant
Staff Report – Item 03

To: Sonoma Clean Power Authority Board of Directors
From: Stephanie Reynolds, Internal Operations Manager
Issue: Operations Report
Date: August 3, 2017

NEWS & MILESTONES

- Mendocino outreach continues
- SCP Welcomes new team member
- SCP Presents a timeline of events
- Drive EverGreen Phase II updates
- Total active accounts 227,941 with 1,447 active EverGreen accounts

MENDOCINO OUTREACH CONTINUES

Outreach to support SCP’s rollout to Mendocino County continues. In July, SCP visited Anderson Valley, and Ukiah. SCP staff continues to be present at fairs and other community events throughout the rest of the summer months but has scaled down public presentations and will be presenting to groups that request SCP be at their meetings/events. Print, online and radio ads promoting both SCP and EverGreen continue to run in all Mendocino communities, and we participate in radio and press interviews as requested. Opt outs are trending to be similar to those in Sonoma County, at approximately 13%, with 178 customers choosing to opt up to EverGreen.
SCP WELCOMES NEW TEAM MEMBER

On August 1, SCP welcomed Compliance Analyst, CB Hall. CB comes to SCP with energy industry experience gained while working with PG&E as an analyst. CB will be working with Regulatory Affairs Manager Neal Reardon and General Counsel Steve Shupe, along with our procurement staff, to handle SCP’s many compliance obligations.

SCP RELEASES HISTORICAL TIMELINE

SCP marketing staff has been working on gathering historical information on milestones reached from the start of the CCA journey. This timeline (to be shown at the meeting and is currently up on the SCP website) will continue to be updated as SCP continues to serve our communities.

DRIVE EVERGREEN PHASE II UPDATES

Drive EverGreen is preparing to launch Phase II on August 8th and run through October 31st. This year we have significantly increased the number of dealers and vehicles available to our customers at discounted prices (see attached table). In addition to offering SCP incentives on new cars ($2000 for regular customers and $3500 for CARE/FERA) we are offering incentives on used cars as well ($1000 for regular and $2000 for CARE/FERA). Marketing will take advantage of all media sources, including television this year. We are placing an increased emphasis on “trust networks” this year with outreach to individuals and organizations with large e-mail lists. A targeted standard e-mail will be prepared and distributed to these lists as this is where SCP saw the best results last year.

MONTHLY COMPILED FINANCIAL STATEMENTS

Sonoma Clean Power continued to add to a strong net position in May, with projections of further growth in net position over the remainder of the year. Average customer rates have been reduced as of the beginning of the fiscal year, as SCP intends to keep rates attractive compared to those of PG&E. May marks the first month of the summer rate season, a period where aggregate rates are greater than in the winter season. The year-to-date growth in net position is above projections due primarily to lower than anticipated energy costs. Year-to-date operating revenues reached $147,154,000.
Electricity sales (as reported on the Statement of Revenues, Expenses and Changes in Net Assets) is being offset by our estimate of uncollectible accounts, which is currently set at approximately 0.5% of electricity sales. As historical data is gathered on the collection patterns specific to SCP customers, this rate will be revisited and adjusted as necessary. Note that the accounts receivable line on the Statement of Net Position is presented net of allowance for uncollectibles.

SCP continues to procure electricity from multiple sources. Included in these purchases is energy that is being re-sold to other resellers. Net position increased to a positive $57,472,000, which indicates healthy growth as SCP continues to make progress towards its reserve goals. Of this net position, approximately $19,937,000 and $3,518,000 is considered set aside for operating and project reserves, respectively.

Overall, other operating expenses continued near or slightly below planned levels for the year.

**BUDGETARY COMPARISON SCHEDULE**

The accompanying budgetary comparison includes the 2016/17 budget amendment approved by the Board of Directors in December 2016.

The budget is formatted to make comparisons for both the annual and the year-to-date perspective. The first column, 2016/17 YTD Budget, allocates the Board approved annual budget at expected levels throughout the year with considerations for the timing of additional customers, usage volumes, staffing needs etc. This column represents our best estimates and this granular approach was not part of the Board approved budget.

Revenue from electricity sales to customers is on-line with the year-to-date budget. The cost of electricity is around 98% of budget-to-date, mostly due to fluctuating market cost of energy on open position purchases.

Major operating categories of Data Management fees and PG&E Service fees, which are tied to the customer account totals, are closely aligned to the annual budgeted amount. In addition to the items mentioned above, SCP continues its trend of remaining near or under budget for most of its operating expenses.
### NEW VEHICLES

<table>
<thead>
<tr>
<th>Dealers</th>
<th>Participating Vehicles</th>
<th>MSRP</th>
<th>LEASES</th>
<th>PURCHASES</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Credita</td>
<td>Credita</td>
</tr>
<tr>
<td>Jim Bone Nissan</td>
<td>LEAF S</td>
<td>$30,680</td>
<td>$3,450 + $12,350</td>
<td>$3,450 + $4,000</td>
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<tr>
<td></td>
<td>LEAF SV</td>
<td>$34,200</td>
<td>$4,330 + $12,350</td>
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<td>LEAF SL</td>
<td>$36,790</td>
<td>$4,466 + $12,350</td>
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<td>Jim Bone Kia</td>
<td>Soul EV-e</td>
<td>$33,380</td>
<td>$1,500 + $14,500</td>
<td>$1,500 + $1,000</td>
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<td></td>
<td>Soul EV</td>
<td>$35,440</td>
<td>$1,600 + $14,500</td>
<td>$1,600 + $1,000</td>
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<tr>
<td></td>
<td>Soul EV+</td>
<td>$38,075</td>
<td>$1,900 + $14,500</td>
<td>$1,900 + $1,000</td>
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<tr>
<td></td>
<td>Optima PHEV</td>
<td>$36,500</td>
<td>$2,000 + $8,919</td>
<td>$2,000 + $1,500</td>
</tr>
<tr>
<td></td>
<td>Optima PHEV EX</td>
<td>$35,210</td>
<td>$2,500 + $8,919</td>
<td>$2,500 + $1,500</td>
</tr>
<tr>
<td>Mercedes-Benz of Santa Rosa</td>
<td>B-Class Electric</td>
<td>$46,000</td>
<td>$6,000 + $7,500</td>
<td>$6,000 + $0</td>
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<tr>
<td>Hansel BMW</td>
<td>i3 Base</td>
<td>$45,445</td>
<td>$2,000 + $7,500</td>
<td>$2,000 + $9,000</td>
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<tr>
<td></td>
<td>i3 REx (range extender)</td>
<td>$49,295</td>
<td>$2,000 + $7,500</td>
<td>$2,000 + $9,000</td>
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<tr>
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<td>i3 REx Giga</td>
<td>$51,095</td>
<td>$2,000 + $7,500</td>
<td>$2,000 + $9,000</td>
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<td>Hansel Ford</td>
<td>Focus EV</td>
<td>$29,210</td>
<td>$1,000 + $11,750</td>
<td>$1,000 + $3,350</td>
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<td>Hansel VW</td>
<td>e-Golf</td>
<td>$28,995</td>
<td>$5,750 + $7,500</td>
<td>$7,000 + $0</td>
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<tr>
<td>Platinum Chevrolet</td>
<td>Volt</td>
<td>$34,095</td>
<td>$3,000 + $6,650</td>
<td>$1,000 + $3,000</td>
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<tr>
<td></td>
<td>Bolt</td>
<td>$38,245</td>
<td>$3,000 + $0</td>
<td>$3,000 + $3,500</td>
</tr>
</tbody>
</table>

### ADDITIONAL SCP INCENTIVES

- **Standard Customers**: $2,000
- **CARE/FERA Customer Bonus**: $1,500

### USED VEHICLES

<table>
<thead>
<tr>
<th>Dealer</th>
<th>Participating Vehicles</th>
<th>SCP Incentiveb</th>
<th>CARE/FERA Bonusc</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jim Bone Nissan</td>
<td>LEAF S, SV, SL</td>
<td>$1,000</td>
<td>$1,000</td>
</tr>
<tr>
<td>Hansel BMW</td>
<td>i3 Base, REx, REx Giga</td>
<td>$1,000</td>
<td>$1,000</td>
</tr>
</tbody>
</table>

More information on additional rebates and tax credits on the next page.
## ADDITIONAL POST-PURCHASE/LEASE REBATES & TAX CREDITS

<table>
<thead>
<tr>
<th>Rebate/Lease Rebate</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>California rebate</td>
<td>$2,500</td>
</tr>
<tr>
<td>California Rebate Bonus for Low-Moderate Income Residents</td>
<td>$2,000</td>
</tr>
<tr>
<td>Federal tax credit (up to)</td>
<td>$7,500</td>
</tr>
<tr>
<td>Northern Sonoma County 3-2-1 Go Green!</td>
<td>$3,000</td>
</tr>
<tr>
<td>Northern Sonoma County 3-2-1 Go Green! Low-income rebate</td>
<td>$1,000</td>
</tr>
</tbody>
</table>

- a. Available while funds and vehicle inventories last. Limit one vehicle per electric account.
- b. Must be enrolled in California Alternate Rates for Energy (CARE) or Family Electric Rate Assistance (FERA) programs.
- c. Monthly lease price to reflect amount of dealer / manufacturer purchase credit.
- d. Subject to State of California income qualifications - visit [www.cleanelectriclevitation.org](https://cleanvehiclerebate.org), for income limits.
- e. Household incomes must be less than or equal to 300% of Federal Poverty Level.
- f. Tax credit may not exceed amount of federal taxes owed; federal tax credits maybe included in lease credits from manufacturer and/or dealer.
- g. Must reside in the Northern Sonoma County Air Pollution Control District, see [http://tinyurl.com/APCD321](http://tinyurl.com/APCD321)
- h. See income qualifications [http://tinyurl.com/APCD321](http://tinyurl.com/APCD321)
ACCOUNTANTS’ COMPILATION REPORT

Management
Sonoma Clean Power Authority

Management is responsible for the accompanying financial statements of Sonoma Clean Power Authority (a California Joint Powers Authority) which comprise the statement of net position as of May 31, 2017, and the related statement of revenues, expenses, and changes in net position, and the statement cash flows for the period then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the accompanying statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, conclusion, nor provide any assurance on these financial statements.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user’s conclusions about the Authority’s financial position, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to the Authority because we performed certain accounting services that impaired our independence.

Maher Accountancy
San Rafael, CA
June 29, 2017
# SONOMA CLEAN POWER AUTHORITY

## STATEMENT OF NET POSITION

As of May 31, 2017

<table>
<thead>
<tr>
<th>ASSETS</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Current assets</td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>$38,830,028</td>
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<tr>
<td>Accounts receivable, net of allowance</td>
<td>14,175,571</td>
</tr>
<tr>
<td>Other receivables</td>
<td>149,921</td>
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<tr>
<td>Accrued revenue</td>
<td>7,887,409</td>
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<tr>
<td>Prepaid expenses</td>
<td>76,667</td>
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<tr>
<td>Deposits</td>
<td>253,461</td>
</tr>
<tr>
<td>Investments</td>
<td>7,007,726</td>
</tr>
<tr>
<td>Total current assets</td>
<td>68,380,783</td>
</tr>
</tbody>
</table>

| Noncurrent assets           |       |
| Capital assets, net of depreciation | 182,062  |
| Deposits                    | 3,714,666 |
| Total noncurrent assets     | 3,896,728 |
| Total assets                | 72,277,511 |

| LIABILITIES                 |       |
| Current liabilities        |       |
| Accounts payable           | 504,086 |
| Accrued cost of electricity| 11,177,134 |
| Other accrued liabilities  | 266,285 |
| User taxes and energy surcharges due to other governments | 383,187 |
| Total current liabilities  | 12,330,692 |

| Noncurrent liabilities     |       |
| Supplier security deposits | 2,475,000 |
| Total liabilities          | 14,805,692 |

## NET POSITION

| Net investment in capital assets | 182,062 |
| Unrestricted                    | 57,289,757 |
| Total net position              | $57,471,819 |
SONOMA CLEAN POWER AUTHORITY

STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
July 1, 2016 through May 31, 2017

<table>
<thead>
<tr>
<th>OPERATING REVENUES</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Electricity sales, net</td>
<td>$138,228,250</td>
</tr>
<tr>
<td>Evergreen electricity premium</td>
<td>219,150</td>
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<tr>
<td>Electricity sales for resale</td>
<td>8,338,619</td>
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<tr>
<td>Liquidated damages</td>
<td>368,441</td>
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<tr>
<td>Total operating revenues</td>
<td>147,154,460</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>OPERATING EXPENSES</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost of electricity</td>
<td>121,082,142</td>
</tr>
<tr>
<td>Staff compensation</td>
<td>2,309,904</td>
</tr>
<tr>
<td>Data manager</td>
<td>2,589,419</td>
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<tr>
<td>Service fees - PG&amp;E</td>
<td>956,799</td>
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<tr>
<td>Consultants and other professional fees</td>
<td>1,049,389</td>
</tr>
<tr>
<td>Legal</td>
<td>280,033</td>
</tr>
<tr>
<td>Communications</td>
<td>723,770</td>
</tr>
<tr>
<td>General and administration</td>
<td>357,995</td>
</tr>
<tr>
<td>Program rebates and incentives</td>
<td>969,976</td>
</tr>
<tr>
<td>Depreciation</td>
<td>43,677</td>
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<tr>
<td>Total operating expenses</td>
<td>130,363,104</td>
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<tr>
<td>Operating income</td>
<td>16,791,356</td>
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<table>
<thead>
<tr>
<th>NONOPERATING REVENUES (EXPENSES)</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest income</td>
<td>201,723</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>CHANGE IN NET POSITION</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Net position at beginning of period</td>
<td>40,478,740</td>
</tr>
<tr>
<td>Net position at end of period</td>
<td>$57,471,819</td>
</tr>
</tbody>
</table>

See accountants’ compilation report.
## Statement of Cash Flows
### Sonoma Clean Power Authority
#### July 1, 2016 through May 31, 2017

### Cash Flows from Operating Activities

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Receipts from electricity sales</td>
<td>$141,337,154</td>
</tr>
<tr>
<td>Receipts from electricity sales for resale</td>
<td>9,249,403</td>
</tr>
<tr>
<td>Receipts from liquidated damages</td>
<td>368,441</td>
</tr>
<tr>
<td>Receipts from supplier security deposits</td>
<td>2,475,000</td>
</tr>
<tr>
<td>Tax and surcharge receipts from customers</td>
<td>2,123,622</td>
</tr>
<tr>
<td>Payments to purchase electricity</td>
<td>(129,741,117)</td>
</tr>
<tr>
<td>Payments for staff compensation</td>
<td>(2,221,827)</td>
</tr>
<tr>
<td>Payments for contract services</td>
<td>(5,030,051)</td>
</tr>
<tr>
<td>Payments for communications</td>
<td>(766,158)</td>
</tr>
<tr>
<td>Payments for general and administration</td>
<td>(361,925)</td>
</tr>
<tr>
<td>Payments for program rebates and incentives</td>
<td>(1,064,976)</td>
</tr>
<tr>
<td>Tax and surcharge payments to other governments</td>
<td>(2,203,487)</td>
</tr>
<tr>
<td><strong>Net cash provided (used) by operating activities</strong></td>
<td>14,164,079</td>
</tr>
</tbody>
</table>

### Cash Flows from Non-Capital Financing Activities

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deposits and collateral paid</td>
<td>(3,512,500)</td>
</tr>
<tr>
<td>Deposits and collateral returned</td>
<td>395,000</td>
</tr>
<tr>
<td><strong>Net cash provided (used) by non-capital financing activities</strong></td>
<td>(3,117,500)</td>
</tr>
</tbody>
</table>

### Cash Flows from Capital and Related Financing Activities

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acquisition of capital assets</td>
<td>(30,170)</td>
</tr>
</tbody>
</table>

### Cash Flows from Investing Activities

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest income received</td>
<td>182,452</td>
</tr>
<tr>
<td>Net change in cash and cash equivalents</td>
<td>11,198,861</td>
</tr>
<tr>
<td>Cash and cash equivalents at beginning of year</td>
<td>27,631,167</td>
</tr>
<tr>
<td>Cash and cash equivalents at end of period</td>
<td>$38,830,028</td>
</tr>
</tbody>
</table>

See accountants' compilation report.
SONOMA CLEAN POWER AUTHORITY

STATEMENT OF CASH FLOWS (continued)
July 1, 2016 through May 31, 2017

RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES

Operating income $ 16,791,356

Adjustments to reconcile operating income to net cash provided (used) by operating activities

- Depreciation expense 43,677
- Revenue reduced for uncollectible accounts 695,686
- (Increase) decrease in net accounts receivable 756,569
- (Increase) decrease in other receivables 910,784
- (Increase) decrease in accrued revenue 1,437,498
- (Increase) decrease in prepaid expenses (56,519)
- (Increase) decrease in current deposits (95,961)
- Increase (decrease) in accounts payable (147,667)
- Increase (decrease) in accrued cost of electricity (8,719,305)
- Increase (decrease) in accrued liabilities 152,826
- Increase (decrease) in user taxes and energy surcharges due to other governments (79,865)
- Increase (decrease) in supplier security deposits 2,475,000

Net cash provided (used) by operating activities $ 14,164,079

See accountants' compilation report.
ACCOUNTANTS’ COMPILATION REPORT

Board of Directors
Sonoma Clean Power Authority

Management is responsible for the accompanying special purpose statement of Sonoma Clean Power Authority (a California Joint Powers Authority) which comprise the budgetary comparison schedule for the period ended May 31, 2017, and for determining that the budgetary basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the accompanying statement nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any assurance on this special purpose budgetary comparison statement.

The special purpose statement is prepared in accordance with the budgetary basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. This report is intended for the information of the Board of Directors of SCP.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the special purpose budgetary comparison statement, they might influence the user’s conclusions about the Authority’s results of operations. Accordingly, this special purpose budgetary comparison statement is not designed for those who are not informed about such matters.

We are not independent with respect to the Authority because we performed certain accounting services that impaired our independence.

Maher Accountancy
San Rafael, CA
June 29, 2017
### REVENUE AND OTHER SOURCES:

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue - Electricity (net of allowance) *</td>
<td>$134,098,172</td>
<td>$138,228,250</td>
<td>$4,130,078</td>
<td>103%</td>
<td>$147,824,136</td>
<td>$9,595,886</td>
</tr>
<tr>
<td>Revenue - Evergreen Premium (net of allowance)</td>
<td>177,667</td>
<td>219,150</td>
<td>41,483</td>
<td>123%</td>
<td>196,000</td>
<td>(23,150)</td>
</tr>
<tr>
<td>Revenue - Electricity sales for resale **</td>
<td>8,792,000</td>
<td>8,338,619</td>
<td>(453,381)</td>
<td>95%</td>
<td>8,792,000</td>
<td>453,381</td>
</tr>
<tr>
<td>Revenue - Interest income</td>
<td>138,417</td>
<td>201,723</td>
<td>63,306</td>
<td>-</td>
<td>151,000</td>
<td>(50,723)</td>
</tr>
<tr>
<td>Revenue - Liquidated damages</td>
<td>-</td>
<td>368,441</td>
<td>368,441</td>
<td>-</td>
<td>-</td>
<td>(368,441)</td>
</tr>
<tr>
<td>Total revenue and other sources</td>
<td>143,206,256</td>
<td>147,356,183</td>
<td>4,149,927</td>
<td>103%</td>
<td>156,963,136</td>
<td>9,606,953</td>
</tr>
</tbody>
</table>

### EXPENDITURES AND OTHER USES:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost of energy and scheduling</td>
<td>123,840,855</td>
<td>121,082,142</td>
<td>(2,758,713)</td>
<td>98%</td>
<td>133,748,000</td>
<td>12,665,858</td>
</tr>
<tr>
<td>Data management</td>
<td>2,676,552</td>
<td>2,589,419</td>
<td>(87,133)</td>
<td>97%</td>
<td>2,902,250</td>
<td>312,831</td>
</tr>
<tr>
<td>Service fees- PG&amp;E</td>
<td>986,700</td>
<td>956,799</td>
<td>(29,901)</td>
<td>97%</td>
<td>1,076,800</td>
<td>120,001</td>
</tr>
<tr>
<td>Personnel</td>
<td>2,508,000</td>
<td>2,309,904</td>
<td>(198,096)</td>
<td>92%</td>
<td>2,736,000</td>
<td>426,096</td>
</tr>
<tr>
<td>Outreach and communications</td>
<td>677,250</td>
<td>531,930</td>
<td>(145,320)</td>
<td>79%</td>
<td>737,000</td>
<td>205,070</td>
</tr>
<tr>
<td>Required noticing</td>
<td>440,333</td>
<td>191,840</td>
<td>(248,493)</td>
<td>44%</td>
<td>474,000</td>
<td>282,160</td>
</tr>
<tr>
<td>Legal</td>
<td>362,083</td>
<td>280,033</td>
<td>(82,050)</td>
<td>77%</td>
<td>395,000</td>
<td>114,967</td>
</tr>
<tr>
<td>Accounting and auditing</td>
<td>169,583</td>
<td>126,247</td>
<td>(43,336)</td>
<td>74%</td>
<td>185,000</td>
<td>58,753</td>
</tr>
<tr>
<td>Technical consultants</td>
<td>421,458</td>
<td>81,327</td>
<td>(340,131)</td>
<td>19%</td>
<td>445,000</td>
<td>363,673</td>
</tr>
<tr>
<td>Legislative consultants</td>
<td>255,833</td>
<td>83,750</td>
<td>(172,083)</td>
<td>33%</td>
<td>275,000</td>
<td>191,250</td>
</tr>
<tr>
<td>Other consultants</td>
<td>343,542</td>
<td>215,709</td>
<td>(127,833)</td>
<td>63%</td>
<td>385,000</td>
<td>169,291</td>
</tr>
<tr>
<td>Program implementation and development</td>
<td>3,208,333</td>
<td>1,512,659</td>
<td>(1,695,674)</td>
<td>47%</td>
<td>3,500,000</td>
<td>1,987,341</td>
</tr>
<tr>
<td>General and administration</td>
<td>423,542</td>
<td>357,668</td>
<td>(65,874)</td>
<td>84%</td>
<td>460,000</td>
<td>102,332</td>
</tr>
<tr>
<td>Total current expenditures</td>
<td>136,314,064</td>
<td>130,319,427</td>
<td>(5,994,637)</td>
<td>96%</td>
<td>147,319,050</td>
<td>16,999,623</td>
</tr>
<tr>
<td>Collateral deposit payments</td>
<td>3,750,000</td>
<td>3,512,500</td>
<td>(237,500)</td>
<td>94%</td>
<td>3,750,000</td>
<td>237,500</td>
</tr>
<tr>
<td>Collateral deposit payments returned</td>
<td>(450,000)</td>
<td>(395,000)</td>
<td>55,000</td>
<td>88%</td>
<td>(450,000)</td>
<td>(55,000)</td>
</tr>
<tr>
<td>Capital outlay</td>
<td>112,625</td>
<td>24,584</td>
<td>(88,041)</td>
<td>22%</td>
<td>119,000</td>
<td>94,416</td>
</tr>
<tr>
<td>Total expenditures, Other Uses and Debt Service</td>
<td>139,726,689</td>
<td>133,461,511</td>
<td>(6,265,178)</td>
<td>96%</td>
<td>150,738,050</td>
<td>17,276,539</td>
</tr>
<tr>
<td>Net increase (decrease) in available fund balance</td>
<td>$3,479,567</td>
<td>$13,894,672</td>
<td>$10,415,105</td>
<td>399%</td>
<td>$6,225,086</td>
<td>($7,669,586)</td>
</tr>
</tbody>
</table>

* Represents sales of approximately 1,901,000 MWh for 2016/17 YTD actual.

** Electricity sales for resale is the result of sales to other utilities for resale purposes.

### RESERVES

<table>
<thead>
<tr>
<th>Reserve Type</th>
<th>Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Cash Reserve</td>
<td>$19,936,751</td>
</tr>
<tr>
<td>Program Cash Reserve</td>
<td>3,518,250</td>
</tr>
<tr>
<td>Total Reserve</td>
<td>$23,455,001</td>
</tr>
</tbody>
</table>

See accountants' compilation report.
Net increase (decrease) in available fund balance per budgetary comparison schedule: $13,894,672

Adjustments needed to reconcile to the changes in net position in the Statement of Revenues, Expenses and Changes in Net Position:
- Subtract depreciation expense (43,677)
- Add back capital asset acquisitions 24,584
- Subtract collateral deposits returned (395,000)
- Add back collateral deposits 3,512,500

Change in net position $16,993,079
To: Sonoma Clean Power Authority Board of Directors

From: Kate Kelly/Director, Public Affairs & Marketing and Neal Reardon, Regulatory Affairs Manager

Issue: Legislative and Regulatory Updates

Date: August 3, 2017

Attached, please find Sonoma Clean Power’s monthly Legislative Report.

POWER CHARGE INDIFFERENCE ADJUSTMENT (PCIA) RULEMAKING INITIATED

On June 29th, the California Public Utilities Commission (CPUC) unanimously voted in favor of instituting a new Rulemaking to review, revise, and consider alternatives to the Power Charge Indifference Adjustment (PCIA). During the discussion period, several Commissioners noted the lack of transparency in the existing PCIA, as well as its volatility and impact on CCA customers.

Sonoma Clean Power staff and Board members have been requesting a holistic and transparent examination of the PCIA for years. This new proceeding will provide that opportunity. In collaboration with other CCAs, staff will work towards obtaining Commission approval of an equitable method of cost-sharing that reduces volatility and protects all customers.

To that end, SCP legal and regulatory staff worked with CalCCA to file comments on the proposed scope of this new PCIA rulemaking on July 31st. We advocated for a broad scope that recognizes CCA autonomy, evaluates whether utilities have adequately managed their contracts to reduce PCIA costs, and recognizes that CCA formation generates benefits for customers that remain with the incumbent utility that are not currently being considered. Given the increasingly large amount of CCA departing load, we will also advocate for the adoption of other options for CCAs, such purchasing portions of the utilities’ portfolios, or requiring the utilities to offer a “buy out” of the PCIA obligation, which CCAs could pay off over time.
The presiding Commissioner of the new PCIA Rulemaking, Carla Peterman, invited staff from all operational CCAs to discuss the PCIA with her on August 16th. Geof Syphers and Neal Reardon will attend on behalf of SCP.

PG&E SUBMITS 2018 ENERGY RESOURCE RECOVERY ACCOUNT (ERRA) APPLICATION

In June, PG&E submitted its application to the CPUC for adoption of its 2018 generation revenue requirements. This annual proceeding is used to determine the fuel and purchased power costs which can be recovered in rates, including the PCIA and other non-bypassable charges which CCA customers must pay.

The ERRA process is divided into two proceedings. First, an annual Forecast proceeding results in CPUC approval of PG&E’s estimated electric procurement costs and electricity sales in the coming year, and the setting of the PCIA and bundled customer generation rates. Then, an annual Compliance proceeding reviews PG&E’s actual performance in the preceding year regarding generation, including sales, contract administration, dispatch of resources for the lowest cost, and procurement of fuel.

Joint CCAs (SCP, Marin Clean Energy, Peninsula Clean Energy, and Silicon Valley Clean Energy) filed a protest of the ERRA forecast application for 2018, as did the City and County of San Francisco, and the Commission’s Office of Ratepayer Advocates.

On July 12, the CPUC held a pre-hearing conference to discuss the scope of the ERRA, identify the need for hearings, and set a schedule for the proceeding. Staff from SCP attended and argued that the ERRA proceeding should evaluate whether some of the costs PG&E is proposing to recover in the PCIA were “unavoidable” and therefore should not be paid by CCA customers, and that it allow for CCA employees to sign an NDA and be able to review underlying data contributing to the PCIA charges CCA customers pay. A ruling on these issues is expected in August.
SONOMA CLEAN POWER AND PG&E ADVOCATE FOR REDUCED PG&E PROCUREMENT

A CPUC Ruling in May recommended that PG&E increase the amount of renewable energy it procures through a specific program called the Renewable Auction Mechanism (RAM). The intent of RAM, developed in 2010, was to streamline the procurement process for relatively small (between 3-20 MW) renewable energy projects.

Sonoma Clean Power and PG&E both submitted comments on the Ruling recommending that the Commission not order this additional procurement. Both cited PG&E’s existing portfolio of renewable resources – which is significantly more than required by statute – and future load departures due to CCA formation, as rationale.

During the week of July 17th, staff from SCP and PG&E held three meetings with Commissioner advisors to underscore their shared recommendation that PG&E not go forward with additional procurement through the RAM. While SCP and PG&E do not agree on how any costs resulting from this potential procurement should be allocated, we do agree that it is not prudent to further increase PG&E’s portfolio of renewables at this time. A Proposed Decision on this topic is expected in the coming weeks.
Memorandum

July 6, 2017

TO: Kate Kelly, Director Public Affairs & Marketing

FROM: Katherine Brandenburg

RE: Legislative Update

The Legislature had two major deadlines over the last few weeks. The first was the “house of origin” deadline. In order for a piece of legislation to continue making its way through the legislative process, it had to pass out of its originating house by June 2nd. The second was the Constitutional budget deadline of June 15. The Legislature passed a spending plan for the coming fiscal year by the deadline with a $183.2 billion package that raises school funding, expands a tax credit for the working poor and gives the Capitol a greater say over University of California finances.

The main budget bill passed the Senate 28-10 and the Assembly 59-20. The Governor had until June 30th to sign the budget.

As noted in previous updates, California’s landmark cap-and-trade law, which puts a cap and a price on carbon emissions, expires in 2020. The Assembly has two pieces of legislation that would extend the law (AB 151 (Burke) and AB 378 (C. Garcia)). Unfortunately, both bills failed to pass out of the Assembly by June 2nd house of origin deadline. The Senate has SB 775 by Senator Wieckowski. SB 775 has not been heard in a policy committee and is parked in the Senate Environmental Quality Committee. Since SB 775 requires a 2/3rd vote of both houses, the deadlines do not apply. Governor Brown and legislative leaders believe they will be able to reach a deal by the end of session.
LEGISLATION

AB 33 (Quirk) – Transportation Electrification: Electric Vehicle Services Equipment

Requires the California Public Utilities Commission, in consultation with the California Air Resources Board and the California Energy Commission to consider authorizing electrical corporations to offer programs and investments in electric vehicle service equipment installed in residential garages. The May 30th amendment removed the mandate that electrical corporations must offer electric vehicle services equipment in residential garages. Thus, SCP removed its opposition.

SCP Position: Neutral (Removed opposition with May 30th Amendment)
Status: Senate Energy, Utilities and Communications Committee
Hearing Date: July 3, 2017

AB 79 (Levine) – Electrical Generation: Unspecified Sources

Would require the California Air Resources Board to develop a methodology for updating the assumed greenhouse gas emissions from unspecified energy sources. Assemblyman Levine amended AB 79 to address SCP and CalCCA’s concerns relating mainly to implementing an hourly compliance process that would have been administratively burdensome.

SCP Position: Support as Amended (letter of support sent 6/20/17)
Status: Senate Energy, Utilities and Communications Committee
Hearing Date: June 20, 2017

AB 920 (Aguiar-Curry) – Renewable Portfolio Standard Program

Would require that all retail electric providers develop a balanced portfolio of sources that include baseload renewables, and demonstrate a plan for such a portfolio through their integrated resource plans. SCP had concerns that jurisdiction over procurement decisions was proposed to lie with the CPUC rather than SCP’s governing board. The author has significantly revised the bill language to remove most of the language that concerns SCP. SCP and CalCCA continue to work with Assembly Member Aguiar-Curry and the Senate Energy, Utilities and Communications Committee to develop better language for CCAs, but the bill is now sufficient for SCP to be neutral.

SCP Position: Neutral
Status: Senate Energy, Utilities and Communications Committee
Hearing Date: July 3, 2017
**AB 1405 (Mullin) – Electricity: Clean Peak Energy Standard**

Requires the CPUC to ensure that each load serving entity procures a minimum percentage of kilowatt-hours delivered during the peak load time period from clean peak resources on at least 15 days every month according to a specific schedule and requires each local publicly owned utility to do the same. SCP is concerned that AB 1405 could penalize CCAs that use high amounts of renewables today by setting their baseline at current levels, and could lead to significant over-procurement and customer costs related to ensuring compliance. We are working with Assembly Member Mullin and other stakeholders.

SCP Position: None at this time
Status: Senate Energy, Utilities and Communications Committee
Hearing Date: July 3, 2017

**SB 71 (Wiener) – Solar Energy**

Requires the California Energy Commission to consider requiring installation of a solar energy generation system on all new buildings.

SCP Position: None at this time.
Status: Assembly Utilities and Energy Committee
Hearing Date: July 5, 2017

**SB 100 (de Leon) – Renewal Portfolio Standards**

Establishes a target of generating 100 percent of the state’s retail sales of electricity from renewable energy resources by 2045, accelerates and expands the existing Renewable Portfolio Standard, and requires state agencies to incorporate into existing climate programs the planning goal and regulatory requirement of achieving 100-percent reliance on renewable energy resources or zero-carbon resources by the end of 2045.

SCP Position: None at this time.
Status: Assembly Utilities and Energy Committee
Hearing Date: July 5, 2017

**SB 338 (Skinner) – Net-Load Peak Energy**

Authorizes the CPUC and CEC to establish requirements for CCAs to meet a 3-hour peak load period with a combination of efficiency, demand response and storage. We are working with Senator Skinner and Assembly Member Mullin (AB 1405) to resolve any issues CCAs may have with both SB 338 and AB 1405.

SCP Position: None at this time.
Status: Assembly Utilities and Energy Committee
Hearing Date: July 5, 2017

**SB 618 (Bradford) – Integrated Resources Plans**

Requires the integrated resource plans of all load-serving entities to contribute to a diverse and balanced portfolio of resources needed to ensure a reliable electricity supply, meet certain environmental goals, and ensure that there is no cost-shifting among load-serving entities.

SCP Position: Neutral (as of May 9, 2017 Amendment)
Status: Assembly Utilities and Energy Committee
Hearing Date: June 21, 2017

**SB 775 (Wieckowski) – California Global Warming Solutions Act of 2006: Market Based Compliance Mechanisms**

Extends California’s cap-and-trade program by requiring polluters to buy permits for the greenhouse gases they emit as an incentive for companies to reduce their carbon footprint. SB 775 is a vehicle the Legislature and Governor may use to continue California’s cap-and-trade program.

SCP Position: None at this time.
Status: Senate Environmental Quality Committee
Hearing Date: None at this time.
Staff Report – Item 05

To: Sonoma Clean Power Authority Board of Directors

From: Director of Programs Cordel Stillman

Issue: Presentation by SCTA/RCPA on Shift Sonoma County

Date: August 3, 2017

Placeholder only, no staff report.
Staff Report – Item 06

To: Sonoma Clean Power Authority Board of Directors
From: Stephanie Reynolds, Internal Operations Manager
Issue: Appointment of an Ad Hoc Committee for CAC recruitment process
Date: August 3, 2017

Requested Board Action:

Appoint ad hoc committee to review applications, interview and recommend potential members for the upcoming vacancies on the Community Advisory Committee (CAC).

Background:

Per the Third Amended JPA, the CAC shall consist of a minimum of seven members and a maximum of eleven members. Appointees to the CAC serve four-year terms. Due to a resignation of one member in May and the terms expiring for four more members in December, a recruitment for potential committee members is necessary. At least one new or reappointed member will be needed at the end of this year.

At the July 6, 2017 Board meeting, the Board recommended starting recruitment efforts for new CAC members in September for appointments in December, with new members starting in January of 2018.

Staff recommends that the Board create an ad hoc committee to evaluate applications, interview potential applicants, and to recommend appointments and/or re-appointments for consideration by the Board at the December Board meeting. Staff recommends a three-member ad hoc to minimize scheduling conflicts. Once an ad hoc committee is formed, staff will open the recruitment and support the committee’s review of the applications.
<table>
<thead>
<tr>
<th>NAME</th>
<th>SIGNED OATH</th>
<th>TERM</th>
<th>TERM ENDS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) Dick Dowd, Chair</td>
<td>September 29, 2014</td>
<td>4-year term</td>
<td>End of 2017</td>
</tr>
<tr>
<td>2) Art Deicke, Vice Chair</td>
<td>December 3, 2014</td>
<td>4-year term</td>
<td>End of 2017</td>
</tr>
<tr>
<td>3) George Beeler</td>
<td>February 5, 2014</td>
<td>4-year term</td>
<td>End of 2017</td>
</tr>
<tr>
<td>4) Paul Brophy</td>
<td>October 17, 2013</td>
<td>4-year term</td>
<td>End of 2019</td>
</tr>
<tr>
<td>5) Joe Como</td>
<td>February 16, 2016</td>
<td>4-year term</td>
<td>End of 2019</td>
</tr>
<tr>
<td>6) Anita Fenichel</td>
<td>February 16, 2016</td>
<td>4-year term</td>
<td>End of 2019</td>
</tr>
<tr>
<td>7) Bill Mattinson</td>
<td>October 17, 2013</td>
<td>4-year term</td>
<td>End of 2019</td>
</tr>
<tr>
<td>8) Mike Nicholls</td>
<td>February 16, 2016</td>
<td>4-year term</td>
<td>End of 2019</td>
</tr>
<tr>
<td>9) Ken Wells</td>
<td>December 16, 2015</td>
<td>4-year term</td>
<td>End of 2019</td>
</tr>
<tr>
<td>10) Bob Williamson</td>
<td>October 17, 2013</td>
<td>4-year term</td>
<td>End of 2017</td>
</tr>
</tbody>
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Staff Report – Item 07

To: Sonoma Clean Power Authority Board of Directors
From: Erica Torgerson, Director of Customer Service
Issue: Calpine Energy Solutions, LLC– Approval of the proposed Second Addendum for Data Manager Services
Date: August 3, 2017

Requested Board Action:

Approve execution of the Second Addendum for Data Management Services to the Master Professional Services Agreement with Calpine Energy Solutions, LLC.

Background:

The Sonoma Clean Power Authority executed the Master Professional Services Agreement and its Addendum with Noble Americas Energy Solutions LLC (Noble) on November 14, 2013.

Noble provides SCP with billing and data services, including receiving customer usage from PG&E and providing customer billing costs back to PG&E to be placed on bills. In addition, Noble works with a third party to provide call center services for SCP customers.

At SCP’s request in May 2016, SCP and Noble opened negotiations on the scope laid out in the original Addendum and the price per account SCP pays for those services. SCP staff had two objectives: realign the scope to better match actual work, now that SCP and Noble had more experience, and lower the total cost of the service.

The negotiation process was slow due to a couple of factors. First, Noble was in the process of expanding its CCA services from three CCAs to eight CCAs and second, Noble Americas Energy Solutions LLC (a subsidiary of Noble Energy, Inc., an international company) was in the process of being sold to Calpine Corporation (who formed a subsidiary, Calpine Energy Solutions, LLC).
Due to these delays, Noble agreed to an Amendment to the Master Professional Service Agreement that reduced the price SCP paid per account effective September 1, 2016. Previously, the fees were as follows:

- For the first 20,000 accounts, the fee will be $1.75 per account per month.
- For accounts 20,001 to 80,000, the fee will be $1.50 per account per month.
- For accounts in excess of 80,000, the fee will be $1.25 per account per month.

Starting September 1, 2016, the fee for all accounts was decreased to $1.15 per account per month. At this time, SCP served approximately 196,000 accounts in Sonoma County. Starting in June 2017, SCP began serving an additional 34,000 accounts in Mendocino County for a total of 230,000 customer accounts.

Attached to this report are the following documents:

- Master Professional Service Agreement (Effective October 31, 2013)
- Addendum for Data Management Services (Dated October 31, 2013)
- Amendment (to the Master Professional Service Agreement) (Effective September 1, 2016)
- Proposed Second Addendum for Data Management Services (Dated August 3, 2017 (date of SCPA Board Meeting)

Please note, because the Second Addendum changed format and scope so dramatically compared to the original Addendum, a red-line version is not provided. Please also note, no changes are being proposed to the Master Professional Service Agreement.

Significant changes in the Second Addendum included better measurable metrics for the call center, including a path to bring the call center in-house if SCP chooses. In addition, it outlines audit requirements for Calpine including a SOC 1 audit which was requested by SCP’s auditors, Pisenti & Brinker, LLP. Overall, the Second Addendum better outlines the services that Calpine is currently providing SCP.
Master Professional Service Agreement

Effective October 31, 2013
MASTER PROFESSIONAL SERVICES AGREEMENT

This Master Professional Services Agreement (the "Agreement") is entered into effective the 31st day of October 2013 (the "Effective Date"), by and between Noble Americas Energy Solutions LLC ("DM Services Provider") and the Sonoma Clean Power Authority ("SCPA"). Each party listed above may be referred to individually as a "Party," and collectively as the "Parties."

WITNESSETH

WHEREAS, SCPA is scheduled to begin providing Community Choice Aggregation ("CCA") Services through its Sonoma Clean Power program (the "Program"), on or around May 1, 2014;

WHEREAS, SCPA has requested that DM Services Provider perform the Data Manager Services described in the Addendum, attached hereto and incorporated herein by this reference (the "Addendum"); and

WHEREAS, SCPA will be purchasing electricity for the CCA Program from __________________________ ("Supplier").

NOW, THEREFORE, for and in consideration of the mutual benefits, obligations, covenants, and consideration, the receipt and sufficiency of which are hereby acknowledged, DM Services Provider and SCPA hereby agree as follows:

1. SERVICES. Subject to the terms and conditions of this Agreement and during the term of this Agreement, DM Services Provider shall provide to SCPA the services described in the Addendum (the "Services"). From time to time the parties may add new addenda, which upon execution by both parties, shall be subject to the terms and conditions of this Agreement.

2. CONDITIONS TO DM SERVICES PROVIDER PERFORMANCE.

(a) Information and Assistance. SCPA shall provide DM Services Provider with such information and assistance as DM Services Provider reasonably requests if such information and assistance is reasonably necessary to allow DM Services Provider to provide the Services. If SCPA fails to provide DM Services Provider with such requested information or assistance then DM Services Provider shall continue to provide in a timely manner any such portion(s) of the affected Services that DM Service Provider can reasonably provide to the extent possible in the absence of such information or assistance. Notwithstanding any provision to the contrary herein, failure by SCPA to provide DM Services Provider with such information or assistance shall not constitute an Event of Default.

(b) Notification. SCPA shall notify all other relevant parties, including but not limited to Supplier, the Local Distribution Company ("LDC"), which is currently Pacific Gas & Electric Company, and SCPA’s banker(s), as necessary, of the existence of
this Agreement and DM Services Provider's role as contemplated in this
Agreement.

3. FEES AND BILLING.

(a) Fees. SCPA shall pay all fees due in accordance with the Addendum.

(b) Billing and Payment Terms. Unless otherwise indicated in the applicable
Addendum, DM Services Provider shall invoice SCPA monthly for all fees related
to Services performed during the previous month. Payment of fees shall be due
within thirty (30) days after the date of invoice. All payments must be made in
U.S. dollars. Late payments hereunder shall accrue interest at the lower of the rate of one percent (1%) per month, or the highest rate allowed by law.

(c) Taxes. Payments due to DM Services Provider under this Agreement shall be net
of all sales, value-added, use or other taxes and obligations.

4. REPRESENTATIONS AND WARRANTIES. On the Effective Date and the date of entering
into each Addendum, each Party represents and warrants to the other Party that: (i) it is duly
organized, validly existing and in good standing under the laws of the jurisdiction of its
formation; (ii) it has all regulatory authorizations necessary for it to legally perform its
obligations under this Agreement and each Addendum; (iii) the execution, delivery and
performance of this Agreement and each Addendum 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 law, rule, regulation, order or
the like applicable to it; (iv) this Agreement, each Addendum, and each 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; (v) 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 (vi), in the case of DM
Services Provider, that it has the qualifications, experience and ability to perform the Data
Manager Services described in the applicable Addendum.

5. INDEMNIFICATION. Each party to this Agreement (the "Indemnifying Party") agrees to
accept all responsibility for loss or damage to any person or entity, and to defend, indemnify,
hold harmless and release the other party (the "Indemnified Party"), and the Indemnified
Party's supervisors, officers, agents, and employees, from and against any and all liabilities,
actions, claims, damages, disabilities, or expenses that may be asserted by any person or entity,
to the extent resulting from the Indemnifying Party's breach of any material term of this
Agreement, or the Indemnifying Party's negligence or willful misconduct in connection with the
performance of this Agreement, but excluding liabilities, actions, claims, damages, disabilities, or
expenses to the extent arising from the Indemnified Party's breach of any material term of this
Agreement, or the Indemnified Party's negligence or willful misconduct in connection with
the performance of this Agreement. The Indemnified Party shall have the right to select its
legal counsel at the Indemnifying Party's expense, subject to the Indemnifying Party's approval,
which shall not be unreasonably withheld. The indemnity obligation set forth in this Section 5
shall survive termination of this Agreement.

6. TERM. Unless earlier terminated pursuant to the terms of Section 7, the term of this
Agreement shall be the Effective Period described in the Addendum.

7. TERMINATION.

(a) **Early Termination Due to Cancellation of SCPA's Program.** If SCPA determines on
or before May 1, 2014, in its sole and absolute discretion, not to proceed with
the Program, SCPA may terminate this Agreement by giving written notice to DM
Services Provider as provided in Section 20 of this Agreement. Provided,
however that in the event that the Program has not begun by August 1, 2014
either Party may terminate this Agreement by giving written notice to the other
Party as provided in Section 20 of this Agreement. In those events: (a) DM
Services Provider shall be entitled to keep any fees already paid; and (b) SCPA
shall pay any amounts owed, under Section 3 of the Addendum, but SCPA shall
have no obligation to pay any additional fees or costs.

(b) **Termination for Cause.** If any one of the following events (each an “Event of
Default”) occurs with respect to a Party, then the other Party may terminate this
Agreement or the applicable Addendum: (i) with respect to SCPA, SCPA fails to
pay amounts due hereunder and such failure continues for seven (7) business
days following written notice from DM Services Provider; (ii) a Party defaults in
the observance or performance of any of such Party's material covenants or
agreements in this Agreement (other than a default in a payment obligation)
and such default continues uncured for twenty (20) business days following
written notice to such Party; (iii) either Party makes an assignment for the
benefit of creditors (other than a collateral assignment to an entity providing
financing to such Party), files a petition or otherwise commences, authorizes or
acquiesces in the commencement of a proceeding or cause under any
bankruptcy or similar law for the protection of creditors or has such a petition
filed against it or otherwise becomes bankrupt or insolvent (however
evidenced), or is unable to pay its debts as they fall due; or (iv) SCPA fails to
satisfy LDC's credit-worthiness requirements set forth in the LDC tariffs and such
failure continues uncured for twenty (20) business days following written notice
to SCPA from LDC.

(c) **Effect of Termination.** Upon the effective date of expiration or termination of
this Agreement: (i) DM Services Provider may immediately cease providing
Services hereunder; and (ii) any and all payment obligations of SCPA under this
Agreement will become due within thirty (30) days. Upon such expiration or
termination, and upon request of SCPA, DM Services Provider shall reasonably cooperate with SCPA to ensure a prompt and efficient transfer of all data, documents and other materials to a new services provider in a manner such as to minimize the impact of expiration or termination on SCPA’s customers. SCPA agrees to pay DM Services Provider compensation for services performed in connection with such transfer, to the extent not contemplated in the Addendum.

8. **LIMITATION ON DAMAGES.** For any breach hereof, liability shall be limited to direct, actual damages only, such direct, actual damages shall be the sole and exclusive remedy, and all other remedies or damages at law or in equity are waived. Neither party shall be liable to the other party for any indirect, special, consequential, punitive or exemplary damages arising out of or related to this agreement, including lost profits or business interruption damages, whether based on statute, contract, tort, under any indemnity, including any claims for monetary penalties assessed by the California Independent System Operator associated with the settlement quality meter data reporting or otherwise, without regard to cause or the negligence of any party, whether sole, joint, active or passive, and each party hereby releases the other party from any such liability, even if during the term hereof it advises the other of the possibility of such damages. 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 foregoing limitations shall not apply to any claim arising from a breach of the confidentiality provisions of section 13 of this agreement. Notwithstanding anything to the contrary in this agreement, with the express exclusion of any claim for indemnity or other right under section 5, in no event shall DM Services Provider’s liability to SCPA hereunder exceed the amount of the fees paid to DM Services Provider by SCPA for the services provided hereunder.

9. **FORCE MAJEURE.** A Party shall be relieved of its obligations to perform under this Agreement (other than obligations to pay money), and shall not be considered to be in default with respect to such obligation if, and to the extent, such Party is prevented from fulfilling such obligation by Force Majeure, provided, however, that such claiming Party gives written notice and full particulars of such event of Force Majeure to the other Party promptly after the occurrence of the event relied on, the relief from such obligations sought by such Party is of no greater scope and of no longer duration than is required by the Force Majeure, and such Party proceeds with due diligence to overcome the Force Majeure. The term "Force Majeure" means an event or circumstance that prevents a Party from performing its obligations, which event or circumstance was not anticipated as of the Effective Date, which is not within the reasonable control, or the result of the negligence of, the claiming Party, and which by the exercise of due diligence, the claiming Party is unable to overcome or avoid or cause to be avoided.
10. **RELATIONSHIP OF PARTIES.** DM Services Provider and SCPA are independent contractors and this Agreement will not establish any relationship or partnership, joint venture, employment franchise or agency between DM Services Provider and SCPA. Neither DM Services Provider nor SCPA will have the power to bind the other or incur obligations on the other's behalf without the other's prior written consent, except as otherwise expressly provided for herein.

11. **ASSIGNMENT OF RIGHTS.** Neither Party shall assign any of its rights or delegate any of its responsibilities hereunder without first obtaining the consent of the other Party except it may be assigned or transferred without such consent (i) by either Party to a successor acquiring all or substantially all of the shares and/or the assets of the transferring Party, whether by merger or acquisition, or (ii) by either Party to any wholly-owned affiliate. Any such request shall be made in writing and the consent, if any, shall be made in writing. Any transfer in violation of this provision shall be void.

12. **FURTHER ACTIONS.** The Parties agree to take all such further actions and to execute such additional documents as may be reasonably necessary to effectuate the purposes of this Agreement.

13. **CONFIDENTIALITY.**

(a) This Agreement and all information shared between the Parties regarding this Agreement and the Services to be provided hereunder (e.g., reports, etc.) is strictly confidential and shall not be disclosed by a Party (except to such Party's affiliates, employees, lenders, counsel and other advisors, permitted assignees, or prospective purchasers who have agreed to treat such information as confidential) without the prior written consent of the other Party, except (i) as required by Law and (ii) that SCPA may share all such data with its Supplier. In addition, DM Services Provider shall comply with the requirements of the customer information confidentiality policy adopted by SCPA, and shall take all reasonable steps necessary to ensure that such data remains confidential.

(b) DM Services Provider acknowledges that the confidential information about SCPA's customers to which it will have access under this Agreement could give it or any third party an unfair competitive advantage in the event that DM Services Provider or any third party were to compete with SCPA in the provision of electrical or other services to SCPA's customers. DM SERVICES PROVIDER AGREES THAT IT WILL NOT USE ANY INFORMATION IT RECEIVES REGARDING SCPA CUSTOMERS FOR ANY PURPOSE OTHER THAN PROVIDING SERVICES UNDER THIS AGREEMENT. DM Service Provider shall not use such customer information to compete with SCPA in any manner. Upon termination of this Agreement, DM Services Provider shall return all documents and other materials received from the SCPA and all copies (if any) of such documents and tangible materials, and (2) destroy all other documents or materials in DM Services
Provider's possession that contain SCPA customer data, and (3) deliver to SCPA a certificate, signed by an authorized representative of DM Services Provider, stating that DM Services Provider has returned or destroyed all such documents and materials; provided, however, that DM Services Provider may retain copies of information necessary for tax, billing or other financial purposes, to be used solely for such purposes.

(c) The Parties agree that damages would be an inadequate remedy for breach of the provisions in this Section 13 and that either Party shall be entitled to equitable relief in connection therewith, and shall be entitled to recover any damages for such breach as may be provided by law.

14. **COMPLIANCE WITH LAW.** Each party shall be responsible for compliance with all laws or regulations applicable to the Services being provided under this Agreement. If either Party's activities hereunder become subject to law or regulation of any kind, which renders the activity illegal, unenforceable, or which imposes additional costs on such Party for which the Parties cannot mutually agree upon an acceptable price modification, then such Party shall at such time have the right to terminate this Agreement upon written notice to the other Party with respect to the illegal, unenforceable, or uneconomic provisions only; the remaining provisions of this Agreement will remain in full force and effect. Any such termination shall not constitute a basis for termination for cause as defined in Section 7, above.

15. **CHOICE OF LAW.** This Agreement, and the rights and duties of the Parties arising hereunder, shall be governed by and construed in accordance with the laws of the State of California, without giving effect to any choice of law rules that may require the application of the laws of another jurisdiction.

16. **INTEGRATION.** This Agreement contains the complete understanding between the Parties, supersedes all previous discussions, communications, writings and agreements related to the subject matter of this Agreement, and, except to the extent otherwise provided for herein, may not be amended, modified or supplemented except in a writing signed by both Parties.

17. **WAIVER.** No waiver by either Party of any right or obligation hereunder, including in respect to any Default by the other Party, shall be considered a waiver of any future right or obligation, whether of a similar or different character. Any waiver shall be in writing.

18. **ATTORNEY'S FEES.** In the event that an action, suit or other proceeding is brought to enforce or interpret this Agreement or any part hereof or the rights or obligations of any Party to this Agreement, the prevailing Party will be entitled to recover from the other Party reasonable attorneys' fees and direct out-of-pocket costs and disbursements associated with the dispute that are incurred by the prevailing Party.
19. **GOVERNMENTAL ENTITY.** SCPA shall not claim immunity on the grounds of sovereignty or similar grounds from enforcement of this Agreement. Except as provided in Section 7(a) above, SCPA's failure to obtain any necessary budgetary approvals, appropriations, or funding for its obligations under this Agreement shall not excuse SCPA's performance hereunder.

20. **NOTICES.** All notices and other communications required under this Agreement shall be in writing and may be delivered by hand delivery, United States mail, overnight courier service, facsimile or email and shall be deemed to have been duly given (i) on the date of service, if served personally on the person to whom notice is to be given, (ii) on the date of service if sent by facsimile or email, provided the original is concurrently sent by first class mail, and provided that notices received by facsimile or email after 5:00 p.m. shall be deemed given on the next business day, (iii) on the next business day after deposit with a recognized overnight delivery service, or (iv) on the third (3rd) day after mailing, if mailed to the party to whom notice is to be given by first class mail, registered or certified, postage-prepaid, and properly addressed as follows:

The notice addresses as set forth in Section 20 of the Agreement are updated as follows:

**If to DM Services Provider:**

Noble Americas Energy Solutions LLC  
Attn: Drake Welch  
401 West A St., Suite 500  
San Diego, CA 92101  

Phone: 619-684-8039  
Email: dwelch@noblesolutions.com

**If to SCPA:**

If by US Mail:  
Sonoma Clean Power  
Attn: Geof Syphers, CEO  
50 Old Courthouse Square, Suite 605  
Santa Rosa, CA 95404

If by FedEx or similar delivery service:

Steven S. Shupe  
Deputy County Counsel  
County of Sonoma  
575 Administration Drive, Room 105A  
Santa Rosa, CA 95403

Phone: 707-225-1073  
Fax: 707-565-2624  
Email: gsyphers@sonomacleanpower.org with copies to kirby@paradigmec.com
21. **TIME.** Time is of the essence of this Agreement and each and all of its provisions. The parties agree that the time for performance of any action permitted or required under this Agreement shall be computed as if such action were "an act provided by law" within the meaning of California Civil Code §10, which provides: "The time in which any act provided by law to be done is computed by excluding the first day and including the last unless the last day is a holiday, and then it is also excluded."

22. **LIMITATIONS.** Nothing contained in this Agreement shall in any way limit DM Services Provider from marketing any of its products and services. DM Services Provider agrees not to use any of the CCA data for its own marketing purposes.

23. **THIRD PARTY BENEFICIARIES.** The Parties agree that there are no third-party beneficiaries to this Agreement either expressed or implied.

24. **NO RECOURSE AGAINST CONSTITUENT MEMBERS OF SCPA.** SCPA is organized as a Joint Powers Authority in accordance with the Joint Powers Act of the State of California (Government Code Section 6500 et seq.) pursuant to a Joint Powers Agreement dated December 4, 2012 as amended on July 25, 2013, and is a public entity separate from its constituent members. SCPA shall solely be responsible for all debts, obligations and liabilities accruing and arising out of this Agreement. DM Services Provider agrees that SCPA's constituent members, any participant in SCPA's community choice aggregation program, and any SCPA customer shall have no liability hereunder, and that DM Services Provider shall have no rights and shall not make any claims, take any actions, or assert any remedies against any of SCPA's constituent members, any participant in SCPA's community choice aggregation program, or any SCPA customer in connection with this Agreement.

25. **INSURANCE.** With respect to performance of services under this Agreement, DM Services Provider shall maintain and shall require any subcontractor performing Call Center functions as described in the Addendum, to maintain, insurance as described in Exhibit A, which is attached hereto and incorporated herein by this reference.

[Remainder of page intentionally left blank]
IN WITNESS WHEREOF, the Parties hereto have executed the Agreement as of the Effective Date provided herein.

Noble Americas Energy Solutions LLC

By: [Signature]

Name: James M. Wood

Title: President

Date: 10/31/2013

Sonoma Clean Power Authority

By: [Signature]

Name: Susan Greene

Title: CHAIR

Date: November 14, 2013
Exhibit A – Insurance Requirements

With respect to performance of work under this Agreement, OM Services Provider shall maintain and shall require any subcontractor performing Call Center functions as described in the Addendum, to maintain insurance as described below unless such insurance has been expressly waived by the attachment of a Waiver of Insurance Requirements. Any requirement for insurance to be maintained after completion of the work shall survive this Agreement.

Failure to demand evidence of full compliance with the insurance requirements set forth in this Agreement or failure to identify any insurance deficiency shall not relieve OM Services Provider from, nor be construed or deemed a waiver of, its obligation to maintain the required insurance at all times during the performance of this Agreement.

All policies shall contain a Waiver of Subrogation in favor of the Sonoma Clean Power Authority and its members and participants (the County of Sonoma, the Sonoma County Water Agency, the Town of Windsor, and the Cities of Santa Rosa, Cotati, Sebastopol, and Sonoma).

1. Workers Compensation and Employers Liability Insurance
   a. Required if DM Services Provider has employees.
   b. Workers Compensation insurance with statutory limits as required by the Labor Code of the State of California.
   c. Employers Liability with minimum limits of $1,000,000 per Accident; $1,000,000 Disease per employee; $1,000,000 Disease per policy.
   d. Required Evidence of Insurance: Certificate of Insurance.

If DM Services Provider currently has no employees, DM Services Provider agrees to obtain the above-specified Workers Compensation and Employers Liability insurance should any employees be engaged during the term of this Agreement or any extensions of the term.

2. General Liability Insurance
   a. Commercial General Liability Insurance on a standard occurrence form, no less broad than Insurance Services Office (ISO) form CG 00 01.
   b. Minimum Limits: $1,000,000 per Occurrence; $2,000,000 General Aggregate; $2,000,000 Products/Completed Operations Aggregate. The required limits may be provided by a combination of General Liability Insurance and Commercial Umbrella Liability Insurance. If DM Services Provider maintains higher limits than the specified minimum limits, SCPA requires and shall be entitled to coverage for the higher limits maintained by DM Services Provider.
   c. Any deductible or self-insured retention shall be shown on the Certificate of Insurance. If the deductible or self-insured retention exceeds $50,000 (with $150,000 for Products/Completed Operations) it must be approved in advance by SCPA. DM Services Provider is responsible for any deductible or self-insured retention and shall fund it upon SCPA’s written request, regardless of whether DM
Services Provider has a claim against the insurance or is named as a party in any action involving the SCPA.

d. The Sonoma Clean Power Authority shall be an additional insured for liability arising out of operations by or on behalf of the DM Services Provider in the performance of this Agreement.

e. The insurance provided to the additional insureds shall be primary to, and non-contributory with, any insurance or self-insurance program maintained by them.

f. The policy definition of “insured contract” shall include assumptions of liability arising out of both ongoing operations and the products-completed operations hazard (broad form contractual liability coverage including the “f” definition of insured contract in ISO form CG 00 01, or equivalent).

g. The policy shall cover inter-insured suits between the additional insureds and DM Services Provider and include a “separation of insureds” or “severability” clause which treats each insured separately.

h. **Required Evidence of Insurance:**
   i. Copy of the additional insured endorsement or policy language granting additional insured status; and
   ii. Certificate of Insurance.

3. **Automobile Liability Insurance**
   a. Minimum Limits: $1,000,000 combined single limit per accident.
   b. Insurance shall apply to all owned autos. If DM Services Provider currently owns no autos, DM Services Provider agrees to obtain such insurance should any autos be acquired during the term of this Agreement or any extensions of the term.
   c. Insurance shall apply to hired and non-owned autos.
   d. **Required Evidence of Insurance:** Certificate of Insurance.

4. **Professional Liability/Errors and Omissions Insurance**
   a. Minimum Limit: $1,000,000 per claim or per occurrence.
   b. Any deductible or self-insured retention shall be shown on the Certificate of Insurance. If the deductible or self-insured retention exceeds $25,000 it must be approved in advance by County.
   c. If the insurance is on a Claims-Made basis, the retroactive date shall be no later than the commencement of the work.
   d. Coverage applicable to the work performed under this Agreement shall be continued for two (2) years after completion of the work. Such continuation coverage may be provided by one of the following: (1) renewal of the existing policy; (2) an extended reporting period endorsement; or (3) replacement insurance with a retroactive date no later than the commencement of the work under this Agreement.
   e. **Required Evidence of Insurance:** Certificate of Insurance.
   f. DM Services Provider shall obtain the insurance policy required in this section 4 and provide the Required Evidence of Insurance to SCPA no later than the date on which SCPA commences CCA service delivery to SCP customer.
5. Standards for Insurance Companies

Insurers, other than the California State Compensation Insurance Fund, shall have an A.M. Best's rating of at least A:VII.

6. Documentation
   a. The Certificate of Insurance must include the following reference: Sonoma Clean Power Authority.
   b. All required Evidence of Insurance shall be submitted prior to the execution of this Agreement. DM Services Provider agrees to maintain current Evidence of Insurance on file with SCPA for the entire term of this Agreement and any additional periods if specified in Sections 1, 2 or 3 above.
   c. The name and address for Additional Insured endorsements and Certificates of Insurance is: SCPA, c/o Geof Syphers, CEO, 404 Aviation Boulevard, Santa Rosa, CA 95403.
   d. Required Evidence of Insurance shall be submitted for any renewal or replacement of a policy that already exists, at least ten (10) days before expiration or other termination of the existing policy.
   e. DM Services Provider shall provide immediate written notice, on a commercially reasonable basis, if: (1) any of the required insurance policies is terminated; (2) the limits of any of the required policies are reduced below the minimum limits required herein; or (3) the deductible or self-insured retention is increased.
   f. Upon written request, certified copies of required insurance policies must be provided within thirty (30) days.

7. Policy Obligations

DM Services Provider's indemnity and other obligations shall not be limited by the foregoing insurance requirements.

8. Material Breach

If DM Services Provider fails to maintain insurance which is required pursuant to this Agreement, it shall be deemed a material breach of this Agreement. SCPA, at its sole option, may terminate this Agreement and obtain damages from DM Services Provider resulting from said breach. Alternatively, SCPA may purchase the required insurance, and without further notice to DM Services Provider, SCPA may deduct from sums due to DM Services Provider any premium costs advanced by SCPA for such insurance. These remedies shall be in addition to any other remedies available to SCPA. Notwithstanding anything in the foregoing to the contrary, DM Services Provider shall have thirty (30) days to commence and continue cure prior to being deemed in default.
Addendum for Data Management Services

Dated October 31, 2013
Addendum for Data Manager Services
Reference: MASTER PROFESSIONAL SERVICES AGREEMENT
Between Noble Americas Energy Solutions LLC ("DM Services Provider")
And Sonoma Clean Power Authority ("SCPA")
As of October 31, 2013
Addendum Date: October 31, 2013

This Addendum (the "Addendum") supplements the Sonoma Clean Power Authority Master Professional Services Agreement referred to above (the "Agreement").

1. **EFFECTIVE PERIOD.** The Effective Period for the Addendum shall be from May 1, 2014 through April 30, 2019.

2. **DESCRIPTION OF DATA MANAGER SERVICES.** During the Effective Period DM Services Provider shall provide the Data Manager Services listed below.

   a. Electronic Data Exchange Services:
      i. Process CCASRs from/to the LDC which specify requested changes to a customer’s choice of services such as enrollment in SCPA’s Standard and Voluntary Tariff options, On Bill Repayment (OBR) service, Balanced Payment Plan (BPP), customer initiated returns to bundled utility service or customer initiated returns to direct access service (814 Electronic Data Interchange Files).
      ii. Obtain all customer usage data from the LDC’s Meter Data Management Agent ("MDMA") server to allow for timely billing (according to LDC’s requirements) of each customer (867 Electronic Data Interchange Files).
      iii. Maintain and timely communicate the amount to be billed by the LDC for services provided by SCPA (810 Electronic Data Interchange Files) according to LDC’s applicable billing window.
      iv. Receive and maintain all data related to payment transactions toward SCPA charges from the LDC after payment is received by the LDC from customers (820 Electronic Data Interchange Files).
      v. Process CCASRs with LDC when customer status changes.

   b. Customer Information System Development & Maintenance:
      i. Maintain an accurate customer database of all customers who are offered SCPA’s CCA service and identify each customer’s enrollment status, tariff election(s), payment history, collection status, on-site generating capacity, if applicable, and any correspondence with customer as well as other information that may become necessary to effectively administer SCPA’s CCA program. Information in this database will be based on the information provided by the LDC and/or the CCA customer.
      ii. Following implementation of CCA Service, certain ad hoc functional...
enhancements and/or modifications to the Customer Information System may be requested by SCPA. Such enhancements and/or modifications shall be completed by DM Services Provider to the extent that such enhancements and/or modifications will not compromise essential functions of the Customer Information System. In the event that the anticipated time required for DM Services Provider to complete SCPA’s requested enhancements and/or modifications exceeds 120 hours per quarter, DM Services Provider shall notify SCPA prior to proceeding. If after receiving such notification, SCPA directs DM Services Provider to proceed, all time required to complete the requested enhancements and/or modifications in excess of the aforementioned quarterly limit shall be billed by DM Services Provider to SCPA at the hourly rate specified in Section 4 of this Addendum.

iii. Allow SCPA to have functional access to the online database to add customer interactions and other account notes.

iv. Allow SCPA to view customer email or written letter correspondence within online database.

v. Maintain and provide as-needed historical usage data (as provided by the LDC) on all customers going back from the start of CCA Service.

vi. Maintain viewing access, available to appropriate SCPA staff, to billing records/details of SCPA customers. DM Services Provider shall use commercially reasonable efforts to include functionality that supports the intuitive parsing and labeling of files provided by the LDC, provided that the LDC continues to use the same INV PDF format as that utilized as of the date of this Addendum. Maintain accessible archive of billing records for all CCA customers from the start of CCA Service or a period of no less than five years.

vii. Process CCASR’s with the LDC when customer status changes.

viii. Maintain and communicate as needed record of customers who have been offered service with SCPA but have elected to opt out, either before or after starting service with SCPA.

ix. Maintain and communicate as-needed records of Net-Energy Metering credits and production statistics for participating SCPA customers to support on-bill data posting and periodic account settlement/true-up consistent with applicable provisions of SCPA’s Net-Energy Metering program.

x. When requested by SCPA, place OBR charges on the relevant customer account, identified by SAID.

xi. When requested by customer and approved by SCPA, place BPP charges on the relevant customer account, identified by SAID.
xii. Identify customers participating in OBR and BPP programs, as well as other customized programs that may be developed by SCPA, within database.

xiii. Include OBR and BPP payment information in all relevant reports.

xiv. Perform quarterly BPP reviews to assess appropriate customer charge level.

xv. Maintain all customer data according to SCPA's customer privacy policy and the requirements of relevant California Public Utilities Commission Decisions including D.12-08-045, including a daily backup process.

xvi. Maintain an agreed upon security breach policy.

c. Customer Call Center Management & Staffing:

i. Staff a call center during any Statutory Enrollment Period 24 hours a day, 7 days a week. As a minimum requirement, the DM Services Provider shall staff this call center with personnel located within the continental United States between the hours of 7 AM and 9 PM PPT during any Statutory Enrollment Period.

ii. Staff a call center during non-enrollment period between the hours of 7 AM and 7 PM PPT Monday through Friday, excluding LDC holidays. During such non-enrollment periods, the DM Services Provider shall staff this call center with personnel located within the continental United States.

iii. Ensure that a sufficient number of data manager experts are available to seamlessly manage escalated calls between the hours of 8 AM and 5 PM PPT Monday through Friday, excluding LDC holidays.

iv. Receive calls from SCPA customers referred to DM Services Provider by the LDC and receive calls from SCPA customers choosing to contact DM Services Provider directly without referral from the LDC.

v. Ensure that a minimum of 80% of all calls will be answered within 60 seconds during non-enrollment periods. Ensure a no greater than 10% abandon rate for all non-enrollment period calls.

vi. Record all inbound calls and make available to SCPA staff upon request. Maintain an archive of such recorded calls for a minimum period of 24 months.

vii. During inbound calls, attempt to collect and/or confirm current email, mailing address and phone number of SCPA customers (and add to or update database accordingly).

viii. Respond to telephone inquiries from SCPA's customers using a script developed and updated quarterly by SCPA in cooperation with DM
Services Provider. For questions not addressed within the script, DM Services Provider shall refer inquiries either back to the LDC or to SCPA, as appropriate.

ix. Respond to customer inquiries within 24 hours, including inquiries received through telephone calls, email, fax or web-portal.

x. Provide a contact telephone number on the LDC invoice that would allow SCPA customers to contact DM Services Provider directly.

xi. Offer bi-annual cross training to LDC call center management/supervisory staff. It is anticipated that the location for such training will be within California, generally located at the offices of SCPA or the LDC.

xii. Participate in coordinative meetings, at SCPA’s request, to promote the resolution of any customer service issues. Such meetings may include SCPA’s management/staff, DM Services Provider’s management/staff and/or LDC’s management/staff, as necessary, and may require on-site participation by DM Services Provider’s management/staff.

xiii. Directly provide translation services for messaging and inbound calls for the Spanish language. Provide direct or third-party translation services for messaging and inbound calls for the Vietnamese, Mandarin, Cantonese, Tagalog and Laotian languages.

d. Billing Administration:

i. Maintain a table of rate schedules provided by SCPA, including voluntary renewable energy tariff and OBR charges.

ii. Send OBR as a separate line item to LDC for placement on monthly bill during term of repayment. Apply LDC account usage for all SCPA customers against applicable rate to allow for customer billing.

iii. Review application of SCPA rates to LDC accounts to ensure that the proper rates are applied to the accounts.

iv. Timely submit billing information for each customer to the LDC to meet the LDC billing window.

v. Use commercially reasonable efforts to remedy billing errors for any customer in a timely manner, no more than two billing cycles.

vi. Assist with annual settlement process for Net-Energy Metering customers by identifying eligible customers, providing accrued charges and credits, and providing mailing list to SCPA’s designated printer.

vii. Provide customer mailing list to SCPA designated printer for new move-in customer notices and opt out confirmation letters routinely within 7 days of enrollment or opt out.

viii. Send an SCPA provided letter to customers that are over 90 days and
$250 overdue. If no payment is received from the customer within 60 days of notice being sent, issue a CCASR to return customer to LDC.

ix. Participate in coordinative discussions with SCPA and LDC, as necessary, to ensure the effective administration of SCPA's Net-Energy Metering program with regard to bill presentment, credit tracking and account settlement. Assist in troubleshooting and resolving, through process and/or system modifications, any issues that may result in CCA customer confusion and/or misinformation related to SCPA's Net-Energy Metering program.

e. Settlement Quality Meter Data Services:

i. DM Services Provider shall provide SCPA or SCPA's designated Load Serving Entity ("LSE") with Settlement Quality Meter Data ("SQMD") as required from LSE's by the California Independent System Operator ("CAISO").

ii. Upon SCPA's request, DM Services Provider shall submit the SQMD directly to the CAISO on behalf of SCPA or SCPA's designated LSE.

iii. SCPA agrees that DM Services Provider shall have no responsibility for any charges or penalties assessed by the CAISO associated with the SQMD under an indemnity or otherwise.

iv. DM Services Provider shall prepare the SQMD in accordance with Prudent Utility Practice, however, DM Services Provider hereby disclaims in advance that any representation is made or intended that the SQMD is necessarily complete, or free from error.

f. Qualified Reporting Entity ("QRE") Services:

i. Consistent with terms and conditions included in the Qualified Reporting Entity Services Agreement(s) between SCPA and DM Services Provider, serve as a QRE for: 1) certain locally situated, small-scale renewable generators supplying electric energy to SCPA through its feed-in tariff; and/or 2) certain locally situated, small-scale renewable generators that may be owned and/or controlled by SCPA, supplying electric energy to SCPA through such arrangements.

ii. Submit a monthly generation extract file to the Western Renewable Energy Generation Information System ("WREGIS") on SCPA's behalf, which will conform to the characteristics and data requirements set forth in the WREGIS Interface Control Document for Qualified Reporting Entities.

iii. For the purpose of collecting applicable generation and usage data for SCPA's renewable energy projects and consistent with the LDC's applicable meter servicing agreement, serve as designated "subcontractor" for certain renewable energy projects: DM Services
Provider shall receive applicable electric meter data from the LDC and shall provide such data to SCPA for purposes of performance tracking and invoice creation.

iv. Assist SCPA in completing requisite generator registration materials, as such materials may be required by WREGIS, the California Energy Commission, the California Public Utilities Commission and/or other entities to effect the successful crediting of renewable energy certificates, as appropriate, to SCPA’s WREGIS account. These services shall be limited to assistance with the process and shall not involve providing regulatory or legal advice.

g. Reporting – DM Services Provider Shall include the following reports, frequency and delivery methods:

<table>
<thead>
<tr>
<th>Report</th>
<th>Frequency</th>
<th>Delivery Method</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aging</td>
<td>Weekly, Monthly</td>
<td>SFTP</td>
</tr>
<tr>
<td>Call Center Statistics</td>
<td>Weekly, Monthly</td>
<td>Email</td>
</tr>
<tr>
<td>Cash Receipts</td>
<td>Weekly, Monthly</td>
<td>SFTP</td>
</tr>
<tr>
<td>Days to Invoice</td>
<td>Weekly, Monthly</td>
<td>SFTP</td>
</tr>
<tr>
<td>Voluntary RE tariff Enrollment</td>
<td>Weekly, Monthly</td>
<td>SFTP</td>
</tr>
<tr>
<td>Invoice Summary Report</td>
<td>Weekly, Monthly</td>
<td>SFTP</td>
</tr>
<tr>
<td>Invoice Summary Report, Mid-month</td>
<td>Monthly</td>
<td>SFTP</td>
</tr>
<tr>
<td>Monthly Transaction Summary</td>
<td>Monthly</td>
<td>Email</td>
</tr>
<tr>
<td>Opt Out with Rate Class</td>
<td>Weekly, Monthly</td>
<td>SFTP</td>
</tr>
<tr>
<td>Retroactive Returns</td>
<td>Monthly</td>
<td>Email</td>
</tr>
<tr>
<td>Sent to Collections</td>
<td>Monthly</td>
<td>Email</td>
</tr>
<tr>
<td>Snapshot</td>
<td>Weekly</td>
<td>SFTP</td>
</tr>
<tr>
<td>Snapshot with Addresses</td>
<td>Weekly</td>
<td>SFTP</td>
</tr>
<tr>
<td>Unbilled Usage</td>
<td>Monthly</td>
<td>SFTP</td>
</tr>
<tr>
<td>Full Volume Usage by Rate Class</td>
<td>Monthly</td>
<td>SFTP</td>
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</table>

i. Ensure monthly status reports are provided during the first week of each month.

ii. Ensure weekly status reports are provided during all enrollment periods.

3. FEES.

For the first 20,000 accounts, the fee will be $1.75 per account per month.
For accounts 20,001 to 80,000, the fee will be $1.50 per account per month.
For accounts in excess of 80,000, the fee will be $1.25 per account per month.
4. **PRICING ASSUMPTIONS.**

The Fees defined in Section 3 include only the services and items expressly set forth in this Addendum. Unless otherwise agreed to by the Parties in an Addendum, the cost of any additional deliverables provided by DM Services Provider to SCPA shall be passed through directly to SCPA without mark-up using a labor rate of $150.00 per hour.

5. **NOTICES.**

   **If to DM Services Provider:**
   Noble Americas Energy Solutions LLC
   Attn: Drake Welch
   401 West A St., Suite 500
   San Diego, CA 92101

   Phone: 619-684-8039
   Email: dwelch@noblesolutions.com

   **If to SCPA:**
   If by US Mail:
   Sonoma Clean Power
   Attn: Geoí Syphers, CEO
   50 Old Courthouse Square, Suite 605
   Santa Rosa, CA 95404

   **If by Fedex or similar delivery service:**
   Steven S. Shupe
   Deputy County Counsel
   County of Sonoma
   575 Administration Drive, Room 105A
   Santa Rosa, CA 95403

   Phone: 707-225-1073
   Fax: 707-565-2624
   Email: gsyphers@sonomacleanpower.org with copies to kirby@paradigmec.com

6. **DEFINITIONS.**

   "CCA Service" means SCPA’s Community Choice Aggregation Service which permits cities, counties or a joint powers agency whose governing boards have elected to acquire their electric power needs, hereinafter referred to as Community Choice Aggregators (CCA), to provide electric services to utility end-use customers located within their service area(s) as set forth in California Public Utilities Code Section 366.2 and other Commission directives.

   "CCA Service Request ("CCASR")" means requests in a form approved by SCPA’s LDC to
change a CCA customer's, utility customer's or direct access customer's choice of services which could include returning a CCA customer to bundled utility service or direct access service.

"LDC" means the relevant electric utility, currently Pacific Gas and Electric Company.

"Mass Enrollment" means the automatic enrollment of customers into a CCA program where new service is being offered for the first time to a group of eligible customers.

"Meter Data Management Agent (MDMA) Services" means reading the LDC's customers' meters, validating the meter reads, editing the meter reads if necessary and transferring the meter reading data to a server pursuant to SCPA's LDC standards.

"Prudent Utility Practice" means any of the practices, methods, techniques and standards (including those that would be implemented and followed by a prudent operator of similar generating facilities in the United States during the relevant time period) that, in the exercise of reasonable 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, giving due regard to manufacturers' warranties and recommendations, contractual obligations, any governmental requirements or guidance, including CAISO, applicable laws, the requirements of insurers, good business practices, economy, efficiency, reliability, and safety. Prudent Utility Practice shall not be limited to the optimum practice, method, technique or standard to the exclusion of all others, but rather shall be a range of possible practices, methods, techniques or standards.

"SAID" means Service Agreement Identification.

"Statutory Enrollment Period" means three months prior to a Mass Enrollment, the month in which the Mass Enrollment occurs, and the two months following Mass Enrollment. The Statutory Enrollment Period takes place over a six month period.
IN WITNESS WHEREOF, the Parties hereto have executed the Addendum as of the Addendum Date provided herein.

Noble Americas Energy Solutions LLC

By: [Signature]
Name: James M. Wood
Title: President
Date: 10/31/2013

Sonoma Clean Power Authority

By: [Signature]
Name: Susan [Last Name]
Title: LHAR
Date: 10/31/2013
Amendment to the
Master Professional Service Agreement

Effective September 1, 2016
Amendment

This Amendment is to the Master Professional Services Agreement, ("Agreement"), by and between NOBLE AMERICAS ENERGY SOLUTIONS LLC, ("DM Services Provider"), and Sonoma Clean Power Authority, ("SCPA"), dated October 31, 2013.

WHEREAS, the Parties entered into the Agreement hereinabove referenced; and

WHEREAS, the Parties wish to amend the Agreement, as well as a certain Addendum for Data Manager Services, ("Addendum"), which is incorporated into the Agreement;

NOW, THEREFORE, for good and valuable consideration the adequacy and receipt thereof is acknowledged, the Parties agree as follows:

1. Article 1 of the Addendum is amended and restated as follows:

   "1. Effective Period. The Effective Period for the Addendum shall be from May 1, 2014 through April 30, 2019, and shall automatically be extended until April 30, 2022, (the "First Extended Term"), unless either Party shall notify the other Party by January 31, 2019, in a manner consistent with the notice provisions of the Agreement, that the notifying Party wishes, in its sole discretion, to cancel the First Extended Term."

2. Article 3 of the Addendum is amended and restated as follows:

   "3. Fees.

   For the first 20,000 accounts, the fee will be $1.75 per account per month.
   For accounts 20,001 to 80,000, the fee will be $1.50 per account per month.
   For accounts in excess of 80,000, the fee will be $1.25 per account per month.

   Notwithstanding anything to the contrary in the foregoing, effective September 1, 2016, the fee for all accounts, going forward, will be $1.15 per account per month.

   For the avoidance of doubt, the Fees herein shall apply only for Services as defined in the Addendum."

3. Capitalized terms used herein and not defined shall have the meanings assigned them in the Agreement.

4. This Amendment may be signed in counterparts, each of which will constitute an original and together will constitute one and the same Amendment, and may be transmitted via facsimile or as an Imaged Document, which shall be deemed for all legal purposes to be an original executed by the transmitting Party. "Imaged Document" means any document generated by the Parties which is scanned and stored in electronic form, including, by way of illustration and not limitation, portable document format or similar type (e.g. jpg, tiff, gif).
5. Except as stated herein, no further changes to the Agreement are intended by this Amendment, and the Agreement shall otherwise remain in full force and effect, and no person or entity shall be deemed to be a third party beneficiary of this Amendment.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of August 31, 2016.

NOBLE AMERICAS ENERGY SOLUTIONS LLC

By: __________________________
Name: James M. Wood
Title: President

SONOMA CLEAN POWER AUTHORITY

By: __________________________
Name: Geoff Syphers
Title: CEO
Proposed
Second Addendum for
Data Management Services
Dated August 3, 2017 (date of SCPA Board Meeting)
Second Addendum for Data Manager Services
To
MASTER PROFESSIONAL SERVICES AGREEMENT
Between Calpine Energy Solutions, LLC
And SONOMA CLEAN POWER
Dated October 31, 2013

Addendum Date: August 3, 2017

This Second Addendum for Data Manager Services (“Addendum”) supplements the above-referenced Master Professional Services Agreement (“Agreement”) between SONOMA CLEAN POWER AUTHORITY (“SCPA” or “SCP”) and CALPINE ENERGY SOLUTIONS, LLC (“Calpine”, f/k/a Noble Americas Energy Solutions, LLC), collectively, the Parties. This Addendum supersedes any Addendum for Data Manager Services previously executed by the Parties.

1. OPERATIONAL PERIOD: This Addendum (“Addendum”) is hereby incorporated by reference to and made part of the above-referenced Agreement for the duration of the Operational Period of this Addendum, which shall be from April 1, 2017 through April 30, 2019.

Further, the Operational Period for this Addendum shall automatically be extended until April 30, 2022, (the “First Extended Term”), unless either Party notifies the other Party by January 31, 2019, in a manner consistent with the notice provisions of the Agreement, that the notifying Party wishes, in its sole discretion, to cancel the First Extended Term.

2. DEFINITIONS

“Billing Window” refers to the period between receipt of metered usage data from PG&E and submission of related bill data to PG&E for CCA Services, typically 3 Business Days.

“CARE” refers to the California Alternate Rates for Energy program administered by PG&E which provides discounts on energy bills for income qualified households designated by PG&E.

“Customer Data Acquisition” refers to acquisition of customer electricity usage data under PG&E’s Share My Data program.

“Community Choice Aggregation/Aggregator” (CCA) refers to local government entities or joint powers agencies whose governing boards have elected to acquire and provide electric power and energy services to utility end-use customers located within their service area(s), as set forth in California Public Utilities Code Section 366.2 and other California Public Utilities Commission (CPUC) directives.

“CCA Service” means the sale of retail electric power by a Community Choice Aggregator, to utility end-use customers located within its service area(s), as set forth in California Public Utilities Code Section 366.2 and other California Public Utilities Commission (CPUC) directives.

“CCA Service Request” (CCASR) means a request in a form approved by PG&E to change a CCA customer’s or utility customer’s choice of services, which could include returning a CCA customer to bundled utility service or direct access service.
“Customer Information System” (CIS) refers to the systems used by Calpine to store SCP customer-specific information, including account enrollment status, rate tariff, payment history, collection status, correspondence and other information that is necessary for Calpine to effectively administer Data Manager Services.

“Customer Relationship Manager” (CRM) refers to a software platform populated by a database, and designed to manage and analyze customer interactions and data through the customer lifecycle with the goal of improving business relationships with customers, assisting in customer retention and driving customer participation.

“Direct Access Customer” refers to a PG&E customer purchasing retail power from an Electric Service Provider.

“Electronic Data Interchange” (EDI) refers to the transfer of data between PG&E and Calpine related to customers of SCP CCA Service. The EDI file types used for Data Manager Services are as follows:

- 810 – CCA invoice information that appears on customer’s PG&E bill
- 814 – CCA enrollments, changes, opt outs and disconnects
- 820 – Remittance advice identifying the detail needed to perform cash application to accounts receivable by customer
- 824 – Application Advice for Invoices, used to reject invoice transactions
- 867 – Electric meter usage data by customer account

“First-Contact” or “First Call Resolution” refers to addressing the customer's need the first time they contact or call for assistance, thereby eliminating the need for the customer to follow up with a second call.

“Interactive Voice Response” (IVR) refers to the call center voice-recorded system that enables customers, through keypad input, to select options related to their account or access a live call center agent.

“Local Distribution Company” or “Utility Distribution Company” (LDC or UDC) refers to the relevant electric utility (such as Pacific Gas and Electric Company).

“Mass Enrollment” refers to the phase-in of a group of new customers (who have not opted out) onto CCA Service over one billing cycle beginning with each customers’ regularly scheduled meter read date, as further defined in PG&E’s Electric Schedule E-CCA.

“SCP-Designated Third Party” refers to any third party that acts in the place or stead of SCP under the terms of the Agreement. For the avoidance of doubt, any such SCP-Designated Third Party shall abide by and be bound by the terms of the Agreement, in the same way as SCP.

“SCP Data” refers to all data and information provided, collected, or produced on SCP’s behalf in connection with the services provided under this Addendum and the Agreement; including, but not limited to, confidential personally identifiable information and/or utility customer data protected under state privacy laws, billing data, usage data, Settlement Quality Meter Data, enrollment information,
contact history, and any other confidential and/or proprietary information which relates to current, prospective, or former SCP customers.

“Medical Baseline” refers to the Medical Baseline Allowance program administered by PG&E which provides a higher baseline quantity on energy bills for eligible customers designated by PG&E.

“Meter Data Management Agent (MDMA) Services” include: reading customers’ meters, validating the meter reads, editing the meter reads if necessary and transferring the meter reading data to a server pursuant to PG&E standards.

“Net Energy Metering” refers to one of the various Net Energy Metering programs administered by PG&E as described in its Electric Schedules, for which SCP may provide bill credits for qualifying self-generation to participating CCA Service customers.

“NAICS” (North American Industry Classification System) refers to the standard used by Federal statistical agencies in classifying business establishments for the purpose of collecting, analyzing, and publishing statistical data.

“Non-Enrollment Period” refers to any other period that is not a Statutory Enrollment Period.

“Qualified Reporting Entity” (QRE) refers to an entity authorized by WREGIS to submit meter data associated with renewable energy on behalf of the generator owner using the WREGIS application.

“Service Agreement ID” (SAID) refers to an account number that reflects an account’s billing arrangement with PG&E. The SAID includes the rate plan, service location, and meter information.

“Service Agreement” refers to the agreement between customers and PG&E documenting the customer’s billing arrangement, including rate plan, used to calculate PG&E charges.

“Settlement Quality Meter Data” (SQMD) refers to meter data gathered, edited, validated, and stored in a settlement-ready format, for settlement and auditing purposes.

“Statutory Enrollment Period” refers to the six-month period comprising (a) the three-month period prior to a Mass Enrollment, (b) the month in which the Mass Enrollment occurs, and (c) the two months following Mass Enrollment.

“Western Region Energy Generation Information System” (WREGIS) refers to the independent, renewable energy tracking system for the region covered by the Western Electricity Coordinating Council (WECC).

3. **DESCRIPTION OF STANDARD DATA MANAGER SERVICES.** During the Operational Period, Calpine shall provide the Standard Data Manager Services listed below.

   (a) **Electronic Data Exchange Services:**
      i. Process CCA Service Requests (CCASRs) from/to PG&E, which specify the changes to a customer’s choice of services, such as enrollment in Sonoma Clean Power’s CCA Service or customer initiated returns to bundled utility service or customer initiated returns to direct access service (814 Electronic Data Interchange Files).
ii. If no payment for CCA Service is received from the customer within a time period specified by SCP of late payment notice being sent by Calpine, issue a CCASR to return customer to PG&E.

iii. Obtain all customer usage data from PG&E’s MDMA server, and validate usage data to ensure required billing determinants are provided to generate customer bills for CCA Service.

iv. Ensure timely billing (according to PG&E requirements) of each customer (867 Electronic Data Interchange Files).

v. Maintain and communicate the amount to be billed by PG&E for services provided by SCP (810 Electronic Data Interchange Files).

vi. Receive, maintain, and make accessible to SCP or a SCP-Designated Third Party, all data related to payment transactions applied to SCP charges from PG&E after payment is received by PG&E from customers (820 Electronic Data Interchange Files).

vii. Process CCASRs with PG&E when customer status changes.

viii. Participate in the Customer Data Acquisition Program (CDA) beta testing for SmartMeter data sharing as SCP’s Data Manager.

ix. Receive and store SmartMeter data from PG&E. Provide SmartMeter data to SCP in a mutually agreed upon method.

(b) Qualified Reporting Entity (QRE) Services:

i. Consistent with terms and conditions included in the QRE Services Agreement(s) between SCP and Calpine, serve as QRE for up to fifteen (15) locally situated, small-scale renewable generators supplying electric energy to SCP, having individual capacities less than 20 MW, such as through SCP’s Feed-in Tariff (ProFIT).

ii. As QRE, Calpine shall receive applicable electric meter data from PG&E for SCP small-scale local projects, consistent with PG&E’s applicable meter servicing agreement, and shall retain this data and provide such data to SCP monthly or, using commercially reasonable efforts, more frequently for purposes of performance tracking and invoice creation by SCP.

iii. Submit a monthly generation extract file to WREGIS on SCP’s behalf, which will conform to the characteristics and data requirements set forth in the WREGIS Interface Control Document for Qualified Reporting Entities.

(c) Customer Information System/Customer Relationship Management System:

i. Store, maintain and make accessible to SCP or a SCP-Designated Third Party, an accurate database of all accounts eligible for CCA Service who are located in the SCP service area and identify each account’s enrollment status (opt out, opt-in, CleanStart, EverGreen or other SCP CCA Service offering), rate tariff election(s), rate history, payment history, collection status, on-site generating capacity, if applicable, any correspondence with customer as well as other information that may become necessary to effectively administer CCA Service as mutually agreed to by parties from time to time.

ii. Receive, load, and make accessible to SCP or a SCP-Designated Third Party the following historical information by account provided by PG&E or SCP: energy usage data, service address, customer service activity, standardized PG&E snapshots, rate information and NAICS codes.
iii. Allow SCP to have functional access to the online database to add customer interactions and other account notes.

iv. Provide SCP with quarterly training and as-needed training for necessary SCP employees and any SCP-Designated Third Party, to functionally access CRM. Provide SCP with up-to-date user guides describing CRM functionality and navigation, and maintain such guides.

v. Allow SCP to view customer email or written letter correspondence within online database.

vi. Document in the CRM all email and telephone calls between Calpine and SCP CCA Service customers, using commercially reasonable efforts to submit in CRM within 1 business day.

vii. Maintain and provide energy usage data on all CCA Service customers for a time period of five years, unless such data are unavailable. These data shall include energy usage for service from SCP and also energy usage for service from PG&E to the extent such bundled service data are available.

viii. Upon request for data relating to usage more than 5 years in the past according to written parameters provided by SCP, Calpine will use commercially reasonable efforts to provide such data within 10 business days.

ix. Maintain viewing access, available to appropriate SCP staff, to view PG&E bills for SCP customers, including supporting the intuitive parsing and labeling of PG&E provided files. Billing records for usage within the past 18 months should be attached to their respective SAID and accessible via the CRM.

x. Upon request for billing records relating to usage more than 18 months prior to the date such request is received by Calpine, Calpine will use commercially reasonable efforts to provide such billing records within 10 business days.

xi. Maintain and communicate to SCP as needed record of customers who have been offered service with SCP but have elected to opt out, either before or after starting service with SCP.

xii. Maintain and communicate to SCP as needed records of Net Energy Metering credits and generation data for customers to be posted on bill monthly and settled annually.

xiii. Maintain and communicate to SCP as needed records of Net Energy Metering credits and generation data for customers who have terminated their account with SCP.

xiv. When requested by SCP, identify appropriate Balanced Payment Plan (BPP) type estimated charges and implement for BPP customers.

xv. When requested by SCP, perform quarterly BPP reviews to assess appropriate customer charge level.

xvi. When requested by SCP, place On Bill Repayment (OBR) charges on the relevant customer account, identified by SAID.

xvii. When requested by SCP, send OBR as a separate line item to PG&E for placement on monthly bill during term of repayment.

(d) Customer Call Center:

i. Receive calls from SCP CCA Service customers referred to Calpine by PG&E and receive calls directly from SCP CCA Service customers.
ii. Provide professional Interactive Voice Response (IVR) recordings for SCP customer call center.

iii. Implement IVR self-service, according to parameters provided by SCP, and track how many customers start and complete self-service options without live-agent assistance. Provide updates to the IVR process map and scripts each calendar year according to parameters provided by SCP.

iv. Through and including September 29, 2017, staff a call center during non-enrollment periods between the hours of 7:00 A.M. and 7:00 P.M. Pacific Prevailing Time Monday through Friday, excluding SCP and PG&E holidays. Beginning October 2, 2017 through the remainder of the Operational Period, staff a call center during non-enrollment periods between the hours of 8:00 A.M. and 5:00 P.M. Pacific Prevailing Time Monday through Friday, excluding SCP and PG&E holidays. These hours may be adjusted as mutually agreed.

v. Provide one Calpine-employed call center representative between the hours of 8:00 A.M. and 5:00 P.M. Pacific Prevailing Time Monday through Friday, excluding Calpine holidays. SCP shall have the right to request in writing one additional Calpine-employed call center representative in the event that call center performance does not meet SCP's needs. Calpine shall make commercially reasonable efforts to provide the additional Calpine-employed call center representative within 90 calendar days of receiving SCP's written request.

vi. Provide sufficient 3rd party call center staffing to meet the requirements set forth herein, including designating SCP specific agents to the extent needed to meet the performance standards in Section 3(e).

vii. Provide a sufficient number of Calpine Account Analysts to manage escalated calls during regular business hours between 8:00 A.M. and 5:00 P.M. Pacific Prevailing Time, Monday through Friday, excluding Calpine holidays.

viii. The call center will be staffed with personnel located within California, with a strong preference for Santa Rosa, California.

ix. Provide callers with the estimated hold time, if they are placed on hold. Provide an automated ‘call back’ option for callers who will be put on hold for an estimated five minutes or longer.

x. Record all inbound calls and make recordings available to SCP staff upon request. Maintain an archive of such recorded calls for a minimum period of 24 months.

xi. Track call center contact quality with criteria, including:
   i. Use of appropriate greetings and other call center scripts
   ii. Courtesy and professionalism
   iii. Capturing key customer data
   iv. Providing customers with correct and relevant information
   v. First-contact or first-call resolution
   vi. Accuracy in data entry and call coding
   vii. Appropriate grammar and spelling in text communication (email and chat)

xii. Evaluate customer satisfaction through voluntary customer surveys asking general questions about call quality, call resolution and the customer’s overall satisfaction level with the service received. Calpine will provide recommendations and additional call center training when survey results are not satisfactory.
xiii. Evaluate call center staff by completing a minimum of 2 quality assurance calls per call center representative (regardless of CSR’s location/employer) per month. Evaluate low-performing call center representative by completing a minimum of 4 quality assurance calls per month until he/she improves.

xiv. Provide the call center number on the LDC invoice allowing SCP CCA Service customers to contact the call center.

xv. Respond to telephone inquiries from SCP CCA Service customers using a script developed by SCP. Ensure call center staff are trained on and have fluency in the SCP scripts by monitoring and reporting on call center recordings as described in Section 5(b). Escalate calls as needed for customers requiring additional handling by Calpine Account Analysts.

xvi. Respond to CCA Service customer inquiries along the following guidelines for customer complaints:
   a. Customer complaints on matters under the control of SCP:
      i. Calpine will relay the complaint to SCP staff within 1 business day.
      ii. Calpine will communicate the complaint resolution to the customer within 3 business days of notification from SCP.
   b. Customer complaints on matters under the control of PG&E: Calpine will refer the customer to PG&E.

xvii. Engage in annual or as needed coordination meetings with PG&E call center at SCP’s request.

xviii. Use commercially reasonable efforts to provide Spanish speaking call center staff to customers during regular business hours.

xix. Provide translation services for inbound calls for the following languages: Spanish, Vietnamese, Mandarin, Cantonese, Tagalog, Russian, Korean and Laotian. Use commercially reasonable efforts to provide translation services for additional languages as requested by SCP.

xx. Create and maintain online forms for the SCP websites so that customers may request changes to their account status to enroll, opt-up, or opt out of various SCP programs under SCP’s CCA Service. Utilize the SCP brand guidelines for the color of the forms. Assess the forms annually with SCP staff to identify improvement areas. Implement configurable changes provided by SCP in writing within 30 days. For changes requiring system development which can be implemented, provide an estimated schedule and use commercially reasonable effort to achieve implementation.

xxi. Transition of Call Center Duties.
   a. SCP reserves the right to transition all call center duties from Calpine to SCP, with at least 90 days’ notice to Calpine. Upon completion of transition, the service fee will be reduced as stipulated in Section 4, Fees for Data Manager Standard Service.
   b. Transition of call center duties may occur in phases, according to call needs and demands, overflow call center options, and third-party translation services. Calpine will assist in this transition.
   c. SCP shall be responsible for any additional infrastructure or programming costs incurred by Calpine to facilitate this transition. Calpine will provide an estimate and receive approval from SCP for these costs prior to Calpine
incurring them. Calpine will invoice these costs to SCP without any added charges.

d. Calpine shall be responsible for training all SCP CSRs and providing such services as group chat, call escalation, and call monitoring for training and evaluation.

e. Calpine will provide SCP with quarterly performance reports of SCP’s CSR(s).

f. In the event SCP partially transitions a portion of the call center duties from Calpine by hiring internal customer service representatives, Calpine will credit SCP for any avoided cost realized by such transition in accordance with the reduction stipulated in Section 4 - Fees for Data Manager Standard Service. If required, Parties will further develop a cost reduction methodology upon finalizing the call allocation mechanism between SCP and Calpine.

g. In the event Calpine transitions to a new third-party call center (outside of AnswerNet or an affiliated provider), it will provide SCP notice of at least 90 days of such decision to transition.

(e) Call Center Performance Standards and Contact Quality Tracking Criteria

   i. During Non-Enrollment Periods, the following performance standards shall apply:
      a. A minimum of 75% of all calls will be answered within 45 seconds.
      b. A minimum of 90% of calls will be answered within 3 minutes.
      c. 100% of voicemail messages will be answered within 1 business day.
      d. Achieve a no greater than 10% abandon rate for all calls.

   ii. During Statutory Enrollment Periods, the following performance standards shall apply:
      a. A minimum of 75% of all calls will be answered within 60 seconds.
      b. A minimum of 90% of calls will be answered within 3 minutes.

   iii. In accordance with Section 5(b) of this Addendum, Calpine shall provide monthly reports documenting whether the above performance standards have been met.

(f) Quality Assurance:

   i. Project list. Parties will maintain a project list of current SCP requests and other initiatives related to Data Manager Services, which will include request date, project owners, project status and next steps, expected completion date and actual completion date. Parties will coordinate to make progress on items on the list and resolve issues.

   ii. Monthly operational call. Calpine will host a monthly call to discuss operational issues requested by SCP, including call center performance, opportunities to improve call center service and progress on projects. Parties will communicate agenda items at least 1 business day in advance.

   iii. Monthly PG&E/Calpine/SCP operational call. Calpine will take part in a monthly call, hosted by SCP, to discuss operational issues, including billing, long-term projects, and opportunities to improve customer service.

   iv. Quarterly management meeting. At SCP’s request, Calpine will attend quarterly management meetings at SCP’s offices. Parties will communicate discussion agenda items at least 5 business days in advance of the meeting.

(g) Customer Enrollments (Statutory Enrollment Period):
i. Staff a call center, during any SCP Statutory Enrollment Period, between the hours of 7:00 A.M. to 9:00 P.M. Pacific Prevailing Time, 7 days-a-week, to process opt out requests according to the provisions in Section 3(d). Ensure that all calls, except overflow volume, are answered by staff located in California.

ii. For new CCA Service customers, update CIS and CRM to track enrollment status and store account information provided by PG&E.

iii. Provide weekly update of opt outs during Statutory Enrollment Periods.

(h) Mailing Lists:

i. Generate and provide mailing lists to an SCP-designated printer, within 10 business days of SCP’s request according to written parameters provided by SCP, for each of the following:
   a. Mass enrollment notifications during statutory enrollment periods;
   b. Late payment notifications to CCA Service customers that are over 90 days or $250 overdue, generated on a monthly basis;
   c. New CCA Service account/new move-in customer enrollments (during non-enrollment and statutory enrollment periods) within 7 days of enrollment receipt of CCASR;
   d. EverGreen residential welcome packets within 7 days of opt up request;
   e. Opt out confirmation letters within 7 days of opt out request;
   f. Welcome Back to SCP confirmation letters within 7 days of re-enrollment;
   g. Welcome to NetGreen confirmation letters with 7 days of notification from PG&E of rate change to NEM;
   h. Customers eligible for SCP’s Net Energy Metering annual settlement process based on SCP’s current NetGreen program.
   i. Other mailing lists as requested, such as SCP program participation and changes in rates.

ii. All mailing lists will adhere to the following parameters, unless otherwise specified by SCP:
   a. Remove duplicate occurrences of identical Service Agreement account holder name and full mailing address.
   b. Remove Direct Access customers.
   c. Send the above lists to SCP staff via SFTP for review and/or to SCP’s designated printer via SFTP, in accordance with SCP’s request.

(i) Billing Administration:

i. Receive data on CCA Service from PG&E, and provide PG&E with appropriate charges for applicable rate class and other charges related to CCA Service.

ii. Timely submit billing information for each CCA Service customer to PG&E to meet PG&E Billing Window.

iii. Use commercially reasonable efforts to remedy CCA Service billing errors for any customer in a timely manner, within one billing cycle from discovery of the error.

iv. Update SCP’s CCA Service rates according to written parameters provided by SCP, and provide written confirmation that Calpine has validated the accuracy of the Calpine-programmed CCA Service rates.
v. Conduct testing to ensure CCA Service rates are being applied correctly to all customers. Make testing results available to SCP upon request, and provide a method for SCP staff to validate the accuracy of the Calpine-programmed rates upon request.

vi. Assist with annual settlement process for Net Energy Metering customers by identifying eligible customers and providing accrued charges and credits based on SCP’s NetGreen program guidelines.

vii. Assist with monthly settlement process for Net Energy Meter customers who have terminated their account by identifying eligible customers and providing accrued balances based on SCP’s NetGreen program guidelines.

viii. Place On-Bill Repayment (OBR) charges on the relevant customer account, identified by SAID.

ix. Send OBR as a separate line item to PG&E for placement on monthly bill during term of repayment.

x. When requested by SCP, implement Balanced Payment Plan (BPP) charges on monthly bills.

xi. Perform quarterly BPP reviews to assess appropriate customer charge level.

(j) Reporting:

i. Calpine will deliver the reports to SCP as follows:

<table>
<thead>
<tr>
<th>Report</th>
<th>Frequency</th>
<th>Delivery Method</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aging</td>
<td>Weekly &amp; Monthly</td>
<td>SFTP</td>
</tr>
<tr>
<td>Cash Receipts</td>
<td>Weekly &amp; Monthly</td>
<td>SFTP</td>
</tr>
<tr>
<td>Days To Invoice</td>
<td>Weekly &amp; Monthly</td>
<td>SFTP</td>
</tr>
<tr>
<td>Utility User Tax (UUT) where applicable</td>
<td>Monthly</td>
<td>SFTP or Email</td>
</tr>
<tr>
<td>Invoice Summary Report</td>
<td>Weekly &amp; Monthly</td>
<td>SFTP</td>
</tr>
<tr>
<td>Invoice Summary Report – Mid Month</td>
<td>Monthly</td>
<td>SFTP or Email</td>
</tr>
<tr>
<td>Monthly Transaction Summary</td>
<td>Monthly</td>
<td>SFTP or Email</td>
</tr>
<tr>
<td>Opt Out with Rate Class</td>
<td>Weekly &amp; Monthly</td>
<td>SFTP</td>
</tr>
<tr>
<td>Retroactive Returns</td>
<td>Monthly</td>
<td>SFTP or Email</td>
</tr>
<tr>
<td>Sent to Collections</td>
<td>Monthly</td>
<td>SFTP or Email</td>
</tr>
<tr>
<td>Snapshot</td>
<td>Weekly</td>
<td>SFTP</td>
</tr>
<tr>
<td>Snapshot with Addresses</td>
<td>Weekly</td>
<td>SFTP</td>
</tr>
<tr>
<td>Unbilled Usage</td>
<td>Monthly</td>
<td>SFTP</td>
</tr>
<tr>
<td>Account Count by Rate</td>
<td>Monthly</td>
<td>SFTP or Email</td>
</tr>
<tr>
<td>Full Volume Usage by Rate Class</td>
<td>Monthly</td>
<td>SFTP or Email</td>
</tr>
</tbody>
</table>

(k) Settlement Quality Meter Data:

i. Calpine shall provide SCP or SCP’s Scheduling Coordinator with Settlement Quality Meter Data (“SQMD”) based on usage data for SCP CCA Service customers as provided by PG&E and required by the CAISO.

ii. Upon SCP’s request, Calpine shall submit the SQMD directly to the CAISO on behalf of SCP or SCP’s designated Scheduling Coordinator.
iii. The parties shall work together and agree on an acceptable format for the SQMD, attached to this Addendum as Exhibit A.

iv. SCP agrees that Calpine shall have no responsibility for any charges or penalties assessed by the CAISO associated with the SQMD under an indemnity provision or otherwise unless such charge/penalty is the result of error(s) by Calpine in processing the data, for which SCP's exclusive remedy will be in accordance with Section 9.

v. Calpine shall provide available usage data for SCP's Scheduling Coordinator to perform load forecasting.

i. Calpine shall prepare the SQMD using the same level of care that Calpine would use if preparing the SQMD for its own account as an LSE, however, Calpine hereby disclaims in advance that any representation is made or intended that the SQMD is necessarily complete, or free from error.

4. FEES FOR STANDARD DATA MANAGER SERVICE

(a) The fee is $1.15 per meter per month.

(b) Without Full Call Center: In the event that SCP elects to assume certain call center services, the per meter per month fee shall be reduced by the costs avoided by Calpine to perform such services, up to a maximum of $0.15.

(c) Without Partial Call Center: In the event that SCP elects to self-provide a portion of call center services, the per meter per month fee shall be reduced by the following amounts:

i. If the number of Calpine or dedicated third-party CSRs can be reduced as a result of SCP providing its own call center representatives, while maintaining performance levels and call quality, the per meter per month fee shall be reduced $0.03 for each such reduction up to a maximum of fee reduction of $0.09.

No additional reductions in fee are provided unless all call center operations are provided by SCP or its contractor, as provided in 4(b).

5. DESCRIPTION OF EXPANDED DATA MANAGER SERVICES

During the Operational Period, Calpine shall provide Expanded Data Manager Services as described below.

(a) Letter templates. Calpine will save letter templates in CRM specified below as provided by SCP, and use commercially reasonable efforts to update additional templates upon request. At SCP’s request, Parties will review letter templates during the monthly operational call.

i. Opt out confirmation emails

ii. Opt out confirmation letters

iii. Late payment letters

iv. Move in Notices

v. Welcome Back Letters

vi. Welcome to NetGreen letters

(b) Reports generation. Generate additional reports specified in the table below. For reports requiring customized programming, use commercially reasonable efforts to
provide requirements and estimated completion time to SCP within 5 business days, based on written parameters provided by SCP.

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<tr>
<th>Report</th>
<th>Frequency</th>
<th>Delivery Method</th>
</tr>
</thead>
<tbody>
<tr>
<td>Call center statistics required to evaluate performance against standards established in Sections 3(e).</td>
<td>Monthly</td>
<td>SFTP or Email</td>
</tr>
<tr>
<td>Call center statistics including call volume, call types, language selections, average call duration, hold times and customer survey results available from the IVR.</td>
<td>Monthly</td>
<td>SFTP or Email</td>
</tr>
<tr>
<td>Analysis of call center activity including any significant changes, outliers or trends.</td>
<td>Monthly</td>
<td>SFTP or email</td>
</tr>
<tr>
<td>NetGreen Cash Out Liability</td>
<td>Monthly</td>
<td>SFTP or email</td>
</tr>
<tr>
<td>Update and make available an organizational chart of Calpine’s CCA business on a quarterly basis to SCP. Notify SCP of changes to call center and SCP-facing Calpine staff within 2 business days.</td>
<td>Quarterly</td>
<td>SFPT or email</td>
</tr>
</tbody>
</table>

(c) CRM reports and dashboard. Provide access to customer data via the CRM portal via routine reports and dashboards according to written parameters provided by SCP.

(d) Storage of customer communication in CRM, including letter correspondence, late payment notifications, Net Energy Metering cash-out notifications, enrollment notices, EverGreen Letters, Joint Rate Mailer, confirmation notices, California Energy Commission power content labels, and other notifications related to CCA Services provided by SCP staff.

(e) Ad hoc reports and mailing lists. Generate ad hoc reports and mailing lists requested by SCP, using commercially reasonable efforts to provide within 10 business days of SCP’s request. Parties will coordinate to ensure the business requirements for development of such reports and mailing lists are reasonably finalized to minimize revisions.

(f) Coordinate with SCP staff to develop requests for new CIS database fields to store SCP program participation information and daily historical values for compliance purposes. For such requests which can be implemented, Calpine will provide an estimated schedule and use commercially reasonable effort to achieve implementation.

(g) Coordinate with SCP staff to develop requests to make modifications to CRM. For requests which can be implemented, Calpine will provide an estimated schedule and use
commercially reasonable effort to achieve implementation. To the extent SCP-requested modifications require user testing, such modifications will be tested by SCP in the CRM user acceptance testing environment prior to implementation in the CRM production environment.

(h) Coordinate with SCP staff to develop requirements for a RES-BCT program. To the extent implementation is commercially feasible, Calpine will provide an estimated schedule and use commercially reasonable effort to achieve implementation.

6. **FEES FOR EXPANDED DATA MANAGER STANDARD SERVICE**

   (a) $0.00 (zero) per meter per month.

7. **DATA SECURITY**

   (a) Calpine and/or its employees, contractors, officers, agents or successors, shall comply with all applicable data security laws and regulations.

   (b) Calpine shall maintain all customer data in compliance with SCP’s customer privacy policy, the Non-Disclosure Agreement, and the requirements of relevant CPUC Decisions including D.12-08-045, including a daily backup process.

   (c) Calpine shall maintain a Security Breach Policy and provide any updates to the Policy within 7 days, excluding changes to the Covered Information Users Lists.

   (d) Return of Customer Data. Upon SCP request which shall be made with reasonable notice, Calpine shall provide to SCP, or SCP’s designee, all existing SCP Data used by Calpine for administration of SCP’s customer information system. Calpine shall maintain, return, or (if so directed by SCP) subsequently destroy or delete all customer-related data in accordance with the provisions of the Non-Disclosure Agreement between the Parties and any other applicable confidentiality requirements, subject to the Parties’ reasonable mutual agreement that the data identified for return, destruction or deletion are not necessary for Calpine’s performance of continuing obligations under the Agreement and this Addendum.

   (e) Return of Data Generally.

      i. At SCP’s reasonable direction during the term of this Addendum and the Agreement, Calpine shall provide to SCP or its designee a copy of all or specified items of SCP Data. Parties will confer to determine the method and form of delivering such data.

      ii. Upon termination or expiration of this Addendum and/or the Agreement for any reason, Calpine shall provide to SCP or its designee all SCP data, whether in written, electronic or other form or media, and at SCP’s written request, shall securely dispose of all copies of SCP data. Calpine shall thereafter certify in writing to SCP that all such data has been returned to SCP and/or disposed of securely.
iii. SCP reserves the right to request return and/or destruction of specified items of data during the term of this Addendum and the Agreement, subject to the Parties’ reasonable mutual agreement that the data in question are no longer necessary for Calpine’s performance of its obligations under this Addendum and Agreement.

(f) In the event of any detected breach of data security or unauthorized access concerning any data, particularly data that includes personal information, in accordance with applicable SCP and Calpine privacy and data security policies, Calpine shall immediately notify SCP of any breach or unauthorized access, and shall assist and cooperate in investigating security breaches and obtaining the return of any misappropriated data and other appropriate remedies.

8. THIRD-PARTY AUDIT REQUIREMENT

Within 30 days of the Addendum Date, Calpine shall use commercially reasonable efforts to enter into an agreement with a qualified CPA firm to conduct a SOC 1 Type II Report audit. Calpine shall be responsible for all associated costs and fees of the SOC audit. Alternatively, SCP may select a third-party auditor to perform a similar audit of Calpine’s systems and processes related to performance of its obligations under this Addendum and the Agreement, in which case Parties shall agree to the scope and SCP shall be responsible for all associated costs and fees, of such audit.

9. REMEDIES FOR FAILURE TO MEET CERTAIN PERFORMANCE STANDARDS

Calpine agrees that liquidated damages may be assessed and recovered by SCP against Calpine, in the event of a Calpine-caused failure to substantially meet the performance standards specified in Section 3(e) and 3(k). For any month in which SCP believes Calpine has failed to substantially meet these performance standards, SCP will provide notification to Calpine within 30 calendar days and Parties shall confer to establish a plan to remedy such failure. In the event Calpine is unable to achieve such remedy within 30 calendar days of notification, Calpine shall be liable to SCP for payment of liquidated damages in an amount of Ten Thousand Dollars ($10,000) for each month that Calpine fails to substantially meet these performance standards. Any such liquidated damage payments may be provided to SCP in the form of a reduction of charges in the following month’s invoice under the Agreement. The foregoing liquidated damages payment shall be limited to $10,000 regardless of how many performance standards are not met in any given month. The liquidated damages payment shall not apply to any performance standard that is of a subjective nature. Such liquidated damages are intended to represent estimated actual damages and not intended as a penalty, and Calpine shall pay them to SCP without limiting SCP’s right to terminate this agreement for default as provided elsewhere herein.

10. EFFECT OF EXPIRATION

Upon the expiration of the Operational Period, which may include the First Extended Term of the Agreement in accordance with Section 1, Calpine shall reasonably cooperate with SCP to ensure a prompt and efficient transfer of all existing SCP customer-related data, documents and other materials reasonably required to maintain continuity in the performance of Data Manager Services to a new services provider; provide to SCP, or SCP’s designee, all existing SCP customer-related data required for administration of SCP’s customer information system, and maintain, return, and (as directed by SCP)
subsequently destroy or delete all SCP customer-related data in accordance with the provisions of the Non-Disclosure Agreement between the Parties and any other applicable confidentiality requirements.

11. TERMINATION FOR CAUSE

If any one of the following events (each an "Event of Default") occurs with respect to a Party, then the other Party may terminate this Agreement or the applicable Addendum: (i) with respect to SCP, SCP fails to pay amounts due hereunder and such failure continues for seven (7) business days following written notice from the other Party; (ii) a Party defaults in the observance or performance of any of such Party’s material covenants, duties, or obligations in this Agreement (other than a default in a payment obligation) and such default continues uncured for twenty (20) business days following written notice to such Party; (iii) either Party makes an assignment for the benefit of creditors (other than a collateral assignment to an entity providing financing to such Party), files a petition or otherwise commences, authorizes or acquiesces in the commencement of a proceeding or cause under any bankruptcy or similar law for the protection of creditors or has such a petition filed against it or otherwise becomes bankrupt or insolvent (however evidenced), or is unable to pay its debts as they fall due; or (iv) SCP fails to satisfy LDC’s credit-worthiness requirements set forth in the LDC tariffs and such failure continues uncured for twenty (20) business days following written notice to SCPA from LDC.

Upon the expiration of the Operational Period, which may include the First Extended Term of the Agreement in accordance with Section 1, or upon a termination for cause, Calpine shall (i) reasonably cooperate with SCP to ensure a prompt and efficient transfer of all existing SCP customer-related data, documents and other materials reasonably required to maintain continuity in the performance of Data Manager Services to a new services provider; (ii) provide to SCP, or SCP’s designee, all existing SCP customer-related data required for administration of SCP’s customer information system, and maintain, return, and (as directed by SCP) subsequently destroy or delete all SCP customer-related data in accordance with the provisions of the Non-Disclosure Agreement between the Parties and any other applicable confidentiality requirements, and (iii) immediately cease providing Services other than as described in (i) and (ii) in this paragraph.

In the event of a termination for cause by Calpine, SCP agrees to compensate Calpine for services performed in connection with the transfer of accounts to SCP or SCP’s designee by paying Calpine an amount equal to $3.45 multiplied by the number of accounts transferred. In the event of a termination for cause by SCP, or the expiration of the Operational Period, which may include the First Extended Term of the Agreement in accordance with Section 1, no compensation to Calpine shall be required in connection with the transfer of accounts to SCP or SCP’s designee.

12. PRIMARY POINTS OF CONTACT

Calpine shall provide a SCP dedicated primary point of contact for day-to-day billing issues and customer contact including call center interactions. In addition, Calpine shall provide primary points of contact for (1) call center operations, including reporting, staffing, training and scripting; (2) other services provided in this Addendum; (3) services not included in this Addendum and general client relationship issues. For email communication related to the above, SCP shall copy distribution lists provided by Calpine.
SCP shall provide a primary point of contact for each of the following areas: (1) day-to-day billing issues and customer contact including call center interactions; (2) call center operations, including reporting, staffing, training and scripting; (3) other services provided in this Addendum; (4) services not included in this Addendum and general client relationship issues. For email communication related to (1), (2) and (3) above, Calpine shall copy distribution lists provided by SCP.

Each Party’s points of contact shall coordinate to ensure that all concurrently active requests and issues are managed in accordance with SCP priorities and availability of Calpine resources.

13. PRICING ASSUMPTIONS

The Fees defined herein include only the services and items expressly set forth in this Addendum. Unless otherwise agreed to by the Parties in an Addendum any additional deliverable provided by Calpine to SCP shall be billed at a labor rate of $150.00 per hour plus any out-of-pocket costs incurred by Calpine without mark-up. Any such additional deliverable shall be first agreed to by the parties in writing.

14. NOTICES

The notice addresses as set forth in Section 21 of the Agreement are updated as follows:

Contract Manager: Sonoma Clean Power Authority
Attn: Erica Torgerson

SCP Address: 50 Santa Rosa Avenue, 5th Floor
Santa Rosa, CA 95404

Telephone No.: (707) 791-1341

Contractor: Calpine Energy Solutions; LLC
Attn.: Drake Welch

Address: 401 West A Street, Suite 500
San Diego, CA 92101

Telephone No.: (619) 684-8039

CALPINE ENERGY SOLUTIONS LLC  SONOMA CLEAN POWER AUTHORITY

By: _____________________________   By: _____________________________
Title: President      Title: CEO
### Exhibit A

**Format for Settlement Quality Meter Data (“SQMD”)**

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<th>CHANNEL</th>
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<th>TIME</th>
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Staff Report – Item 08

To: Sonoma Clean Power Authority Board of Directors

From: Steve Shupe, General Counsel

Issue: Amendment of Sonoma Clean Power Authority Conflict of Interest Code

Date: August 3, 2017

Requested Board Action:

Approve amendments to Sonoma Clean Power Authority Conflict of Interest Code

Background:

The California Political Reform Act requires all public agencies to adopt a “Conflict of Interest Code” specifying the economic interests that must be disclosed on annual “Form 700” filings by officers and employees involved in making public decisions. SCPA’s existing Conflict of Interest Code was adopted when SCPA’s service territory was limited to Sonoma County. With the expansion of service to Mendocino County, SCPA is now a “multi-county” agency, and the California Fair Political Practices Commission (FPPC) is now the “code reviewing body” for SCPA.

In light of the expansion into Mendocino County, I have worked with staff at the FPPC to develop a new Conflict of Interest Code for SCPA, which is attached (along with the FPPC’s Model Code, which is incorporated into the SCPA code by reference). The new proposed Conflict of Interest Code varies from the existing code in several ways:

1. Members of the Board of Directors and the Chief Executive Officer will be required to disclose the same interests as so-called “Section 87200” filers. Since members of city councils and boards of supervisors are already subject to the Section 87200 disclosure requirements, this will simplify the disclosure
requirements for Board members, as the type of interests required to be disclosed as SCPA board members will be the same as the type of interests required to be disclosure as a city council member or member of the board of supervisors. (However, the disclosure for SCPA must include interests within all of SCPA’s jurisdiction rather than just interests within the Board member’s more limited “home” jurisdiction.)

2. Disclosure categories for staff are more closely tailored to their individual, specific jobs and more reflective of the type of decisions in which they participate.

3. A new disclosure category will require disclosure of material economic interests in businesses that may be affected by SCPA programs or SCPA regulatory activities. The existing code was limited to interests in businesses of a type that might enter into contracts with SCPA.

4. The existing code covered all SCPA staff. As SCPA now has staff that do not participate in the making of decisions for SCPA, the inclusion of all staff is not appropriate. The new code limits disclosure requirements to staff likely have input into making decisions (such as contracting decisions or program implementation decisions) for SCPA.

The FPPC regulations for “multi-county” agencies require a 45-day public notice period for new or amended conflict of interest codes. That notice was emailed to all Board and Committee members and staff who would be affected by the amended code. The notice was also posted outside SCPA’s offices and on the SCPA website. I received no comments on the proposed amendments in response to the notice.

Adoption of the amended Conflict of Interest Code will ensure SCPA is in compliance with FPPC regulations as a “multi-county” agency.
SONOMA CLEAN POWER AUTHORITY

CONFLICT OF INTEREST CODE

(As Amended August 3, 2017)

The Political Reform Act (Government Code Section 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 California Code of Regulations Section 18730) that contains the terms of a standard conflict of interest code, which can be incorporated by reference in an agency’s code. After public notice and hearing, the standard code may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation and the attached Appendices, designating positions and establishing disclosure categories, shall constitute the Conflict of Interest Code of Sonoma Clean Power Authority (Authority).

Individuals holding designated positions shall file their statements of economic interests with the Authority, which will make the statements available for public inspection and reproduction. (Government Code Section 81008.) All statements will be retained by Authority.
Sonoma Clean Power Authority
Appendix A to the Conflict of Interest Code

Designated Positions

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<td>Consultants/New Positions</td>
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*Consultants/new positions shall be included in the list of designated positions and shall disclose pursuant to the broadest disclosure category in the code, subject to the following limitation:

The Chief Executive Officer, following consultation with the General Counsel, may determine in writing that a particular consultant or new position, although a “designated position,” is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements described in this section. Such determination shall include a description of the consultant’s or new position’s duties and, based upon that description, a statement of the extent of disclosure requirements. The Chief Executive Officer’s determination is a public record and shall be retained for public inspection in the same manner and location as this conflict of interest code (Gov. Code Sec. 81008).

The following positions are NOT covered by the Conflict of Interest Code because they must file under Government Code Section 87200 and, therefore, are listed for informational purposes only:

Board Members and Alternates
Chief Executive Officer

An individual holding one of the above listed positions may contact the Fair Political Practices Commission for assistance or written advice regarding their filing obligations if they believe that their position has been categorized incorrectly. The Fair Political Practices Commission makes the final determination whether a position is covered by Government Code Section 87200.
Sonoma Clean Power Authority
Appendix B to the Conflict of Interest Code

Disclosure Categories:

1. Investments and business positions in business entities, and income, including receipt of loans, gifts, and travel payments, from sources that provide services, supplies, materials, machinery, or equipment of the type utilized by the Authority.

2. Interests in real property located within the jurisdiction of the Authority or within two miles of the boundaries of the jurisdiction of the Authority, or within two miles of any land owned or used by the Authority.

3. Investments and business positions in business entities, and income, including receipt of loans, gifts, and travel payments, from sources that engage in the design, development, construction, sale, or the acquisition of facilities that generate electricity, including, wind, solar, geothermal, hydroelectric, ocean, garbage, and biomass.

4. Investments and business positions in business entities, and income, including receipt of loans, gifts, and travel payments, from sources that are energy or environmental consultants, research firms, or engineering firms, entities that design, build, manufacture, sell, distribute, or service equipment of the type that is utilized by electric power suppliers or providers of energy efficiency, demand response, or fuel shifting programs, or any entity that is, or within the past 12 months has been, party to a proceeding before any local, state, or regional regulatory or judicial entity in which the Authority is also a party.

5. Investments and business positions in business entities, and income, including receipt of loans, gifts, and travel payments, from sources that are involved in marketing, communications, advertisements, public relations, and media relations.
§ 18730. Provisions of Conflict of Interest Codes.

(a) Incorporation by reference of the terms of this regulation along with the designation of employees and the formulation of disclosure categories in the Appendix referred to below constitute the adoption and promulgation of a conflict of interest code within the meaning of Section 87300 or the amendment of a conflict of interest code within the meaning of Section 87306 if the terms of this regulation are substituted for terms of a conflict of interest code already in effect. A code so amended or adopted and promulgated requires the reporting of reportable items in a manner substantially equivalent to the requirements of article 2 of chapter 7 of the Political Reform Act, Sections 81000, et seq. The requirements of a conflict of interest code are in addition to other requirements of the Political Reform Act, such as the general prohibition against conflicts of interest contained in Section 87100, and to other state or local laws pertaining to conflicts of interest.

(b) The terms of a conflict of interest code amended or adopted and promulgated pursuant to this regulation are as follows:

(1) Section 1. Definitions.

The definitions contained in the Political Reform Act of 1974, regulations of the Fair Political Practices Commission (Regulations 18110, et seq.), and any amendments to the Act or regulations, are incorporated by reference into this conflict of interest code.

(2) Section 2. Designated Employees.
The persons holding positions listed in the Appendix are designated employees. It has been determined that these persons make or participate in the making of decisions which may foreseeably have a material effect on economic interests.

(3) Section 3. Disclosure Categories.

This code does not establish any disclosure obligation for those designated employees who are also specified in Section 87200 if they are designated in this code in that same capacity or if the geographical jurisdiction of this agency is the same as or is wholly included within the jurisdiction in which those persons must report their economic interests pursuant to article 2 of chapter 7 of the Political Reform Act, Sections 87200, et seq.

In addition, this code does not establish any disclosure obligation for any designated employees who are designated in a conflict of interest code for another agency, if all of the following apply:

(A) The geographical jurisdiction of this agency is the same as or is wholly included within the jurisdiction of the other agency;

(B) The disclosure assigned in the code of the other agency is the same as that required under article 2 of chapter 7 of the Political Reform Act, Section 87200; and

(C) The filing officer is the same for both agencies.¹

Such persons are covered by this code for disqualification purposes only. With respect to all other designated employees, the disclosure categories set forth in the Appendix specify which kinds of economic interests are reportable. Such a designated employee shall disclose in his or her statement of economic interests those economic interests he or she has which are of the kind described in the disclosure categories to which he or she is assigned in the Appendix. It has been determined that the economic interests set forth in a designated employee's disclosure categories
are the kinds of economic interests which he or she foreseeably can affect materially through the conduct of his or her office.

(4) Section 4. Statements of Economic Interests: Place of Filing.

The code reviewing body shall instruct all designated employees within its code to file statements of economic interests with the agency or with the code reviewing body, as provided by the code reviewing body in the agency's conflict of interest code.²

(5) Section 5. Statements of Economic Interests: Time of Filing.

(A) Initial Statements. All designated employees employed by the agency on the effective date of this code, as originally adopted, promulgated and approved by the code reviewing body, shall file statements within 30 days after the effective date of this code. Thereafter, each person already in a position when it is designated by an amendment to this code shall file an initial statement within 30 days after the effective date of the amendment.

(B) Assuming Office Statements. All persons assuming designated positions after the effective date of this code shall file statements within 30 days after assuming the designated positions, or if subject to State Senate confirmation, 30 days after being nominated or appointed.

(C) Annual Statements. All designated employees shall file statements no later than April 1. If a person reports for military service as defined in the Servicemember's Civil Relief Act, the deadline for the annual statement of economic interests is 30 days following his or her return to office, provided the person, or someone authorized to represent the person's interests, notifies the filing officer in writing prior to the applicable filing deadline that he or she is subject to that federal statute and is unable to meet the applicable deadline, and provides the filing officer verification of his or her military status.
(D) Leaving Office Statements. All persons who leave designated positions shall file statements within 30 days after leaving office.

(5.5) Section 5.5. Statements for Persons Who Resign Prior to Assuming Office.

Any person who resigns within 12 months of initial appointment, or within 30 days of the date of notice provided by the filing officer to file an assuming office statement, is not deemed to have assumed office or left office, provided he or she did not make or participate in the making of, or use his or her position to influence any decision and did not receive or become entitled to receive any form of payment as a result of his or her appointment. Such persons shall not file either an assuming or leaving office statement.

(A) Any person who resigns a position within 30 days of the date of a notice from the filing officer shall do both of the following:

(1) File a written resignation with the appointing power; and

(2) File a written statement with the filing officer declaring under penalty of perjury that during the period between appointment and resignation he or she did not make, participate in the making, or use the position to influence any decision of the agency or receive, or become entitled to receive, any form of payment by virtue of being appointed to the position.

(6) Section 6. Contents of and Period Covered by Statements of Economic Interests.

(A) Contents of Initial Statements.

Initial statements shall disclose any reportable investments, interests in real property and business positions held on the effective date of the code and income received during the 12 months prior to the effective date of the code.

(B) Contents of Assuming Office Statements.
Assuming office statements shall disclose any reportable investments, interests in real property and business positions held on the date of assuming office or, if subject to State Senate confirmation or appointment, on the date of nomination, and income received during the 12 months prior to the date of assuming office or the date of being appointed or nominated, respectively.

(C) Contents of Annual Statements. Annual statements shall disclose any reportable investments, interests in real property, income and business positions held or received during the previous calendar year provided, however, that the period covered by an employee's first annual statement shall begin on the effective date of the code or the date of assuming office whichever is later, or for a board or commission member subject to Section 87302.6, the day after the closing date of the most recent statement filed by the member pursuant to Regulation 18754.

(D) Contents of Leaving Office Statements.

Leaving office statements shall disclose reportable investments, interests in real property, income and business positions held or received during the period between the closing date of the last statement filed and the date of leaving office.

(7) Section 7. Manner of Reporting.

Statements of economic interests shall be made on forms prescribed by the Fair Political Practices Commission and supplied by the agency, and shall contain the following information:

(A) Investment and Real Property Disclosure.

When an investment or an interest in real property is required to be reported, the statement shall contain the following:

1. A statement of the nature of the investment or interest;
2. The name of the business entity in which each investment is held, and a general
description of the business activity in which the business entity is engaged;

3. The address or other precise location of the real property;

4. A statement whether the fair market value of the investment or interest in real property
equals or exceeds $2,000, exceeds $10,000, exceeds $100,000, or exceeds $1,000,000.

(B) Personal Income Disclosure. When personal income is required to be reported, the
statement shall contain:

1. The name and address of each source of income aggregating $500 or more in value, or
$50 or more in value if the income was a gift, and a general description of the business activity,
if any, of each source;

2. A statement whether the aggregate value of income from each source, or in the case of
a loan, the highest amount owed to each source, was $1,000 or less, greater than $1,000, greater
than $10,000, or greater than $100,000;

3. A description of the consideration, if any, for which the income was received;

4. In the case of a gift, the name, address and business activity of the donor and any
intermediary through which the gift was made; a description of the gift; the amount or value of
the gift; and the date on which the gift was received;

5. In the case of a loan, the annual interest rate and the security, if any, given for the loan
and the term of the loan.

(C) Business Entity Income Disclosure. When income of a business entity, including
income of a sole proprietorship, is required to be reported, the statement shall contain:

1. The name, address, and a general description of the business activity of the business
entity;
2. The name of every person from whom the business entity received payments if the filer's pro rata share of gross receipts from such person was equal to or greater than $10,000.

(D) Business Position Disclosure. When business positions are required to be reported, a designated employee shall list the name and address of each business entity in which he or she is a director, officer, partner, trustee, employee, or in which he or she holds any position of management, a description of the business activity in which the business entity is engaged, and the designated employee's position with the business entity.

(E) Acquisition or Disposal During Reporting Period. In the case of an annual or leaving office statement, if an investment or an interest in real property was partially or wholly acquired or disposed of during the period covered by the statement, the statement shall contain the date of acquisition or disposal.

(8) Section 8. Prohibition on Receipt of Honoraria.

(A) No member of a state board or commission, and no designated employee of a state or local government agency, shall accept any honorarium from any source, if the member or employee would be required to report the receipt of income or gifts from that source on his or her statement of economic interests.

(B) This section shall not apply to any part-time member of the governing board of any public institution of higher education, unless the member is also an elected official.

(C) Subdivisions (a), (b), and (c) of Section 89501 shall apply to the prohibitions in this section.

(D) This section shall not limit or prohibit payments, advances, or reimbursements for travel and related lodging and subsistence authorized by Section 89506.

(8.1) Section 8.1. Prohibition on Receipt of Gifts in Excess of $470.
(A) No member of a state board or commission, and no designated employee of a state or local government agency, shall accept gifts with a total value of more than $470 in a calendar year from any single source, if the member or employee would be required to report the receipt of income or gifts from that source on his or her statement of economic interests.

(B) This section shall not apply to any part-time member of the governing board of any public institution of higher education, unless the member is also an elected official.

(C) Subdivisions (e), (f), and (g) of Section 89503 shall apply to the prohibitions in this section.

(8.2) Section 8.2. Loans to Public Officials.

(A) No elected officer of a state or local government agency shall, from the date of his or her election to office through the date that he or she vacates office, receive a personal loan from any officer, employee, member, or consultant of the state or local government agency in which the elected officer holds office or over which the elected officer's agency has direction and control.

(B) No public official who is exempt from the state civil service system pursuant to subdivisions (c), (d), (e), (f), and (g) of Section 4 of Article VII of the Constitution shall, while he or she holds office, receive a personal loan from any officer, employee, member, or consultant of the state or local government agency in which the public official holds office or over which the public official's agency has direction and control. This subdivision shall not apply to loans made to a public official whose duties are solely secretarial, clerical, or manual.

(C) No elected officer of a state or local government agency shall, from the date of his or her election to office through the date that he or she vacates office, receive a personal loan from any person who has a contract with the state or local government agency to which that elected
officer has been elected or over which that elected officer's agency has direction and control. This subdivision shall not apply to loans made by banks or other financial institutions or to any indebtedness created as part of a retail installment or credit card transaction, if the loan is made or the indebtedness created in the lender's regular course of business on terms available to members of the public without regard to the elected officer's official status.

(D) No public official who is exempt from the state civil service system pursuant to subdivisions (c), (d), (e), (f), and (g) of Section 4 of Article VII of the Constitution shall, while he or she holds office, receive a personal loan from any person who has a contract with the state or local government agency to which that elected officer has been elected or over which that elected officer's agency has direction and control. This subdivision shall not apply to loans made by banks or other financial institutions or to any indebtedness created as part of a retail installment or credit card transaction, if the loan is made or the indebtedness created in the lender's regular course of business on terms available to members of the public without regard to the elected officer's official status. This subdivision shall not apply to loans made to a public official whose duties are solely secretarial, clerical, or manual.

(E) This section shall not apply to the following:

1. Loans made to the campaign committee of an elected officer or candidate for elective office.

2. Loans made by a public official's spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such persons, provided that the person making the loan is not acting as an agent or intermediary for any person not otherwise exempted under this section.

3. Loans from a person which, in the aggregate, do not exceed $500 at any given time.
4. Loans made, or offered in writing, before January 1, 1998.

(8.3) Section 8.3. Loan Terms.

(A) Except as set forth in subdivision (B), no elected officer of a state or local government agency shall, from the date of his or her election to office through the date he or she vacates office, receive a personal loan of $500 or more, except when the loan is in writing and clearly states the terms of the loan, including the parties to the loan agreement, date of the loan, amount of the loan, term of the loan, date or dates when payments shall be due on the loan and the amount of the payments, and the rate of interest paid on the loan.

(B) This section shall not apply to the following types of loans:

1. Loans made to the campaign committee of the elected officer.

2. Loans made to the elected officer by his or her spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such person, provided that the person making the loan is not acting as an agent or intermediary for any person not otherwise exempted under this section.

3. Loans made, or offered in writing, before January 1, 1998.

(C) Nothing in this section shall exempt any person from any other provision of Title 9 of the Government Code.

(8.4) Section 8.4. Personal Loans.

(A) Except as set forth in subdivision (B), a personal loan received by any designated employee shall become a gift to the designated employee for the purposes of this section in the following circumstances:
1. If the loan has a defined date or dates for repayment, when the statute of limitations for filing an action for default has expired.

2. If the loan has no defined date or dates for repayment, when one year has elapsed from the later of the following:
   a. The date the loan was made.
   b. The date the last payment of $100 or more was made on the loan.
   c. The date upon which the debtor has made payments on the loan aggregating to less than $250 during the previous 12 months.

(B) This section shall not apply to the following types of loans:

1. A loan made to the campaign committee of an elected officer or a candidate for elective office.

2. A loan that would otherwise not be a gift as defined in this title.

3. A loan that would otherwise be a gift as set forth under subdivision (A), but on which the creditor has taken reasonable action to collect the balance due.

4. A loan that would otherwise be a gift as set forth under subdivision (A), but on which the creditor, based on reasonable business considerations, has not undertaken collection action.

Except in a criminal action, a creditor who claims that a loan is not a gift on the basis of this paragraph has the burden of proving that the decision for not taking collection action was based on reasonable business considerations.

5. A loan made to a debtor who has filed for bankruptcy and the loan is ultimately discharged in bankruptcy.

(C) Nothing in this section shall exempt any person from any other provisions of Title 9 of the Government Code.
(9) Section 9. Disqualification.

No designated employee shall make, participate in making, or in any way attempt to use his or her official position to influence the making of any governmental decision which he or she knows or has reason to know will have a reasonably foreseeable material financial effect, distinguishable from its effect on the public generally, on the official or a member of his or her immediate family or on:

(A) Any business entity in which the designated employee has a direct or indirect investment worth $2,000 or more;

(B) Any real property in which the designated employee has a direct or indirect interest worth $2,000 or more;

(C) Any source of income, other than gifts and other than loans by a commercial lending institution in the regular course of business on terms available to the public without regard to official status, aggregating $500 or more in value provided to, received by or promised to the designated employee within 12 months prior to the time when the decision is made;

(D) Any business entity in which the designated employee is a director, officer, partner, trustee, employee, or holds any position of management; or

(E) Any donor of, or any intermediary or agent for a donor of, a gift or gifts aggregating $470 or more provided to, received by, or promised to the designated employee within 12 months prior to the time when the decision is made.

(9.3) Section 9.3. Legally Required Participation.

No designated employee shall be prevented from making or participating in the making of any decision to the extent his or her participation is legally required for the decision to be
made. The fact that the vote of a designated employee who is on a voting body is needed to break a tie does not make his or her participation legally required for purposes of this section.

(9.5) Section 9.5. Disqualification of State Officers and Employees.

In addition to the general disqualification provisions of section 9, no state administrative official shall make, participate in making, or use his or her official position to influence any governmental decision directly relating to any contract where the state administrative official knows or has reason to know that any party to the contract is a person with whom the state administrative official, or any member of his or her immediate family has, within 12 months prior to the time when the official action is to be taken:

(A) Engaged in a business transaction or transactions on terms not available to members of the public, regarding any investment or interest in real property; or

(B) Engaged in a business transaction or transactions on terms not available to members of the public regarding the rendering of goods or services totaling in value $1,000 or more.

(10) Section 10. Disclosure of Disqualifying Interest.

When a designated employee determines that he or she should not make a governmental decision because he or she has a disqualifying interest in it, the determination not to act may be accompanied by disclosure of the disqualifying interest.

(11) Section 11. Assistance of the Commission and Counsel.

Any designated employee who is unsure of his or her duties under this code may request assistance from the Fair Political Practices Commission pursuant to Section 83114 and Regulations 18329 and 18329.5 or from the attorney for his or her agency, provided that nothing in this section requires the attorney for the agency to issue any formal or informal opinion.

(12) Section 12. Violations.
This code has the force and effect of law. Designated employees violating any provision of this code are subject to the administrative, criminal and civil sanctions provided in the Political Reform Act, Sections 81000-91014. In addition, a decision in relation to which a violation of the disqualification provisions of this code or of Section 87100 or 87450 has occurred may be set aside as void pursuant to Section 91003.

1 Designated employees who are required to file statements of economic interests under any other agency's conflict of interest code, or under article 2 for a different jurisdiction, may expand their statement of economic interests to cover reportable interests in both jurisdictions, and file copies of this expanded statement with both entities in lieu of filing separate and distinct statements, provided that each copy of such expanded statement filed in place of an original is signed and verified by the designated employee as if it were an original. See Section 81004.

2 See Section 81010 and Regulation 18115 for the duties of filing officers and persons in agencies who make and retain copies of statements and forward the originals to the filing officer.

3 For the purpose of disclosure only (not disqualification), an interest in real property does not include the principal residence of the filer.

4 Investments and interests in real property which have a fair market value of less than $2,000 are not investments and interests in real property within the meaning of the Political Reform Act. However, investments or interests in real property of an individual include those held by the individual's spouse and dependent children as well as a pro rata share of any investment or interest in real property of any business entity or trust in which the individual, spouse and dependent children own, in the aggregate, a direct, indirect or beneficial interest of 10 percent or greater.
A designated employee's income includes his or her community property interest in the income of his or her spouse but does not include salary or reimbursement for expenses received from a state, local or federal government agency.

Income of a business entity is reportable if the direct, indirect or beneficial interest of the filer and the filer's spouse in the business entity aggregates a 10 percent or greater interest. In addition, the disclosure of persons who are clients or customers of a business entity is required only if the clients or customers are within one of the disclosure categories of the filer.


HISTORY

1. New section filed 4-2-80 as an emergency; effective upon filing (Register 80, No. 14). Certificate of Compliance included.

2. Editorial correction (Register 80, No. 29).

3. Amendment of subsection (b) filed 1-9-81; effective thirtieth day thereafter (Register 81, No. 2).

4. Amendment of subsection (b)(7)(B)1. filed 1-26-83; effective thirtieth day thereafter (Register 83, No. 5).

5. Amendment of subsection (b)(7)(A) filed 11-10-83; effective thirtieth day thereafter (Register 83, No. 46).

6. Amendment filed 4-13-87; operative 5-13-87 (Register 87, No. 16).

7. Amendment of subsection (b) filed 10-21-88; operative 11-20-88 (Register 88, No. 46).

8. Amendment of subsections (b)(8)(A) and (b)(8)(B) and numerous editorial changes filed 8-28-90; operative 9-27-90 (Reg. 90, No. 42).
9. Amendment of subsections (b)(3), (b)(8) and renumbering of following subsections and amendment of Note filed 8-7-92; operative 9-7-92 (Register 92, No. 32).

10. Amendment of subsection (b)(5.5) and new subsections (b)(5.5)(A)-(A)(2) filed 2-4-93; operative 2-4-93 (Register 93, No. 6).

11. Change without regulatory effect adopting Conflict of Interest Code for California Mental Health Planning Council filed 11-22-93 pursuant to title 1, section 100, California Code of Regulations (Register 93, No. 48). Approved by Fair Political Practices Commission 9-21-93.

12. Change without regulatory effect redesignating Conflict of Interest Code for California Mental Health Planning Council as chapter 62, section 55100 filed 1-4-94 pursuant to title 1, section 100, California Code of Regulations (Register 94, No. 1).

13. Editorial correction adding History 11 and 12 and deleting duplicate section number (Register 94, No. 17).

14. Amendment of subsection (b)(8), designation of subsection (b)(8)(A), new subsection (b)(8)(B), and amendment of subsections (b)(8.1)-(b)(8.1)(B), (b)(9)(E) and Note filed 3-14-95; operative 3-14-95 pursuant to Government Code section 11343.4(d) (Register 95, No. 11).

15. Editorial correction inserting inadvertently omitted language in footnote 4 (Register 96, No. 13).

16. Amendment of subsections (b)(8)(A)-(B) and (b)(8.1)(A), repealer of subsection (b)(8.1)(B), and amendment of subsection (b)(12) filed 10-23-96; operative 10-23-96 pursuant to Government Code section 11343.4(d) (Register 96, No. 43).

17. Amendment of subsections (b)(8.1) and (9)(E) filed 4-9-97; operative 4-9-97 pursuant to Government Code section 11343.4(d) (Register 97, No. 15).
18. Amendment of subsections (b)(7)(B)5., new subsections (b)(8.2)-(b)(8.4)(C) and amendment of Note filed 8-24-98; operative 8-24-98 pursuant to Government Code section 11343.4(d) (Register 98, No. 35).

19. Editorial correction of subsection (a) (Register 98, No. 47).

20. Amendment of subsections (b)(8.1), (b)(8.1)(A) and (b)(9)(E) filed 5-11-99; operative 5-11-99 pursuant to Government Code section 11343.4(d) (Register 99, No. 20).

21. Amendment of subsections (b)(8.1)-(b)(8.1)(A) and (b)(9)(E) filed 12-6-2000; operative 1-1-2001 pursuant to the 1974 version of Government Code section 11380.2 and Title 2, California Code of Regulations, section 18312(d) and (e) (Register 2000, No. 49).

22. Amendment of subsections (b)(3) and (b)(10) filed 1-10-2001; operative 2-1-2001. Submitted to OAL for filing pursuant to Fair Political Practices Commission v. Office of Administrative Law, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements) (Register 2001, No. 2).


nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements) (Register 2003, No. 3).


27. Amendment of subsections (b)(2)-(3), (b)(3)(C), (b)(6)(C), (b)(8.1)-(b)(8.1)(A), (b)(9)(E) and (b)(11)-(12) filed 1-4-2005; operative 1-1-2005 pursuant to Government Code section 11343.4 (Register 2005, No. 1).


29. Amendment of subsections (a), (b)(1), (b)(3), (b)(8.1), (b)(8.1)(A) and (b)(9)(E) filed 12-18-2006; operative 1-1-2007. Submitted to OAL pursuant to Fair Political Practices Commission v. Office of Administrative Law, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements) (Register 2006, No. 51).

30. Amendment of subsections (b)(8.1)-(b)(8.1)(A) and (b)(9)(E) filed 10-31-2008; operative 11-30-2008. Submitted to OAL for filing pursuant to Fair Political Practices Commission v. Office of Administrative Law, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements and not subject to procedural or substantive review by OAL) (Register 2008, No. 44).

Administrative Law, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements and not subject to procedural or substantive review by OAL) (Register 2010, No. 47).

32. Amendment of section heading and subsections (a)-(b)(1), (b)(3)-(4), (b)(5)(C), (b)(8.1)-(b)(8.1)(A) and (b)(9)(E) and amendment of footnote 1 filed 1-8-2013; operative 2-7-2013. Submitted to OAL for filing pursuant to Fair Political Practices Commission v. Office of Administrative Law, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements and not subject to procedural or substantive review by OAL) (Register 2013, No. 2).


34. Redesignation of portions of subsection (b)(8)(A) as new subsections (b)(8)(B)-(D), amendment of subsections (b)(8.1)-(b)(8.1)(A), redesignation of portions of subsection (b)(8.1)(A) as new subsections (b)(8.1)(B)-(C) and amendment of subsection (b)(9)(E) filed 12-1-2016; operative 12-31-2016 pursuant to Cal. Code Regs. tit. 2, section 18312(e). Submitted to OAL for filing pursuant to Fair Political Practices Commission v. Office of Administrative Law, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision,
April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements and not subject to procedural or substantive review by OAL) (Register 2016, No. 49).
To: Sonoma Clean Power Authority Board of Directors

From: Cordel Stillman, Director of Programs

Issue: Transportation Network Company Driver Incentives

Date: August 3, 2017

**Requested Board Action:**

Approve incentives to Transportation Network Company (TNC) drivers who use electric vehicles

**Background:**

There is evidence that exposure to new technologies makes the general public more willing to adopt those new technologies. This is particularly true for electric vehicles. Transportation Network Companies (TNCs) such as Uber and Lyft employ large numbers of people in Sonoma and Mendocino counties providing ride services. In order to expose a larger number of people to electric vehicles, staff are proposing to provide a small incentive to TNC drivers who choose to provide ride services using electric vehicles. This would be a limited time incentive as described below.

For the period from August 8, 2017 through July 31, 2018, SCP would pay 25 cents per mile driven by TNC contractors using electric vehicles. The incentive would go for “fare miles,” meaning for miles driven for a customer, and would exclude miles driven without a fare. The incentive would be paid for rides driven with a 100% battery electric vehicle (e.g., Chevy Bolt, Nissan Leaf, Tesla 3 or S, BMW i3 without the REx, Ford Focus Electric, etc.), and *would not* apply to hybrids or plug-in hybrids. The incentive would apply to rides originating from anywhere within Sonoma or Mendocino Counties.
Individual driver incentives would be capped at $100 per month, and the program would be capped at 100 drivers per TNC (potentially 200 total). Drivers who drive for both Uber and Lyft would be paid incentives separately for miles driven for each TNC, and would have separate caps (i.e., could earn up to $100 per month for each TNC). SCP would require access to the names and mailing addresses of drivers receiving incentives, documentation of the hired mileage they drove each month, their vehicle make and model, the city where a ride originated, the amount of the incentive paid each month for each driver, and a bulk number of the total miles for trips originating from Sonoma and Mendocino Counties for the month for all drivers. SCP’s Drive EverGreen discount for electric vehicles purchases between August 8, 2017 and October 31, 2017 would also be available to any TNC drivers that are SCP customers.

In exchange for the incentives, SCP would require the TNC to provide significant marketing of SCP’s bulk vehicle discounts to all TNC drivers in Sonoma and Mendocino Counties, significant marketing of SCP’s per-mile EV incentives, and press releases to major media in the local market to help advertise these two efforts.

The maximum total incentives that could be awarded under this program would be $240,000.

If the Board approves the requested incentives, staff will work with TNCs and drivers to develop agreements and more detailed program protocols and documentation requirements, to ensure that incentives are paid only for actual, verifiable miles for rides originating in Sonoma and Mendocino Counties.