MARYSVILLE JOINT UNIFIED SCHOOL DISTRICT RESOLUTION 2017-18/18

A Resolution of the Board of Education of the Marysville Joint School District Making Findings Required for Energy Saving Solar Photovoltaic Project

APPROVE ENERGY CONSERVATION SERVICES FINDINGS REQUIRED BY GOVERNMENT CODE SECTION 4217.12 AND APPROVE SOLAR ENERGY POWER PURCHASE AGREEMENT ("PPA") AND SOLAR LEASE AGREEMENT ("SLA") BETWEEN MARYSVILLE JOINT UNIFIED SCHOOL DISTRICT AND SUNPOWER CORPORATION, SYSTEMS

WHEREAS, it is the policy of the State of California and the intent of the State Legislature to promote all feasible means of energy conservation and all feasible uses of alternative energy supply sources; and WHEREAS, California Government Code section 4217.10 et seq. authorizes a public agency, including the Marysville Joint Unified School District ("District"), without advertising for bids, to contract for energy services if its governing body determines, at a regularly scheduled public hearing, public notice of which is given at least two weeks in advance, that the anticipated cost to the agency for the alternative energy project will be less than the anticipated marginal cost to the agency of electrical energy that would have been consumed by the agency in the absence of the energy services contract; and

WHEREAS, the District desires to purchase power generated by three (3) Solar Photovoltaic Systems to be located on District property (Marysville High School, Lindhurst High School, and Foothill Intermediate School) in order to increase the efficient use of electricity and other energy and to generate energy cost savings for the benefit of the District; and

WHEREAS, pursuant to Government Code section 4217.12, the District has determined that the Project will result in significant cost savings to the District and that the cost of the energy conservation Project will be less than the amount the District would have expended on energy without having undertaken the Project; and

WHEREAS, the District proposes to enter into a Power Purchase Agreement and Solar Lease Agreement with SunPower Corporation, Systems for the purchase of power generated by the Project; and

NOW, THEREFORE, the Board of Trustees does hereby resolve as follows:

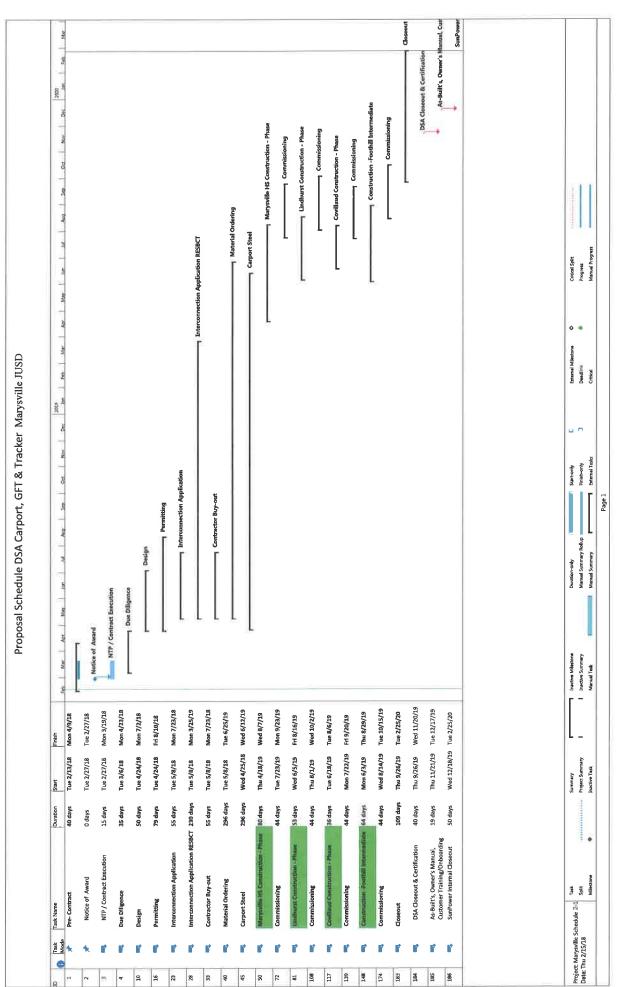
- 1. The recitals above are true and correct.
- 2. This Resolution is adopted following a public hearing at a regularly scheduled meeting of the Board for which a minimum of two weeks' public notice has been duly given.
- 3. The Board hereby finds, pursuant to Government Code section 4217.12, that the anticipated cost to the District of the proposed Power Purchase Agreement with SunPower Corporation, Systems for the Solar Photovoltaic Projects will be less than the anticipated marginal cost to the District of electrical or other energy that would have been consumed by the District in the absence of such energy conservation services.
- 4. The Board hereby delegates to the Superintendent or his designee, in consultation with legal counsel, the authority to execute the contract with SunPower Corporation, Systems.
- 5. Effective Date. This Resolution shall take effect upon adoption by the District's Board.

APPROVED, PASSED, AND ADOPTED by the Board of Trustees of the Marysville Joint Unified School District, Yuba County, State of California, on this 27th day of February 2018 by the following vote:

AYES: NOES: ABSENT: ABSTAIN:			
ATTEST:			



	Typical Monthly	
	Solar Insolation	Typical Monthly
Month	(kWh / m2 / day)	AC Energy (kWh)
Jan	2.09	157,722
Feb	3.12	209,299
Mar	4.61	338,617
Apr	6.04	408,497
May	7.29	494,406
Jun	8.04	522,855
Jul	8.16	543,146
Aug	7.26	496,864
Sep	5.80	400,423
Oct	4.06	294,542
Nov	2.56	187,338
Dec	1.94	148,316
Annual	5.09	4,202,026





POWER PURCHASE AGREEMENT

This Power Purchase Agreement (this "Agreement") is made and entered into as of the ____day of [____], 2018 (the "Effective Date"), by and between MARYSVILLE JOINT UNIFIED SCHOOL DISTRICT, with offices located at 1919 B Street Marysville, CA 95901, ("District"), and SOLAR STAR MARYSVILLE, LLC, a limited liability company and wholly owned subsidiary of SunPower Corporation, with SunPower AssetCo, LLC, as its sole member, formed under the laws of the State of Delaware ("Provider" and, together with District each, a "Party" and together, the "Parties").

RECITALS

WHEREAS, District owns and occupies certain premises as identified in Exhibit A (collectively, the "Premises"); and

WHEREAS, Provider designs, installs, operates, owns, and maintains equipment that produces electricity from solar energy; and

WHEREAS, Provider desires to sell, and District desires to purchase, electricity generated from a solar photovoltaic generation facility ("System") to be installed, operated, owned, and maintained by Provider, and to be mounted on the Premises, as designated in Exhibit B, attached hereto and incorporated herein; and

WHEREAS, Government Code section 4217 et seq. provides that public agencies may enter into an agreement for real property upon which alternative energy facilities may be constructed so that the public agency may purchase the energy generated from the facilities constructed on the real property under a power purchase agreement; and

WHEREAS, at its board meeting on February 27, 2018 of the District pursuant to Resolution No. [______], has made findings required by Section 4217.12 of the Government Code that: (1) The anticipated cost to the District for electrical energy services provided by the System under this Agreement will be less than the anticipated marginal cost to the District of electrical energy that would have been consumed by the District in the absence of those purchases and (2) The difference, if any, between the fair market value of the lease to access and occupy the real property subject to this Agreement and related payments under this Agreement, if any, is anticipated to be offset by below-market energy purchases or other benefits provided under this Agreement; and

WHEREAS, District desires to reduce its energy costs as well as its dependence on fossil fuel electric generating resources and to promote the generation of electricity from solar photovoltaic facilities; and

WHEREAS, District, as owner of the Premises herein grants Provider a lease to the Premises for the installation, maintenance, ownership, and operation of the System (as described in attached Exhibit L, the "Site Lease"); and

WHEREAS, as part of this Agreement and in consideration of the Site Lease, Provider and District intend that Provider would obtain and retain all environmental credits (green tags)



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generated by the System and that Provider shall own all other financial incentives and tax benefits associated with the System, including all benefits associated with the installation, ownership and operation of the System and the sale of energy from the System to the District; and

NOW THEREFORE, in consideration of the mutual promises set forth below, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

AGREEMENT

1. TERM AND TERMINATION.

1.1 Term. The term of this Agreement, shall commence on the Effective Date and shall run for a period ending on the Twenty-fifth (25) year anniversary of the Site Commercial Operation Date (as defined in Section 3.8 below) applicable to such Site (the "Initial Term"), unless terminated earlier pursuant to the provisions of this Agreement. However, pursuant to Section 1.2 and attached Exhibit L, Provider's rights to access the Premises shall survive for a period of up to one-hundred eighty (180) days after the Expiration Date or the date upon which any termination of this Agreement becomes effective in order for Provider to remove the System. Provided that there has not been an early termination pursuant to the provisions of this Agreement, after the Initial Term, District may elect to (a) require removal of the system by Provider pursuant to Section 1.2 of this Agreement; (b) purchase the System at fair market value to be agreed upon by the Parties; or (c) request that District and Provider negotiate a renewal term ("Renewal Term") for this Agreement (District elections (a) (b) and (c) of this Section 1.1 referred to "District Expiration Options").

At least ninety (90) days, but no more than one-hundred and eighty (180) days prior to the expiration of the Initial Term, District shall notify Provider which of the District Expiration Options it wishes to elect. If District elects District Termination Option (b) or (c), but the Parties are unable to agree on the terms for a fair market value purchase or a Renewal Term (as the case may be), Provider shall remove the System in accordance with Section 1.2 of this Agreement. The Initial Term and the Renewal Term, if any, are referred to collectively as the "Term." The date on which the Term ends is referred to herein as the "Expiration Date."

1.2 Removal of System at Expiration. Unless this Agreement is renewed, the System is purchased by the District as described herein, or Provider terminates pursuant to Section 1.4(a), Provider shall, at Provider's sole expense, remove all tangible property comprising the System from the Premises on a mutually convenient date, but in no event later than one hundred eighty (180) days after the Expiration Date. Provider shall undertake such removal in such a manner as to not interrupt operation of the business at the Premises, including an interruption of electrical power. In connection with such removal, Provider shall remove above ground support structures and repair any damage to the Site and any other area in which any portion of the System was installed and restore such areas to their original condition, excluding ordinary wear and tear, provided that Provider shall not be required to remove large electrical conduits which Provider shall cause to be capped and secured. Provider shall leave the Premises in neat and clean order. If Provider fails to completely remove the System and repair the affected area as provided above, within one hundred eighty (180) days of the Expiration Date, and such failure was not caused by the District, District may, upon ten (10) business days' prior written notice to Provider, complete



the necessary removal and/or restoration and Provider shall reimburse District for the costs actually incurred by District in connection with such removal and/or restoration within ten (10) days after presentation by District to Provider of reasonable supporting documentation describing the work performed and the cost thereof. District shall have no obligation to pay for output delivered under this Agreement after the Expiration Date of this Agreement. In addition, should Provider fail to remove the System within such one hundred eighty (180) day period, Provider will be deemed to have abandoned the System and District may, at Provider's sole cost, remove and dispose of the System, including by sale or otherwise, as District sees fit in its discretion, provided that if District realizes any proceeds from the sale of the System (which may or may not occur) District will credit such proceeds against the cost of removal.

- 1.3 <u>District's Right to Terminate this Agreement.</u> In addition to its rights expressly provided elsewhere in this Agreement, District shall have the right to terminate this Agreement, without penalty upon any Provider Default.
- 1.4 <u>Provider's Right to Terminate this Agreement.</u> In addition to its rights expressly provided elsewhere in this Agreement, Provider shall have the right to terminate this Agreement, without penalty:
- (a) upon any District Default (as described in Section 11.2, including any Default of District under the Site Lease);
- (b) upon ninety (90) days' notice, if an unstayed order of a court or administrative agency is entered having the effect of subjecting the provision and/or sale of the energy generated by the System or Owner's performance of its obligations in this Agreement ("Power Purchase Services") to federal or state regulation of prices and/or service;
- (c) if Provider, in its sole discretion, determines that the Site conditions or any upgrades required or requested by the Local Provider would result in a significant increase in the aggregate cost to install or operate the System
- (d) if, at any time, Provider determines that it will not receive continued funding of the Environmental Incentives, the available Environmental Attributes, Tax Credits, or is unable to obtain financing on terms acceptable to Provider; or
- (e) if Provider is unable to obtain proper permits or interconnection with the Local Provider.
- (f) If Provider is unable to install a SunPower designed tracker compliant with California Public Utility Commission Rule 21;
- (g) If the energy produced by the System fails to qualify for the California Renewable Energy Self-Generation Bill Credit Transfer program rate due to such program becoming fully subscribed or not being renewed.
- (h) If the costs and expenses of making the System comply with California Environmental Quality Act ("CEQA") exceed sixty thousand dollars (\$60,000.00).

(i) If the upgrades required by the local utility and the District combined exceed three hundred thousand dollars (\$300,000.00) in costs and expenses and the District fails to agree to the increased Energy Rate (defined in Section 5.2) proposed by Provider to compensate Provider for such costs and expenses.

If Provider terminates this Agreement pursuant to clauses (b), (c), (d), or (e), (f), (g), (h), or (i) above, following such termination, except for those obligations or liabilities expressly identified herein as surviving termination, neither Party will have any further liability to the other Party under this Agreement. However, if Provider terminates this Agreement pursuant to clause (a) above, pursuant to Section 11.2, District shall pay to Provider the then-applicable Termination Value (as set forth in attached Exhibit K). Exhibit K establishes the Termination Values applicable on each of the anniversary dates of the Commercial Operation Date as defined herein.

If, pursuant to Section 1.4(a), Provider terminates this Agreement before the sixth (6th) anniversary of the Commercial Operation Date, the applicable Termination Value will be an amount equal to the annual Termination Value set forth on Exhibit K that corresponds to the year during which such termination occurs.

In the event that, pursuant to Section 1.4(a), Provider terminates this Agreement after the sixth (6th) anniversary of the Commercial Operation Date, the final Termination Value shall be an amount equal to the annual Termination Value set forth in Exhibit K that corresponds to the year in which termination occurs, pro-rated, on an annual basis, consistent with the annual values set forth in Exhibit K, to account for the actual date of termination.

Following any termination made pursuant to Section 1.4(a), pursuant to Section 1.2, Provider shall remove the system at District's cost.

1.5 Site Access.

- (a) As a material obligation under this Agreement, pursuant to the Site Lease (attached as Exhibit L hereto), District does hereby irrevocably grant to Provider all rights to the Premises (as identified on Exhibit A attached hereto) necessary for Provider to install, maintain, own, operate, access, remove and replace the System and otherwise satisfy its obligations and avail itself of the rights set forth in this Agreement (the "Access Rights"). Any breach of District's obligation to provide the Access Rights pursuant to this Section 1.5 and the Site Lease (an "Access Rights Breach") will immediately be grounds for Provider to terminate this Agreement and require the District's payment of the Termination Value set forth in Exhibit K that corresponds to the year in which such Access Rights Breach occurs; provided further, that any cure rights associated with a District Default shall not apply in the case of an Access Rights Breach. Provider may install, with District's prior written consent and subject to any access restrictions contained in attached Exhibit L, any improvements on the Premises that Provider determines are reasonably necessary for the efficient operation of the System and provision of the Power Purchase Services.
- (b) Subject to 2.1 (b), Provider shall provide District prior written notice at least five (5) business days before it or its contractors and/or subcontractors commence installation on Site. All installation activities will be scheduled to minimize interference with District's educational operations.

(c) At all times during the Term, Provider shall maintain insurance coverage as set forth in Exhibit D attached hereto to cover any damage caused to the Premises resulting from the installation, maintenance and operation of the System.

2. CONTINGENCIES.

- 2.1 <u>Contingencies Available to District.</u> District shall have the option to terminate this Agreement in the following circumstances:
- (a) <u>Site</u>. District may terminate this Agreement, if the Site conditions are such that the installation of the System would impair District's use of the Site or adjacent areas or would result in the need for facility upgrades at the District's expense. District's right to terminate pursuant to this Section 2.1(a) will expire upon the issuance, by District, of the Notice to Proceed (as defined below), or sixty (60) days after the Effective Date (the "Site Contingency Period"), whichever is earlier. If District elects to terminate pursuant to this Section 2.1(a), District will reimburse Provider for all costs actually incurred and appropriately documented as of the date of such termination. Following such reimbursement, except for those obligations or liabilities expressly identified herein as surviving termination, neither Party will have any further liability to the other Party under this Agreement.
- (b) Notice to Proceed. District may waive its right to terminate that is set forth above in Section 2.1(a), by issuing to Provider a written notice advising Provider to proceed with activities necessary to the sourcing of components for and installation of the System at the Site (the "Notice to Proceed"). Email shall be an acceptable method for delivery of the Notice to Proceed, provided that it specifically references the waiver of rights contained in this Section 2.1. Once such Notice to Proceed is given, District may not exercise its termination rights specified in subparagraphs (a) and (b) of this Section 2.1.

3. CONSTRUCTION, INSTALLATION AND TESTING OF SYSTEM.

3.1 <u>Use of Contractors and Sub-contractors.</u> Provider shall be permitted to use contractors and sub-contractors to perform its obligations under this Agreement. Provider shall continue to be responsible for the quality of the work performed by its contractors and sub-contractors. Provider shall remain responsible for obligations, services and functions performed by sub-contractors to the same extent as if such obligations, services and functions were performed by Provider's employees and, for purposes of this Agreement, such work shall be deemed work performed by Provider. Any contractor and sub-contractor shall agree to indemnify, defend and hold harmless District to the same extent as Provider and shall provide the insurance coverage that is set forth on Exhibit D.

Provider shall ensure that any party contracting with Provider for any engineering, procurement, design, installation or construction of the System shall possess proper licenses, knowledge, experience, financial capacity, and creditworthiness necessary for satisfactory completion of such party's respective portion of Provider's obligations under this Agreement. Provider represents and warrants that it has the financial capacity, creditworthiness and bonding capacity sufficient to satisfy all of Provider's obligations under this Agreement, including, but not limited to, any instance of default or other failure by Provider's subcontractors to complete the

work required to satisfy Provider's obligations in this Agreement. Prior to contracting with any contractor or subcontractor, Provider shall obtain and review the qualifications of such parties. Provider shall keep records of such contractor/subcontractor selections and shall make copies of such records available to the District upon request.

- 2.2 Liens and Payment of Contractors and Suppliers. Provider shall pay when due all valid charges from all contractors, subcontractors and suppliers supplying goods or services to Provider in connection with work to be performed in connection with this Agreement ("Charges") and shall keep the System, the Premises and all other District property free and clear of any liens related to such Charges. Provider shall indemnify District for all claims, losses, damages, liabilities and expenses resulting from any liens filed against the Premises and all other District property in connection with such Charges; provided, however, that Provider shall have the right to contest any such lien and related Charges, so long as it provides a statutory bond or other reasonable assurances of payment necessary either to remove such lien from title to the Site and the Premises or assure that any adverse judgment with respect to such lien will be paid without affecting title to the Site and the Premises. Upon District's request, Provider will give District copies of certificates of completion or similar documentation from Provider's contractors or sub-contractors, along with copies of all final lien waivers from Provider's contractors or sub-contractors.
- 3.3 <u>Notices to Contractors and Sub-contractors</u>. Provider shall, prior to commencing construction or maintenance of the System, notify all contractors and sub-contractors that District shall not be responsible for payment for their work done on the Site.
- 3.4 Access Rights. Subject to the terms and conditions contained within the Site Lease (attached as Exhibit L hereto) and Section 1.5, Provider and its employees, agents, financiers, representatives and sub-contractors, if any, are granted the right to use such portions of the Premises as are reasonably required in order for Provider and its employees, contractors and sub-contractors, if any, to install, operate, own, maintain, and remove the System and otherwise satisfy its obligations and enforce its rights under this Agreement.
- 3.5 OSHA Compliance; Compliance with Law. Provider shall ensure that all Occupational Safety and Health Act (OSHA) requirements and other similar applicable safety laws or codes are adhered to in its performance under this Agreement. Provider shall comply with all applicable laws in its performance hereunder.
- 3.6 Approvals; Installation, Permitting and Interconnection. Provider shall submit detailed drawings (including, without limitation, an electrical plan showing all planned modifications to the existing electrical systems of the Site and such other plans as may be reasonably requested by District) related to the installation of the System to District for approval, which approval may not unreasonably be conditioned, delayed, or withheld. Except for District's obligations to execute the Interconnection Agreement and take governing board action to finally approve the CEQA document(s) prepared for the System, Provider shall, at Provider's sole cost and expense, obtain all other governmental approvals and other permits, approvals or exemptions for issues including, but not limited to net energy metering, the Division of the State Architect ("DSA"), California Geological Survey ("CGS") and any governmental agency administering CEQA or a storm water pollution prevention plan ("SWPPP") required for Provider to install and operate the System, including approval for interconnection (the "Interconnection Notice") of the

System with the local electricity provider or utility serving the Site (the "Local Provider"), as well as installation of all meters and corresponding improvements necessary to ensure proper operation of such meters. For the avoidance of doubt, District will be responsible for final approval and execution of the Interconnection Agreement. Provider shall promptly provide to District copies of the final DSA approved plans and specifications for the System. Provider will be responsible for all permits, applications or other fees required in connection with obtaining required DSA approvals. District will, if necessary, cooperate with Provider's reasonable requests to assist Provider in obtaining such permits or approvals, but shall not be required to incur any costs or expenses in connection with such cooperation.

- 3.7 <u>Financial Incentives.</u> Unless expressly provided otherwise, all benefits associated with the Ownership or operation of the System, rebates, and incentives available in connection with the System are owned by Provider. "Rebates" shall mean any and all federal, state, local or Local Provider rebates, grants, or other funding offered for the development, installation, Ownership, or operation of energy system projects, including, but not limited to the Self-Generation Incentive Program, Investment Tax Credit or local incentive programs. District agrees, if necessary, to take all actions reasonably requested by Provider in order for Provider to obtain all rebates or subsidies made available in connection with the installation and operation of the System by any federal government, state government, local government, Local Provider or other source. If applicable, all CSI application fees will be refunded directly to District.
- 3.8 <u>Construction/Commercial Operation Date</u>. Promptly upon receipt of the Notice to Proceed from the District, Provider shall commence construction of the System and shall achieve the Commercial Operation Date (as defined below) on or before **October 15, 2019** (subject to any permitted adjustments or extensions thereto, the "Commercial Operation Deadline").
- (a) The "Commercial Operation Date" shall be the date on which the Provider notifies District that the System is mechanically and electrically complete and operational, providing energy output through meters as further described in Exhibit B, and Provider has received permission to operate from the utility.
- (b) If, through no fault of Provider (including delays caused by the actions or omissions of District, the utility, or any governmental entity whose approval is required in connection with this Agreement or the System), Provider has not achieved the Commercial Operation Date on or before the Commercial Operation Deadline, provided that Provider has provided written notice to District that Provider will not meet the Commercial Operation Deadline at least ten (10) days in advance, Provider will be entitled to day-for-day extensions to the Commercial Operation Deadline.
- (c) If Provider has not achieved the Commercial Operation Date on or before the Commercial Operation Deadline (as adjusted or extended pursuant hereto), District shall be entitled to assess liquidated damages against Provider in an amount equal to \$500 per day (the "Delay Liquidated Damages") until the date that is one-hundred eighty (180) days after the Commercial Operation Deadline (as adjusted or extended pursuant hereto) or the Commercial Operation Date has been achieved, whichever is earlier. The Delay Liquidated Damages described in this section shall be District's sole remedy for Provider's failure to achieve the Commercial Operation Date by the Commercial Operation Deadline. However, if the Provider's unexcused

delay extends beyond (180) days, District shall also have the right to declare Provider in default and terminate this Agreement in accordance with Section 11 below.

- (d) Provider's request for an extension of the Commercial Operation Deadline, as described above in section (b), must be accompanied by the reason for such request, confirmation that the Commercial Operation Date shall be achieved within the requested extension time, as well as valid and persuasive evidence demonstrating that the delay in achieving the Commercial Operation Date could not have been reasonably avoided by Provider. Provider's application must also state the date on which Provider reasonably believes the Commercial Operation Date will be achieved following such extension. To the extent that Provider fails to meet the Commercial Operation Deadline as extended by the District, the District shall have the options to: (i) extend the Commercial Operation Deadline and, subject to subsection (c) above, assess the Delay Liquidated Damages, or (ii) terminate this Agreement. If District elects to terminate pursuant to this Section 3.8(d), Provider shall: (i) remove the System (at its cost, pursuant to Section 1.2), (ii) pay to District all Delay Liquidated Damages that accrued before the date of such termination, and (iii) reimburse District for all costs actually incurred in connection with such termination.
- 3.9 Prevailing Wages. As applicable, the Provider shall comply with the prevailing wage provisions of the California Labor Code and the prevailing wage rate determinations of the Department of Industrial Relations for the construction and installation of the System. These rates may be obtained online at http://www.dir.ca.gov/dlsr. A copy of these rates shall be posted at the job site. Provider and all contractors and subcontractor(s) under it, shall comply with all applicable Labor Code provisions, which include, but are not limited to the payment of not less than the required prevailing rates to all workers employed by them and the employment of apprentices. Provider hereby agrees to indemnify and hold harmless the District, its officials, officers, agents, employees and authorized volunteers from and against any and all claims, demands, losses or liabilities of any kind or nature which the District, its officials, officers, agents, employees and authorized volunteers may sustain or incur for noncompliance with any applicable Labor Code provisions arising out of or in connection with Provider's performance under this Agreement or the construction and installation of the System.

4. SYSTEM OPERATIONS.

System. Title to the System shall remain with Provider during the Term unless and until District exercises its option to purchase the System as set forth herein. Notwithstanding that it will be affixed to the Site, the System will not be deemed a part of, or a fixture to, the Premises or any portion of it. The System shall at all times retain the legal status of personal property of Provider (or its operating subcontractor, as applicable) who shall pay any personal property assessments or charges owed on the System. Provider shall assure that all statements for personal property or other taxes applicable to the existence of, or operation of, the System are sent by the taxing authority(ies) directly to Provider. Provider shall at all times keep the System in good operating condition and in compliance with all manufacturer specifications, including periodic maintenance, and shall assure that all warranties remain in effect. Provider shall operate and perform, or cause to be performed, all repairs to, or maintenance of, the System at its sole cost and expense, except to the extent that any necessary repairs result from the negligence or willful misconduct of District. Subject to Section 4.1(a), Provider shall bear all risk of loss with respect to the System, except for

losses arising from willful acts or negligence by District or its agents or employees. Provider shall be solely responsible for the System's operation and maintenance in compliance with all applicable laws, regulations, codes, and permits. Provider shall not be responsible for the cost or expense of any maintenance required as a direct result of the District's negligence or willful misconduct. If such repairs to, or maintenance of, the System is required as the result of the negligence or misconduct of District, Provider shall immediately provide District with written notice and supporting documentation of the cause, whether or not the needed repairs/maintenance impact the output of the System, and the estimated cost of such repairs/maintenance. The District shall be provided reasonable opportunity to respond to any such notice and the District shall be provided the opportunity to perform such work, at its cost, with own forces/contractors approved by Provider. If Provider performs repairs/maintenance to the System required as the result of the negligence or willful misconduct of District using a contractor or subcontractor, unless otherwise approved by District, the Provider shall obtain at least two competitive quotations/bids for such work. In the event Provider conducts such repairs/maintenance with its own forces, Provider shall not mark up its labor and materials more than ten percent (10%) of the actual cost. District will promptly reimburse Provider for all costs incurred in connection with repairs to/maintenance of the System that are required as the result of the negligence or willful misconduct of District, and District will pay the Energy Charge for all energy that otherwise would have been delivered by the System but for such repairs or maintenance.

- (a) During the Term, if changes to applicable laws or regulations occur that increase the cost to Provider to operate the System or the cost to Provider to comply with such changed laws or regulations, Provider only will be obligated to incur such costs in an amount equal to \$500,000. If the costs described in this Section 4.1(a) exceed \$500,000, Provider and District may negotiate in good faith to allocate the responsibility for such excess costs (including, if agreed to, an adjustment to the Energy Rate (defined in Section 5.2)). However, if Provider and District fail to agree upon the allocation of responsibility for such costs, Provider or District may terminate this Agreement_upon sixty (60) days written notice. Following such termination, Provider must remove the System (pursuant to Section 1.2) and reimburse to District all costs actually incurred by District in connection with such termination.
- 4.2 <u>Tax Returns</u>. District will not take a position on any tax return or in other filings suggesting that it is anything other than a purchaser of the Power Purchase Service, and Provider shall be treated as the Provider of the System for federal and state tax purposes and shall retain title to any tax credits and other benefits associated with Ownership of the System available under federal or state law with respect to the System.

5. DELIVERY OF SERVICES; FEES.

5.1 <u>Solar Electricity: Purchase and Sale of Energy from System.</u> Provider shall deliver the energy generated by the System to the Point of Delivery, and District shall accept delivery at the Point of Delivery, beginning on the Commercial Operation Date until the end of the Term. District will purchase all Solar Electricity delivered by the System (as well as all energy that could have been delivered but for the actions, omissions, negligence, or willful misconduct of District), whether or not District uses such Solar Electricity in any consecutive twelve (12) month period during the Term beginning on the Commercial Operation Date (each successive period, a "Guarantee Year"). The System shall interconnect to the electricity grid and will be net metered.

Provider shall have no right to sell Solar Electricity from the System to anyone other than District, except as provided in Section 11.2. However, the District shall not be restricted from re-selling or otherwise transferring the Energy it has purchased as permitted by applicable law or regulation; provided that such resale or transfer will not impair the value to Provider of any Tax Credits, Environmental Attributes, or Environmental Incentives.

- 5.2 Energy Charges. The cost to District for the Power Purchase Services, including the price of electrical energy delivered, or deemed delivered, to District ("Energy Charge") will be a dollar amount calculated by multiplying the number of kilowatt hours of electricity delivered, or deemed delivered, to District from the System in a specific period multiplied by the applicable Energy Rate for that period specified in dollars per kilowatt hour, plus other special charges, such as any applicable federal, state and local taxes. Payment of the Energy Charge, made by ACH or wire, is due within thirty (30) days after District's receipt of an Invoice. During the Initial Term, the applicable energy rate ("Energy Rate") shall be \$ 0.099 per kWh, unless otherwise adjusted pursuant to Section 1.4(i) or Section 4.1(a) of this Agreement.
- 5.3 <u>Billing</u>. Provider shall read each Metering Device at the beginning of each month and send to District an invoice for the Energy Charge ("Invoice") for energy delivered, or deemed delivered, to District during the prior month ("Billing Period"). All Invoices shall show the amount of energy delivered, or deemed delivered, to District, the applicable Energy Rate, the Energy Charge, plus any applicable taxes. Provider shall maintain records of all such Invoices and supporting documentation during the term of this Agreement and at least four (4) years following any termination of this Agreement. Provider shall make copies of all such records available to the District upon request. The District reserves the right, at its cost, to independently audit any such records at any time in its sole discretion.
- 5.4 <u>Disputed Payments</u>. In the event of a good-faith dispute between the Parties as to the Energy Charge charged to District for any Billing Period, District shall pay the undisputed portion of the Energy Charge pursuant to the terms of this Agreement, notwithstanding such dispute. Any further payments or credits due as a result of the resolution of a dispute shall be payable/credited within five (5) business days of such resolution; any payment/credit not so made will bear interest from the date payment/credit was originally required at the lesser of the currently prevailing rate of interest (as published in the Wall Street Journal) or the maximum amount permitted by law.
- 5.5 Environmental Attributes. District's purchase of the Power Purchase Services pursuant to this Agreement does not include any entitlement to Environmental Attributes or Environmental Incentives, Tax Credits, or other attributes or benefits of ownership of the System. All Environmental Attributes and Environmental Incentives, as well as all Tax Credits and other attributes and benefits, shall be retained by Provider, and may be used or disposed of by Provider in its sole discretion. For the purposes hereof, the term "Environmental Attributes" means any and all marketable environmental attributes or renewable energy credits, including but not limited to, carbon trading credits, renewable energy credits or certificates, emissions reduction credits, emissions allowances, green tags and tradable renewable credits, provided that in no event will the foregoing sever, erode or affect District's right, title and interest in and to the Premises.

- 5.6 Risk of Loss. As between the Parties, Provider shall be deemed to have exclusive control of (and shall be responsible for any property damage or injuries caused by) the System and the electricity generated up to and including Point of Delivery. Provider shall bear all risk of loss or damage to the System whatsoever, except to the extent resulting from the willful misconduct or negligence of District. Provider shall be required to carry the casualty and property insurance, as required under this Agreement.
- 5.7 Sale Only to District. Except as set forth in Section 11.2, in no event shall Provider sell directly, or be deemed to have sold directly, Energy generated by the System to any person or entity other than District. In the event that District's load is less than the total amount of Energy being delivered by Provider to the Point of Delivery at any given time, the Parties acknowledge and agree that such Output shall have been delivered to District at the Point of Delivery. The Parties further acknowledge and agree that, in such instance, the treatment of such delivered Energy shall be determined by arrangements between District and the Local Provider (which arrangements are typically referred to as "Net Metering") and the District shall not be restricted from re-selling or otherwise transferring the Energy it has purchased as permitted by applicable law or regulation; provided that such resale or transfer will not impair the value to Provider of any Tax Credits, Environmental Attributes, or Environmental Incentives.
- Output Requirements. Provider shall ensure that all Energy generated by the 5.8 System conforms to all applicable laws and regulations as well as any Local Provider specifications governing the delivery of the Energy from the System to the District and its interconnections to the Local Provider's distribution system, which shall include as applicable, the installation of proper power conditioning equipment, protection relays, automated 3-way gas switch, and all other required safety equipment, submittal of necessary specifications, coordination of testing and verification with the Local Provider, and all related costs. Provider shall be solely responsible for the delivery of Energy to the Point of Delivery set forth in the final plans to be incorporated herein as Exhibit G. As applicable, Provider shall be responsible for all necessary metering and the maintenance of the metering used to track the delivery of Energy to District. Prior to the Commercial Operation Date, Provider shall use commercially-reasonable efforts to cause the Local Provider to design, procure, construct, install, test, commission and sign off on all required distribution system upgrades, and Customer-side interconnection facilities; however, the cost to implement any upgrades to the electrical infrastructure owned by District will be the responsibility of District. Except as contemplated by this Agreement to connect to the System at the Point of Delivery and a \$300,000 allowance for utility upgrades associated with the Renewable Energy Self-Generation Bill Credit Transfer ("RES-BCT") program, the District shall have no further obligation to complete additional upgrades to its electrical system.
- 5.9 Output Guarantee. As part of the Power Purchase Services provided to District under this Agreement, Provider guarantees that, subject to the adjustments described in Section 5.10 and Section 5.11, during each successive Guarantee Year, the System will generate an amount of Energy (as measured in kWh (AC)) equal to at least ninety-five percent (95%) (the "Guarantee Level") of the Energy that Provider estimates the System will generate for that Guarantee Year (as set forth in attached Exhibit H, the "Expected Energy"). If, during any Guarantee Year, the amount of Energy generated by the System (as measured pursuant to Section 5.11, the "Actual Generation") is less than the Guarantee Level, then, pursuant to Section 5.13, Provider will pay to District liquidated damages in the amount described in Section 5.12 (the "Guarantee Payment"). The Guaranty Payment

represents a reasonable approximation of the damages that District will suffer if the System fails to generate the Guarantee Level and does not constitute a penalty or a guaranty of savings by District relative to electricity purchased from the Local Provider. Moreover, the Guarantee Payment constitutes District's sole remedy, and Provider's sole obligation, with respect to any failure by the System to generate the Guarantee Level.

- 5.10 Adjustments to Expected Energy. The Expected Energy for the System (as set forth in attached Exhibit H), is subject to the following adjustments:
- 5.10.1 Expected Energy will be reduced by an amount equal to the amount of Energy that the System would have generated but for a Force Majeure Event;
- 5.10.2 Expected Energy will be reduced by an amount equal to the amount of Energy that the System would have generated but for a failure in the utility network prevented energy from being evacuated from the System (including interconnection or transmission utilities providing interconnection or transmission facilities to the System);
- 5.10.3 Expected Energy will be reduced by an amount equal to the amount of Energy that the System would have generated but for a fluctuation in the utility network parameters (for example, a frequency or voltage variation) which disconnects the inverters or the System from the utility network and prevents energy from being evacuated from the System;
- 5.10.4 Expected Energy will be reduced by an amount equal to the amount of Energy that the System would have generated but for equipment or System outage hours that are the result of warranty claims that despite the diligent efforts of Provider, are not proceeding on a timely and favorable basis or the repair or replacement of the item under the warranty is expected to require significant downtime;
- 5.10.5 Subject to Section 6.9, Expected Energy will be reduced by an amount equal to the amount of Energy that the System would have generated during any period of District-caused outage (including any outages in connection with Section 6.8); and
- 5.10.6 Expected Energy will be reduced to account for any change in the conditions at or near the Site that causes the insolation available to the System to be reduced below the amounts set forth in attached Exhibit J (Typical Monthly Solar Insolation), or causes increased soiling.

5.11 Measurement of Actual Generation.

5.11.1 <u>Initial Output Data Collection</u>. During the Term, Provider will collect Energy output data using its Data Acquisition System ("DAS"). For each Guarantee Year, Provider will total the daily kWh output provided by the DAS to calculate the Actual Generation for such Guarantee Year. Provider shall maintain records of all such Actual Generation data and supporting documentation during the Term of this Agreement and at least four (4) years following any termination of this Agreement. Provider shall make copies of all such records available to the District upon request. The District reserves the right, at its cost, to independently audit any such records at any time in its sole discretion.



- 5.11.2 Equipment Calibration and Replacement. Provider may have the meteorological equipment independently calibrated or replaced at its own expense every eighteen (18) to thirty (30) months. Provider shall notify the District of the scheduled calibration date and time no less than 30 business days prior, and shall provide the District written proof of calibration or replacement.
- 5.11.3 Contingency for Equipment Failure. In the event of hardware, communication, or other failure affecting the DAS, Provider will resolve and remedy the equipment failure in a timely manner, consistent with this Section 5.11. Only in the event that DAS data is lost, then the Actual Generation for the System shall be adjusted to compensate for such lost data as follows:
- (i) In lieu of lost meteorological data, Provider will utilize such data obtained from a nearby meteorological station that Provider monitors and selects for such purpose with the District's concurrence.
- (ii) In lieu of lost Energy data, Provider will utilize the cumulative data from System meter readings to calculate the Energy generated by the System during the missing interval.
- 5.11.4In the event that data from the System meter is inaccurate or missing, Provider will simulate Energy production during the missing interval utilizing measured meteorological data and PVSim. The simulated Energy production during the missing interval will be added to the Actual Generation for the System for the subject Guarantee Year. For purposes of this Section 5.11, the following definitions apply:

"PVSim" means the software program utilized by Provider to predict the amount of Energy that the System will produce in an average year which currently has the following characteristics: (1) based on PVFORM, the photovoltaic simulation software produced by Sandia National Laboratories and the US Department of Energy, (2) all photovoltaic characteristics are modeled, (3) all ancillary array losses are taken into account and (4) PVSim simulations use either measured data or typical meteorological year files from Meteonorm and NREL.

"SEMMY" or Simulated Energy in a Measured Meteorological Year, means, with respect to any Guarantee Year, Year 1 AC Energy output of the System simulated by PVSim using measured average hourly irradiance, wind speed, and air temperature as recorded by the Data Acquisition System, holding all other inputs equal to those used in calculating SETMY.

"SETMY" or Simulated Energy for a Typical Meteorological Year, means the Year 1 AC Energy output of the System simulated by PVSim using average hourly irradiance, wind speed, and air temperature data contained within the Weather File.

5.12 <u>Guarantee Calculations and Deficit.</u> For each Guarantee Year during the Term, within thirty (30) business days after the end of such Guarantee Year, Provider shall perform the following calculation, and shall deliver to District a copy of the data and information supporting Provider's calculation:

(Expected Energy (as adjusted pursuant to Section 5.10) x Guaranteed Level x Weather Adjustment) - Actual Generation

For the purpose of performing the preceding calculation, "Weather Adjustment" means the ratio of Simulated Energy in a Measured Meteorological Year (SEMMY): Simulated Energy for a Typical Meteorological Year (SETMY) as those terms are defined and described in Section 5.11.4 above.

If such calculation results in an amount that is greater than zero, such amount will constitute a Guarantee Year Deficit for which Provider will compensate District pursuant to Section 5.13 below.

5.13 Guarantee Payment and True-up Period. At the end of each Guarantee-Year during the Term (the "True-up Period"), Provider will calculate the Guarantee Year Deficit that accrued during that True-up Period. Such amount—which represents the number of kWh (AC) of Energy, guaranteed by Provider, that the System failed to generate—will be multiplied by the applicable Avoided Energy Price set forth in attached Exhibit I to calculate the Guarantee Payment owed by Provider to District for that True-up Period. Provider shall pay such Guarantee Payment amount to District within thirty (30) business days after providing its calculations to District. If, for three (3) consecutive years during the Term, the Actual Generation for the System (as adjusted pursuant to Section 5.11) is an amount of Energy equal to less than fifty percent (50%) of the applicable Expected Energy set for in attached Exhibit H (as adjusted pursuant to Section 5.10), District may terminate this Agreement. If District terminates pursuant to this Section 5.13, once Provider has paid all Guaranteed Payments that have accrued as of the date of such termination and removed the System (at Provider's cost, pursuant to Section 1.2), neither party will have any liability to the other under this Agreement.

6. OPERATIONS AND MAINTENANCE.

6.1 <u>O&M Services.</u> Subject to Section 4.1, Provider shall be responsible for performing, or causing to be performed, all operation, repair, maintenance and monitoring services for the System during the Term. At all times, Provider shall promptly provide District with all information, data, and/or records reasonably requested relating to the operation, use, or any other matter relating to the System, subject, however, to any confidentiality requirements set forth herein. Provider shall be permitted, upon mutual written agreement, to re-baseline, recalibrate and otherwise make modifications to the System, including, but not limited to, adding modular components such as additional inverters.

6.2 RESERVED.

- 6.3 <u>District Security Obligations.</u> District shall take reasonable precautions to protect the System from vandalism. For the avoidance of doubt, District is not responsible for maintaining the System or any other equipment installed by Provider within the Site. District will properly maintain, pay for and provide access to the necessary phone, computer, or other communication lines necessary to permit Provider to record the electrical output of the System for the entire Term.
- 6.4 <u>District Rights to Premises.</u> District further represents, warrants and covenants that it has fee title to the Premises, and that District has the requisite power and authority to grant to Provider the access to the Premises contemplated under the Site Lease and to perform its

obligations under this Agreement and the Site Lease, and for Provider to take the actions with respect to the Premises contemplated in this Agreement.

- 6.5 <u>Suspension of Service</u>. Provider shall be entitled to reasonably suspend delivery of Power Purchase Service to the Premises for the purpose of maintaining and repairing the System and such suspension of service shall not constitute a breach of this Agreement, provided that, other than suspensions of service that result from reasons outside of Provider's control, it does not result in a loss of service for more than twenty (20) consecutive days during any year during the Term. Provider shall ensure that any suspension in the delivery of the Power Purchase Services to District shall not cause an interruption of electricity service to the Premises supplied by the Local Provider. However, no such suspension shall result in a reduction Provider's Output Guarantee obligations, except as permitted by Section 5.10.
- 6.6 <u>Notifications of Malfunctions and Emergencies</u>. Each Party shall notify the other as soon as reasonably practicable following the discovery by it of any material malfunction of the System or interruption in the supply of Power Purchase Services from the System ("System Emergency"). Each Party shall designate and advise the other Party in writing of personnel to be notified in the event of a System Emergency.
- 6.7 <u>Structural Damage to Site Premises.</u> Subject to this Agreement, except to the extent resulting from the negligence or willful misconduct of District, Provider shall be liable for any damage caused by Provider's negligent operation or maintenance of the System, or Provider's negligent use of the Premises hereunder, including, without limitation, any damage to the Premises, damage to property, or injury to persons. Provider shall, within fifteen (15) days from receiving notice of any such damage, commence all repairs. In the event Provider does not complete the repairs within thirty (30) days of receiving such notice, District shall have a right to make all repairs to the Premises, and, within ten (10) days after presentation by District to Provider of supporting documentation describing the work performed and the cost thereof, Provider shall reimburse District for all costs related thereto actually incurred by District. However, if the time to make such repairs reasonably is expected to exceed thirty (30) days, the Parties may mutually agree in writing to extend the time allowed for Provider to complete such repairs.
- 6.8 <u>Permanent Shutdown of the System</u>. If, during the Term and for reasons other than a Force Majeure or a breach of covenant, negligence or misconduct by the Provider or its agents or employees, the System is permanently shut down due to renovation, damage, destruction or closure of the Premises, Provider shall be entitled to the following, as applicable:
- (a) Within ninety (90) days after a permanent shutdown of the System, District shall provide written notice to Provider indicating whether or not District intends to restore operation of the Premises or whether relocation of the System will be pursued. If District (i) fails to provide written notice to Provider within such ninety (90)-day period, (ii) elects not, pursuant to subsection (b) below, to restore operation of the Premises or, pursuant to subsection (c) below, to relocate the System, or (iii) elects, pursuant to subsection (c) below, to relocate the System but the Parties are unable to agree upon an alternate Site within ninety (90) days, then Provider may declare the District in default of its obligations under this Agreement, terminate this Agreement in accordance with Section 11 below, remove the System, at District's cost, and District shall pay to Provider the then applicable Termination Value (as set forth in attached Exhibit K).

- (b) If, within the ninety (90)-day period described in clause (a) above, District elects to restore operation of the Premises, District shall pay the Energy Rate for each kWh of energy that the System would have delivered from the date that the System is permanently shut down until the date that the System begins delivering Energy after such shut down.
- (c) If, within the ninety (90)-day period described in clause (a) above, District elects to negotiate with Provider to relocate the System to an alternative location—and such alternate location possesses, in the sole discretion of Provider, insolation, Environmental Attributes, Environmental Incentives, tax benefits, and site conditions substantially similar to those at the original location— then District shall pay the costs associated with the removal and relocation of the System, as well as the Environmental Attributes, Financial Incentives, and Energy Rate for each kWh of energy that the System would have delivered but for such removal and relocation (from the date that the System is permanently shut down until the date that the System begins delivering Energy to the new Point of Delivery), and this Agreement will remain in effect (subject to required amendments related to this Agreement and the Site Lease required in connection with such relocation).
- 6.9 <u>Outages.</u> Each calendar year during the Term, District will be permitted, without penalty, to cause the System to be offline for up to twenty-four (24) daylight hours by providing written notice to Provider at least forty-eight (48) hours (except in the event of emergency) before causing the System to be offline (the "Permitted Outages").
- (a) During any period of Permitted Outage, District will not be obligated to accept—and, if not accepted, pay for—Energy generated by the System.
- (b) For any hour in excess of the Permitted Outages that the System is offline as the result of the actions, omissions, negligence, or willful misconduct of District, District will be obligated to pay, pursuant to Article 5, the Energy Charge associated with the Energy that the System otherwise would have delivered but for such District-caused outage.
- (c) For the purposes of calculating amounts owed by District pursuant to subsection (b) above, the deemed Energy for such outage period will be calculated as follows:
- (i) For any District-caused outage occurring in Guarantee Year 1, the amount payable by District would be equal to the product of the following calculation:

Energy Rate x (the Deemed Lost Energy for the relevant outage period).

(ii) For any District-caused outage occurring in any Guarantee Year after Guarantee Year 1, the amount payable by District would be equal to the product of the following calculation:

Energy Rate x (the Deemed Lost Energy for the relevant outage period) x (an annual production degradation factor reflecting a 0.25% per year degradation rate).

(d) For purposes of subclauses (c)(i) and (c)(ii) above, "Deemed Lost Energy" means the Energy that the System would have generated during the outage period as determined

by reference to the amounts set forth in the Typical Monthly AC Energy (kWh) column set forth in Exhibit J for the relevant months in which the outage occurs (pro-rated for any partial months).

7. GENERAL COVENANTS.

- 7.1 <u>Provider's Covenants.</u> As a material inducement to District's execution and delivery of this Agreement, Provider covenants and agrees to the following:
- (a) <u>Health and Safety</u>. Provider shall strictly comply with all applicable laws, statutes, rules, regulations and ordinances for the Premises (if any), including those contained with the Site Lease.
- (b) <u>Notice of Damage</u>. Provider shall immediately notify District of any matters it is aware of pertaining to any actual or potential damage to or loss of the use of the System or the Premises or that could reasonably be expected to adversely affect the System (or the operation of the System) or the Premises.
- (c) <u>Liens.</u> Provider shall not cause, create, incur, assume or suffer to exist any liens (other than those temporary liens that automatically arise as a matter of law) on or with respect to the Site, the Premises or any other District interest therein, except as permitted under Article 13. If Provider breaches its obligations under this Section, it shall promptly cause any liens to be discharged and released of record without cost to District.
- (d) <u>District's Reservation of Rights.</u> Provider shall not inhibit District from access to the Site, or operate the System in a manner that interferes with District's educational operations on the Site.
- 7.2 <u>District's Covenants.</u> As a material inducement to Provider's execution and delivery of this Agreement, District covenants and agrees that it shall not alter, repair, modify or otherwise tamper or interfere with the System without the prior written consent of Provider. District will maintain the Interconnection Agreement, comply with its obligation under the Site Lease, and cooperate in all reasonable manner to enable Provider to execute and perform its obligations under the Agreement.

8. REPRESENTATIONS AND WARRANTIES.

- 8.1 <u>Warranties Relating to Agreement Validity.</u> In addition to any other representations and warranties contained in this Agreement, each Party represents and warrants to the other as of the Effective Date that:
- (a) it is duly organized and validly existing and in good standing in the jurisdiction of its organization;
- (b) it has the full right and authority and has taken all requisite corporate or other action to enter into, execute, deliver, and perform its obligations under this Agreement;
- (c) it has the financial resources necessary to perform its obligations under this Agreement;

- (d) this Agreement constitutes its legal, valid and binding obligation enforceable against such Party in accordance with its terms;
- (e) there is no litigation, action, proceeding or investigation pending or, to the best of its knowledge, threatened before any court or other governmental authority by, against, affecting or involving any of its business or assets that would affect its ability to carry out the transactions contemplated herein; and
- (f) Neither the execution and delivery of this Agreement by such Party nor the performance by such Party of any of its obligations under this Agreement conflicts with or will result in a breach or default under any agreement or obligation to which such Party is a party or by which such Party is bound.

8.2 Provider's Warranties. Provider represents and warrants the following:

- (a) <u>Quality of Services.</u> Provider's obligations under this Agreement will be performed in a diligent and professional manner, in accordance with the highest industry standards, by qualified workers experienced in performing the type of work specified herein.
- (b) <u>In Accordance with the Agreement.</u> Provider's obligations under this Agreement shall be performed strictly in accordance with the requirements of the Agreement.
- (c) <u>In Accordance with the Law.</u> Provider's obligations under this Agreement shall be performed strictly in accordance with all laws, statutes, rules, regulations and ordinances for the Premises (if any) that apply to the Owner's performance under this Agreement, including those contained in the Site Lease.
- (d) <u>Permits.</u> Subject to Section 3.6 and Section 4.1(a), Provider has and shall maintain all necessary permits and certifications required by any governmental authority to perform its obligation under this Agreement; any such permits, governmental approvals and certifications will be maintained current and valid throughout the Term hereof.
- (e) <u>Intellectual Property.</u> Provider is the lawful Provider or licensee of all intellectual property used by Provider in the performance of its obligations under this Agreement. With respect to any application or hosted software that Provider uses in performing its obligations under this Agreement ("Software"), Provider warrants that: (a) Provider is the lawful Provider or licensee of all Software and, if required, has the right to license District to use it; and (b) all Software is free of any defect or computer virus that could impact District and will function in accordance with its specifications.
- (f) <u>Third Party.</u> Provider's performance of its obligations under this Agreement will not violate or in any way infringe upon the rights of third parties, including proprietary information and non-disclosure rights, or any trademark, copyright or patent rights.

9. TAXES AND GOVERNMENTAL FEES.

Provider shall be responsible for paying and remitting all income, gross receipts, ad valorem, personal property or real property or other similar taxes and any and all franchise fees or



similar fees assessed by a governmental authority against it due to its ownership of the System. If a tax is imposed upon District related to the improvement of real property by the existence of the System on the Premises, Provider shall reimburse District for such tax. The District shall not have any responsibility for any tax, levy, or other governmental fee, except for sales, use, excise, ad valorem, transfer and other similar taxes ("Transfer Taxes") imposed upon the purchase of electricity or as expressly set forth in this Agreement. The Parties expressly acknowledge and agree that no such Transfer Taxes are applicable to this Agreement as of the date of this Agreement, but this provision shall govern any such future Transfer Taxes which may become applicable.

10. FORCE MAJEURE.

- Excused Performance. Except as otherwise specifically provided in this Agreement, neither Party shall be considered in breach of this Agreement or liable for any delay or failure to comply with the Agreement, if and to the extent that such delay or failure is attributable to the occurrence of a Force Majeure Event; provided that the Party claiming relief under this Article 10 shall (a) as soon as practicable after occurrence of the claimed Force Majeure event, notify the other Party in writing of the existence and nature of the Force Majeure Event, (b) promptly exercise all reasonable efforts necessary to minimize impact on the respective obligations of the Parties caused by such Force Majeure Event, (c) promptly notify the other Party in writing of the cessation or termination of said Force Majeure Event, and (d) resume performance of its obligations hereunder as soon as practicable thereafter. For the purposes hereof, a "Force Majeure Event" means the failure or interruption of the production, delivery, or acceptance of Power Purchase Services resulting from any of the following events to the extent not caused by the Party claiming a Force Majeure Event: (a) war, riot, acts of a public enemy, insurrection, acts of terrorism, or civil disturbance; and (b) acts of God, including but not limited to storms, flood, lightening, earthquake, hailstorms, ice storms, tornados, hurricanes, landslides, fires (whether deliberately set or otherwise); (c) suspension of operation of the System or the inability to generate or deliver Energy that is caused by any legislative, administrative, or executive action or any regulation, order, or requisition of the Local Provider, the California Public Utilities Commission, or any other government entity; and (d) limited access to the Site due to labor disturbance or investigations by policing authorities.
- Event occurs and continues for three-hundred sixty-five (365) consecutive days, either Party may terminate this Agreement by providing thirty (30) days' written notice to the other Party. If this Agreement is terminated pursuant to this Section 10.2, Provider will remove the System at its cost (pursuant to Section 1.2), and, thereafter, neither Party will be liable to the other Party under this Agreement (except in connection with obligations or liabilities that, as expressly stated herein, survive termination). If a System is substantially damaged or destroyed by a Force Majeure Event or is subject to a condemnation/eminent domain action, Provider may elect, in its discretion and upon written notice to District given within ten (10) days after such substantial damage, destruction, or commencement of such condemnation/eminent domain action, to repair or replace the System and upon commencement of operation of the System all terms and conditions of this Agreement shall remain in effect, including the remaining Term of this Agreement. Alternatively, if the System is substantially damaged or destroyed by a Force Majeure Event, or condemnation/eminent domain action, Provider or District may, by providing written notice to the other within thirty (30) days, terminate this Agreement without fault or liability to the other.

Provider shall, after either giving or receiving notice of termination pursuant to this Section 10.2, remove the System at its cost (pursuant to Section 1.2). Any proceeds related solely to the value of the System that are received by either Party in connection with any condemnation or eminent domain action, as well as any insurance proceeds related thereto, will belong to Provider.

11. **DEFAULT.**

- 11.1 <u>Provider Defaults and District Remedies</u>. The following events shall be defaults with respect to Provider (each, an "Provider Default"):
- (a) A breach by Provider of a material term of this Agreement or the Site Lease that remains uncured for thirty (30) days after District provided Provider with notice or a breach by Provider that by its nature may not be cured; provided, however, that Provider and District may mutually agree in writing to extend such cure period if Provider has commenced actions to cure and diligently pursued such actions; or
- (b) If any representation or warranty of Provider proves at any time to have been incorrect in any material respect when made and remains uncured for thirty (30) days after District provided Owner with notice or a breach by Owner that by its nature may not be cured; provided, however, that Owner and District may mutually agree in writing to extend such cure period if Owner has commenced actions to cure and diligently pursued such actions.

In the event of an Provider Default, District may, in addition to any other remedy available at law or in equity, immediately terminate this Agreement pursuant to Section 1.3(a) above, and Provider shall remove the System (at its cost, pursuant to Section 1.2).

- 11.2 <u>District Defaults and Provider Remedies</u>. The occurrence of any of the following events shall be deemed a "District Default" for purposes of this Agreement:
- (a) District breaches any material term of this Agreement or the Site Lease and such breach remains uncured for thirty (30) days after Provider provided District with notice or a breach by District that by its nature may not be cured; provided, however, that Provider and District may mutually agree in writing to extend such cure period if District has commenced actions to cure and diligently pursued such actions; provided however, that no cure period shall apply to Access Rights Breaches;
- (b) If any representation or warranty of District proves at any time to have been incorrect in any material respect when made;
- (c) District fails to pay Provider any amount owing to Provider under this Agreement, including any Energy Charge, within thirty (30) days of receiving written notice from Provider that such undisputed amount is past due; or
- (d) District causes overshadowing of the System, or otherwise reduces the insolation available to the System by an amount greater than ten percent (10%) of the applicable amount set forth in attached Exhibit J, and such overshadowing or reduction in insolation remains uncured for thirty (30) days after Provider provided District with notice or such overshadowing or reduced insolation, by its nature, may not be cured; provided, however, that Provider and District

may mutually agree in writing to extend such cure period if District has commenced actions to cure and diligently pursued such actions.

In the event of a District Default, Provider may, in addition to any other remedy available at law or in equity, terminate this Agreement and remove the System at District's cost, and, pursuant to Section 1.4, District shall pay the then-applicable Termination Value set forth in attached Exhibit K. The Parties agree that actual damages to Provider in the event this Agreement terminates prior to the expiration of the Term for causes attributable to District would be difficult to ascertain, and the applicable Termination Value is a reasonable approximation of the damages suffered by Provider as a result of early termination of this Agreement.

11.3 <u>No Consequential Damages</u>. Except for the indemnification and confidentiality obligations of Provider and District under this Agreement, neither Provider nor District will be liable to the other under this Agreement for lost profits, lost revenues, lost business, or any other special, indirect, consequential, or punitive damages. Notwithstanding the payment of Termination Value, the Parties hereby acknowledge and agree that neither Party shall be liable to the other for an amount more than the total amount of this Agreement.

12. DISPUTE RESOLUTION.

The Parties agree to make a good-faith attempt to resolve any and all controversies, claims, disagreements, or disputes between the Parties arising out of or related to this Agreement ("Dispute"). In the event of any Dispute, either Party may give notice of the Dispute to the other Party. In the event a Party Disputes all or a portion of an invoice or other payment, the disputing Party shall timely pay any undisputed portion of such amount due. The Parties shall first use good-faith, reasonable, diligent efforts to negotiate and informally resolve the Dispute within ninety (90) days from the date of such notice. If the Parties do not resolve their Dispute within ninety (90) days of notice, then the Parties may, upon mutual written agreement, submit to mediation before a mutually agreed upon mediator. In the event the Dispute is not resolved through mediation, the Parties may pursue their legal rights through any other legally permissible means. Venue shall be in San Diego County, California.

13. ASSIGNMENT OR TRANSFER.

13.1 Except as provided in Sections 13.2 and 13.3 below, this Agreement may not be assigned, conveyed, or otherwise transferred in whole or in part by either Party without the prior written consent of the other Party, which consent shall not be unreasonably withheld, conditioned, or delayed. This Agreement shall be binding on and inure to the benefit of the successors and permitted assignees. Any prohibited assignment is void.

13.2 Provider's Rights.

(a) Notwithstanding anything to the contrary in Section 13.1, Provider may subcontract any of the terms or obligations under this Agreement provided that Provider remains liable for the performance of such obligations at all times. District acknowledges and agrees that Provider intends to subcontract certain of its rights and obligations under this Agreement, including relating to construction, installation, testing, operation and maintenance, and a sublease of its rights to the Site for such purposes, provided, however, that each such subcontractor agrees to be bound by the obligations



of Provider pursuant to this Agreement and Provider remains liable for the performance of such obligations at all times; District hereby consents to such subcontracting. Provider shall be entitled to, and is hereby authorized to, file one or more precautionary UCC Financing Statements, fixture filings, or other filings, as applicable, in such jurisdictions as it deems appropriate with respect to the System or the Site Lease in order to protect its rights in the System and under this Agreement, provided, however, in no event shall Provider be permitted to make any filings that would be an encumbrance on title to the real property on which the System is situated.

- (b) By providing advance, written notice to District, Provider may, without consent of District, transfer, assign, sell, pledge, or grant security interests in its rights, title, and interest in this Agreement (including its rights and interests under the Site Lease and its rights to any monies due under this Agreement) in connection with any financing related to the ownership, acquisition, construction, operation, or use of the System. In the event Provider seeks to arrange such financings, District shall cooperate by providing written acknowledgements and consents, provided that doing so does not impose any obligation, cost or financial burden on District and provided that doing so does not create an encumbrance on District's interest in the Premises.
- (c) By providing advance, written notice to District, Provider may, without consent of District, transfer, assign, or sell its rights, title, and interest in this Agreement (including its rights and interests under the Site Lease and its rights to any monies due under this Agreement) to any wholly-owned subsidiary of SunPower Corporation.

13.3 District's Rights.

Except as to a legally mandated transfer to another educational entity successor, the District may not assign its rights and interests in and to this Agreement to any successor Provider or person lawfully occupying the Premises with a credit rating lower than that of District, without first obtaining written consent from Provider—which consent may not unreasonably be conditioned, delayed, or withheld—or providing matching credit support in the form of cash, letter(s) of credit, or other security that is reasonably acceptable to Provider, and, provided that any such assignee shall agree in writing to be bound by the terms of this Agreement. Any assignment or transfer of its interests under this Agreement by District that is not explicitly permitted under this Section 13.3 shall be void *ab initio*.

14. CONFIDENTIALITY.

- 14.1 <u>Confidential Information</u>. Any financial, statistical, personal, technical and other data and information relating to a Party's operations which are made available to the other Party in order to carry out this Agreement shall be reasonably protected by such other Party from unauthorized use, except to the extent that disclosure thereof is required to comply with applicable law, including but not limited to the California Public Records Act. The disclosing Party shall identify all confidential data and information at the time it is provided. Confidentiality does not apply to information, which is known to a receiving Party from other sources, which is otherwise a public record or publicly available or which is required to be disclosed pursuant to an order or requirements of a regulatory body or a court.
- 14.2 <u>Disclosure</u>. Except as required by the California Public Records Act, or as otherwise identified above, neither Party shall make any disclosure of any confidential information related to this

Agreement without the specific prior written approval from the other of the content to be disclosed and the form in which it is disclosed, except for such disclosures to the Parties' financing sources, creditors, beneficiaries, partners, members, officers, employees, agents, consultants, attorneys, accountants and exchange facilitators as may be necessary to permit each Party to perform its obligations hereunder and as required to comply with applicable laws or rules of any exchange upon which a Party's shares may be traded. Notwithstanding the foregoing, nothing contained herein shall be deemed to restrict or prohibit District from complying with applicable law regarding disclosure of information, including but not limited to the California Public Records Act.

15. INDEMNIFICATION AND LIEN WAIVER.

Each Party shall defend, indemnify and hold harmless (the "Indemnifying Party") the other Party, its successors and assigns and their respective directors, officers, members, shareholders, contractors and employees (collectively, the "Indemnified Parties") from and against any and all Losses incurred by the Indemnified Parties to the extent caused by the following: (i) any breach by a Party of its representations, warranties, or obligations under this Agreement, (ii) any claim asserted by a third party, including, but not limited to, any claim for injury to or death of any person or loss or damage to property, due to the acts or omissions of the Indemnifying Party (or its contractors, agents or employees) or with respect to Provider, any injury, death or property damage resulting from the failure or improper maintenance and operation of any equipment of the Provider; (iii) with respect to the Provider and subject to Section 4.1, any failure to comply with the terms of laws, permits or approvals applicable to the System; and (iv) with respect to Provider, any claim that the System infringes on the intellectual property rights of any third party. The Parties shall not, however, be required to reimburse or indemnify any Indemnified Party for any Loss to the extent such Loss is caused by the negligence or willful misconduct of any Indemnified Party. For the purposes hereof, the term "Loss" means any penalties, regulatory fines, obligations, damages, losses, liabilities, payments, costs and expenses. The provisions of this Section 15.1 shall survive the expiration or termination of this Agreement.

16. INSURANCE.

Provider, at its own expense, shall provide and maintain insurance coverage during the Term of the Agreement that conforms in all material respects with the insurance requirements of District as set forth on Exhibit D.

17. NOTICES.

Any notices, bills, invoices, or reports required by this Agreement shall be deemed received on the day of delivery if delivered by hand, overnight courier service or e-mail (which e-mail shall state in bold, capital letters in the reference line that this is an official notice provided under Section 17 of this Agreement and such e-mail is confirmed by the recipient) during Provider's and District's regular business hours, to the addresses listed below (or to such other addresses as the parties may, from time to time, designate in writing).

If to District:

Marysville Joint Unified School District

Attn: Mike Hodson

1919 B Street

Marysville, CA 95901

Email: mhodson@mjusd.k12.ca.us

If to Provider:

Solar Star Marysville, LLC c/o SunPower Corporation 1414 Harbour Way South, Suite 1901 Richmond, CA 94804

Attn: Contracts Administration

18. CONTRACT DOCUMENTS.

The Contract Documents, which include this Agreement and all exhibits and attachments hereto, are complementary and are intended to include all items required for the proper execution and completion of each Party's obligations under this Agreement. All Contract Documents establish the Agreement between the Parties. If the terms of any of the Contract Documents conflict, this Agreement shall control.

19. MISCELLANEOUS.

- 19.1 <u>Integration; Exhibits</u>. This Agreement, together with any exhibits and attachments hereto, constitutes the entire agreement and understanding between Provider and District with respect to the subject matter hereof and supersedes all prior agreements relating to the subject matter hereof, which are of no further force or effect.
- 19.2 <u>Cumulative Remedies</u>. Except as set forth to the contrary herein, any right or remedy of Provider or District shall be cumulative and without prejudice to any other right or remedy, whether contained herein or not.
- 19.3 <u>Limited Effect of Waiver</u>. The failure of Provider or District to enforce any of the provisions of this Agreement, or the waiver thereof, shall not be construed as a general waiver or relinquishment on its part of any such provision, in any other instance or of any other provision in any instance.
- 19.4 <u>Changes and Modifications to the Agreement.</u> Any modification, alteration or change to this Agreement shall be made only by written amendments executed by the Parties.
- 19.5 Governing Law Provision. The validity of the Agreement and any of its terms or provisions, as well as the rights and duties of the parties to this Agreement, shall be governed by, and construed in accordance with, the laws of the State of California, without giving effect to conflicts of law principles. Each Party irrevocably agrees that, subject to Section 12, any legal action, suit or proceeding brought by it that in any way arises out of the Agreement ("Proceeding") must be litigated exclusively in the State of California, County of San Diego except on an appeal that by its nature must occur outside the State of California.
- 19.6 <u>Severability</u>. If any term, covenant or condition in this Agreement shall, to any extent, be invalid or unenforceable in any respect under applicable law, the remainder of this



Agreement shall not be affected thereby, and each term, covenant or condition of this Agreement shall be valid and enforceable to the fullest extent permitted by applicable law.

- 19.7 <u>Successors and Assigns</u>. This Agreement and the rights and obligations under this Agreement shall be binding upon and shall inure to the benefit of Provider and District and their respective permitted successors and assigns.
- 19.8 <u>Survival</u>. Provisions of this Agreement that should reasonably be considered to survive termination of this Agreement shall survive.
- 19.9 <u>No Partnership.</u> No provision of this Agreement shall be construed or represented as creating a partnership, trust, joint venture, fiduciary or any similar relationship between the Parties. No Party is authorized to act on behalf of the other Party, and neither shall be considered the agent of the other.
- 19.10 <u>No Third-Party Beneficiaries</u>. Except as otherwise expressly provided herein, this Agreement and all rights hereunder are intended for the sole benefit of the Parties hereto and shall not imply or create any rights on the part of, or obligations to, any other Person.
- 19.11 <u>Counterparts</u>. This Agreement may be executed in any number of counterparts, each of which may be delivered by facsimile transmission or electronically in .PDF format and each of which shall be an original but all of which together will constitute one instrument, binding upon all parties hereto, notwithstanding that all of such parties may not have executed the same counterpart.
- 19.12 Equal Employment Opportunity. In connection with carrying out its obligations under this Agreement, Provider shall not discriminate against any employee or applicant for employment because of race, religion, color, sex or national origin. Provider shall take affirmative actions to insure that applicants are employed, and that employees are treated during their employment, without regard to their race, religion, color, sex or national origin. Such actions shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising, layoff, termination; rates of pay or other form of compensation; and selection for training, including apprenticeship. Provider will comply with the Affirmative Action Policy of District which was attached to the proposal submitted by Provider to District.
- 19.13 <u>Service Contract</u>. The District and Provider intend for this Agreement to constitute a "Service Contract" within the meaning of Section 7701 (e) of the Internal Revenue Code of 1986.
- 19.14 <u>No Public Utility</u>. Nothing contained in this Agreement shall be construed as an intent by Provider to dedicate its property to public use or subject itself to regulation as a "public utility" (as defined in the California Public Utilities Code or any other Applicable Law).
- 19.15 No Recourse to Affiliates. This Agreement is solely and exclusively between the Parties, and any obligations created herein on the part of either Party shall be the obligations solely of such Party. No Party shall have recourse to any parent, subsidiary, partner, member, affiliated company, lender, director, officer or employee of the other Party for performance or non-performance of any obligation hereunder, unless such obligations were assumed in writing by the Person against whom recourse is sought.

[Signature Page Follows]

IN WITNESS WHEREOF and in confirmation of their consent to the terms and conditions contained in this Agreement and intending to be legally bound hereby, Provider and District have executed this Agreement as of the Effective Date.

DISTRICT:

MARYSVILL	E JOINT UNIFIED SCHOOL DISTRICT
By:	
Name:	
Title:	
Date:	
PROVIDER:	
SOLAR STAI	R MARYSVILLE, LLC
By: SunPower	· AssetCo, LLC
Its sole member	er
By:	
Name:	Nam Nguyen
Title:	EVP, Commercial
Date:	

EXHIBIT A

DESCRIPTION OF SITE 1

Site Name: Marysville High School

Site Address: 12 E. 18th Street, Marysville, CA 95901

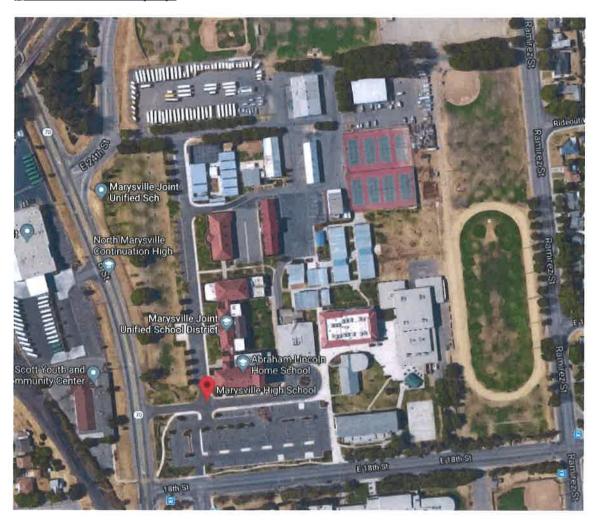
<u>Description of Systems:</u> 295.8 kWDC system consisting of solar PV carports located as shown in the provided Tier 1 array layout.

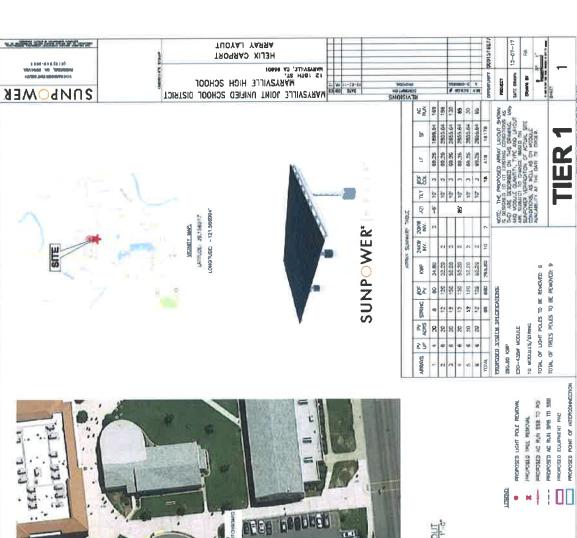
<u>Description of Electrical Facility:</u> The electrical point of interconnection as shown in the provided Tier 1 array layout.

Summary of Twelve Months of Utility Bills: 499,248 kWh

Site Exposure: 110 MPH Wind Zone, Category II, Exposure C

Satellite Picture of Property:





10 mm

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V (1) ARRAY LAYOUT

PH WIND ZONE (ASCE 7-10) CATECONY 4, EXPOSABE C SON WITE [1,10,m/yr], [Cz. 11%, C3. 99%]

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3

DESCRIPTION OF SITE 2

Site Name: Lindhurst High School

Site Address: 4446 Olive Ave. Olivehurst, CA 95961

<u>Description of Systems:</u> 345.0 kWDC system consisting of solar PV Ground Fixed Tilt located behind an enclosed fence and as shown in the provided Tier 1 array layout.

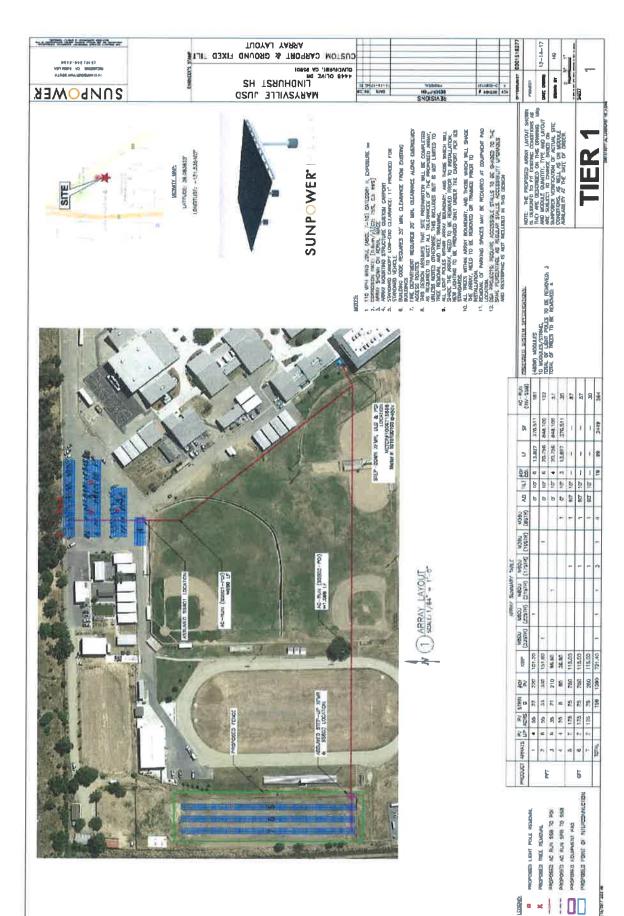
<u>Description of Electrical Facility:</u> The electrical point of interconnection as shown in the provided Tier 1 array layout.

Summary of Twelve Months of Utility Bills: 1,519,461 kWh

Site Exposure: 110 MPH Wind Zone, Category II, Exposure C

Satellite Picture of Property:





DESCRIPTION OF SITE 3

Site Name: Foothill Intermediate School

Site Address: 5351 Fruitland Rd, Marysville, CA 95901

<u>Description of Systems:</u> 1,487.7 kWDC system consisting of solar PV Single-Axis Tracker located behind an enclosed fence and as shown in the provided Tier 1 array layout.

<u>Description of Electrical Facility:</u> The electrical point of interconnection as shown in the provided Tier 1 array layout.

<u>Summary of Twelve Months of Utility Bills:</u> 4,500,336 kWh, across 11 sites: Foothill Intermediate, Edgewater Elementary, McKenney Intermediate, Marysville HS Gym, District Admin Office, Kynoch Elementary, Linda Elementary, Yuba Feather Elementary, Arboga Elementary, Ella Elementary, and Yuba Gardens School.

Site Exposure: 110 MPH Wind Zone, Category II, Exposure C

Satellite Picture of Property:





EXHIBIT B

SYSTEM SPECIFICATIONS

(Additional Descriptions to be added once designs are completed)

The following are the standard assumptions made by the Provider regarding the existing condition at the Site, including but not limited to the building roof, building structure, ground conditions, electrical system including panels, inverter installation location and security fencing. Provider shall be responsible for verifying all such assumptions as described/directed below. The System Specifications and assumptions set forth below are further described in the Provider's proposals to the District dated February 14, 2018. each as attached hereto and incorporated herein for reference purposes (each a "Provider Proposal"); provided that, in the event of any conflict between any Provider Proposals, the later Provider Proposal shall control unless otherwise mutually agreed by the Parties in writing. Each Provider Proposal is incorporated solely for the purpose of providing reference information for the technical components/specifications of the System. Accordingly, in the event of any conflict between the Provider Proposals and this Agreement, this Agreement shall control unless otherwise mutually agreed by the Parties in writing.

System Sizes: 295.8 kWDC, 345.0 kWDC, and 1,487.7 kWDC

System Type: SunPower Helix Carport, Ground Fixed Tilt, and Oasis 3 Tracker

System Components: Modules, mechanical attachment assemblies, support structures, DC wiring, DC-AC string inverters, data acquisition system, and interconnection related equipment on the Customer side of the meter, including panel circuit breakers, utility lockable disconnect switches, NGO metering, conduit, and wiring. Metal materials are galvanized or non-corrosive; conduit is EMT with compression fittings for above-ground installations, and schedule 40 PVC for below-ground installations.

Standard system assumes the following conditions, which District and Provider will verify:

WORK DESCRIPTION

Design-Builder to design, permit, procure, construct, install, test, commission, start up, maintain and operate the System for the site addressed in this Exhibit.

LABOR

Overtime and Special Shift Requirements

Overtime and special shift requirements are not included, except as shown on the schedule submitted with this proposal which are included as part of this Agreement. The District shall not be responsible for any overtime or special shift requirements unless such overtime/special shifts are directly caused by the District's negligence or misconduct.

Prevailing Wages

Project is assumed to be Prevailing Wage per industrial relations requirements of project location. Union labor is not included in this proposal.

Diversity Requirements

Requirements and/or related due diligence and good faith efforts for small, small local, diversified or minority contractors are not included in this proposal.

INDIRECT CONSTRUCTION COSTS

Taxes and Fees

Taxes or fees, other than permit fees and sales tax, are not included. Sales tax is included at prevailing rate of the local city/county.

Permits and Regulatory Fees

An allowance for DSA and CGS permits is included based on the costs associated with the full implementation of this contract. Actual project price may vary, due to approved construction, design, or timeline changes (each a "Change Order"). In that case, permit fees will be adjusted accordingly by a Change Order when the project is substantially complete.

- Marysville HS DSA Allowance \$13,928
- Lindhurst AHJ Allowance \$4,356
- Foothill Intermediate AHJ \$13,012
- Foothill and Lindhurst CEQA Allowance \$60,000

All other permits/approvals are excluded. District will be responsible for any fees or costs associated with the Inspector of Record (IOR) or special inspections.

Provider includes durations of 13 weeks for procuring permit and regulatory approvals. Provider will not be responsible for construction delays caused by permit and approval requirements from local jurisdictions or regulatory review bodies such as PG&E. Any delays in procuring permits will entitle Provider a time extension Change Order to the contract as a day for day extension to Provider's plan for obtaining required permits and/or approvals, as defined above or in the final approved schedule.

SYSTEM DESIGN & SCOPE

Solar Electrical Equipment and Conductors

The parking and shade canopies, equipment pads, and point of interconnection will be constructed to the design and specifications as shown in Tier 1 array layout provided in Exhibit A. The final plans and specifications shall be consistent with the Provider Proposals and the specifications set forth in this Exhibit. The final plans and specifications shall also be provided to the District for its review and approval prior to submission to DSA. However, if District fails to review or comment upon such final plans and specifications within ten (10) days after receipt, the project schedule will be extended day for day beyond the ten (10) day design review period.

Conductors will be aluminum. AC feeder length from Panel Board to equipment pad location and from equipment pad location to tie in is identified on Tier 1 array layout drawings. AC feeder lengths from inverter equipment pad location to assumed point of interconnection, and length assumptions with equipment amperage ratings are shown on proposal level single line drawing.

DC array wiring may be exposed on the underside of PV modules or neatly secured to PV modules and/or racking system. DC source circuits are USE-2 weather rated for exterior exposure.

DC array bonding is achieved by use of Provider proprietary grounding clips and/or rivet attachment.

Design includes rigid conduit for underground transitions and in areas subject to vehicle damage; EMT conduit with rain-tight compression fittings above inverters for any aboveground low voltage or AC circuits; and PVC for all underground conduit. Concrete encasement is included for medium voltage work such as 4160V or 12kV, if less than 6' in depth relative to the ground surface. For clarification purposes all MV lines (4160V or greater) shall either be encased or installed at a depth of 6' or greater relative to the ground level.

Utility Interconnection

Coordination of shutdown will be required with District and local utility. Temporary power generators are excluded. Interconnection is scheduled for minimum 4 hours and is assumed to be performed on off hours with prior written approval from the District. Additional shutdowns may be required in order to assess physical condition of the District's existing switchgear.

The utility will have 24/7 access to existing electric utility meters and the utility lockable disconnect locations for all electrical interconnections related to this project.

Utility Requirements

Proposal assumes all utility-owned electrical equipment serving the sites electrical distribution system has adequate capacity to handle the photovoltaic system output. No utility required electrical equipment upgrade or replacement is included in this proposal, including design and coordination thereof.

Any costs associated with unforeseen utility interconnection requirements, including but not limited to utility-owned equipment upgrades or additions, relay protection equipment external to the inverters, system impact studies, or telemetry requirements and interconnection studies are not included in this proposal.

Facility Equipment

It is assumed that the system will interconnect with the facility at District's existing panels and the panels are both rated 480kV with ample current capacity to accept the PV systems.

The existing panels are assumed to have provisions to accept cable connections on the primary side of the main service breaker, or adequate space and capacity for a new breaker. Panel or bus bar reconfiguration and/or District distribution equipment re-listing certification is not included.

Proposal excludes Circuit Breaker Coordination Study for this project.

Proposal excludes Short-Circuit Coordination Study for this project. Provider will provide overcurrent settings that will be coordinated with District overcurrent settings

Solar system includes all standard interconnection related equipment on the District side of the meter, including panel circuit breakers, utility and/or visible utility lockable disconnect switches, solar metering, conduit, and wiring. Additional District-side protection required by the utilities above that provided by the certified inverters is not included.

If harmonic data of the site is not available, Provider shall assume that the Harmonic data are within the acceptable limits of the Institute for Electrical and Electronics Engineers (IEEE) Standard 519.

Shading

The Tier 1 array layout is based on existing visual conditions on site. Trees that are in direct conflict with the proposed carports have been marked on the proposal drawings for removal. No other tress have been included for removal in this proposal. Trees and/or other obstructions identified to shade the carports must be removed or trimmed by the District prior to substantial completion or performance expectations/guarantees may require adjustment.

Landscaping

Site landscaping is excluded from this Scope of Work. Capping and/or recoupling of existing irrigation at any applicable removed tree locations is included. Weed abatement in and around the solar system (e.g. plant restoration or long-term weed abatement) is not included.

Irrigation reconfiguration to complete any foundation construction is not included.

Fencing

A 6-0' galvanized, 9 gauge, 2" mesh fencing and chain link fence-with gate around perimeter electrical equipment pad locations is included. Special provisions for privacy slats, special

hardware, lock sets, small fabric, etc. are not included. 4" bollards are included only in areas subject to vehicle impact. Additional bollards required by utility or other entities excepting DSA are excluded.

SITE & CONSTRUCTION CONDITIONS

Access

Proposal assumes project will be constructed in a single phase in accordance with the final District approved schedule and Commercial Operation Date required by the Agreement.

Provider will be guaranteed site access to perform all work consistent with the access requirements of the Site Lease. All work to be performed pursuant to code. Provider shall at all times comply with the District's standard school site safety requirements, including but not limited to fingerprinting, badging, etc.

Provider will be provided a sufficient area for staging materials and locating temporary facilities such as construction trailers, portable toilets, and dumpsters.

Existing roads will be capable of handling all required construction equipment such as drilling rigs, concrete trucks, delivery trucks, cranes, and all other equipment necessary to complete the work. Excluding normal wear and tear, Provider will be responsible for any damage to existing roads, parking lots, or playgrounds resulting from negligent construction operations and activities.

Use of Facilities

On-site water and power will be available for construction with no restrictions, however Provider will be responsible to obtain separate sub-meters and pay for its use of utilities. If a District initiated power shut down has duration over 4 hours and effects normal construction operations, Provider can rent and install a temporary generator and submit associated costs to District for reimbursement. Water quality shall be sufficient for use in dust control, as necessary, and be suitable for Provider's standard concrete mix design.

Special Handling of Site Materials

Testing for removal and disposal of any existing hazardous waste materials, contaminated soils, or any other unforeseen site conditions that require special handling are not included.

Site Utilities and Hazards

Changes resulting from utilities, right of ways, easements, and/or hazards—underground or above ground—or any undocumented building upgrades are not included.

Documented utilities and building upgrades are considered as part of this proposal if as-builts are provided to Provider prior to contract execution in order to confirm locations of these possible hazards. Districts shall supply Provider with a current Title Report with plotted easements, encumbrances, and right-of-ways at all project site locations.

Soils and Structural Foundations

Foundation assumptions are as follows for system options and shall be verified by Provider:

• Drilled cast-in-place, 36" round caisson, 12' Deep, approximately 2.5' above grade, depending on existing topography.

If additional width, embed depth or spread footing is needed due to soil conditions, additional costs will be the responsibility of the client.

Proposal assumes that if ground water or dewatering, sub grade rocks, or other unforeseen underground structures are encountered and there is a need to slurry and re-drill or dewater site, then additional costs will be the responsibility of the client.

Soil Conditions

Existing site soil is assumed to have the following characteristics and shall be verified by Provider:

- IBC or UBC Table 1804A.2, Class 3 or equivalent Non-hazardous, sandy gravel and/or gravel
- Allowable foundation pressure greater than or equal to 2000 psf Lateral Bearing strength below grade equal to 200 (Lbs./Sq. Ft./Ft. of depth)
- Lateral sliding coefficient of friction greater than or equal to 0.35. No sub-grade rocks or rock formations
- Adequate drainage
- No seismic-related hazards (e.g. faults, liquefaction, seismically-induced settlement, lateral spreading) Limited expansiveness
- Low to moderate corrosiveness (PH is less than 5.5, electrical resistivity is more than 1000 OHM-cm, chloride is less than 500 ppm, sulfate is less than 2000 ppm)
- Depth to start of passive pressure is 0.5 feet.

Carport Specifics

Fascia is included for the short dimension of the carport only.

The proposed carport has a minimum clearance to the low end of the canopy of 11'

The carport is assumed to be G90 galvanized, painting has not been included in this proposal.

Drainage

Special drainage requirements and/or drainage design and interconnection to District's existing storm drain system or any other storm drain discharge system is excluded from this proposal.

Carport and shade structure standard design options do not include structural roof deck for storm water collection or protection.

Security and Lighting

Proposal assumes that the existing lighting circuits can be re-used for photovoltaic shade structures/parking canopies lighting system and that those existing circuits have ample current carrying capacity to provide required lighting at shade structures/parking canopies, per jurisdictional code requirements.

Lighting design and/or installation beyond the footprint of the photovoltaic parking canopies is not included in this proposal. Replacement of existing light standards is not included. Proposal includes LED fixtures for lighting under structures.

Additional security systems or infrastructure are not included in this proposal.

Special Conditions

Proposal assumes existing islands in parking lot to remain at area of new carport structure.

Provider to provide labor, equipment, and materials to remove existing asphalt paving for the portions of the parking lot located in the northwest part of campus (are highlighted in orange within the provided Tier 1 layout) to a depth of 3" and replaced with 3" of new compacted asphalt including hauling off all spoils from site, lay out and paint parking stall markings and clean, prep, and paint concrete or asphalt pavement with 6" wide red line delineating a fire lane, including lettering (FIRE LANE) every 20 feet per specifications herein.

While special care will be taken to locate existing, underground utilities (underground survey) and locate carport structures with minimum conflicts. Relocation of existing underground utilities due to carport foundations is not included.

Scope of Work assumes the existing parking lot, including ADA parking stalls, striping, signage, and paths of travel, have been reviewed and approved by the DSA, built per the DSA approved drawings, and closed/certified by the DSA. Provider plans to satisfy DSA accessibility requirements by covering the existing ADA parking stalls under PV arrays A2 and B1 as shown in the provided Tier 1 array layout. Provider will restripe and upgrade signage as necessary. Any and all other accessibility upgrades are excluded and will be addressed via a Change Order.

Proposal excludes design or installation of any required additional fire hydrants or fire protection apparatuses as required by local first responders or Fire, Life/Safety professionals responsible for review and approval of the design for this project.

Architectural enhancements to the photovoltaic parking canopy structures are not included in this proposal.

Testing and Inspections

Provider assumes all Special Inspections and Inspector of Record (IOR) shall originally be paid for and contracted by District.

Wind

Site max wind speed is no more than 110 mph, with Exposure C. More severe wind conditions would require additional engineering and costs.

Weather Conditions

Provider assumes standard weather patterns and site conditions for planning the project schedule. Instances of excessive climate, weather (greater than the most adverse conditions in the last 3 years) or natural disasters may result in delays and/or unplanned costs (i.e. additional labor, shipping, storage, and logistics costs) which may require adjustment to Project costs.

COMMISSIONING, MONITORING, OPERATIONS & MAINTENANCE

Commissioning

Proposal assumes commissioning requirements for this project is only for the Photovoltaic portion of the project only. Proposal does not include other building system commissioning cost not related to our work (i.e. HVAC, Plumbing, Fire Alarm, etc.).

Monitoring

Energy Management System Integration or similar control or SCADA system integrations to the new photovoltaic array(s) is excluded from this proposal. Agreement assumes use of a dedicated data line for communication with a third party monitoring company. All other communication and low voltage infrastructure is excluded from this proposal.

120V power and internet connection, provided by Provider, are required within 10' of the location for system monitor.

As noted above, these System Specifications are further described in the Provider Proposals (see attached).

EXHIBIT C

PRICING

The following pricing is based on the Standard System Design Package described in Exhibit B, subject to any Change Orders as described in Exhibit B.

kWh Rate (\$/kWh)	Term (years)	Annual Rate Escalator (%/Year)
\$ 0.099	25	0 %

EXHIBIT D

INSURANCE REQUIREMENTS

- 1. **INSURANCE**. Provider, at its own expense, shall provide and maintain insurance coverage during the complete term of the Agreement that conforms in all material respects with the following requirements:
- 1.1 <u>Workers' Compensation and Employer's Liability Insurance</u>. Statutory Workers' Compensation coverage for all of its employees, including occupational disease coverage, as required by applicable law, and employer's liability with limits of at least \$1,000,000 bodily injury each accident, \$1,000,000 bodily injury by disease per employee, and \$1,000,000 bodily injury by disease in the aggregate.
- 1.2 <u>Commercial General Liability Insurance</u>. Commercial General Liability Insurance written on an "occurrence" basis with a combined single limit of at least \$3,000,000 per occurrence and \$5,000,000 in the aggregate, including bodily injury, hazards of operation, broad form property damage liability coverage, products/completed operations coverage, independent contractor coverage and broad form contractual coverage for liability assumed under the Agreement, to the extent insurable under the policy. Coverage shall include liability arising out of acts of agents or contractors of Provider.
- 1.3 <u>Automobile Liability Insurance</u>. Coverage for all motor vehicles operated by or for Provider, including protection for automobiles and trucks used by Provider either on or away from the sites at which work is being performed, with a combined single limit of at least \$1,000,000 per occurrence for bodily injury and property damage. The policy shall include coverage for all hired, owned and non-owned vehicles.
- 1.4 <u>Insurance Requirements Applicable to Contractors</u>. Provider shall require each of its contractors to maintain policies of insurance of the types described above with insurance limits as are customary for the industry in which each such contractor operates and coverage limits as are commercially reasonable given the nature of the work to be provided by such contractor.
- 1.5 <u>Policy Provisions</u>. Provider agrees to maintain insurance to cover any indemnity obligations that are reasonably available for purchase in the insurance market. However, inability to obtain insurance for all indemnification obligations shall not in any way reduce such obligations. All policies will be primary and at Provider's sole expense. District will be included as an additional insured on all coverage listed above with the exception of Workers' Compensation, Employer's Liability, Property, and Professional Liability. All workers compensation, general liability, and auto liability insurance policies will include provisions that the insurers waive the rights of recovery or subrogation against District. Insurance coverage will be in a form and carrier acceptable to District with a minimum A.M. Best rating of A-/VII or higher. The insolvency, bankruptcy or failure of any insurance company shall not relieve Provider of any of its obligations herein. Within five (5) days of a request by District, Provider shall provide certificates of insurance including additional insured endorsements. Scheduled endorsements are required unless otherwise specifically approved by the District in writing.
- 2. **CERTIFICATES.** A certificate of insurance evidencing the above must be presented and satisfactory to District prior to commencement of the Power Purchase Services. Provider must provide thirty (30) days' notice to District in the event of cancellation of such coverage and ten (10) days' notice in the event of non-payment of premium; and, Provider shall notify District in the event of material change or cancellation.

EXHIBIT E

CONSTRUCTION SCHEDULE

Milestone	Date
Contract Execution	3-19-18
Project Design	7-2-18
DSA Permitting Process	8-10-18
On-Site Deployment	6-3-19
Mechanical Completion	8-29-19
Commercial Operation Date (COD)	10-15-19

EXHIBIT F
[Reserved]

EXHIBIT G

FINAL PLANS

[See Attached]

EXHIBIT H

EXPECTED ENERGY FOR EACH GUARANTEE YEAR

Guarantee Year	Annual kWh
1	4,202,026
2	4,191,521
3	4,181,042
4	4,170,589
5	4,160,163
6	4,149,762
7	4,139,388
8	4,129,039
9	4,118,717
10	4,108,420
11	4,098,149
12	4,087,904
13	4,077,684
14	4,067,490
15	4,057,321
16	4,047,178
17	4,037,060
18	4,026,967
19	4,016,900
20	4,006,857
21	3,996,840
22	3,986,848
23	3,976,881
24	3,966,939
25	3,957,021

EXHIBIT I

AVOIDED ENERGY PRICE BY GUARANTEE YEAR

Project Year	Utility Price r kWH	A Price er kWh	ed Energy per kWh
1	\$ 0.154	\$ 0.099	\$ 0.05
2	\$ 0.159	\$ 0.099	\$ 0.06
3	\$ 0.163	\$ 0.099	\$ 0.064
4	\$ 0.168	\$ 0.099	\$ 0.06
5	\$ 0.173	\$ 0.099	\$ 0.07
6	\$ 0.179	\$ 0.099	\$ 0.08
7	\$ 0.184	\$ 0.099	\$ 0.08
8	\$ 0.189	\$ 0.099	\$ 0.090
9	\$ 0.133	\$ 0.099	\$ 0.03
10	\$ 0.137	\$ 0.099	\$ 0.03
11	\$ 0.141	\$ 0.099	\$ 0.04
12	\$ 0.145	\$ 0.099	\$ 0.04
13	\$ 0.150	\$ 0.099	\$ 0.05
14	\$ 0.154	\$ 0.099	\$ 0.05
15	\$ 0.159	\$ 0.099	\$ 0.06
16	\$ 0.164	\$ 0.099	\$ 0.06
17	\$ 0.168	\$ 0.099	\$ 0.069
18	\$ 0.174	\$ 0.099	\$ 0.07
19	\$ 0.179	\$ 0.099	\$ 0.080
20	\$ 0.184	\$ 0.099	\$ 0.085
21	\$ 0.190	\$ 0.099	\$ 0.093
22	\$ 0.195	\$ 0.099	\$ 0.096
23	\$ 0.201	\$ 0.099	\$ 0.102
24	\$ 0.207	\$ 0.099	\$ 0.108
25	\$ 0.213	\$ 0.099	\$ 0.114

EXHIBIT J

TYPICAL SOLAR INSOLATION AND AC ENERGY

		7
	Typical Monthly	Typical Monthly
	Solar Insolation	AC Energy
Month	(kWh / m2 / day)	(kWh)
Jan	2.09	157,722
Feb	3.12	209,299
Mar	4.61	338,617
Apr	6.04	408,497
May	7.29	494,406
Jun	8.04	522,855
Jul	8.16	543,146
Aug	7.26	496,864
Sep	5.80	400,423
Oct	4.06	294,542
Nov	2.56	187,338
Dec	1.94	148,316
Annual	5.09	4,202,026

EXHIBIT K

TERMINATION VALUES

[To Be Provided Prior to Execution of the PPA]

EXHIBIT L

SITE LEASE

Pursuant to Sections 1.5 and 3.4 of the Power Purchase Agreement (to which this Exhibit L is attached and incorporated into, the "Agreement"), in connection with District's material obligations under the Agreement to grant to Provider all rights to the Premises necessary for Provider to install, interconnect, maintain, own, operate, access, remove, and replace the System, provide the Power Purchase Services to District, and otherwise satisfy its obligations and avail itself of the rights available to it under the Agreement, and for the consideration described herein and in the Agreement, District and Provider agree to the terms and conditions set forth in this Exhibit L (the "Site Lease").

The rights and obligations described in this Site Lease are in addition to, and intended to complement, the rights and obligations of District and Provider that are described in the Agreement. Pursuant to Section 18 in the Agreement, if any term or condition contained within this Site Lease conflicts with any term or condition contained within the Agreement, the term or condition contained within the Agreement will control. Any capitalized term used in this Site Lease, unless otherwise defined, will have the meaning ascribed to such term in the Agreement. "District" may be referred to herein as "Lessor" or a "Party". "Provider"—which term shall include, where applicable, any employee, agent, lender or finance party, or contractor of Provider that has access rights pursuant to this Site Lease—may be referred to herein as "Lessee" or a "Party".

- 1. <u>Lease</u>. Lessor hereby leases (the "Lease") to Lessee, in accordance with the terms and conditions hereinafter set forth, the real property listed in Exhibit <u>L-1 and Exhibit L-2</u> where, pursuant to the Agreement, the System will be installed (the "Premises"). Subject to Section 5, Lessor hereby also grants to Lessee, for a period co-terminous with the Lease, a right of way to access the Premises across or through the Site and any surrounding or nearby premises owned or leased by Lessor, passage through which is necessary or convenient to gain access to the System or the Premises.
- 2. <u>Benefits</u>. Lessee shall pay Lessor one U.S. dollar (\$1.00) on the Commercial Operation Date as and for rent of the Premises.
 - 3. Condition of Premises and System Construction.
- (a) Lessor and Lessee acknowledge and agree that the terms and conditions the Agreement, if applicable, shall govern with respect to the condition of the Site and Premises hereunder.
- (b) Lessor hereby consents to the construction of the System, including, without limitation, solar panels, mounting substrates or supports, wiring and connections, power inverters, service equipment, metering equipment and utility interconnections, on the Premises.

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- (c) Lessor acknowledges that the installation of all or a portion of the System may require physically mounting and adhering of the System to the Premises / to the ground and consents to such mounting and adhering, as applicable.
 - 4. System Installation, Operation, Ownership and Removal.
- (a) Lessee shall have the right from time to time during the term hereof and in accordance with the Agreement:
 - (i) to construct, install, interconnect, operate and monitor the System in and on the Premises;
 - (ii) to maintain, clean, repair, replace and dispose of part or all of the System;
 - (iii) to add or remove the System or any part thereof;
 - (iv) to access the Premises with guests or consultants for advertising and other promotional purposes, including without limitation the taking of photographs and filming of images, which access shall occur during normal business hours and at such other times as are acceptable to the Lessor in its reasonable business judgment; and
 - (v) to perform (or cause to be performed) all tasks necessary or appropriate, as reasonably determined by Lessee, to carry out the activities set forth in subparagraphs (i) through (iv) of this Section 4(a) or otherwise perform its obligations, and enforce its rights, under the Agreement.
- (b) Lessor acknowledges and agrees that Lessee is the exclusive owner and operator of the System and that all equipment comprising the System shall remain the personal property of Lessee and shall not become fixtures, notwithstanding the manner in which the System are or may be affixed to any real property of Lessor. Lessor shall have no right, title or interest in the System or any component thereof, notwithstanding that the System may be physically mounted or adhered to the Premises.
- (c) Lessor represents and warrants that Lessor (i) has been duly authorized to enter into this Site Lease by all necessary action, and (ii) will not be in default under any agreement to which it is a party.
- (d) Lessor shall not sell, lease, assign, mortgage, pledge or otherwise alienate or encumber the Premises or the Site unless Lessor shall have given Lessee at least thirty (30) days' prior written notice thereof, which notice shall identify the transferee and the proposed date of transfer. Lessor agrees that this Site Lease and the rights in the Premises granted hereunder shall run with the Site and survive any transfer of the Site while the Agreement and this Site Lease are in effect. In furtherance of the foregoing, Lessor agrees that it shall cause any purchaser, lessee, assignee, mortgagee, pledgee or party to whom a lien has been granted to execute and deliver to Lessee a document pursuant to which such party acknowledges and consents to the Lessee's rights in the Site as set forth herein.

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- (e) Lessee shall keep the Premises and the Site free from any mechanic's liens and shall pay when due all invoices arising out of any work performed or materials furnished to or at the Premises. If any claim of mechanic's lien is recorded against title to the Premises and the Site, Lessee shall bond against or discharge same within thirty (30) days after Lessee's receipt of written notice that such lien has been recorded. If Lessee fails to remedy any such claim or lien within thirty (30) days, then the District may take appropriate action to remove such claim/lien at Lessee's cost.
- If the Lessor, in its sole discretion, determines based on the totality of the circumstances concerning the Project that the Lessor's subcontractors and/or employees may have more than limited contact with District pupils, than Lessor may require Lessee to comply with all provisions of Education Code Section 45125.1 as directed by the Lessor. Unless otherwise directed by Lessor, Lessee must provide certification of Department of Justice Clearance for job site supervisor's employed by the Lessee and all its Subcontractors obtained through LiveScan. Clearance must be obtained using the Lessee's ORI (Origination Number). Local agency clearances including but not limited to DMV, Police Department, and San Diego Sheriff are not acceptable. Lessee shall certify that no such employees who have been convicted of serious or violent felonies (as specified in Education Code Section 45125.1) will have contact with pupils. As part of such certification, Lessee must provide the Lessor with a list of all employees providing services pursuant to the Agreement. In performing the services required pursuant to the Agreement, Lessee shall not allow any of its or its Subcontractors' employees who are not included on the above-referenced list to enter onto or remain in the vicinity of the Site or the Premises. Lessee's failure to comply with these requirements shall be deemed and construed to be a material breach of this Site Lease.
- Access to Premises. Lessor shall provide Lessee with access to the Premises in accordance with the Site Lease and as reasonably necessary to allow Lessee to perform obligations, and enforce its rights, under the Site Lease, including, without limitation, ingress and egress to and from the Premises for Lessee and its employees, contractors and sub-contractors and access to electrical panels and conduits to interconnect the System with the electrical wiring of the Site. Lessor shall use commercially-reasonable efforts to designate sufficient space, adjacent to the Premises, for the temporary storage and staging of tools, materials and equipment (collectively, "Equipment") by Lessee and for the parking of Lessee's construction crew vehicles, temporary construction trailers and facilities reasonably necessary during the term of this Site Lease and access for rigging and material handling. Lessor shall designate a reasonable area adjacent to the Premises for construction laydown by Lessee. Lessor and its authorized representatives shall at all times have access to and the right to observe the activities on the Premises, subject to compliance with Lessee's safety rules, but shall not interfere with such activities or handle any Equipment or the System without prior written authorization from Lessee. In addition, Lessor shall grant Lessee access to the Site as reasonably necessary to allow Lessee to perform the O&M Work, including, without limitation, ingress and egress to and from the Premises for Lessee and its employees, contractors and subcontractors and local electric utility personnel. Lessee shall perform the O&M Work in a manner that minimizes inconvenience to and interference with Lessor and Lessor's invitees' use of the Site to the extent commercially practicable.

- (a) Site Access for Repair/Maintenance by Lessor. Lessor reserves the right to reasonably restrict access to the Premises in the event of a conflict within school operations (i.e. state testing days, etc.). If Lessee requires access to the Premises during the typical school hours of 7AM-4PM Monday through Friday when school is in session, and when students may be present on the Premises, Lessee shall notify and obtain the approval of the administrative official in charge of the Premises prior to entering the Property. In the event of any such conflict, Lessor will permit access as soon as reasonably possible and Lessor shall furnish Lessee with necessary means of access for the purpose of ingress and egress to Premises. It is agreed, however, that only authorized engineers, employees or properly authorized subcontractors of Lessee or persons under their direct supervision will be permitted to enter said Premises. At all times, Lessor reserves the right to require fingerprinting/background checks of Lessee's subcontractors or employees who may have contact with District's pupils as described in Section 4(f).
- 6. Representations and Warranties, Covenants of Lessor. Lessor represents and warrants to Lessee that, subject to Section 6.4 of the Agreement, there are no circumstances known to Lessor or commitments to third parties (including, without limitation, mortgages, liens, or activities that may adversely affect the System's direct or indirect exposure to sunlight) that may damage, impair or otherwise adversely affect Lessee's rights under this Site Lease, the Agreement, or the System and/or its function. Lessor represents and warrants that, subject to Section 6.4 of the Agreement, Lessor has lawful title to the Site and the Premises and full right to enter into this Site Lease and that Lessee shall have quiet and peaceful possession of the Premises throughout the term of this Site Lease. Lessor will not initiate or conduct activities that it knows or reasonably should know may damage, impair or otherwise adversely affect the System's direct or indirect exposure to sunlight). Lessor will not conduct maintenance to the Site or the Premises that is reasonably likely to damage, impair or otherwise adversely affect the System or its function.
- 7. <u>Term.</u> The term ("Term") of this Site Lease shall commence on the Effective Date and terminate on the date that is one hundred eighty (180) days after the expiration or earlier termination of the Agreement.
- 8. <u>Insurance</u>. Each of Lessee and Lessor shall obtain and maintain the insurance coverages required under the Agreement.
- 9. <u>Taxes</u>. Each of Lessee and Lessor shall pay taxes, fees, excises, assessments, bonds, levies, or similar charges as required under the Agreement.
 - 10. Environmental Liability and Indemnity.
- (a) <u>By Lessor</u>. Lessor shall indemnify, defend and hold harmless Lessee, its affiliates, officers, agents, and employees (the "Lessee Indemnitees") from and against any and all Losses suffered or incurred by any such party by reason of or resulting from (A) any Release on the Site or the Premises caused by Lessor, its affiliates, officers, agents, and employees (the "Lessor Indemnitees") or any Release on other property in the vicinity of the Site or the Premises caused by Lessor or the Lessor Indemnitees to the extent any such Release impacts the Site or



the Premises; or (B) any environmental claim from any third party with regard to any violation or alleged violation of any Environmental Laws by Lessor or the Lessor Indemnitees or any actual, threatened or alleged Release affecting the Site or the Premises by Lessor or the Lessor Indemnitees. For the purposes hereof, (1) "Release" means any releasing, spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, disposing, or dumping into the environment in violation of any Environmental Laws; and (2) "Environmental Laws" shall mean all federal, state, and local laws, statutes, ordinances, and regulations now or hereafter in effect, and in each case as amended, and any judicial or administrative interpretation thereof relating to the regulation and protection of human health, safety, the environment and natural resources (including, without limitation, ambient air, surface water, groundwater, wetlands, land, surface or subsurface strata, wildlife, aquatic species and vegetation), including without limitation, laws and regulations relating to emissions, discharges, releases or threatened releases of hazardous materials or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of hazardous materials.

- (b) <u>By Lessee</u>. Lessee shall indemnify, defend and hold harmless Lessor and the Lessor Indemnitees from and against any and all Losses suffered or incurred by any such party by reason of or resulting from (A) any Release on the Site or Premises caused by Lessee or the Lessee Indemnitees; or (B) any environmental claim from any third party with regard to any violation or alleged violation of any Environmental Laws by Lessee or the Lessee Indemnitees or any actual, threatened or alleged Release affecting the Site or the Premises by Lessee or the Lessee Indemnitees.
- (c) <u>No Consequential Damages</u>. Notwithstanding any provision in this Site Lease to the contrary, neither Lessee nor Lessor shall be liable to the other under this Site Lease for incidental, consequential, special, punitive or indirect damages, including without limitation, loss of use, loss of profits, cost of capital or increased operating costs, arising out of this Site Lease whether by reason of contract, indemnity, strict liability, negligence, intentional conduct, breach of warranty or from breach of this Site Lease. The foregoing provision shall not prohibit Lessee or Lessor from seeking and obtaining general contract damages for a breach of this Site Lease, or enforcing any rights or seeking any remedies available to it under the Agreement.
- (d) <u>Survival</u>. The indemnities contained in this Section 10 shall survive the expiration or earlier termination of this Site Lease.

11. Assignment.

(a) Except as permitted in this Site Lease or the Agreement, neither party shall have the right to assign any of its rights, duties or obligations under this Site Lease without the prior written consent of the other party, which consent may not be unreasonably withheld or delayed; provided, however, that Lessee may in its sole discretion and without the consent of Lessor assign any of its rights, duties or obligations under this Site Lease to (i) one or more of its affiliates, (ii) one or more third parties in connection with a sale-and-leaseback or other financing transaction, (iii) any present or future purchaser of the power generated by the System, (iv) any person or entity succeeding to all or substantially all of the assets of Lessee, or (v) a successor

entity in a merger or acquisition transaction (any of the foregoing being a "Permitted Transfer"). Lessee shall provide notice to Lessor of the occurrence of any such Permitted Transfer.

(b) With respect to a Permitted Transfer pursuant to clause (ii) in Section 11(a), Lessor acknowledges and agrees that, upon receipt of written direction from a financing-transaction assignee of Lessee (collectively, "Lender"), and notwithstanding any instructions to the contrary from Lessee, Lessor will recognize Lender, or any third party to whom Lender has reassigned the rights of Lessee under this Site Lease, as the proper and lawful Lessee of the Premises and as the proper and lawful successor to Lessee with respect to access to the Premises across or through the Site and fully entitled to receive the rights and benefits of Lessee hereunder so long as Lender (or its assignee) performs the obligations of Lessee hereunder. Lessor shall be protected and shall incur no liability in acting or proceeding in good faith upon any such foregoing written notice and direction by Lender which Lessor shall in good faith believe (i) to be genuine and (ii) a copy of which to have been delivered to Lessee. Lessor shall be under no duty to make any investigation or inquiry as to any statements contained or matters referred to in any such foregoing notice and direction, but may accept and rely upon them as conclusive evidence of the truth and accuracy of such statements.

12. <u>Provisions Benefiting Lender</u>.

- (a) Lessor agrees to provide written notice to Lender, <u>provided that</u> Lessor shall have previously received written notice of Lender's designated address, of any act or event of default of Lessee under this Site Lease of which Lessor has knowledge that would entitle Lessor to cancel, terminate, annul, or modify this Site Lease or dispossess or evict Lessee from the Premises or otherwise proceed with enforcement remedies against Lessee, and Lender shall have the same amount of time as Lessee, but at least ten (10) days with respect to any monetary default and at least thirty (30) days with respect to any non-monetary default, to cure any default by Lessee under this Site Lease; <u>provided that</u> in no event shall Lender be obligated to cure any such default.
- Subject to the terms and conditions hereof, Lessor hereby subordinates any lien it may have in and to the System and other property that is or may from time to time hereafter be located at the Premises in connection with the construction, installation, operation, maintenance and/or repair of the System, and to which Lessee has granted or will grant a security interest to Lender (all such property and the records relating thereto shall be hereafter called the "Collateral") to the lien of Lender; provided, however, that this subordination shall not prevent Lessor from exercising any right or remedy against Lessee to which Lessor may be entitled under the terms of this Site Lease or the Agreement or as may be provided by applicable law; nor shall it prevent Lessor from realizing upon any lien it may have on any property of Lessee, including the Collateral, so long as Lessor recognizes Lender's prior right to the Collateral described above. Lessor recognizes and acknowledges that any claim or claims ("Claims") that Lender has or may have against such Collateral by virtue of any lien or security interest, are superior to any lien, security interest, or claim of any nature that Lessor now has or may hereafter have to such Collateral by statute, agreement or otherwise. The subordination provided for herein shall be effective until the discharge of the Claims. Lessor further agrees to notify any purchaser of the Premises, and any subsequent mortgagee or other encumbrance holder, of the existence of the foregoing waiver of Lessor's lien, which shall be binding upon the executors,



administrators, successors and transferees of Lessor, and shall inure to the benefit of the successors and assigns of Lender. Lessor agrees to execute such documents as may be required by Lender to evidence the foregoing subordination and to obtain similar executed documents from any third party who now has or obtains in the future an interest in the Site or the Premises, including any lenders to Lessor.

- (c) Lessor consents to Lender's security interest in the Collateral and waives all right of levy for rent and all claims and demands of every kind against the Collateral, such waiver to continue so long as any sum remains owing from Lessee to the Lender. Lessor agrees that the Collateral shall not be subject to distraint or execution by, or to any claim of, Lessor.
- (d) Lessor hereby irrevocably agrees and consents to refrain from taking any action to bar, restrain or otherwise prevent Lender from the Premises and the Site for the purpose of inspecting the Collateral, and agrees that Lender may access the Premises through the Site to inspect the Collateral.
- 13. <u>Amendments</u>. This Site Lease may be amended only in writing signed by Lessee and Lessor or their respective successors in interest.
- 14. <u>Notices</u>. Any notice required or permitted to be given in writing under this Site Lease shall be made according to the requirements contained in the Agreement.
- 15. <u>Waiver</u>. The waiver by either party of any breach of any term, condition, or provision herein contained shall not be deemed to be a waiver of such term, condition, or provision, or any subsequent breach of the same, or any other term, condition, or provision contained herein or in the Agreement.
- 16. <u>Remedies Cumulative</u>. No remedy herein conferred upon or reserved to Lessee or Lessor shall exclude any other remedy herein, under the Agreement, or by law provided, but each shall be cumulative and in addition to every other remedy given hereunder, under the Agreement, or now or hereafter existing at law or in equity or by statute.
- 17. <u>Headings</u>. The headings in this Site Lease are solely for convenience and ease of reference and shall have no effect in interpreting the meaning of any provision of this Site Lease.
- 18. <u>Choice of Law.</u> This Site Lease shall be construed in accordance with the laws of the State of California (without regard to its conflict of laws principles).
- 19. <u>Binding Effect.</u> This Site Lease and its rights, privileges, duties and obligations shall inure to the benefit of and be binding upon each of the parties hereto, together with their respective successors and permitted assigns.

20. RESERVED

21. <u>Entire Agreement.</u> This Site Lease and the Agreement represent the full and complete agreements between the parties hereto with respect to the subject matter contained



herein and therein and supersede all prior written or oral agreements between said parties with respect to said subject matter. In the event of any conflict between the provisions of this Site Lease and the provisions of the Agreement, the provisions of the Agreement shall govern and control.

- 22. Further Assurances. Upon the receipt of a written request from the other party, each party shall execute such additional documents, instruments and assurances and take such additional actions as are reasonably necessary to carry out the terms and intent if this Site Lease and the Agreement. Neither party shall unreasonably withhold, condition or delay its compliance with any reasonable request made pursuant to this section. Lessor consents to and hereby appoints Lessee as its attorney in fact for the purpose of recording a memorandum of this Site Lease in the land registry or title records of the county where the Premises is located or other applicable government office. From time to time, within seven (7) days of a written request by Lessee (or its lenders), Lessor shall provide an estoppel certificate with respect to Lessee's compliance with the terms of this Site Lease and attesting to Lessor's knowledge of any known issues of noncompliance by Lessee.
- 23. <u>Estoppel</u>. Either party hereto, without charge, at any time and from time to time, within five (5) business days after receipt of a written request by the other party, shall deliver a written instrument, duly executed, certifying to the requesting party, or any other person, firm or corporation specified by the requesting party:
- (a) that this Site Lease is unmodified and in full force and effect, or if there has been any modification, that the same is in full force and effect as so modified, and identifying any such modification;
- (b) whether or not to the knowledge of such party there are then existing any offsets or defenses in favor of such party against enforcement of any of the terms, covenants and conditions of this Site Lease and, if so, specifying the same and also whether or not to the knowledge of such party the other party has observed and performed all of the terms, covenants and conditions on its part to be observed and performed, and if not, specifying the same;
 - (c) the dates to which amounts due have been paid; and
 - (d) such other information as may be reasonably requested by the requesting party.

Any written certificate given hereunder may be relied upon by the recipient thereof, except to the extent the recipient has actual knowledge of facts contained therein.

EXHIBIT L-1

Legal Description of the Site

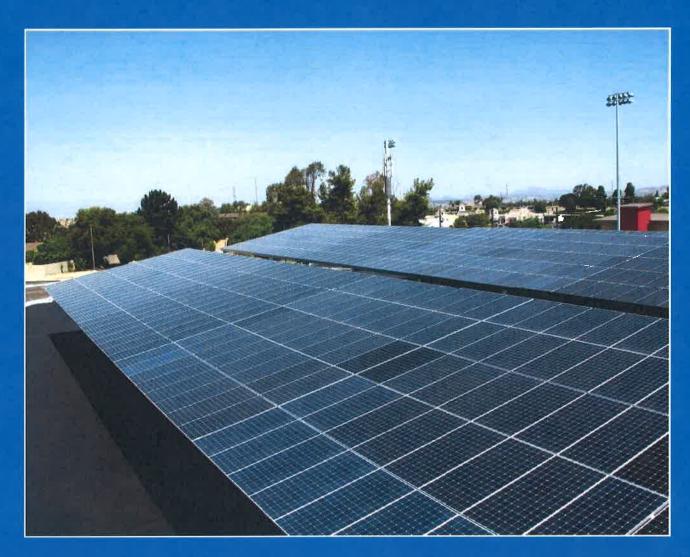
Real property in the City of <u>Marysville</u>, County of <u>Yuba</u>, State of California, described as follows:

EXHIBIT L-2

Legal Description of Premises

[To be inserted.]

SUNPOWER



SOLAR PHOTOVOLTAIC PROPOSAL PREPARED FOR

Marysville Joint Unified School District February 14, 2018



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Executive Summary

Furthering Marysville Joint Unified School District's commitment to cost savings and reduction of environmental footprint, SunPower has developed a solar project proposal to increase the District's total energy savings over the term of a 25-Year Power Purchase Agreement ("PPA"). The proposed PPA rate is lower than the District's current cost of energy from PG&E resulting in immediate first year savings.

The proposed solar project will maximize energy generation while minimizing construction and operational risk to achieve a reliable hedge against future utility rate inflation. To achieve these goals, you need an established, reputable company, with K-12 and DSA experience, to deliver a turnkey solar photovoltaic (PV) power system as a seamless project, closely coordinated with the District's personnel. The power system will be backed by an industry-leading warranty and performance guarantee.

As the leading solar PV manufacturing and project development company in California, SunPower is uniquely suited to execute the District's plans. Our integrated structure starts from solar PV cell and module manufacturing, and carries through to system design, project engineering, project finance, construction, commissioning, operations & maintenance (O&M), system warranty, and energy production guarantees. We provide comprehensive support for your project and seamless system operation for the lifetime of your solar PV power system.

We have manufactured and deployed more than 8.5 GW dc of solar PV cells and modules worldwide, including over 1,000 commercial and solar power plant systems with today's largest government organizations, utilities and Fortune 100 companies. In fact, seven of the Top 10 companies with the most solar installed have SunPower systems (source SEIA Solar Means Business 2016 Report).

Headquartered in San Jose, CA, and with our principal Systems office in Richmond, CA, SunPower has over 7,000 employees worldwide, more than 400 employees in the San Francisco Bay Area, and offices in the Americas, Europe, Middle East and Africa (EMEA), Asia, and Australia.

Superior Technology. Our solar modules are unmatched in long-term reliability, efficiency and guaranteed performance. The project will use SunPower SPR E20-435 and SPR X22-460 Watt PV modules, the world's most advanced commercially available solar technology. Our PV modules provide:

- Highest efficiency: up to 60% more energy in the same space over the first 25 years¹
- Highest energy production: 7%–9% more energy output per rated watt in year 1 and 20% more energy output per rated watt over 25 years, compared to conventional modules
- Highest durability: #1 ranked in Fraunhofer durability test; 100% power maintained in Atlas 25+ comprehensive PVDI Durability test.
- **Superior warranty:** 95% guaranteed power output for the first 5 years, 0.4% degradation per year to year 25 We manufacture our own solar modules and vigilantly monitor and maintain high quality and performance.

Streamlined Installation. Unlike most of our competitors who rely on third-party PV manufacturers, our company's integrated structure starts from solar PV cell and PV module manufacturing and carries through turnkey solutions, O&M, system warranty, and energy production guarantees. Tight control over the supply chain allows us to eliminate project delays that could impact your schedule requirements and financial results. Our unified project approach further reduces project risk by effectively managing construction.

Industry Leading Warranties. We offer the most advanced warranty in the industry, covering both power and product over 25 years. Further, SunPower's O&M team is uniquely experienced in the business, with over 850 PV systems in North America.

3

¹ SunPower 360W compared to a Conventional Panel on same sized arrays (260W, 16% efficient, approx. 1.6 m2), 4% more energy per watt (based on 3pty module characterization and PVSim), 0.75%/yr slower degradation (Campeau, Z. et al. "SunPower Module Degradation Rate," SunPower white paper, 2013).



Local Employment. We partner with local contractors for all construction projects, providing local employment and enhancing local workers' skills for the emerging green economy.

History and Experience. SunPower is the most experienced solar company in the United States and a trusted partner to public, education and commercial customers, with more than 1,000 projects and over 3,000 MW of solar systems installed to date. SunPower's extensive experience managing turnkey solar solutions includes projects for numerous California K-12 school districts, colleges and universities, and dozens of major companies, such as Macy's, Target, Apple, AT&T, Johnson & Johnson, Wal-Mart, Lowe's, Whole Foods, Microsoft, Verizon, FedEx, and Hewlett-Packard.

Relevant Education and School Experience. SunPower has over 20 years of experience providing turnkey solar energy solutions to community colleges and educational facilities with over 200 MWs of DSA-approved projects installed to date. Examples include a 22 MW, 27-site project for Kern High School District, a 12.1 MW, 51-site project for Mt. Diablo Unified School District, a 5 MW 13-site project for Porterville Unified School District, and a 6 MW 20-site project at San Ramon Valley Unified School District. We have also designed and built solar projects for a wide variety of community colleges in California, including Santa Rosa Junior College, Napa Valley College, Yuba CCD, West Valley-Mission CCD, Coastline Community College, Bakersfield College, College of the Desert, Foothill-DeAnza College, Southwestern College, Shasta College, Solano CCD, San Jose Evergreen CCD, and Mendocino College.

Operations and Maintenance (O&M) Expertise. SunPower maintains a state-of-the-art performance monitoring and service operations center that tracks the performance metrics and operational parameters for hundreds of systems in real time (15-minute intervals) - more than any other solar provider. SunPower's Performance Plus O&M service program offering for CA-based commercial projects is considered the "gold standard" for system operations and maintenance, and allows SunPower to offer customized energy production guarantees to meet the District's needs. SunPower offers full coverage of the system from modules to inverters to the entire balance of system.

SunPower's proposal includes a 95% Performance Guarantee. Aside from adjustments that may be made due to Force Majeure, SunPower does not expose the District to any additional out of pocket expenses or energy adjustments related to expired warranties or the manufacturer's denial of or inability to honor its warranties.

Financing Expertise and Experience. Our Project Finance Team has extensive in-house financial structuring, modeling, and pricing expertise. Since 2007, we have successfully raised over \$10 billion in solar project financing for more than 2.4 GW of projects. We have trusted relationships with major financial institutions and can secure financing from multiple mainstream financial entities including Wells Fargo, Morgan Stanley, PNC Bank, GE Capital, and others. SunPower has the expertise and partnerships to secure advantageous financing and lower the total cost of solar projects. In addition, in 2011 the French oil and gas company Total S.A. acquired approximately 57% equity stake in SunPower, providing SunPower with support from one of the strongest balance sheets in the energy industry. Total S.A. has a current market capitalization \$120 billion.

Financial Stability. Marysville Joint Unified can feel confident in SunPower's financial stability—an important consideration for an investment in a long-term infrastructure asset. In addition to being a publicly traded company on the NASDAQ (SPWR), with revenues in excess of \$2.7 billion, SunPower is supported by a majority ownership from Total S.A., one of the largest companies in the world. We operate across multiple business segments and geographies, diversifying the risks of any single market and stabilizing revenue generation. SunPower is better positioned than any other company in the solar industry to honor the 25-year service agreements, performance guarantees, and warranties included in this proposal.

CSBA Preferred Solar Provider. SunPower has been selected by the California School Board Association (CSBA) as its exclusive solar partner.

The following table provides a Financial Summary of our proposal:

Marysville Joint Unified School District

Marysville JUSD	Proposed System Description at a Glance
System Overview	System Size: 1.9 MWAC (2,128 kWDC) System Types: Carport, Ground, and Tracker. Solar Panels: SPR 435 and 460 SunPower solar panels
System Performance	Projected Year 1 Output: 4,202,026 kWh
System Price	Energy Cost (\$/25-year kWh): 9.9 cents per kWh Includes: Full system maintenance coverage and system monitoring for 25 years 25-year Performance Guarantee 25-year Output Guarantee on solar panels Turnkey installation, including site preparation, interconnections, and commissioning
Projected Economic Benefits	1st Year Net Savings: @231,111 25-Year Net Savings: \$7,273,714 25-Year Net Present Value (@3%): \$4,921,646 Payback Period: Immediate (no out of pocket costs other than for District's Inspector of Record)
Key Dates	Start Date: Pending CEQA Review and PG&E RES-BCT System Permitting (estimated to be 9 to 12 Months) Possible most convenient start date for District Summer 2019. Though SunPower could begin construction during school year at District's request.

Due to our substantial qualifications and experience, extensive manufacturing capacity, and excellent financial condition, we are in the best position to deliver a high quality, reliable solar project that meets your goals and objectives.



Proposal to Marysville Joint Unified School District

This proposal includes solar photovoltaic arrays ("Project" or "Solar Project") at three school sites within the Marysville Joint Unified School District: Marysville High School, Lindhurst High School and Foothill Intermediate School. The Solar Project will generate over 4.2 Million kWh in the first year, and will have guaranteed production for a full 25-years.

The Projects at Lindhurst and Marysville High Schools will be interconnected directly to the school's PG&E meter and will offset energy consumed by the campus. Excess energy created by the Project will generate PG&E bill credits under the "Net Energy Metering" ("NEM") program. Under NEM, credits can be applied to times when the Project is not generating, such as the middle of the night. At the end of each 12-month period, PG&E will true up the credits vs. the actual amount owed to the utility.

The project at Foothill Intermediate will be interconnected under the Local Government Renewable Energy Self-Generation Bill Credit Transfer program ("RES-BCT"). The purpose of the RES-BCT credit is to allow qualifying governmental entities to install one large system and then to generate bill credits for other meters owned by the governmental entity within the same County. In this case, the RES-BCT system at Foothill will generate electricity for Foothill, but also for a dozen other Intermediate and elementary schools plus the District Office. The RES-BCT credit can be re-allocated on an annual basis giving the District the flexibility to add or drop schools as needed.

Site By Site Overview

Marysville High School

The design for proposed Solar at Marysville School is for a carport to be in the southern lot of the The District have a Helix™ System (See 38), consisting SunPower modules. In to creating shade for all of



the Project High solar installed

parking campus. will Carport page of 680 solar addition summer the cars

southern parking lot, the system will produce 474 thousand kWh in the first year.

See the Appendix for a larger image of the design.

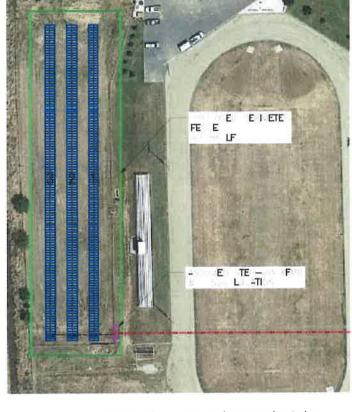
Lindhurst High School



The proposed design for Lindhurst High School is for a 345 kW ground fixed tilt system to be located west of the track. Since this system can be isolated from the school campus, the installation and ongoing maintenance of the system will have negligible impact on the operation of the campus. Should the District choose to move forward with the SunPower proposal, SunPower would be responsible for maintaining the weed abatement underneath the modules. SunPower will assiste the District in obtaining the CEQA permits to construct the system in this location.

Foothill Intermediate School

The proposed design for



Foothill Intermediate is for a SunPower Oasis Tracker (See Page 41). Since the Solar Project at Foothill will be offsetting the power at close to a dozen campuses and the District Office, Oasis Tracker will allow for the largest amount of power production at the lowest cost. In this design, the Oasis system will be located in the orchard that was damaged in the recent fire. SunPower has taken a preliminary look at the site, and can help the District obtain proper CEQA permitting to complete the construction of this system. The District should be aware that in certain circumstances CEQA and RES-BCT permitting can take between 9 to 12 months and some clients have seen as much as an 18-month review period for complex permits.



Foothill Design Overview



Economic Overview

The proposed design was the result of a close review of Marysville JUSD's PG&E bills as well as the best locations within the school properties to locate the Solar Projects. During the design process, careful attention was paid to developing a solar project that would deliver the greatest short and long-term savings for the District with the least amount of impact to the school campuses.



The project will be financed by SunPower through the use of a Power Purchase Agreement. The PPA enables the District to install the solar arrays at no out of pocket costs other than the fees and testing costs for the District's Inspector of Record. The PPA is structured so that the District pays the Project Owner / Operator only for the power delivered to the District. Since this offer includes a PPA rate that is lower than the rate currently being paid to the District, the savings are immediate, and there are not upfront costs or payback periods to analyze.

The PPA rate included in this proposal is 9.9 cents per kWh delivered. Compared to the District's current cost of power, this PPA rate is expected to save the district over \$230,000 in the first year.

Since the PPA rate remains 9.9 cents through duration of the 25-year agreement, the savings grow larger as the cost of PG&E power increases over time. This savings is projected to be over \$7 Million over 25 years, and at a Net Present Value close to \$5 Million, assuming an investment rate of 3% per year.

Note that one of the drivers of these high savings rates is the fact that the District recently applied for PG&E's grandfathered Solar Rates. The solar grandfathering applications were submitted prior to the December deadline and are currently being processed by PG&E. The savings proforma assumes that the solar rates will revert to the standard PG&E rates when the grandfathering period ends in 2027.

A complete savings proforma is available in the appendix.



SunPower at a Glance

SunPower has focused solely on solar power for 30+ years. We are relentless in our quest to bring the most innovative and highest-quality solar solutions to every market, and to do it all sustainably.

Experience

When it comes to solar, experience matters. SunPower is a stable leader and trusted partner in solar technology worldwide.



1 BILLION CELLS

In 30 years, we've produced enough solar cells to circle the earth three times.



32 YEARS EXPERIENCE

We've been harnessing solar power for more than three decades, powering over a quarter of a million homes.



8.5 GW

We've installed 8,530 total megawatts of solar worldwide, which is enough to power 1.4 million homes.



60 SCHOOL DISTRICTS

SunPower makes learning more illuminating by installing and operating solar systems in more than 60 U.S. school districts.

Innovation

We continually innovate to deliver the most advanced products and solutions, custom financing options, and progressive sustainability practices.



THE POWER OF ONE™

We're the only solar company that designs, manufactures, installs and maintains almost everything needed for complete solar solutions.



750+ PATENTS

Our quest to bring the abundance of the sun to as many households and businesses as possible drives us to continually innovate.



26-HOUR FLIGHT

We made aviation history by powering the Solar Impulse II airplane for 26 continuous hours of flight.



24.1% EFFICIENCY

While that number may not sound high, it's huge. In fact, it's the world record for efficiency in silicon solar panels.²

² Green, M. A., et. al. Solar Cell Efficiency Tables (version 48), Progress in Photovoltaics, 2016.



Value

Our world record-setting solar technology delivers performance and savings today and for many decades to come.



25-YEAR WARRANTY

SunPower stands behind its products with the industry's best 25-year Complete Confidence Warranty, providing more power over the life of our systems.



#1 RANKING

Panels that rank at the very top of durability tests mean your system will stand up to the elements.³



40-YEAR LIFESPAN

A four-decade projected useful panel life means you'll enjoy solar savings to the middle of the century and beyond.⁴



60% MORE ENERGY

Generate significantly more energy in the same space over 25 years than conventional panels to save more over time.⁵

Sustainability

To us, sustainability is about meeting the needs of the present without compromising our future. We regularly go far above and beyond what's required of us.



CRADLE TO CRADLE

First and only solar panel company to earn the Cradle to Cradle Certified™ Silver* designation for our direct current E-Series and X-Series panels.

*Cradle to Cradle Certified is a multi-attribute certification program that assesses products and materials for safety to human and environmental health, design for future use cycles, and sustainable manufacturing.



THE CIRCULAR ECONOMY 100

First and only solar company to become part of the Circular Economy 100, dedicated to creating a truly regenerative economy.



LIGHT ON LAND™

Our innovative Light on Land approach respects and replenishes the land our systems share with plants and animals. Efficient use of the land is a win-win.



75% LESS WATER⁶

When our robots clean solar farms, good things happen – like vastly less water use, compared to cleaning by hand.

⁶ Based on experience with robotic cleaning at actual SunPower sites, compared to data tracked by subcontracted manual cleaners utilized at a SunPower project.



³ "Fraunhofer PV Durability Initiative for Solar Modules: Part 3." PVTech Power, 2015

 $^{^4}$ SunPower Module 40-Year Useful Life," SunPower white paper. 2013. Useful life is 99 out of 100 panels operating at more than 70% of rated power.

⁵ SunPower 327W compared to a Conventional Panel on same sized arrays (260W, 16% efficient, approx. 1.6 m2), 3% more energy per watt (based on 3pty module characterization and PVSim), 0.75%/yr slower degradation. Campeau, Z. et al. "SunPower Module Degradation Rate," SunPower white paper, 2013). See www.sunpowercorp.com/facts for details.



SunPower Project Experience



Largest solar PV power plant in the U.S. - Solar Star, 748 MW dc, Rosamond, CA

Founded in 1985, SunPower designs, manufactures and delivers some of the planet's most powerful and reliable solar technology. Customers worldwide trust SunPower's experience and proven solar efficiency to offer the best economic value for their solar investments.

As of Q2 2017, SunPower has manufactured and deployed more than 8.5 GWdc of solar PV cells and panels. This global project portfolio includes over 1,000 commercial and solar power plant systems with today's largest government organizations, utilities and Fortune 100 companies. SunPower is proud to claim that one of the world's largest solar PV installations, the 748 MW (579 MWac) Solar Star Projects for BHE Renewables (formerly MidAmerican Solar) in California's Kern and Los Angeles Counties, was developed, designed, engineered and built by SunPower. This project was completed in July 2015.

SunPower's solar project experience also includes:

- Over 3 GWdc of utility solar power plants in operation and under contract today
- Operation of more than 80 solar power facilities larger than 1 MW and many larger than 10 MW from California to Italy; more than 1,000 systems monitored worldwide by SunPower
- Utility & Supply contracts in the U.S. including: Pacific Gas & Electric (>700 MW), Southern California Edison (1,233 MW), Public Service Electric and Gas (87 MW), Iberdrola Renewables (58 MW), Modesto Irrigation District (32 MW), Florida Power & Light (38 MW) and more.
- Utility & Supply contracts in EMEA, APAC and South America including: Montalto -Italy (84 MW), Casino Group – France (35 MW), AE-AMD Renewable Energy Herbert



- & Greefspan, Cape Town, South Africa (33 MW), PV Salvador Chile (70 MW), Prieska South Africa (86 MW), El Pelicano Chile (110 MW)
- Solar power systems across 6 continents

US Project Map



SunPower Financial Strength



19MW Greater Sandhill Solar Farm, CO - Financed by MetLife and John Hancock Financial Services

SunPower's strong financial standing is built on a track record of successful project completion, diversification of operations, total enterprise size, and long-term relationships with trusted financial partners.

What this means to you:

This history of success gives SunPower access to lower cost capital financing, which can reduce the total cost of a solar project. This means that customers can achieve greater energy returns per dollar over the lifetime of a project when working with SunPower.

A Long-Term Financial Asset

SunPower solar power systems are the most energy-efficient solar systems (more output for a given area) that are built to maximize kwh output over their more than 35-year economic useful lives. A strong partner like SunPower is critical to assess the solar value proposition, minimize execution risk to maximize long-term value. Unlike most solar developers, SunPower manufactures its high performance solar technology, designs and installs solar energy systems, arranges financing, and monitors, operates and maintains the systems over the long run. SunPower's financial strength can help ensure stability during varying economic cycles and help our customers in a variety of ways including:

- Completed project construction and release of construction liens
- Fulfillment of warranties on equipment and overall system performance
- The availability of experienced, professional staff for ongoing operation & maintenance (O&M) during the life of the project

Financiers' Top Considerations for Partnering

Whether you are choosing to own your solar system or to finance it, who you choose as a solar partner is a crucial consideration. As a good rule of thumb, consider the evaluation criteria that top financiers use in choosing a stable partner as they have the same expectations organizations do when making an investment:





Financial strength indicates staying power and ability to fulfill obligations and thereby reduce risks to both the customer and the financier.

Financial strength indicates staying power and ability to fulfill obligations and thereby reduce risks to both the customer and the financier.

Reputation as a partner

- History, relationships and trust
- Access to capital to provide financing options to customers

Growth potential

- Proven growth in revenues, leverage
- Ability to convert pipeline into projects

Delivering to expectations

- Quality, reliability and production to deliver to expectations
- Differentiated products and solutions

A History of Stability

SunPower market-leading solar technology has generated consistent growth in annual revenues and allowed us to establish a strong balance sheet. This strong financial standing has contributed to company stability through difficult economic times. As a result, SunPower has been a reliable solar partner and expects to continue to be so for the entire solar project lifecycle for its clients.

SunPower financial highlights include:

- Cumulative five-year GAAP revenue of approximately \$12B with 2016 revenues of \$2.7B
- \$4.2B in cumulative financial commitments and investments from energy company Total S.A.
- Over \$6.7B in capital raised since initial public offering in 2005
- Completion of \$10B of financing for 2.4 GW of solar projects through end of 1Q17
- Approximately \$0.4B of liquidity as of Jan 1, 2017

Powerful Financial Backing



Since 2011, SunPower has held a strategic partnership with Total, the fourth largest publicly-listed energy company⁷. Total chose SunPower to represent their long-term solar interest because for years SunPower demonstrated superior technology, superb market strategy, and a world class management team. Today, Total owns the majority of SunPower. Along with investing over \$1.5B in SunPower equity, Total has further assured SunPower's lasting strength by partnering in research and development activities and by committing a cumulative \$2.7B in financial guarantees and convertible debt investments to SunPower over a five-year period. Overall, the partnership has enhanced SunPower's long-term financial stability and solidified SunPower as a long-term winner in the solar power industry.

⁷] Based on market capitalization in U.S. dollars at December 31, 2016.





Enhanced Financial Viability

As a publicly traded company listed on the NASDAQ (SPWR), SunPower is one of the largest and most fiscally sound companies in the solar industry. Over the last five years, cumulative total revenue has been approximately \$12B. SunPower further demonstrated its financial strength by closing a \$250M revolving credit facility with Credit Agricole and two convertible bonds totaling \$1,125M in 2013, 2014 and 2015. The revolving credit facility was upsized by \$50M in February 2016. These financial measures help ensure the long-term viability of SunPower.

Diversified Revenue Base

SunPower operates across multiple business segments globally in order to reduce dependence and risk from any one single market, product, or geography. By participating in the residential, commercial, and utility channels, SunPower ensures steady revenue generation and risk allocation. SunPower also operates across geographies, extracting value from each part of the world and reducing exposure to any single territory.

Revenue by Geography			
	2016	2015	2014
United States	85%	69%	72%
Japan	6%	12%	12%
Rest of World	9%	19%	16%
	100%	100%	100%





Project Finance Capabilities

SunPower's in-house Project Finance Group (PFG) provides comprehensive financial services. Since 2007, the PFG team has raised over \$10B in solar project financing for more than 2.4 GW of projects. These financings include individual, multi-site, and portfolio projects in the residential, commercial, governmental, educational, and nonprofit sectors as well as for utility-scale projects. The spectrum of financing structures includes loans, tax-advantaged operating leases, flip-partnerships (including those with SunPower co-investment), and long-term power purchase agreements.

SunPower works to "de-risk" the solar projects it develops so that lower cost capital providers will participate to provide attractive financing, lowering the cost of solar energy for our customers. Since solar energy is supported in the United States primarily through tax benefits and incentives, the PFG team will ensure that the financier of the proposed PV systems will obtain the Federal Investment Tax Credit in order to minimize the energy cost to our customers.

Extensive Experience & Success in Public Financing

Additionally, SunPower has over two decades of experience in solar project financing within the public sphere. The project development team knows how to source the most attractive funds for public sector solar installations and is experienced working with Qualified Energy Conservation Bonds (QECBs), Qualified Zone Academy Bonds (QSCBs), Clean Renewable Energy Bonds (CREBs) and Municipal leasing programs.

Available Capital

The PFG team participates at every level of a financial deal. The team develops and structures financial deals as well as solicits and executes these financing arrangements. The PFG team works with a broad base of top-tier project investors and financiers, and SunPower has the balance sheet resources—fortified through Total's corporate ownership—to construct projects with internally available funds or through construction period financing provided by a project lender.

Audited Financial Statements

SunPower is publicly traded on the NASDAQ stock exchange (SPWR). Financial statements are prepared in accordance with US GAAP. Complete, audited annual reports are available at the following URL:

http://investors.sunpowercorp.com/annuals.cfm

Financing Options

Power Purchase Agreement

As a pioneer of the solar PPA, SunPower has raised \$10 billion in solar project financing for 2.4 GW of projects since 2007. Our market-tested process is designed to be streamlined and easy to implement. SunPower partners with top tier PPA financiers



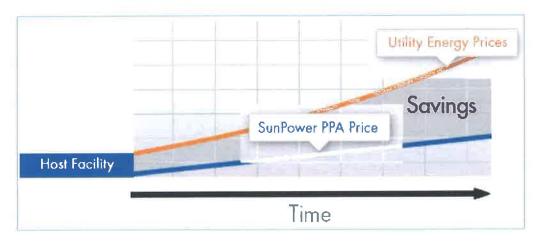


such as Wells Fargo, SunTrust, Regions, PNC Energy Capital (part of PNC Financial Services), and Bank of America, and we will work with you to design the best PPA to meet your organization's energy needs.

A well-structured PPA allows you to reduce electricity costs immediately and realize increased savings over time as grid electricity prices rise. Once the PPA contract period expires (typically 20 to 25 years), you can purchase the system at a reduced price, initiate another PPA, or have the solar installation removed.

Benefits of PPAs

- No initial capital investment since you only pay for the solar electricity that is produced
- Fixed energy rates provide you with a powerful hedge against volatile electricity prices
- No responsibility for system operation or maintenance
- Benefit from solar tax credits even if your organization has no tax liability to offset (The PPA financier is able to monetize available tax incentives and pass these savings on to you in the form of a lower PPA rate.)



Key PPA Considerations

A third party PPA provider pays for the cost of the solar installation and assumes all responsibility for ownership, operation, and maintenance once the solar project is complete. As the host, you enter into an agreement to purchase the electricity produced by the system owned by the PPA provider at a predetermined rate per kilowatt-hour. Entering into a PPA requires a detailed contract and thorough credit review. As a result, choosing a PPA will typically extend a project's timeline relative to other financing options.

Assumptions for a PPA

As part of the PPA process, we will actively solicit proposals from a broad base of toptier project financiers who have reliable project execution track records. Financing rates for this project will be determined with the assumption that SunPower, or a qualified third-party tax-equity investor selected by SunPower, will own the facility and will benefit from the receipt of the Federal Investment Tax Credit (ITC) and 100% accelerated depreciation. In addition, Investment-grade credit rating, and District



acceptance of financier consent agreement will be assumed in deriving the financing rates shown in the financing alternatives provided for this project. We are happy to discuss the impact on the financing alternatives from the inclusion, or exclusion, of any other incentives that may be available to support the project.

Long-Term Ownership Structure

Under the PPA, the project will initially be owned by an affiliate of SunPower. During or at the commercial operation date (COD), SunPower intends to secure a tax investor to optimize the use of the ITC, the tax depreciation attributes, and other incentives that may be available in support of the project. The timing and implementation for securing financing will depend on a number of factors including market conditions and the state of the project.

Insurance & Bonding Capabilities

Substantial Bonding Capacity through Leading Sureties

SunPower has
earned an aggregate
bonding capacity of
over \$1 billion
through our
syndicate of carriers
with room for
growth as necessary.

SunPower's top-tier surety bonding programs are backed by the world's leading surety bonding carriers, including Fidelity and Deposit Company of Maryland (Zurich), Travelers Casualty and Surety Company, XL Specialty Insurance Company, Liberty Mutual Insurance Company and Hanover Insurance Company. All our surety bond carriers are A+ XV rated, treasury-listed, and admitted in all 50 states. To maintain their high ratings these carriers are exceptionally selective of companies for which they will agree to provide surety, regularly reviewing balance sheets and demanding a proven history of successfully completed projects. SunPower has earned an aggregate bonding capacity of over \$1 Billion through our syndicate of carriers with room for growth as necessary. Our surety program is administered by Aon Surety, and we work with a team that has over 50 years of combined experience in the field.

Extensive Global Insurance Coverage

SunPower maintains insurance protection that covers owners, contractors and subcontractors. We provide insurance coverage from financially stable companies that cover general liability, automobile, workers' compensation, employer's liability, builder's risk and professional and pollution liability. We work with our carriers on loss prevention techniques to reduce the risk of claims and increase safety in the workplace and on the jobsite, resulting in *very low Experience Modification Rates*.

SunPower partners with Marsh Risk & Insurance Services and Aon Risk Insurance Services — two of the world's leading insurance brokers with transactional capabilities in more than 100 countries. These firms broker all of our policies and ensure that we only work with insurance carriers who maintain the strongest balance sheets, high AM Best ratings, and a healthy policyholder surplus. Our excellent relationships with our brokers and carriers provide the flexibility we need to tailor solutions to fit your needs. For example, we can provide comprehensive installation and property risk insurance for the construction period, or we can work with Marysville Joint Unified if you prefer to place the insurance yourselves.





Comprehensive Risk Management

Due to the variety of delivery methods for our solar systems, our team develops surety solutions to fit each type of contract. We take the risk out of complex large-scale solar construction programs. For more than two decades, SunPower has built and operated some of the largest, most advanced solar power projects around the world. Consequently, our projects are readily bonded and insured on favorable terms with stable carriers. Less cost dedicated to insurance and bonding, provides more value where it counts: building, commissioning, and maintaining the ongoing operations of a solar project designed to run worry-free for 25 years and more.

Type of Insurance	Limits
Commercial General Liability Limits	Per Occurrence: \$2,000,000
	General Aggregate: \$4,000,000
Commercial Automobile Liability Limits	Per Occurrence: \$1,000,000
	General Aggregate: \$1,000,000
Workers' Compensation Insurance	Statutory limits pursuant to state law
Employer's Liability Limits	Per Occurrence: \$1,000,000
	General Aggregate: \$1,000,000
Umbrella Liability Insurance	As required by contract
Professional Liability Limits	Per Claim: \$10,000,000
	General Aggregate: \$10,000,000
Builder's Risk During Installation	Yes, for full replacement value
Experience Modification Rate (EMR)	2011: 56%
	2012: 83%
	2013: 83%
	2014: 74%
	2015: 71%
	2016: 66%
Bonding Capacity	Aggregate bonding capacity of \$1 billion
	(with ability for further growth as required)
Surety Bond Underwriters	Fidelity and Deposit Company of Maryland (Zurich)
	Travelers Casualty and Surety Company
	XL Specialty Insurance Company Liberty Mutual Insurance Company
	Hanover Insurance Company
Bond Ratings	AM Best: A+ XV rated
2	S&P: AA to A-
	Treasury-listed
	Admitted in all 50 states

Professional Engineering & Contractor Licenses

SunPower Corporation, Systems (SunPower) builds the most advanced, highest performing, reliable solar power generation systems on the planet. To maintain our industry leading expertise, we hold ourselves to the highest standards when it comes to



maintaining professional engineering and construction licenses. We hire the best people, and then we make sure that their work meets the standards required by all applicable licensing organizations. It's one more way that we guarantee quality from the ground up and deliver a system designed to work right the first time, for a long time.

SunPower Corporation, Systems maintains current and active construction and professional engineering licenses across multiple states. Our classifications include:

California

- A General Engineering Contractor
- B General Building Contractor
- C10 Electrical
- C46 Solar
- Contractor's License: #890895, exp. 2/28/2019
- California/DIR, PWCR, # 1000012065, exp. 6/30/2018





SunPower Project & Construction Management

Project & Construction Experience

Experience in Education

SunPower's project team has installed 238 MW across 10 states for K-12 school districts, community colleges, universities and private education institutions. Some of the largest U.S. school districts—as well as distinguished higher education institutions—have chosen SunPower to meet their solar energy needs.

In 2016, SunPower completed the 22 MW Kern High School District solar project, which is the largest contracted commitment to solar by any school district in the U.S., according to data from The Solar Foundation.

We have first-hand experience with campus and education facility needs, preferences and site limitations.

- Stakeholder Collaboration. SunPower incorporates customer concerns and ideas into the process from the start.
- System Design. High-efficiency solar panels and streamlined, precisionengineered, expandable system designs provide exceptional long-term value for educational organizations.



Mount Diablo Unified School District 12.1 MW over 51 schools Contra Costa County, CA (Nov 2012)

Job Creation & Community Involvement. SunPower takes pride in supporting local
job creation by including reputable and skilled local subcontractors and general
contractors. Our community outreach and energy education initiatives are also a
priority since strong community support is a vital component of most large public
solar projects' success.

San Ramon Valley USD and Mt. Diablo USD installations are two examples of projects where SunPower used local subcontractors for general construction management, electrical and steel erection and fabrication work.

Continuous Learning & Improvement

At SunPower, we strive for continual improvement, so we have unique customer feedback and satisfaction programs that allow us to implement changes rapidly and efficiently on your behalf. You get quick resolution, and we improve our processes over time by making planning, design, and execution as standardized as possible, which in turn reduces costs and improves project scalability without sacrificing quality and safety.



Interconnection



Campbell's Soup 9.8 MW Installation - Napoleon, OH

SunPower has extensive experience working with utilities and system operators throughout North America on the interconnection and grid integration of solar PV systems. SunPower's engineers have experience with the full project life cycle from initial project siting to commissioning and operation. Accordingly, our teams specialize in guiding projects through the entire interconnection process such as:

- Submitting interconnection applications
- Coordinating interconnection studies
- Creating and updating technical models submitted to utilities
- Reviewing Feasibility, System Impact and Facility Studies
- Negotiating interconnection agreements
- Finalizing the project design

Extensive Electrical Engineering Experience

Our team of licensed electrical engineers will coordinate the interconnection design with the utility engineers, ensuring that the system meets all relevant interconnection requirements. We have extensive experience designing systems with voltage tie-ins ranging from 480V to 230kV, including a number of systems connected to the local 12kV distribution network. We have experience designing interconnection facilities, including substations, for interconnection into the distribution, sub-transmission, and transmission networks.

Experience in RES-BCT

RES-BCT projects differ from typical net energy metered projects in that RES-BCT projects obtain utility bill credits determined by only the generation component of the utility tariff. This generally leads to lower electricity bill savings than what is typically available from standard net energy metered projects. However, utility rate optimization is possible within this structure, and specific rate treatment of RES-BCT projects differs significantly by utility. Certain provisions which are allowable by PG&E are not allowed by Southern California Edison, for example, and vice versa. Utility-specific knowledge





and experience are therefore essential to ensure that maximum economic value is derived through the RES-BCT program.

SunPower is highly experienced with the RES-BCT tariff and is one of the only solar companies to have successfully developed, constructed, and interconnected RES-BCT projects in PG&E territory. SunPower has completed six distinct RES-BCT projects in California as described in the table below.

RES-BCT Projects	System Size (MW)	Stage
Yuba Community College – Woodland Site	0.9	Construction completed in April 2012; PG&E interconnection completed Fall 2012
Yolo County	2.0	Construction complete; PG&E interconnection completed June 2013
College of the Desert	3.8	Construction completed in April 2014; SCE interconnection completed in January 2014
Solano Community College District	1.3	Construction completed in 2014; PG&E Interconnection completed in June 2014
Castaic Lake Water Agency	4.4	Construction completed in November 2014; Utility rate treatment completed with SCE
Southwestern Community College District	3.2	Construction completed in December 2014; SDG&E interconnection
Total	15.6	

The District should consider that the RES-BCT program has a finite cap on interconnections in PG&E territory. The following RES-BCT Cap Tracker is located at the following link on the PG&E website:

https://www.PG&E.com/en_US/for-our-business-partners/interconnection-renewables/larger-self-generation-programs/res-bct/res-bct.page



References

Our roster of satisfied customers includes repeat owners such as Macy's, Apple, Johnson & Johnson, and the U.S. Air Force. Turning to SunPower again and again, these customers are a powerful testament to our ability to deliver high-quality, high-performing systems on time and on budget.

We encourage you to contact the selected references listed below.





San Ramon Valley Unified School District



Location	San Ramon, CA	
System Size	7.1 MW dc across 24 sites	
System Type	SunPower Helix and Fixed-Tilt Carports, RMR Roof	
Financing	Qualified Energy Conservation Bonds, Clean Renewable Energy Bonds	
Completed	2012 (Phase I) 2017 (Phase II)	
Description	 Will generate more than two-thirds of the schools' energy demands, significantly reducing each school's electricity bill Will offset 76.3 million pounds of CO2 emissions over 25 years (Source: PG&E.com Environmental Calculator) 	
Reference Contact	Gary Black Assistant Superintendent, Facilities and Operations Tel: (925) 552-2960 gblack@srvusd.net	

Link to case study



Escondido Union School District



Location	Escondido, CA
System Size	2 MW dc across 4 sites
System Type	SunPower Helix Carport
Financing	PPA
Completed	2016
Description	Estimated to save the district \$13.4 million over the next 20 years and to provide three-quarters of all district energy needs
Reference Contact	Michael Simonson Assistant Superintendent, Business Services Office: (760) 291-3200 Fax: (760) 739-7329 msimonson@euhsd.org

Grossmont Union High School District



Location	El Cajon, CA
System Size	1.1 MW
System Type	SunPower Helix Carport
Financing	PPA
Completed	2016
Description	SunPower estimates that 78.5% of the school's energy will be offset as a result of the agreement, saving \$6.3 million in electricity costs over the next 20 years.
Reference Contact	Katy Wright Executive Director of Facilities Tel: (619) 644-8159 kwright@guhsd.net



Napa Valley Unified School District



Location	Napa, CA
System Size	2.5 MW across 8 sites
System Type	SunPower Helix and Fixed-Tilt Carports
Financing	PPA
Completed	Phase I (2015), Phase II (2016)
Reference Contact	Don Evans Director of School Planning and Construction Tel. (707) 253-6281 devans@nvusd.k12.ca.us



Oakland Unified School District



Location	Oakland, CA	
System Size	3.6 MW dc across 16 school campuses	
System Type	SunPower DSA PC Fixed-Tilt Carport and Rooftop T5	
Financing	General Obligation Bonds	
Completed	2015	
Description	 The District's solar program is expected to significantly reduce the district's annual electricity costs over the next 25 years or more. OUSD solar power systems will avoid production of almost 2,500 tons of carbon dioxide emissions per year, which is the equivalent of removing close to 12,000 cars from California's roads over the next 25 years 	
Reference Contact	Kenya Chatman Project Manager Tel: 510-535-7050 kenya.chatman@ousd.org	



Antioch Unified School District



Location	Antioch, CA
System Size	5.2 MW dc across 20 school campuses
System Type	SunPower DSA PC Fixed-Tilt Carport and Rooftop RMR
Financing	General Obligation Bonds
Completed	2015
Description	 Estimated to save the District approximately \$39 million over the next 30 years, offsetting the District's electricity demand from the utility grid by approximately 69 percent Solar power systems will avoid production of almost 4,000 tons of carbon dioxide emissions per year, which is the equivalent of removing 22,260 cars from California's roads over the next 30 years
Reference Contact	Teresa Santamaria Associate Superintendent, Business & Operations Tel. (925) 779-7500, ext. 52098 teresasantamaria@antioch.k12.ca.us





Porterville Unified School District



Location	Porterville, CA	
System Size	3.7 MW dc across 5 campuses, 2.3 MW dc across 9 campuses	
System Type	SunPower DSA PC Fixed-Tilt Carport Elevated Tracker and T0 Ground Tra	
Financing	Qualified School Construction Bonds	s
Completed	2012 & 2014	
Description	 The systems are expected to reduce the District's electricity costs by \$44 million over the next 25 years. According to the U.S. Environmental Protection Agency, PUSD solar power systems will avoid production of almost 120,000 tons of carbon dioxide emissions over the next 30 years, the equivalent of removing approximately 20,000 cars from California's roads. 	
Reference Contact	Ken Gibbs (Primary Contact) Superintendent Tel: (559) 793-2455 kgibbs@portervilleschools.org	Owen Fish Director of Facilities Development Tel: (559) 782-7061 ofish@portervilleschools.org

Link to case study





San Leandro Unified School District



Location	San Leandro, CA
System Size	1.2 MW across 2 sites
System Type	SunPower DSA PC Fixed-Tilt Carport
Financing	Cash
Completed	2015
Reference Contact:	Aaron Kerrigan Director of Facility and Operations Tel: (510) 618-4440 akerrigan@slusd.us

Mount Diablo Unified School District



Location	Walnut Creek, CA
System Size	12.1 MW dc across 51 campuses
System Type	SunPower DSA PC Fixed-Tilt Carport
Financing	General Obligation Bonds, Clean Renewable Energy Bonds
Completed	2012
Description	 Eliminated 92% of electrical costs for the first year of operation Estimated to save the District \$220 million over 30 years Generates \$3 million annually in electricity cost savings and \$3 million from California Solar Initiative revenue Projected to offset 396,094 tons of CO2 emissions over 30 years, which is equivalent to removing 70,450 cars from the road The project created more than 140 jobs during construction, equivalent to \$24 million, through the use of local subcontractors and suppliers
Reference Contact	Nellie Meyer Superintendent Tel: (925) 682-8000 ext. 4000 meyern@mdusd.org

Link to case study





SunPower® Helix™ Solar Energy Platform

Innovative Solutions

Complexity is costly, inefficient, and risky. SunPower® Helix™ is the only complete solar energy platform on the market designed, integrated, and built by one company to make the complex simple.

Helix Roof and Helix Carport employ a common design approach and standardized components that enable our customers to meet their energy objectives reliably and cost effectively, irrespective of specific site variability.





Built to Last

Reliability is in our DNA. The SunPower Helix platform delivers maximum system energy, ultimate design simplicity and the highest system quality. These considerations add up to a powerful and predictable return on your investment.

SunPower Helix Platform

- Marine-grade aluminum and stainless steel mounting hardware
- Pre-engineered cable management design
- Pre-engineered electrical system design
- Pre-wired inverter system design
- Powerful EnergyLink monitoring software

SunPower Maxeon-based Solar Modules

Exclusive SunPower® Maxeon® Cell Technology

At the heart of every SunPower solar system is the SunPower Maxeon solar cell. Built to maximize the advantages of Maxeon technology, SunPower solar modules can deliver 60% more energy than conventional modules in the same space, over the first 25 years. SunPower high-efficiency solar cells enable greater long-term value by delivering:

- Unmatched reliability⁹—solid metal foundation adds massive strength and is almost impervious to corrosion, producing energy even when cracked
- Higher performance—engineered to eliminates 86% of the reasons cells fail¹⁰
- Record efficiency—making SunPower Maxeon-based panels the best choice for constrained areas to maximize lifetime energy production

High Efficiency

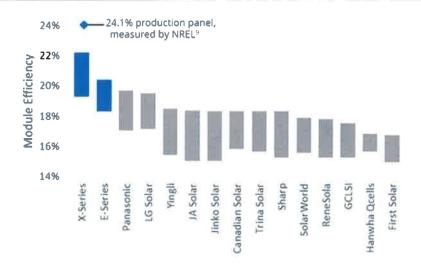
SunPower solar modules have achieved record-breaking efficiency¹¹ and are the most efficient commercially available solar modules you can buy¹². SunPower modules exceed 22% efficiency. Turning more sunlight into electricity per square foot enables customers to offset more of their electricity bills and realize the greatest savings on energy costs while lowering balance of system costs.

¹² Based on search of datasheet values from websites of top 10 manufacturers per IHS, as of January 2017



SunPower 360W compared to a Conventional Module on same sized arrays (260W, 16% efficient, approx. 1.6 m2), 4% more energy per watt (based on 3pty module characterization and PVSim), 0.75%/yr slower degradation (Campeau, Z. et al. "SunPower Module Degradation Rate," SunPower white paper, 2013).
 †1 rank in "Fraunhofer PV Durability Initiative for Solar Modules: Part 3". PVTech Power Magazine, 2015.
 Campeau, Z. et al. "SunPower Module Degradation Rate," SunPower white paper, 2013.
 Wohlgemuth, J. "Reliability of PV Systems." Proceedings of SPIE, 2008.

 $^{^{11}\,}http://newsroom.sunpower.com/2016-06-27-SunPower-Solar-Panel-Again-Raises-the-Bar-in-Efficiency$



Exceptional Performance

SunPower® solar modules consistently out-perform competitor modules by a wide margin and ensure that customers receive the most energy possible. Third party verified characterization data shows that the annual production advantage of the SunPower modules "can reasonably be expected to range from 3% to 5%"¹³ because of:

- Better production at high temperatures
- Higher average watts
- No light-induced degradation
- High-performance anti-reflective glass
- Superior low-light and spectral response

Unmatched, Long-Term Reliability

SunPower solar modules offer the industry's highest reliability because of superior technology and rigorous testing—both key contributors to establishing the 40-year useful life¹⁴ of our Maxeon-based modules. This design is proven through demanding internal tests that far exceed industry standards and ensure long-term durability.

In one of industry's most comprehensive degradation studies, SunPower reviewed more than 800,000 modules from over 400 monitored inverters across 144 sites for time spans averaging 4 years.

- SunPower solar modules degraded at an average rate of 0.25% per year
- Numerous 3rd party studies list conventional module degradation rates between -0.75%/year and -1.25%/year.

The analysis was affirmed by Black & Veatch, renowned independent engineering firm of utility scale solar power plants, who has advised on a project portfolio of over 2,000 MW.

¹³ SunPower 327W compared to a Conventional Panel on same sized arrays (260W, 16% efficient, approx. 1.6 m2), 3% more energy per watt (based on 3pty module characterization and PVSim), 0.75%/yr slower degradation (Campeau, Z. et al. "SunPower Module Degradation Rate," SunPower white paper, 2013). ¹⁴ SunPower Module 40-Year Useful Life," SunPower white paper. 2013. Useful life is 99 out of 100 modules operating at more than 70% of rated power.





SunPower® Helix™ Carport



SunPower has a strong history of leadership in the commercial carport market. The SunPower Helix Carport is engineered as a complete turnkey system that maximizes annual energy production and requires less parking space per energy output than conventional solar systems. The Helix Carport also reduces installation time, so systems are installed more quickly, with less impact to site operations.

Key features:

- Single-tilt carport structure with dual and single cantilever options
- Division of State Architect (DSA) pre-check design available for the state of California
- Variety of clearances and finishes available
- Standardized, pre-configured, repeatable carport blocks
- Integrated and connectorized DC and AC cable system eliminates most field wiring
- Clean canopy aesthetic with far less conduit, hidden disconnects, and organized, pre-configured wire management
- Plug-and-play inverter station
- Optional features include fascia, snow/ice management, rain management, EV charging stations, and security





Benefits:

- Less parking area is needed to gain the maximum energy production
- Carport blocks scale easily to a site's specifications
- Galvanized, corrosion-resistant steel structure ensures reliability and durability against the elements
- Pre-configured, productized cable systems allow for faster installation times

Standardized Plug and Play Electrical System

To efficiently and safely harness the power generated from SunPower's Maxeon solar modules, Helix Carport includes a pre-engineered power collection system for both DC and AC power. This consists of pre-manufactured and connectorized wiring harnesses for easy electrical connection throughout the carport system, from the solar modules, through the inverter, and to the AC aggregation point.

Benefits:

- Standard design includes key safety features and meets all code requirements
- Factory manufacturing improves system quality and reliability
- Plug and play wiring harnesses included for all carport cable routing



Cable Management



Cable management is often overlooked in solar system design; however, it is crucial to the long-term durability and performance of your system. Our engineers thought through even the smallest details to ensure wires and cables are secure, safe and protected from abrasion and wear. Helix Carport Cable Clips simply snap onto purlins wherever needed to quickly secure wires within the array design.

- Snap-in Helix Carport Cable Clips
- Tested for lifetime durability
- All parts designed specifically for Helix
- Enables efficient use of space and preserves cable integrity
- Improves canopy aesthetics





SunPower® Oasis™ 3 Power Plant



CA Valley Solar Ranch, 315 MWdc, San Luis Obispo County, CA

SunPower® Oasis™ 3

The SunPower Oasis 3 Power Plant combines SunPower's world-leading solar panels and tracking technology with a simplified, modular approach to deliver reliable utility-scale solar energy. Engineered as a complete turnkey system, the Oasis 3 Power Plant maximizes annual energy production and minimizes required land compared conventional solar power plants. Oasis 3 systems are faster to install which reduces construction costs, permitting expenses and generate energy sooner. As a result, Oasis 3 maximizes project returns and delivers a lower total cost of energy.

A Simplified, Modular Approach

With more than 3 GW_P of Oasis systems installed or under contract, and over 17 years of experience in engineering, construction and operations of utility-scale power plants, SunPower has transformed power plant development from a piecemeal process into a streamlined, efficient approach. Each Oasis 3 power block features SunPower higheficiency E-series or high performance P-series solar panels mounted on proprietary individually actuated single-axis trackers, integrated DC collection equipment, and a preconfigured AC inverter station including a medium voltage transformer.





Oasis 3 power blocks can fit numerous site topographies and are easily scaled from one block to over 500 MWs. The flexibility between E-series and P-series modules allows for optimal configuration of any given site by providing the most economically suited solution for both land constrained and land unconstrained situations.



25 MW, Apple Maiden Alternative Energy – Maiden, NC





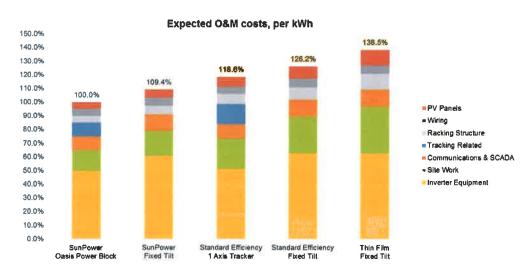
A Single Solar Provider

SunPower is the single provider for all of the solar equipment from the solar panels to the inverters and step-up transformers. Instead of having multiple negotiations with numerous third-party vendors, customers have one point of contact with SunPower and Oasis. Having a single provider offers additional certainty in terms of cost, schedule, and revenue.

	Certainty of Cost # of Supplier Negotiations		Certainty of Schedule Design Revisions		Certainty of Revenue System Warranty	
Component	Oasis	A La Carte	Oasis	A La Carte	Oasis	A La Carte
PV Panels	1	3-4	1	0	25 yr PV plus complete equipment warranty (2, 5 or 10 yrs) System uptime or AC performance guarantees available	25 уг
Tracker		1-2		1		2 or 5 yr
Foundations		1-2		2		1 yr
Array Wiring		2-3		1		1 yr
Combiner Boxes		2-3		2		2 уг
DC Feeders		1-2		2		2 yr
Inverters		2-4		1		2 or 5 yr
Inverter Auxiliaries		2-4		1		2 yr
Transformers		1-2		1		2 yr

A Lower Cost of Energy

Because of the superior technology and simplified design, operations and maintenance costs are significantly lower for the Oasis Power Plant than other systems.



In sum, the Oasis 3 technology and design advantages reduce solar project costs and land requirements while maximizing energy production. This allows customers to enjoy the lowest total cost of energy and the best return on their investment.

Oasis 3 features a robotic solar panel cleaning service. This cleaning technology further improves the cost of energy by reducing water usage and efficiently reducing soiling losses—a consistent challenge to array performance in sandy and dusty regions. Regular panel cleaning can be critical for meeting production expectations and maximizing project value.

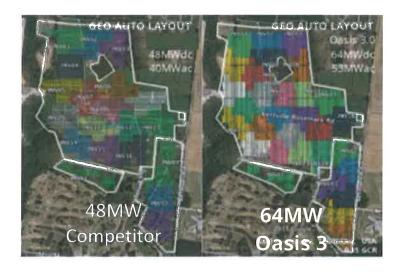


SunPower® Oasis™ 3 Solar Power Plant Enables More kW per Acre

With a long history of meeting or exceeding performance expectations worldwide, SunPower trackers deliver the most energy in the least amount of land. Trackers can produce up to 25% more energy compared to a conventional, fixed-tilt solar system.



With the ability to accommodate slopes up to 10° (17%), conform to irregular site shapes and integrate roads in between tracker rows, Oasis 3 provides more flexibility on site selection and the best land utilization for a given site.





Benefits:

- 15%-40% more MWs per Acre
- Automated GCR optimization resulting in higher energy yield
- Improved site accessibility between rows for dual land use and lower O&M costs
- Reduced grading, civil and site preparation cost.
- Galvanized, corrosion-resistant steel structure ensures reliability and durability against the elements.
- Pre-manufactured structures allow for faster installation times and high quality.



Warranty



The SunPower Warranty provides comprehensive coverage on our solar photovoltaic panels and solar system installation, and as the largest purchaser of solar PV inverters in the world, SunPower holds Master Services Agreements with the top inverter manufacturers. Should any issue arise with your inverters, we get you priority attention for potential replacements.

SunPower warrants the materials and workmanship of its panels for twice as long as many of our competitors. We are so confident of our solar cells' ability to provide peak levels of performance over the lifetime of your system that we warrant our panels' power output for 25 years. We also warrant our system installation against defects in material and workmanship for 5 years. Moreover, our enduring relationships with third-party inverter manufacturers ensure that should a problem ever occur, we can resolve it immediately. That's reliability and peace of mind you can count on for decades to come.

SunPower Warranties include:

- 25-year product and linear power warranty on the solar panels
- Comprehensive system warranty for solar system installation
- A pass-through warranty for 3rd-party inverters

Solar Panel Warranty

SunPower's solar photovoltaic panel warranty provides an industry leading 25-year manufacturing warranty against product defects and a 25-year linear power warranty. The 25-year linear power warranty says power output will be at least 98% of the minimum peak power (MPP) rating for the first year, and declining by no more than 0.25% per year for the following 24 years, so the power output at the end of the final year of the 25-year warranty period will be at least 92% of the minimum peak power rating.

Solar System and Workmanship Warranty

SunPower provides a comprehensive 5-year system warranty that safeguards your system against defects in materials and workmanship under normal operating conditions. Extended warranties are available upon request.

When coupled with an appropriate Operations and Maintenance service contract, the SunPower system warranty ensures that customers will have a trouble-free experience with their new solar installation. SunPower will perform all initial diagnostics and provide ongoing warranty support and representation of the customer's interest with original equipment manufacturers. In the case of all warranty service, SunPower will escort warranty providers on-site, supervise work performed, and retest equipment after service to validate proper repair.

SunPower Operations & Maintenance Overview



Since 1994, SunPower has been a leader in the operation and maintenance (O&M) of solar systems of all types and sizes. SunPower experience, staff and technology combine to offer a depth of O&M capabilities worldwide that are proven and unmatched throughout the industry. This ensures that SunPower customers receive unprecedented system performance and their solar investments are safeguarded for the long-term.

Leading O&M Experience

- Performing O&M services on over 2.5 gigawatts (GW) of solar systems worldwide
- 40,000+ residential leases
- 600+ commercial contracts
- 50+ utility-scale contracts
- 200+ in-house O&M team members
- 15+ years of system data

SunPower O&M Excellence

An effective O&M program is critical to getting the most out of your commercial solar investment over the long term. SunPower O&M services help optimize solar panel efficiency and increase the likelihood the solar system will last longer, need fewer repairs and perform at or above its expected energy output over time.

SunPower O&M helps customers achieve production goals and maximize return on investment by offering:

- Global capabilities
- Exceptional expertise
- Single point of accountability

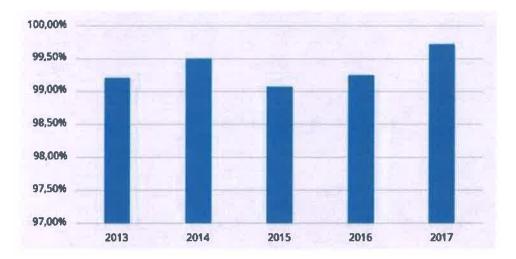
Global Capabilities



SunPower O&M has multiple regional operation centers worldwide backed by centralized real-time global performance monitoring staffed 24/7/365 by dedicated performance engineers. SunPower maintains a network of fully vetted, expert local vendors in every region to perform cleaning and rapid-response corrective maintenance as needed.



These capabilities are part of why SunPower solar power plants have achieved 99%+ availability, according to a study by BEW Engineering. ¹⁵ This availability is predicated on having an on-site O&M staff with an O&M building.



Exceptional Expertise



With more than 30 years of solar manufacturing experience and 15 years of solar performance and failure data to draw upon—along with extensive experience with almost every supplier of solar panels, inverters, transformers, racking and mounting hardware and more—SunPower's global O&M team offers unmatched longevity and expertise.

Preventing Failures

With knowledge gained from many years of experience and access to massive amounts of data, SunPower's O&M team can predict and mitigate costly failures through proactive maintenance. In sum, the SunPower O&M team can quickly identify



problems and dispatch resources, ensuring optimal system performance.

 $^{^{15}}$ BEW/DNV Engineering, "Availability Evaluation Report," Jan 2013. Requires on-site O&M staff with an O&M building.



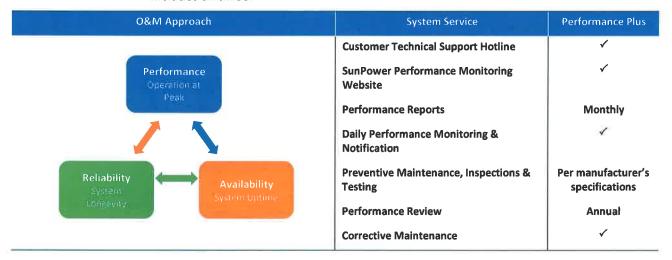
SunPower Operations & Maintenance Performance Plus

SunPower offers operations and maintenance (O&M) services to provide customers with peace of mind. SunPower O&M capabilities are based on experience gained from maintaining solar installations around the world over the last decade, and that deep level of expertise offers assurance to customers that their systems will perform as expected.

There are three core components of O&M:

- Monitoring & Reporting
- Preventive Maintenance
- Corrective Maintenance

Every solar power system requires that all three of these components be performed in order to achieve modeled production levels, and the *SunPower Performance Plus* service level—one of the most comprehensive O&M service levels in the industry—includes all three.



Services that are included are indicated with a check mark (\checkmark) , or frequency. Services indicated with a check mark are continuous and have no annual limit, for example, Customer Support Hotline. Services that do not have a check mark or frequency can be provided on a time and materials basis as part of the Transactional Services per Exhibit A.



Monitoring and Reporting

Monitoring & Reporting provides information to visualize system operations, allowing a customer's team to detect and address issues.

Services include:

• Customer Technical Support

Using the toll-free number, SunPower Customer Service is available to answer questions and respond to problems. SunPower technical experts assist facility and energy personnel with troubleshooting problems in order to determine the source and resolve the issue.

• SunPower Monitoring Website

<u>SunPowerMonitor.com</u> is updated in real time with information regarding the status, weather conditions and performance of customer systems. System performance can be displayed, downloaded, printed in charts and graphs, or exported. Historical data from system start-up to the present is available.

Performance Monitoring and Notification

The SunPower Operations Center monitors the system's operational status and performance around the clock and promptly notifies the customer if there is an outage or a decrease in system performance.

• Annual Performance Report

At the annual anniversary of system start-up, SunPower Performance Monitoring customers receive a standardized performance report that compares actual to expected energy production while taking into account weather conditions and other variables.

Preventive Maintenance

The Preventive Maintenance and system testing program fixes problems before they occur per manufacturers' specifications. Because of vertical integration, SunPower can provide expert maintenance services for each system component, and technicians regularly receive training from component manufactures to achieve the highest qualification levels available. The resulting expertise and preventive maintenance translates into reduced component failures, longer system life, decreased system downtime, and a higher overall ROI.

Corrective Maintenance

SunPower Corrective Maintenance is ideal for organizations that don't have on-site personnel or other contracted solar maintenance providers to be involved in day-to-day system operations. From managing warranty claims to performing corrective maintenance, SunPower provides organizations with the peace-of-mind that their systems are operating at their maximum potential.

Ongoing warranty support and representation of customer's interest with system equipment manufacturers

Performance Guarantee

SunPower can provide performance guarantees, backed by one of the strongest balance sheets in the industry, to ensure project financial returns are achieved. A performance



guarantee assures that minimum levels of energy production (kWh) are delivered each year. SunPower will warrant that guarantee levels are met or provide the customer with monetary compensation for under-performance.

Performance guarantees must always be accompanied by a SunPower Performance Plus O&M Agreement.

Warranty Administration Process

Performance Plus customers enjoy the benefit of SunPower managing warranty administration. Customers with an O&M agreement at the Performance Monitoring or Performance Basic service level can elect to have SunPower perform on-site troubleshooting and warranty administration on a time and material basis, or they can submit a warranty claim form to SunPower. If a customer elects to self-perform O&M without signing up for a SunPower service package, they will have to submit a warranty claim form prior to warranty service.

Warranty Step	Process
Remote Troubleshooting	 Performance alarm is generated from automated performance alert or on-site visit. Customer is automatically notified of alarm time and type. SunPower monitoring technician verifies alarm and classifies service request. Customer is automatically notified of service request classification. Service request is auto-entitled through Performance Plus level service agreement. Work order is auto-generated and assigned to dedicated local team. If fault code confirms warranty defect, warranty claim is immediately filed with applicable warrantor.
On-Site Troubleshooting	 If cause of failure is not determined remotely, supervisor and/or PV techs are dispatched to site. Diagnostic testing is performed to confirm cause of alarm. If testing indicates defect, warranty claim is immediately filed with provider.
Warranty Service	 In the case of all warranty service, SunPower will escort warranty provider on-site, supervise work performed, and retest equipment after service to validate proper repair. If warranty is parts only, SunPower will receive required component and provide labor to replace at no charge to the customer. If fault can be safely repaired by SunPower utilizing consumable or spare parts inventory, SunPower

- may self-perform repair and charge warranty provider for reimbursement, if approved by customer.
- If repeated work orders are required by same asset type, SunPower will analyze documentation and recommend serial defect warranty claim if applicable.



Remote Operations Control Center



SunPower's Remote Operations Control Center (ROCC) monitors and controls SunPower's most critical solar assets around the globe—from large-scale solar power plants to mid-size commercial installations—24 hours a day, 7 days a week, 365 days a year. The ROCC, which is located at SunPower's Austin, Texas office, is part of our commitment to operational excellence and world-class customer focus.

Real-Time, Centralized Monitoring

The ROCC is SunPower's eyes and ears into every situation that might arise. Designed to optimize energy production at SunPower's solar photovoltaic power plants, the ROCC uses advanced secure networks to collect and systematically prioritize over 100,000 separate incoming data streams. Complex SCADA systems and skilled ROCC operators then process the information to quickly detect issues, and make smart decisions for our customers. When needed, the ROCC can intervene and actively control their facility to ensure top performance and safety.

From the ROCC center, SunPower's dedicated ROCC operators monitor the status for substation and plant equipment such as:

- circuit breakers
- transformers
- capacitor banks
- protective relays
- battery systems
- communications equipment
- AC/DC inverters

In addition, the ROCC enables smart decisions for our customers through the following operational capabilities:

- Managing the real and reactive power output of each facility through the use of custom power management systems to ensure compliance with regulatory and grid reliability standards
- Energy forecasting and scheduling
- Guiding new sites from SunPower's EPC team through commissioning to continuous operations with our Operations & Maintenance department
- Coordinating closely with teams across SunPower to deliver a customer's facility on time and keep it functioning above expectations.



Proposal Qualifications

The proposal is based upon SunPower's visual observations of the site; and review of all documents available at time of bid; and includes the following assumptions. Should any of the assumptions or conditions vary based on customer directive, latent conditions, architect's recommendations or detailed engineering analysis, proposal cost and/or schedule may be subject to change.

SunPower submits the following Proposal based on the included Proposal Qualifications, which identify SunPower's assumptions and understanding of the project requirements. Upon selection and notice of award, SunPower will perform the necessary due diligence in order to determine and discover the existing site conditions pertinent to the design and to ensure alignment with the Customer's expectations. Subject to this due diligence and discovery, SunPower reserves the right to negotiate all terms and conditions, including pricing, put forth in this proposal.

Labor

Overtime and special shift requirements

Overtime and special shift requirements are not included, based on schedule submitted with this proposal.

Prevailing Wages

Project is assumed to be Prevailing Wage per industrial relations requirements of project location. Union labor is not included in this proposal.

Diversity Requirements

Requirements and/or related due diligence and good faith efforts for small, small local, diversified or minority contractors are not included in this proposal.

Indirect Construction Costs

Taxes and fees

Taxes or fees, other than permit fees and sales tax, are not included. Sales tax is included at a rate of 8.25%.

Bonds

Payment and performance bonds are included.

Insurance

Insurance requirements in excess of SunPower's standard limits and coverages are not included; these coverages include:

- \$5,000,000 General Liability (\$1,000,000 each occurrence)
- \$1,000,000 Automobile
- \$5,000,000 Umbrella Liability
- \$1,000,000 Workers Compensation (each occurrence)
- \$2,000,00 Error and Omissions and/or Pollution Liability



Permits and Regulatory Fees

An allowance for DSA permit is only included for Marysville HS for \$13,928. We have included a \$60,000 allowance for Foothill Intermediate and Lindhurst to cover CEQA process. Actual project price may vary, due to approved construction or design Change Orders. We have included an allowance for local AHJ permitting of \$13,012 for Foothill Intermediate and of \$4,356 for Lindhurst. In that case, permit fees will be adjusted accordingly by Change Order when project is substantially complete.

The District shall be responsible for determining by Board Resolution that the project for Marysville High School be exempted by local statute.

All other permits/approvals are excluded.

SunPower includes durations of 13 weeks for procuring permit and regulatory approvals. SunPower will not be responsible for construction delays caused by permit and approval requirements from local jurisdictions or regulatory review bodies. Any delays in procuring permits will entitle SunPower a time extension change order to the contract as a day for day extension to our plan for obtaining required permits and/or approvals, as defined above or in the proposal schedule.

System Design & Scope

Solar Electrical Equipment and Conductors

The parking canopies, equipment pads, and point of interconnection will be constructed to the design and specifications as shown in proposal layouts in the drawing provided with this proposal.

The PV and battery installation will interconnect at one or more points to the customer's existing switchboard. Each point of interconnection will connect on the customer's side of the existing utility meter on the line or load side of the main circuit breaker/switch.

Solar system includes all standard interconnection related equipment on the customer side of the meter, including panel circuit breakers, utility and/or visible utility lockable disconnect switches, solar metering, battery metering, battery controllers, conduit, and wiring. Additional customer-side protection required by the utilities above that provided by the certified inverters is not included.

Conductors will be aluminum or copper according to Electrical Engineer of Record's determination. AC feeder length from solar panelboard to disconnect switch, from battery location to disconnect switch and from disconnect switch(es) to point(s) of interconnection is identified on proposal level array layout drawings. AC feeder lengths from inverter equipment pad location to assumed point of interconnection, and length assumptions with equipment amperage ratings are shown on proposal level single line drawing.

DC array wiring may be exposed on the underside of PV modules or neatly secured to PV modules and/or racking system. DC source circuits are USE-2 weather rated for exterior exposure.

DC array bonding is achieved by use of SunPower proprietary grounding clip and/or rivet attachment.





Design includes rigid conduit for underground transitions and in areas subject to vehicle damage; EMT conduit with rain-tight compression fittings above inverters for any aboveground low voltage or AC circuits; and PVC for all underground conduit.

Transformers are 480V;12kV non-Dry-type by manufacturer of SunPower's choosing. Secondary containment is not included in this proposal.

Utility Interconnection

Coordination of shutdown may be required with customer and local utility. Temporary power generators are excluded. Interconnection is scheduled for minimum 4 hours and is assumed to be performed on off hours with prior written approval from customer. Additional shutdowns may be required in order to assess physical condition of the customer's switchgear.

The utility will have 24/7 access to existing electric utility meters and the utility lockable disconnect locations for all electrical interconnections related to this project.

Utility Requirements

Proposal assumes all District-owned and utility-owned electrical equipment serving the sites electrical distribution system has adequate capacity to handle the photovoltaic system output. It is assumed Foothill Intermediate will require District owned switchgear, transformer, copper or aluminum wire, utility owned switchgear, transformer, copper or aluminum wire upgrades or replacements of the existing equipment. An allowance for design, procurement and installation of these upgrades and replacements has been included **up to \$300,000** in this proposal. SunPower will coordinate with the local utility, PG&E to identify these costs. Costs beyond the initial \$300,000 allowance would be reviewed with the district and then the additional cost could be paid for by the District through either an increase to the PPA rate, through reduction in the size of the system, or through a termination mechanism of the Foothill contract.

Any costs associated with unforeseen utility interconnection requirements, including but not limited to utility-owned equipment, relay protection equipment external to the inverters, system impact studies, or telemetry requirements and interconnection studies are not included.

Facility Equipment

It is assumed that the system will interconnect with the facility at customer's existing switchboard or panelboard and the switchboard or panelboard (as shown in Tier 1) and rated with ample current capacity to accept the PV.

The existing switchboard or panelboard are assumed to have provisions to accept cable connections on the primary side of the main service breaker, or adequate space and capacity for a new breaker. Switchboard or bus bar reconfiguration and/or customer distribution equipment re-listing certification is not included.

Proposal excludes Circuit Breaker and Short-Circuit Coordination Study for this project. SunPower will provide overcurrent settings that will be coordinated with customer overcurrent settings.

If harmonic data of the site is not available, SunPower shall assume that the Harmonic data are within the acceptable limits of the Institute for Electrical and Electronics Engineers (IEEE) Standard 519.





Shading

The proposal design is based on existing visual conditions on site. Removal of trees or other obstructions to install the solar arrays and system components is included in the proposal. Trees and/or other obstructions identified for removal or trimming by the customer must be removed or trimmed prior to substantial completion or performance expectations/guarantees will require adjustment.

Painting

Galvanization of canopy columns and primary beams only is included. All other metallic materials are either factory-finished or non-corrosive and will not need painting for weather protection or aesthetic reasons.

Landscaping

Site landscaping (e.g. plant restoration) is not included.

Irrigation reconfiguration to complete any foundation construction is not included.

Fencing

A 6-0' galvanized, 9 gauge, 2" mesh fencing and chain link fence-with gate around perimeter electrical equipment pad locations is included. Special provisions for privacy slats, special hardware, lock sets, small fabric, etc. are not included. 4" bollards are included only in areas subject to vehicle impact. Additional bollards required by utility or other entities excepting DSA are excluded.

Site & Construction Conditions

Access

Proposal assumes project will be constructed in a single phase.

SunPower will be guaranteed site access to perform all work. All work to be performed during regular business hours between 7:00 am and 5:00 pm. Extra time or personnel constraints due to site security beyond daily signing in by workers on a sign in sheet—i.e. badging, background checks, tool inventory checks, etc.—is not included.

SunPower will be provided a sufficient area for staging materials and locating temporary facilities such as construction trailers, portable toilets and dumpsters.

Existing roads will be capable of handling all required construction equipment such as drilling rigs, concrete trucks, delivery trucks, cranes, and all other equipment necessary to complete the work. SunPower will not be responsible for any damage to existing roads, parking lots or playgrounds resulting from normal construction operations and activities.

Use of Facilities

On-site water and power will be available for construction with no restrictions and at no charge to SunPower. If a Customer initiated power shut down has duration over 4 hours and effects normal construction operations, SunPower can rent and install a temporary generator and submit associated costs to Customer for reimbursement. Water quality shall be sufficient for use in dust control, as necessary, and be suitable for SunPower's standard concrete mix design.





Special handling of site materials

Testing for removal and disposal of any existing hazardous waste materials, contaminated soils, or any other unforeseen site conditions that require special handling are not included.

Site utilities and hazards

Changes resulting from utilities, right of ways, easements, and/or hazards—underground or above ground—or any undocumented building upgrades are not included.

Documented utilities and building upgrades are considered as part of this proposal if asbuilts are provided to SunPower prior to contract execution in order to confirm locations of these possible hazards. Customers shall supply SunPower with a current Title Report with plotted easements, encumbrances, and right-of-way at all project site locations.

Soils and Structural Foundations

Carport

Foundation assumptions are as follows for system options:

 Drilled cast-in-place, 36" round caisson, 12' Deep, approximately 2.5' above grade, depending on existing topography.

If additional width, embed depth or spread footing is needed due to soil conditions, additional costs will be the responsibility of the client. Proposal assumes that if ground water or dewatering, sub grade rocks, or other unforeseen underground structures are encountered and there is a need to slurry and re-drill or dewater site, then additional costs will be the responsibility of the client.

Standard carport clearance 11'

Tracker

Driven piers (11 gauge, 9' embedment) are assumed for tracker frame and motor supports.

If additional width, embed depth or spread footing is needed due to soil conditions, additional costs will be the responsibility of the client. Proposal assumes that if ground water or dewatering, sub grade rocks, or other unforeseen underground structures are encountered and there is a need to slurry and re-drill or dewater site, then additional costs will be the responsibility of the client.

Site Preparation

Proposal assumes SunPower will prepare the site. Site Preparation work shall include:

- Minor grubbing and scraping
- Minor grading, excluding cut/fill and import/export of soil.
- Storm Water Pollution Prevention Plan requirements

SunPower has included an allowance of \$34,032 for hydro-seeding with native grasses after substantial completion to comply with the SWPPP requirement of 75% site stabilization. Cost in excess of this allowance for re-seeding or alternate stabilization methods needed to meet SWPPP site stabilization requirements are not included. Any





variance between the allowance and the actual cost shall be adjusted by a change order to the Contract.

Site Access Roads

Proposal includes 12' wide 95% compacted dirt access roads providing access to system inverter equipment pad, as indicated on proposal drawing.

Soil Conditions

Existing site soil is assumed to have the following characteristics:

- IBC or UBC Table 1804A.2, Class 3 or equivalent Non-hazardous, sandy gravel and/or gravel
- Allowable foundation pressure greater than or equal to 2000 psf Lateral Bearing strength below grade equal to 200 (Lbs./Sq. Ft./Ft. of depth)
- Lateral sliding coefficient of friction greater than or equal to 0.35. No sub-grade rocks or rock formations
- Adequate drainage
- No seismic-related hazards (e.g. faults, liquefaction, seismically-induced settlement, lateral spreading) Limited expansiveness
- Low to moderate corrosiveness (PH is less than 5.5, electrical resistivity is more than 1000 OHM-cm, chloride is less than 500 ppm, sulfate is less than 2000 ppm)
- Depth to start of passive pressure is 0.5 feet.

Drainage

Special drainage requirements and/or drainage design and interconnection to customer's existing storm drain system or any other storm drain discharge system is excluded from this proposal.

Carport and shade structure standard design options do not include structural roof deck for storm water collection or protection.

Security and Lighting

Proposal assumes all parking lot light standards in direct conflict with installation of photovoltaic shade structures/parking canopies will be removed by SunPower. Proposal also assumes that the existing lighting circuits, for those removed parking lot light standards, can be re-used for photovoltaic shade structures/parking canopies lighting system and that those existing circuits have ample current carrying capacity to provide required lighting at shade structures/parking canopies, per jurisdictional code requirements.

New lighting circuit installation is excluded from this proposal as well as any required timing circuit reconfiguration, lighting controllers, relays, or new panel boards. Lighting design and/or installation beyond the footprint of the photovoltaic parking canopies is not included in this proposal. Replacement of existing light standards is not included. Proposal includes LED fixtures for lighting under structures.

Proposal assumes no lighting is provided for the tracking system at Foothill Intermediate.

Additional security systems or infrastructure are not included in this proposal (list any included security systems or infrastructure).





Special Conditions

Proposal assumes modifications and/or reconfiguration of the existing parking lots will not be required to accommodate installation of SunPower's photovoltaic shade structure/parking canopy.

Assumes existing islands in parking lot to remain at area of new carport structure. Proposal excludes any re-striping of the parking lot/hard-court areas, unless specifically related to the construction of the photovoltaic parking canopies, or specifically described in the RFP.

While special care will be taken to locate existing underground utilities (underground survey) and locate carport structures with minimum conflicts. Relocation of existing underground utilities due to carport foundations is not included.

Proposal includes/excludes requirements for accessibility upgrades and accessibility design around the photovoltaic shade structure/parking canopy structures. Assumes that current parking lot layout has been reviewed and approved by DSA and built and closed at the DSA. If the architect of record recommends addition of new accessible parking stalls under the solar canopies, changed path of travel and/or new canopies over existing accessible stalls, design and construction costs will be addressed via Change Order.

Proposal excludes design or installation of any required additional fire hydrants or fire protection apparatuses as required by local first responders or Fire, Life/Safety professionals responsible for review and approval of the design for this project.

Architectural enhancements to the photovoltaic shade structure/parking canopy structures or ground and roof arrays and mounting systems are not included in this proposal.

Testing and Inspections

SunPower assumes all Special Inspections and Inspector of Record (IOR) shall be paid for and contracted by the Customer.

Wind

Site max wind speed is no more than 110 mph, with Exposure C. More severe wind conditions would require additional engineering and costs.

Weather conditions

SunPower assumes standard weather patterns and site conditions for planning the project schedule. Instances of excessive climate, weather (greater than the most adverse conditions in the last 3 years) or natural disasters may result in delays and/or unplanned costs (i.e. additional labor, shipping, storage, and logistics costs) which will be the responsibility of the customer.





Commissioning, Monitoring, Operations & Maintenance

Commissioning

Proposal assumes commissioning requirements for this project is only for the photovoltaic and battery portion of the project only. Proposal does not include other building system commissioning cost not related to our work (i.e. HVAC, Plumbing, Fire Alarm, etc.).

Monitoring

Energy Management System Integration or similar control or SCADA system integrations to the new photovoltaic and battery array(s) are excluded from this proposal. Agreement assumes use of a dedicated data line for communication with a third-party monitoring company. All other communication and low voltage infrastructure is excluded from this proposal.

SunPower's monitoring "kiosk" software can be displayed on any District-provided "SmartTV" capable of displaying an HTML web page.

