

MICROGRID INCENTIVE PROGRAM PARTICIPATION AGREEMENT

between

SOUTHERN CALIFORNIA EDISON COMPANY (SCE)

and

Dated: _____

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MICROGRID INCENTIVE PROGRAM PARTICIPATION AGREEMENT

This Microgrid Incentive Program Participation Agreement (together with its appendices, attachments and exhibits, this “Agreement”) is made as of _____ (the “Effective Date”) by and between Southern California Edison Company, a California corporation (“SCE”), with its principal place of business at 2244 Walnut Grove Avenue, Rosemead, California 91770 and _____ (“Awardee”), with its principal place of business at _____. Awardee and SCE are each referred to individually as a “Party” or collectively as the “Parties.”

RECITALS

- A. Whereas SCE is a public utility providing both wholesale and retail electric power and energy sales and transmission in southern and central California, and owns an extensive electric transmission and distribution system within such area;
- B. Whereas, Awardee is a _____ that intends to develop a community microgrid project (the “CMG Project”);
- C. Whereas the Parties desire to enter this Agreement to enable the development and operation of the CMG Project using funds from SCE’s Microgrid Incentive Program, which was approved by California Public Utilities Commission;
- D. Whereas, pursuant to SCE’s Microgrid Incentive Program, Awardee is eligible for an Incentive Award to cover costs of CMG Resources and CMG Balance of System, an allowance for upgrades to Interconnection Facilities, and an allowance for CMG Added Facilities in order to develop the CMG Project;
- E. Whereas, the CMG Project is governed by SCE’s Multi-Property Microgrid Tariff, which was filed with the California Public Utilities Commission on October 9, 2023, and other applicable rules and tariffs, as modified from time to time;
- F. Whereas, Awardee’s eligibility for Incentive Awards and allowances under the Microgrid Incentive Program is conditioned upon Awardee’s successful development of the CMG Project, including certain technical studies and execution of a Microgrid Operating Agreement by SCE and Awardee, substantially in the form attached as Appendix VIII of this Agreement, and incorporated into this Agreement as of the Effective Date and upon such execution; and
- G. Whereas Awardee now wishes to enter into this Agreement with SCE to govern the issuance of and conditions related to the incentives and allowances provided under the CMG Project.

Now, therefore, in consideration of the agreements contained herein, the Parties, intending to be legally bound hereby, agree as follows:

AGREEMENT

Capitalized terms not otherwise defined in this Agreement shall have the meanings as set forth in Appendix I attached to this Agreement.

1. TERM & TERMINATION

1.1 Term

The term (“Term”) of this Agreement shall commence on the Effective Date and shall remain in effect until terminated pursuant to Section 1.2 of this Agreement.

1.2 Termination

Either Party may terminate this Agreement upon the occurrence of one or more of the following events:

- (i) An order from the CPUC or other Regulatory Authority with jurisdiction over either of the Parties requires that this Agreement be terminated or that the CMG Project cease operations;
- (ii) If the terminating Party is not a Defaulting Party, and the other Party is a Defaulting Party, pursuant to Section 7 of this Agreement;
- (iii) If, prior to execution of the MOA but following the Microgrid Islanding Study and the Interconnection Study, either Party chooses to not continue with the CMG Project; or
- (iv) Termination of the MOA.

In addition, the Parties may mutually agree in writing to terminate this Agreement.

2. INCENTIVE AWARD

2.1 Incentive Award

The maximum total Incentive Award payable by SCE to Awardee for development of the CMG Project under this Agreement shall be \$ _____, as identified in the approved Application Incentive Request (AIR) attached as Appendix II to this Agreement. Awardee agrees that Eligible Project Costs (as set forth in Section 2.2) that exceed the maximum Incentive Award shall be Awardee’s responsibility.

The maximum total Incentive Award shall be reduced by an amount equal to any MIP Application Development Grant paid to Awardee by SCE.

2.2 Eligible Project Costs

Awardee agrees that the Incentive Award must be applied exclusively to the costs as set forth in Appendix V attached to this Agreement (the “Eligible Project Costs”) and in

accordance with (i) Applicable Law, (ii) the CPUC MIP Order, and (iii) the CMG Milestones.

2.3 Incentive Milestones

Subject to this Section 2.3, SCE shall disburse to the Awardee the Incentive Award based on achievement of, at the option of the Awardee, either (a) CMG Critical Milestones on the schedule and in the amounts as set forth in Appendix III-A of the MOA, which shall be incorporated by reference into this Agreement upon execution of the MOA, or (b) CMG Progress Milestones on the schedule and in the amounts as set forth in Appendix IX (the CMG Critical Milestones and the CMG Progress Milestones, together, the “CMG Milestones”). Awardee shall select whether all future disbursements for an Incentive Award shall be based on one of either CMG Critical Milestones or CMG Progress Milestones prior to receiving any disbursement of any portion of an Incentive Award.

- A. Prior to receiving any portion of the Incentive Award, Awardee shall have executed and delivered to SCE the MOA.
- B. Each disbursement shall be contingent upon the Awardee first satisfying the requirements for the applicable CMG Milestone.
- C. Upon SCE’s confirmation that Awardee has satisfied the requirements for an applicable CMG Milestone, Awardee shall deliver to SCE a request for payment in the applicable form attached as Appendix III-A (for CMG Critical Milestones) or III-B (for CMG Progress Milestones) hereto (the “Incentive Payment Request Form”) identifying Eligible Project Costs incurred in connection with the achievement of the applicable CMG Milestone with supporting documentation in form and substance reasonably satisfactory to SCE. If, at SCE’s sole discretion, the Incentive Payment Request Form is insufficient to verify Eligible Project Costs incurred, SCE will provide Notice to Awardee describing such insufficiencies, and Awardee will have thirty (30) days from receipt of such Notice to remedy such insufficiencies to SCE’s reasonable satisfaction. The later of (a) the date that SCE receives supporting documentation reasonably satisfactory to SCE or (b) the date that any insufficiencies in supporting documentation have been remedied to SCE’s reasonable satisfaction pursuant to this Section 2.3(C) shall be the “Milestone Date.”
- D. Incentive Payments shall be made to the Awardee bank account identified in the MIP application of Awardee and shall be made within 45 days of the applicable Milestone Date.

3. ALLOWANCES

3.1 Microgrid Added Facilities Allowance; Interconnection Allowance

SCE shall provide a Microgrid Added Facilities Allowance and an Interconnection Allowance, which may be used as a credit for certain study costs and Eligible Project Costs as set forth in this Section 3.

The Microgrid Added Facilities Allowance and the Interconnection Allowance will not be determined until after all the associated Microgrid Islanding Study and Interconnection Study(ies) have been completed. After the applicable studies are complete, SCE will identify the required utility-owned CMG Added Facilities and Interconnection Facilities that will be constructed as part of the CMG Added Facilities

Agreement and the Interconnection Agreement, respectively, and establish the final values for the Microgrid Added Facilities Allowance and the Interconnection Allowance. The Microgrid Added Facilities Allowance shall not exceed \$3 million, and the Interconnection Allowance shall not exceed \$1 million. Costs incurred by SCE to accommodate unanticipated changes to the CMG Project after the CMG Commercial Operation Date shall be the responsibility of Awardee.

The Microgrid Added Facilities Allowance may be used by Awardee as a credit for SCE's costs to perform a Microgrid Islanding Study. The Interconnection Allowance may be used by Awardee as a credit for SCE's costs to perform any of the Interconnection Studies associated with In-Front-of-the Meter CMG Resources owned by the Awardee.

3.2 Study Costs

Awardee shall submit a request to SCE for a Microgrid Islanding Study and an Interconnection Study no later than ten (10) days following the Effective Date. Upon SCE's receipt of such requests, the Parties agree to enter into the applicable study agreements in order to conduct the Microgrid Islanding Study and the necessary Interconnection Study(ies) (each, a "Study Agreement" and together, the "Study Agreements"). The costs to conduct the Microgrid Islanding Study and the Interconnection Study(ies) shall be set forth in each Study Agreement.

After completion of the applicable study(ies) and upon request by the Awardee, SCE shall credit against the Microgrid Added Facilities Allowance or Interconnection Allowance, as applicable, the actual costs of the study(ies). To the extent an Interconnection Study requires a deposit from Awardee in order to begin, SCE may in its sole discretion advance such deposit for Awardee from the Interconnection Allowance; provided, however, that any deposit amount that is more than the actual costs of such study shall be returned to the Interconnection Allowance.

3.3 Microgrid Added Facilities Allowance Prerequisites

Following completion of the Microgrid Islanding Study, provided that this Agreement is not terminated pursuant to Section 1.2, Awardee shall execute and deliver to SCE the MOA (if not previously executed and delivered to SCE under Section 3.3) and the CMG Added Facilities Agreement. Awardee is obligated to pay SCE pursuant to the CMG Added Facilities Agreement, of which certain payments may be Eligible Project Costs for which Awardee is entitled to a credit under the Microgrid Added Facilities Allowance.

In lieu of any payment required under the CMG Added Facilities Agreement, Awardee may deliver to SCE an Incentive Payment Request Form in order to seek a credit for such costs under the CMG Added Facilities Agreement, with any supporting documents and information as requested by SCE. Upon approval by SCE of the Incentive Payment Request Form, the applicable costs under the CMG Added Facilities Agreement shall

be credited against the Microgrid Added Facilities Allowance. All credits awarded from the Microgrid Added Facilities Allowance shall be based on the actual costs incurred by SCE under the CMG Added Facilities Agreement, and not estimates. Awardee shall be required to pay for any costs under the CMG Added Facilities Agreement in the event any costs exceed the Microgrid Added Facilities Allowance.

3.4 Interconnection Allowance Prerequisites

Following completion of the Interconnection Study, provided this Agreement is not terminated pursuant to Section 1.2, Awardee shall execute and deliver to SCE the MOA and the Interconnection Agreement. Awardee is obligated to pay SCE pursuant to the Interconnection Agreement, of which certain payments may be Eligible Project Costs for which Awardee is entitled to a credit under the Interconnection Allowance.

In lieu of any payment required under the Interconnection Agreement, Awardee may deliver to SCE an Incentive Payment Request Form in order to seek a credit for such costs under the Interconnection Agreement, with any supporting documents and information as requested by SCE. Upon approval by SCE of the Incentive Payment Request Form, the applicable costs under the Interconnection Agreement shall be credited against the Interconnection Allowance. All credits awarded from the Interconnection Allowance shall be based on the actual costs incurred by SCE under the Interconnection Agreement, and not estimates. Awardee shall be required to pay for any costs under the Interconnection Agreement in the event any costs exceed the Interconnection Allowance. To the extent an Interconnection Agreement requires a deposit from Awardee, SCE may in its sole discretion advance such deposit for Awardee from the Interconnection Allowance; provided, however, that any deposit amount that is more than the actual costs under the Interconnection Agreement shall be returned to the Interconnection Allowance.

3.5 Allowance Incentive Payment Requests

Any Incentive Payment Request Form submitted to SCE pursuant to this Section 3 shall identify the Eligible Project Costs in form and substance and with appropriate additional documentation reasonably satisfactory to SCE. If the Incentive Payment Request Form is insufficient to confirm that the Microgrid Added Facilities Allowance or the Interconnection Allowance, as applicable, may be used to reimburse Awardee pursuant to this Section 3, SCE will provide Notice to Awardee describing such insufficiencies, and Awardee will have thirty (30) days from receipt of such Notice to remedy such insufficiencies to SCE's reasonable satisfaction.

At the time the Interconnection Agreement is negotiated for the CMG Project, Awardee shall ensure that the up-front "One-time payment" option for the cost of ownership is selected to be eligible for the Microgrid Added Facilities Allowance; if this option is not selected, Awardee will not be eligible for the Microgrid Added Facilities Allowance.

4. ELIGIBILITY REQUIREMENTS

4.1 MIP Project Eligibility Requirements

Awardee shall ensure that the CMG Project is designed and constructed, and shall obtain all approvals and Permits, to satisfy the following requirements (collectively, the “Technical Eligibility Requirements”) in addition to the Operating Procedures and Protocols and Description of Operations as agreed to by the Parties pursuant to the MOA:

- A. The CMG Resources shall be sized and operated to serve a minimum of 24 consecutive hours of energy in Island Mode as determined by a typical load profile within the Microgrid Boundary as identified in the Microgrid Islanding Study.
- B. The CMG Resources must comply with the emissions standards adopted by the California Air Resources Board, pursuant to the distributed generation certification program requirements of Section 94203 of Title 17 of the California Code of Regulations, or any successor regulation.
- C. The CMG Project, when operating in Island Mode, shall not produce aggregate emissions from CMG Resources and non-CMG Resources greater than the equivalent emissions from grid power.

4.2 Awardee Performance Bonding Requirement

For any agreement between the Awardee and a Subcontractor related to the development of the CMG Project, the Awardee shall require such Subcontractor to obtain a performance bond for [100 percent of the dollar amount of each contract in excess of \$100,000]¹. A “performance bond” means a bond executed in connection with an agreement with the Awardee to secure the Subcontractor’s full performance of its obligations under such contract.

5. PROJECT REPORTING AND AUDITING

During the Term, the Awardee shall furnish to SCE a progress report using the form as provided in Appendix VI (the “MIP Project Report”) with supporting documentation in form and substance reasonably satisfactory to SCE. The MIP Project Reports shall indicate whether Awardee is on target to meet CMG Critical Milestones, including if Awardee anticipates that it will be unable to meet a CMG Critical Milestone for any reason. Awardee shall promptly provide such other information as may be required by SCE and/or the CPUC.

5.1 Project Reporting Frequency

¹ Note to Draft: SCE to determine suitable general threshold for the monetary value of the agreements which require contractor performance bonding.

- A. Within fifteen (15) days after the close of each calendar quarter from the first quarter following the Effective Date, until the month in which the MOA has been executed, Awardee shall provide to SCE a quarterly MIP Project Report and agree

to regularly scheduled meetings between representatives of SCE and Awardee to review such quarterly reports and discuss Awardee's development progress.

- B. Within fifteen (15) days after the close of each calendar month following the execution of the MOA until the CMG Commercial Operation Date, Awardee shall provide to SCE a monthly MIP Project Report and agree to regularly scheduled meetings between representatives of SCE and Awardee to review such monthly reports and discuss Awardee's development progress.

5.2 CPUC Regulatory Reporting

The Awardee shall assist SCE in complying with all CPUC regulatory reporting requirements (without limitation thereto) by providing SCE with all required data in a format suitable for submittal to the CPUC as may be reasonably requested by SCE from time to time. The regulatory reports shall contain all information and be in a format as may be required and/or modified by the CPUC from time to time. In addition, upon request by SCE, Awardee shall promptly provide SCE with information reasonably necessary for SCE to report progress towards achieving the CMG Critical Milestones to the CPUC or to respond to a data request by the CPUC or any Regulatory Authority.

5.3 Audit

SCE has the right, at its sole expense and during normal working hours, after reasonable Notice, to examine the records of the Awardee to the extent reasonably necessary to verify the accuracy of any invoice, MIP Project Report, or computation made pursuant to this Agreement. If any such examination reveals any inaccuracy in any invoice, the necessary adjustments in such invoice and in the associated Incentive Payment or future Incentive Payment, including return of any incentive overpayments, shall be made as determined by SCE.

5.4 Final Progress Report

The Awardee shall deliver a final MIP Project Report to SCE at the conclusion of the CMG Project as directed by SCE no later than 6 (six) months after the CMG Commercial Operation Date. The final MIP Project Report shall, at a minimum, provide a discussion addressing each of the following topics:

- A. CMG Project overview (including total project cost, duration, and any variances);
- B. Summary of CMG Project accomplishments;
- C. Description of challenges or other issues;
- D. MIP improvement recommendations; and
- E. Other items requested by SCE.

6. LIABILITY, INDEMNITY, CONSEQUENTIAL DAMAGES AND INSURANCE

6.1 Consequential Damages

With the exception of damages (1) arising from, or in connection with, the unlawful or willful misconduct or gross negligence of a Party, (2) that are the subject of Awardee's indemnification pursuant to Section 6.2 of this Agreement, or (3) arising from, or in connection, with either's Party's breach of its obligations under the Confidentiality Agreement, neither Party, its officers, directors, employees, agents, representatives, successors, and assigns, shall be liable to the other Party for any special, incidental or consequential damages whatsoever, whether in contract (including insurance), or tort (including negligence or strict liability), including loss of use of or under-utilization of labor or facilities, loss of revenue or anticipated profits, arising out of, in connection with, or relating to this Agreement.

Awardee acknowledges and agrees that Awardee is (i) aware of the risks of entering into this Agreement, and (ii) not relying on SCE for any expectations of incentive awards, allowances, reimbursements or other payments, other than as set forth in this Agreement or the MOA.

6.2 Indemnity

- A. Indemnity by Awardee. To the extent permitted by Applicable Law, Awardee shall indemnify, defend and hold harmless each SCE Indemnitee from and against any and all losses, liabilities, damages and claims, and all related costs and expenses (including any costs or expenses related to increased regulatory or administrative oversight), fines, penalties, or interest, including reasonable legal fees and costs, directly or indirectly arising out of, in connection with, resulting from or relating to, in whole or in part, any third-party claim arising from or relating to:
- (i) Any breach by Awardee of any of its representations and warranties or covenants made under this Agreement;
 - (ii) Awardee's discharge of its obligations to SCE under this Agreement;
 - (iii) Awardee's violation of any Applicable Law; or
 - (iv) Bodily injury (including without limitation death, disease, illness, sickness or exposure to any toxic or harmful chemical, material, biological agent, fungus, mold, germ, bacteria or virus), personal injury or property damage actually or allegedly resulting in whole or in part from the acts or omissions of Awardee.
- B. Indemnification Claims. Awardee shall be entitled to have sole control over the defense and settlement of any claim or portion of a claim for which Awardee is indemnifying any SCE Indemnitee(s), except any action by an SCE Indemnitee against any of Awardee's or any Subcontractor's insurer(s) as provided in Section 6.3 of this Agreement; provided that: (A) the SCE Indemnitee(s) shall be entitled to participate in the defense of the claim and to employ counsel at their own expense to assist in the handling of the claim; and (B) Awardee will not settle any claim in a manner which would involve an admission of guilt or wrong-doing, or would impose liability or any obligation on SCE, without SCE's prior written consent.

6.3 Insurance

A. Required Insurance.

At all times during the Term and for such additional periods as may be specified below, Awardee shall, at its own expense, provide and maintain in effect those insurance policies as specified below, with limits of liability that meet or exceed the limits specified below and such additional coverage as may be required by Applicable Law, with insurance companies authorized to do business in the state of California, with an A.M. Best's Insurance Rating of not less than A-:VII. Awardee shall require each Subcontractor, at its own expense, to provide and maintain those coverages consistent with good practices for firms in each Subcontractor's industry for the portion of Awardee's obligations hereunder being performed by each Subcontractor. In the event of the reduction or exhaustion of any of the limits of liability for any insurance for Awardee or any Subcontractor that is subject to this Agreement, Awardee shall acquire or shall cause Subcontractor to acquire insurance to replace such reduced or exhausted limits.

In no way do these insurance requirements limit or relieve Awardee of the obligations assumed elsewhere in this Agreement, including but not limited to Awardee's defense and indemnity obligations. Awardee and each Subcontractor shall be responsible for all deductibles and retentions under Awardee-required and Subcontractor-required insurance as against SCE, with no recourse against SCE.

- (i) Workers' Compensation Insurance with statutory limits, as required by the state having jurisdiction over Awardee's employees, and Employer's Liability Insurance with limits equal to or exceeding:
 - (1) Bodily Injury by accident - \$1,000,000 each accident
 - (2) Bodily Injury by disease - \$1,000,000 policy limit
 - (3) Bodily Injury by disease - \$1,000,000 each employee
- (ii) Commercial General Liability Insurance, written on an "occurrence," not claims-made, basis, covering all operations by or on behalf of Awardee arising out of or connected with this Agreement, including coverage for bodily injury, property damage, personal and advertising injury, products/completed operations, and contractual liability. Such insurance shall bear a per occurrence limit equal to or exceeding \$2,000,000 and an annual aggregate limit equal to or exceeding \$4,000,000, exclusive of defense costs, for all coverages. Such insurance shall contain standard cross-liability and severability of interest provisions.
- (iii) Commercial Automobile Liability Insurance covering bodily injury and property damage with a combined single limit equal to or exceeding \$1,000,000 each accident. Such insurance shall cover liability arising out of

the use of Awardee's owned, non-owned and hired automobiles in the performance of Awardee's obligations hereunder.

- (iv) Umbrella/Excess Liability Insurance, written on a following form occurrence (not claims-made) basis, providing coverage excess of the underlying Employer's Liability, Commercial General Liability, and Commercial Automobile Liability insurance, on terms at least as broad as the underlying coverage, with limits equal to or exceeding \$3,000,000 per occurrence.
- (v) If Awardee is to perform any customized software programming or hardware design services or to provide professional services, advice or opinions (including, but not limited to, accounting, legal, advertising/marketing, architectural, engineering, design, project management or similar professional services), Professional Liability (Errors and Omissions) Insurance covering negligent acts, errors and omissions and wrongful acts in the performance of its obligations hereunder. Such insurance shall have limits equal to or exceeding \$5,000,000 per claim and in the annual aggregate. This insurance shall have a retroactive date that equals or precedes the Effective Date of this Agreement. Awardee shall maintain such coverage for a minimum period of three years after termination of this Agreement, or such coverage shall include a supplemental extended reporting period of not less than three years after termination of this Agreement.
- (vi) Awardee shall have Cyber Insurance covering (a) liability arising from theft, dissemination and/or use of Confidential Information stored or transmitted in electronic form and (b) liability arising from the introduction of a computer virus into, or otherwise causing damage to, a customer's or third-person's computer, computer system, network or similar computer related property and the data, software and programs stored thereon. Such insurance will be maintained with limits equal to or exceeding \$2,000,000 per claim and in the annual aggregate, and may be maintained on a stand-alone basis, or as part of the required Errors and Omissions coverage. This insurance shall have a retroactive date that equals or precedes the Effective Date of this Agreement. Awardee shall maintain such coverage until the later of: (1) a minimum period of three years following termination of this Agreement, or (2) until Awardee has returned or destroyed all SCE Data in its possession, custody or control, including any copies maintained for archival or record-keeping processes.

B. Primary Insurance/Waiver of Subrogation/Additional Insured.

The insurance required above and all insurance that is required to name SCE, its subsidiaries and Affiliates and their respective officers, directors, shareholders, agents and employees as additional insureds, including without limitation

primary, excess and umbrella policies, shall apply as primary insurance to, and without a right of contribution from, any other insurance or self-insurance maintained by or afforded to SCE, its subsidiaries and Affiliates, and their respective officers, directors, shareholders, agents, and employees (“SCE’s Insurance”), regardless of any conflicting provision in Awardee’s and any Subcontractor’s policies to the contrary. Any provision in any insurance policy that is subject to these provisions that has an “other insurance” provision that purports to state that such insurance shall apply excess to, in combination with or on a pro-rata basis with any of SCE’s Insurance must be overridden and/or nullified with respect to of SCE’s Insurance by a written endorsement or rider. To the extent permitted by Applicable Law, and except with respect to any applicable Professional Liability (Errors and Omissions) insurance, Awardee and its insurers shall be required to waive all rights of recovery from or subrogation against SCE, its subsidiaries and Affiliates, and their respective officers, directors, shareholders, agents, employees and insurers. All Commercial General Liability, Commercial Automobile Liability, Umbrella/Excess Liability and Cyber Insurance that is maintained by or behalf of Awardee shall name SCE, its subsidiaries and Affiliates, and their respective officers, directors, shareholders, agents and employees as additional insureds with coverage up to the full limits of liability provided for Awardee for liability directly or indirectly arising out of or in any way involving, in whole or in part, the acts or omissions of Awardee, its employees, agents for any Subcontractor or Awardee’s obligations hereunder, for both ongoing operations and completed operations. Awardee shall require each Subcontractor to have all Commercial General Liability, Cyber, and Umbrella/Excess Liability insurance that is maintained by or on behalf of the Subcontractor to name SCE, its subsidiaries and Affiliates, and their respective officers, directors, shareholders, agents and employees as additional insureds with coverage up to the full limits of liability provided for the Subcontractor for liability directly or indirectly arising out of or in any way involving, in whole or in part, the acts or omissions of the Subcontractor, its employees, agents or any of its Subcontractors or Subcontractor’s obligations hereunder, for both ongoing operations and completed operations. The full limits of liability for all insurance policies of the types specified in Section 6.3(A) purchased by or on behalf of Awardee or any Subcontractor, including without limitation any excess policies, with limits of liability in excess of the amounts specified in Section 6.3(A), will be considered required insurance for purposes of any insurance policy provision seeking to limit coverage for SCE, its subsidiaries and Affiliates, and their respective officers, directors, shareholders, agents, and employees as additional insureds.

C. Insurance Certificates and Policies and Notice Requirements.

At the time this Agreement is executed, or as soon as possible and not to exceed thirty (30) Calendar Days thereafter, and as soon as possible and not to exceed thirty (30) Calendar Days after coverage is renewed or replaced, Awardee shall furnish and cause any Subcontractor to furnish to SCE certificates of insurance

evidencing the coverage required or referenced above, written on forms and with deductibles reasonably acceptable to SCE. The insurance broker or agent issuing any certificate of insurance shall: (i) confirm that the insurance referenced meets the requirements of this Agreement; and (ii) acknowledge that SCE relies on all statements made and information provided in the certificate of insurance. All deductibles, co-insurance and self-insured retentions applicable to the insurance above shall be paid by Awardee or each respective Subcontractor. Awardee shall furnish and cause any Subcontractor to furnish full copies of all insurance policies that fulfill the requirements of or are subject to Section 6.3(A) and Section 6.3(B) above within thirty (30) Calendar Days of the execution of this Agreement or within thirty (30) Calendar Days of the Awardee 's or Subcontractor's receipt of such insurance policies. Awardee shall provide and require each Subcontractor to provide SCE with at least thirty (30) days' prior written notice in the event of the cancellation of or any material change to any insurance (including without limitation any exhaustion or reduction of limits) that is subject to this Agreement. SCE's receipt of certificates or insurance policies that do not comply with the requirements of this Section 9.3, or Awardee's or any Subcontractor's failure to provide certificates or insurance policies as required, shall not limit or relieve Awardee of the duties and responsibility of maintaining insurance and requiring each Subcontractor to maintain insurance in compliance with the requirements in this Section 6.3 and shall not constitute a waiver of any of the requirements in this Section 6.3. SCE's receipt of certificates of insurance, copies of insurance policies, and any other insurance-related documentation from Awardee or any Subcontractor shall not be deemed an agreement or acknowledgement by SCE that Awardee or any Subcontractor has fulfilled its obligations under this Section 6.3, nor shall it relieve Awardee or any Subcontractor of such obligations, which obligations shall remain in full force.

D. Non-Compliance Remedies.

If Awardee fails to comply with any of the provisions of this Section 6.3, Awardee, among other things and without restricting SCE's remedies under the law or otherwise, shall, at its own cost and expense, provide SCE with the same protections and benefits that an insurer would have, had the insurance been maintained in accordance with the provisions in this Section 6.3. Awardee shall provide a current, full and complete defense to SCE, its subsidiaries and Affiliates, and their respective officers, directors, shareholders, agents, employees, assigns, and successors in interest, in response to a third-party claim in the same manner that an insurer would have, had the insurance been maintained in accordance with the provisions in this Section 6.3. Without limitation on any of its other rights or remedies, SCE shall have the right to withhold payment otherwise due Awardee if Awardee or its Subcontractors are not in compliance with their insurance obligations.

7. EVENTS OF DEFAULT AND TERMINATION

7.1 Events of Default

- A. The Awardee will be deemed a “Defaulting Party” upon the occurrence of any of the following:
- (a) Any statement or representation contained in this Agreement, in the Application Incentive Request, or in any other document submitted to SCE under this Agreement is found by SCE to be false or misleading.
 - (b) The Awardee fails to satisfy the requirements for an CMG Critical Milestone as set forth in Section 2.3(C) of this Agreement.
 - (c) Withdrawal of the request for a Microgrid Islanding Study or an Interconnection Study for the CMG Project.
 - (d) An “Event of Default” occurs under Section 5.1 of the MOA, or termination of the MOA, or termination of, or material breach by Awardee of, any other agreement required for the development and operation of the CMG Project, including, but not limited to the CMG Added Facilities Agreement or Interconnection Agreement.
 - (e) Failure of the CMG Project to satisfy all of the Technical Eligibility Requirements as set forth in Section 4.1 of this Agreement.
- B. Either Party will be deemed a “Defaulting Party” if a Party fails to perform any of its material obligations or covenants under this Agreement not otherwise addressed in this Section 7.1 when and as required (the occurrence of any matter in clause (A) or (B), each, an “Event of Default”).

7.2 Default Notice & Remedy

- A. Upon the occurrence of an Event of Default, the non-defaulting Party shall give written Notice of such default to the Defaulting Party. For Events of Default the Defaulting Party shall otherwise have sixty (60) Calendar Days from receipt of the Default Notice within which to cure such Event of Default; provided however, if such Event of Default is not capable of cure within sixty (60) Calendar Days, the Defaulting Party shall commence such cure within twenty (20) Calendar Days after Notice and continuously and diligently complete such cure within six (6) months from receipt of the Event of Default Notice; and, if cured within such time, the Default specified in such Notice shall cease to exist.
- B. If an Event of Default is not cured as provided in this Section 7.2 and is ongoing, the non-Defaulting Party shall have the right to terminate this Agreement by written notice at any time and be relieved of any further obligation hereunder. and, whether or not that Party terminates this Agreement, to recover from the Defaulting Party all amounts due hereunder, plus all other damages and remedies

to which it is entitled under this Agreement at law or in equity. The provisions of this Section 7.2.(B) will survive termination of this Agreement.

- C. In the event of early termination of this Agreement prior to completion of the CMG Project, any amounts associated with Incentive Award funds that are recovered by the Awardee in connection with the exercise of Awardee's rights under contracts with its contractors, less any costs or expenses incurred by Awardee in connection with such recovery, shall be returned by Awardee to SCE.

7.3 Waiver

- A. Any waiver at any time by either Party of its rights with respect to this Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, duty of this Agreement. Any waiver of this Agreement shall, if requested, be provided in writing.
- B. The rights and remedies of a Party under this Agreement are cumulative and in addition to the rights of the Parties otherwise provided in this Agreement.

8. GOVERNMENTAL CHARGES

8.1 Cooperation

Each Party shall use reasonable efforts to implement the provisions of and to administer this Agreement in accordance with the intent of the Parties to minimize all taxes, so long as neither Party is materially adversely affected by such efforts.

8.2 Governmental Charges

Awardee shall pay or cause to be paid all taxes or fees imposed by any Governmental Authority on or with respect to the CMG Project, by reason of the execution, delivery, performance or enforcement of this Agreement. Nothing shall obligate or cause a Party to pay or be liable to pay any such taxes or fees for which it is exempt under Applicable Law.

9. COVENANTS

9.1 General Covenants

Each Party covenants throughout the Term of this Agreement as follows:

- A. It shall continue to be duly organized, validly existing and in good standing under the Applicable Laws of the jurisdiction of its formation and qualified to conduct business in the State of California and in all jurisdictions where ownership of its properties or its operations require such qualifications, except where the failure to do so would not have a material adverse effect on its financial condition, its ability

to own its properties or transact its business, or to carry out the transactions contemplated hereby.

- B. It shall maintain (or obtain from time to time as required, including through renewal, as applicable) all approvals from Governmental Authorities necessary for it to legally perform its obligations under this Agreement.
- C. It shall perform its obligations under this Agreement in a manner that does not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any Applicable Law.
- D. It shall follow all rules, orders and tariffs approved or established by the CPUC and the CAISO with respect to the CMG Project development and operation.

9.2 Covenants of Awardee

Awardee covenants to and for the benefit of SCE throughout the Term:

- A. It shall apply the Incentive Award funds solely towards Eligible Project Costs, in accordance with the requirements of the applicable CMG Milestones, and
- B. It shall comply with all Applicable Laws, Applicable Rules and Standards, and to the SCE requirements applicable to the CMG Project.

10. ASSIGNMENT

10.1 General Assignment

Neither Party will assign this Agreement or its rights hereunder without the prior written consent of the other Party. Any assignment of this Agreement by Awardee either by operation of law, order of any court, or pursuant to any plan of merger, consolidation or liquidation, shall be deemed an assignment by Awardee for which prior consent is required, and any assignment made without any such consent shall be void and of no effect as between the Parties.

10.2 Assignment in Connection with a Change in Control

Any direct change of control of Awardee or Awardee's shareholders, members or owners (whether voluntary or by operation of law) is deemed an assignment and shall require the prior written consent of SCE.

10.3 Unauthorized Assignment

Any attempted assignment that violates this Section 10 is void and ineffective. Assignment shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. An assignee is responsible for meeting

the same financial, credit, and insurance obligations as Awardee. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

11. DISPUTE RESOLUTION

11.1 Dispute Resolution

Any unresolved disputes shall be referred to an officer of SCE or a designee, and an officer of Awardee for resolution. Pending resolution of the dispute or any arbitration or litigation proceeding, Awardee shall continue to perform its obligations under this Agreement as directed by SCE, and shall not in any way limit or curtail SCE's access to SCE Data. Notwithstanding the foregoing, either Party shall have the right to bring immediate suit in a court of competent jurisdiction against the other Party for a breach by such Party of the Confidentiality Agreement.

12. GENERAL PROVISIONS

12.1 General

This Agreement shall be considered for all purposes as prepared through the joint efforts of the Parties and shall not be construed against one Party or the other as a result of the preparation, substitution, submission or other event of negotiation, drafting or execution hereof.

12.2 Severability

If any provision in this Agreement is determined to be invalid, void or unenforceable by any court having jurisdiction, such determination shall not invalidate, void, or make unenforceable any other provision, agreement or covenant of this Agreement and the Parties shall use their best efforts to modify this Agreement to give effect to the original intention of the Parties.

12.3 Counterparts

This Agreement may be executed in one or more counterparts each of which shall be deemed an original and all of which shall be deemed one and the same Agreement. Delivery of an executed counterpart of this Agreement by e-mail will be deemed as effective as delivery of an originally executed counterpart. Any Party delivering an executed counterpart of this Agreement by e-mail will also deliver an originally executed counterpart, but the failure of any Party to deliver an originally executed counterpart of this Agreement will not affect the validity or effectiveness of this Agreement.

12.4 Interpretation

The following rules of interpretation apply:

- A. The term “including” means “including without limitation”; the terms “year” and “calendar year” mean the period of months from January 1 through and including December 31; the term “month” means a calendar month unless otherwise indicated, and a “day” means a 24-hour period beginning at 12:00:01 a.m. and ending at 12:00:00 midnight; provided that a “day” may be 23 or 25 hours on those days on which daylight-saving time begins or ends, respectively.
- B. Unless otherwise specified herein, all references herein to any agreement or other document of any description shall be construed to give effect to amendments, supplements, modifications or any superseding agreement or document as then exist at the applicable time to which such construction applies unless otherwise specified.
- C. Unless otherwise specified herein, all references herein to any order, tariff, agreement, or other document of any description shall be construed to give effect to amendments, supplements, modifications or any superseding order, tariff, agreement or document as then exist at the applicable time to which such construction applies unless otherwise specified.
- D. In the event of any conflict between the terms and conditions of this Agreement and any of the following agreements, the terms and conditions of the following agreements will control: the MOA, any Interconnection Agreements under SCE’s Electric Rule 21 or SCE’s Wholesale Distribution Tariff, SCE’s Electric Rule 2, and any CMG Added Facilities Agreements.
- E. Capitalized terms used in this Agreement, including the appendices hereto, have the meaning set forth in Appendix I, unless otherwise specified.
- F. References in the singular include references in the plural and vice versa, pronouns having masculine or feminine gender will be deemed to include the other, and words denoting natural persons include partnerships, firms, companies, corporations, limited liability companies, joint ventures, trusts, associations, organizations or other entities (whether or not having a separate legal personality). Other grammatical forms of defined words or phrases have corresponding meanings.
- G. Words not otherwise defined herein that have well known and generally accepted technical or trade meanings are used herein in accordance with such recognized meanings. Words referring to market rules, activities and practice have the meaning generally ascribed to such words in California.
- H. References to a particular section, subsection, paragraph, subparagraph, appendix, or attachment will, unless specified otherwise, be a reference to that section, subsection, paragraph, subparagraph, appendix, or attachment in or to this Agreement.

- I. Any reference in this Agreement to any natural person, Governmental Authority, corporation, limited liability company, partnership or other legal entity includes its permitted successors and assigns or to any natural person, Governmental Authority, corporation, limited liability company, partnership or other legal entity succeeding to its functions.
- J. All references to dollars or “\$” are to U.S. dollars.
- K. When an action is required to be completed on a Business Day, such action must be completed prior to 5:00 p.m. on such day, Pacific prevailing time, and actions occurring after 5:00 p.m. (such as the delivery of a Notice) will be deemed to have occurred on the following Business Day.

12.5 Recordings

No conversation between the Parties may be recorded by a Party without the express consent of the other Party.

12.6 Authorized Representatives

Each Party shall provide Notice to the other Party of the persons authorized to make or receive other Notices on behalf of such Party or to represent a Party (“Authorized Representative”) and in connection with such Notices and specify the scope of their individual authority and responsibilities. Either Party may change its designation of such persons and the scope of their individual authorities and responsibilities from time to time in its sole discretion by providing Notice.

12.7 No Third-Party Beneficiary

Nothing expressed or implied in this Agreement is intended, or shall be construed, to confer upon or give any person or entity any rights or remedies under, or by reason of, this Agreement, except as specifically provided for under this Agreement.

12.8 Governing Law

This Agreement, and all claims arising out of or relating to this Agreement, shall be governed by, and construed in accordance with, the laws of the State of California, without reference to its conflicts of laws provisions.

12.9 Taxes

The Parties agree to follow all applicable tax laws and regulations.

12.10 Amendment and Waiver

This Agreement may not be amended or modified unless the amendment or modification is in writing and signed by both Parties. None of the provisions of this Agreement shall be considered waived by either Party unless the waiver is in writing and manually signed by the waiving Party. The waiver of a provision by one Party will not be construed to mean a waiver of that provision by the Party for any subsequent action, or a waiver of any other provision.

12.11 Regulatory Oversight

The Agreement shall be subject to changes or modifications by the CPUC, as the CPUC may, from time to time, direct in the exercise of its jurisdiction.

12.12 Limited Waiver of Sovereign Immunity

Awardee agrees to provide a limited waiver of sovereign immunity as set forth in Appendix VII. In the event of a conflict between Appendix VII and any other waivers set forth in this Agreement, Appendix VII shall control.

12.13 Venue

The Parties agree that any litigation related to this Agreement shall be brought and enforced in, and will be under the exclusive jurisdiction of, the courts of the State of California in Los Angeles County or the federal courts of the United States for the Central District of California. The Parties irrevocably waive any objection they have now, or may subsequently have, to the bringing of any action or proceeding in these respective jurisdictions, including any objection to the laying of venue based on the grounds of principles of conflict of Laws and any objection based on the grounds of lack of personal jurisdiction.

Notwithstanding the foregoing, the Parties agree and acknowledge that this Agreement is subject to the oversight jurisdiction of the CPUC.

12.14 Binding Nature

This Agreement shall be binding on the Parties and their respective successors and assigns.

12.15 Entire Agreement

This Agreement, together with the Confidentiality Agreement and the Appendices and any exhibits, addenda, and attachments incorporated into or attached to this Agreement, contains the complete understanding between the Parties and merges and supersedes all prior representations and discussions pertaining to this Agreement.

12.16 No Partnership

This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties, or to impose any partnership obligation or partnership liability upon either Party. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Party.

13. NOTICES

13.1 Notices

Whenever this Agreement requires or permits delivery of a Notice (or requires a Party to “Notify”), the Party with such right or obligation shall provide a written communication in the manner specified below. Notices may be sent by overnight mail or courier or e-mail.

A Notice sent by e-mail will be recognized and shall be deemed received on the Business Day on which such Notice was transmitted if received before 5 p.m. Pacific prevailing time (and if received after 5 p.m., on the next Business Day) and a Notice by overnight mail or courier shall be deemed to have been received two (2) Business Days after it was sent or such earlier time as is confirmed by the receiving Party. Notices shall be addressed as follows:.

SCE:

(Name)
(Title)
(Address)
(email)
(phone)

Awardee:

(Name)
(Title)
(Address)
(email)
(phone)

SIGNATURES

AGREEMENT EXECUTION

In WITNESS WHEREOF, each Party has caused this Agreement to be duly executed by its Authorized Representative as of the dates provided below:

_____,
a _____ company

“Awardee”

SOUTHERN CALIFORNIA EDISON
COMPANY
a California corporation

“SCE”

Signature: _____

Signature: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

APPENDIX I –DEFINITIONS

Affiliate. As defined in the MOA.

Applicable Law(s). As defined in the MOA.

Applicable Rules and Standards. As defined in the MOA.

Application Incentive Request or AIR. The amount of funding, excluding the MIP Application Development Grant, requested by the MIP applicant.

Authorized Representative. As defined in Section 12.6 of this Agreement.

Business Day. As defined in the MOA.

CAISO. As defined in the MOA.

Calendar Day. As defined in the MOA.

CMG Added Facilities. As defined in the MOA.

CMG Added Facilities Agreement. As defined in the MOA.

CMG Balance of System. As defined in the MOA.

CMG Commercial Operation Date. As defined in the MOA.

CMG Critical Milestones. As defined in the MOA.

CMG Milestones. As defined in Section 2.3 of this Agreement.

CMG Progress Milestones. Progress-based milestones tied to expenditures as set forth on Appendix IX of this Agreement in connection with which disbursements may be made to Awardee pursuant to Section 2.3 of this Agreement.

CMG Project. As defined in the recitals of this Agreement.

CMG Resources. As defined in the MOA.

CPUC. The California Public Utilities Commission.

CPUC MIP Order. The CPUC Decision 23-04-034 Adopting Implementation Rules For The Microgrid Incentive Program.

Confidentiality Agreement. The Confidentiality Agreement between SCE and Awardee executed between the Parties prior to the Effective Date.

Defaulting Party. As defined in Section 7.1(A) of this Agreement.

Distribution Service. As defined in the MOA

Distribution System. As defined in the MOA

Distribution Upgrades. As defined in the MOA

Eligible Project Cost. As defined in Section 2.2.

Event of Default. As defined in Section 7.1(B) of this Agreement.

Generating Facility. All generators, electrical wires, equipment, and other facilities, excluding Interconnection Facilities, owned or provided by the producer for the purpose of producing electric power, including storage.

Governmental Authorities. Any federal, State, local or municipal government, governmental department, commission, board, bureau, agency, or instrumentality, or any judicial, regulatory, or administrative body, having jurisdiction as to the matter in question.

Incentive Award. An Incentive Award is the amount of MIP incentive funding allocated to a MIP project by SCE at its sole discretion. The Incentive Award amount is based on a MIP applicant's AIR, subject to availability of MIP funds and MIP program requirements per the SCE's MIP Handbook dated October 2023.

Incentive Payment. Incentive Payment refers to the portion of the Incentive Award, allocated to a specific MIP project by SCE.

Incentive Payment Request Form. As defined in Section 2.3(C) of this Agreement.

In-Front-of-the Meter or IFOM. Generating resources that are directly connected to the Distribution System, and associated electrical infrastructure that is on the generating resource owner's side of the utility revenue meter. A Generating Facility may be connected IFOM.

Interconnection Agreement. As defined in the MOA.

Interconnection Allowance. An amount funded by SCE's ratepayers in addition to the Incentive Award, the MIP Application Development Grant, and the Microgrid Added Facilities Allowance, that covers all or a portion of the costs of Interconnection Studies, upgrades to Interconnection Facilities, and Distribution Upgrades identified per the applicable interconnection tariff for eligible CMG Resources.

Interconnection Facilities. The electrical wires, switches and related equipment that are required, in addition to the facilities required, to provide electric Distribution Service to a customer to allow interconnection of a Generating Facility. Interconnection Facilities may be located on either side of the Microgrid Islanding Point as appropriate for their purpose and design. Interconnection Facilities may be owned by either producer or SCE.

Interconnection Study. A study to establish the requirements for interconnection of a Generating Facility to SCE's Distribution System or transmission system, pursuant to WDAT or Electric Rule 21, as applicable.

Island Mode. As defined in the MOA.

Microgrid Boundary. An electrically contiguous area which can be separated from the larger Distribution System at the Microgrid Islanding Point that defines a microgrid as a single, controllable entity.

Microgrid Incentive Program or MIP. A program to enable community-proposed microgrids that provide enhanced resilience for vulnerable customer groups and/or critical facilities pursuant to California Public Utilities Commission Decision (D.) 21-01- 018 in Track 2.

Microgrid Islanding Point. As defined in the MOA.

Microgrid Islanding Study or MIS. As defined in the MOA.

Microgrid Operating Agreement or MOA. An agreement between the SCE and the Awardee that governs the CMG Project development and testing, and commercial operations to ensure safety and service quality in compliance with applicable SCE rules.

Microgrid Added Facilities. Modifications to the SCE's Distribution Systems required to operationalize the Microgrid Boundary and Island Mode such that the microgrid can maintain voltage, frequency, and power quality in accordance with the SCE's requirements and Electric Rule 2.

Microgrid Added Facilities Allowance. An amount funded by SCE's ratepayers in addition to the Incentive Award, the MIP Application Development Grant, and the Interconnection Allowance to cover all or a portion of the costs of the Microgrid Added Facilities costs and the MIS.

MIP Application Development Grant. A one-time limited, MIP-funded reimbursement, up to \$25,000 for the costs incurred in the development of an eligible MIP application, to Awardee determined by SCE and MIP eligibility requirements per SCE MIP Handbook dated October 2023.

MIP Project Report. As defined in Section 5 of this Agreement.

Notice. Unless otherwise specified in this Agreement, means a written communication which is delivered by overnight mail or courier service or electronic messaging (email), and in the manner required by Section 13, as applicable to a given communication.

Operating Procedures and Protocols and Description of Operations. As defined in the MOA.

Performance Assurance Addendum. As defined in Section 2.3(A) of this Agreement.

Permit. As defined in the MOA.

Regulatory Authority. A government agency or body that regulates businesses or other entities under its jurisdiction in the public interest.

SCE Data. As defined in the MOA.

SCE Indemnatee. As defined in the MOA.

SCE's Insurance. As defined in Section 6.3(B) of this Agreement.

State. The State of California.

Subcontractor. As defined in the MOA.

Technical Eligibility Requirements. As defined in Section 4.1 of this Agreement.

Term. As defined in Section 1.1 of this Agreement

APPENDIX II –APPLICATION INCENTIVE REQUEST (AIR)

A copy of Awardee’s Application Incentive Request with proposed project development plan, proposed schedule and estimated costs to be attached here prior to the execution of this Agreement

APPENDIX III-A – INCENTIVE PAYMENT REQUEST COVER SHEET (CMG Critical Milestones)

Pursuant to Section 2.3 of the Microgrid Incentive Program Participation Agreement, dated as of _____ (the “Agreement”), between the Awardee and the SCE, Awardee hereby submits an Incentive Payment request as follows:

Incentive Milestone Number (per Appendix II):

Incentive Payment Request: \$ _____

Total Incentive Requests to Date: \$ _____

MIP Incentive Award (per Section 2.1 of the Agreement): \$ _____

Incentive Award Amount Remaining: \$ _____

Awardee certifies that:

- A. To the best of its knowledge and belief, all payments requested are correct, accurate, and complete, that payment therefore has not been received and that all amounts requested are for the appropriate purposes and in accordance with this Agreement and the MOA.
- B. After giving effect to the disbursement requested pursuant to this Incentive Payment request, the total Incentive Payments disbursed will not exceed the maximum amount set forth in Section 2.1 of the Agreement.
- C. The representations and warranties made in the Agreement are true and correct in all material respects as if made on the date hereof.
- D. No Event of Default has occurred and is continuing under the Agreement or the Microgrid Operating Agreement.
- E. The undersigned is authorized to execute this Incentive Payment request on behalf of Awardee.

Signature of Authorized Requestor: _____

Name: _____

Title: _____

Date: _____

APPENDIX III-B – INCENTIVE PAYMENT REQUEST COVER SHEET (CMG Progress Milestones)

Pursuant to Section 2.3 of the Microgrid Incentive Program Participation Agreement, dated as of _____ (the “Agreement”), between the Awardee and the SCE, Awardee hereby submits an Incentive Payment request as follows:

CMG Progress Milestone Number (per Appendix IX):

Incentive Payment Request: \$ _____

Total Incentive Requests to Date: \$ _____

MIP Incentive Award (per Section 2.1 of the Agreement): \$ _____

Incentive Award Amount Remaining: \$ _____

Awardee certifies that:

- A. To the best of its knowledge and belief, all payments requested are correct, accurate, and complete, that payment therefore has not been received and that all amounts requested are for the appropriate purposes and in accordance with this Agreement and the MOA.
- B. After giving effect to the disbursement requested pursuant to this Incentive Payment request, the total Incentive Payments disbursed will not exceed the maximum amount set forth in Section 2.1 of the Agreement.
- C. The representations and warranties made in the Agreement are true and correct in all material respects as if made on the date hereof.
- D. No Event of Default has occurred and is continuing under the Agreement or the Microgrid Operating Agreement.
- E. The undersigned is authorized to execute this Incentive Payment request on behalf of Awardee.

Signature of Authorized Requestor: _____

Name: _____

Title: _____

Date: _____

APPENDIX IV – SCHEDULE 1 TO INCENTIVE PAYMENT REQUEST COVER SHEET

The following sample schedule shall be used to support the Incentive Payment request. This sample schedule should be used to itemize the Eligible Project Costs associated with the CMG Milestones associated with an Incentive Payment request. Awardee shall verify that costs are eligible for incentive payment and the status of the activity. If the activity and related cost element is not complete, the estimated cost to complete shall be provided.

Task*	Cost Element & Description**	Incentive Amount Requested	MIP Eligible Cost (Y/N)	Activity Complete (Y/N)	Estimated Cost to Complete** *	Comments
Total:						

* CMG Project Implementation Plan tasks identified in the Project Development Plan at Work Breakdown Structure (WBS) Level 2.

** Identify the specific cost element associated with a task for which an Incentive Payment is requested.

*** Only needs to be filled in if task is not fully completed at the CMG Critical Milestone

APPENDIX V – ELIGIBLE PROJECT COSTS

Eligible Project Costs include the following:

- The costs for purchasing IFOM CMG Resources and their grid-forming and grid-following inverters and generator resources. To be eligible, none of these resources can be part of an Interconnection Agreement with SCE executed before the close of the application window used for the MIP application.
- The costs for purchasing IFOM CMG Resource's controller, protection, and communications equipment.
- Permitting and licensing expenses incurred for IFOM CMG Resource(s) and CMG Balance of System prior to the CMG Commercial Operation Date.
- Expenses related to reconfiguring behind-the-meter (BTM) electric service equipment so specific customer or facility loads can be isolated and served when the microgrid is in Island Mode.
- Project management costs, including costs related to engineering, system integration, and construction activities for IFOM CMG Resource and CMG Balance of System, including site preparation, civil, electrical, and mechanical work.
- Expenses associated with purchasing or leasing property for the IFOM CMG Resources and CMG Balance of Systems. Leasing property expenses should reflect the present value of the lease for the property needed for the IFOM CMG Resources and CMG Balance of System.
- Costs related to community outreach activities conducted for the microgrid and costs associated with developing a microgrid proposal and MIP application, to the extent not covered in the optional MIP Application Development Grant.
- Taxes to the extent applicable on any of the above.

Costs that are not eligible for Incentive Awards include but are not limited to:

- Costs related to behind-the-meter resources associated with a CMG Project, including interconnection studies and distribution upgrades as may be applicable.
- Expenses associated with the operation and maintenance of the CMG Project.
- Other ineligible costs as identified in the CPUC's Decision (D.)23-04-034, as may from time to time be modified by the CPUC.

APPENDIX VI – Form of MIP PROJECT REPORT

MIP Project Reports shall include a summary description of project development status, including a discussion of any actual and forecast schedule and cost variances, and corrective actions being undertaken to address variances. MIP Project Reports shall also include supporting project status detail in a similar form to the sample table below.

Project Tasks		Project Schedule							Project Costs (\$K)			
		Planned		Forecast		Actual		Schedule Variance (days)				
Task*	Description	Start Date	Completion Date*	Start Date	Completion Date*	Start Date	Completion Date*			Planned	Actual to Date	Forecast to Completion
1												
2												
3												
4												
5												
6												
7												
8												
							Totals:					

APPENDIX VII – LIMITED WAIVER OF SOVEREIGN IMMUNITY

- (a) The Parties acknowledge that Awardee is a sovereign Tribe, and that, as such, Awardee, its officers, agents and assigns possess inherent sovereign immunity from unconsented suits and other legal proceedings. Nothing in the Microgrid Incentive Program Participation Agreement, dated as of _____ (this “Agreement”), by and between SCE and Awardee, shall be deemed to be a waiver of Awardee’s sovereign immunity, except as expressly provided in this Appendix VII. SCE and Awardee agree that this Agreement is fully enforceable between the Parties. Therefore, Awardee hereby provides this limited express irrevocable waiver of Awardee’s sovereign immunity, for the limited purpose of enforcing this Agreement (including each and all of the terms and conditions of this Agreement), and in accordance with, and as limited by, the express terms of this Agreement. Awardee provides this limited waiver of its sovereign immunity solely for disputes arising between the parties under this Agreement. This limited waiver shall not apply to any other party or to disputes that do not arise out of this Agreement. SCE hereby expressly irrevocably agrees that this limited waiver of sovereign immunity provided by Awardee shall be strictly and narrowly construed in favor of Awardee.
- (b) With respect to all actions, suits, claims, proceedings or counterclaims (each, a “Claim”), Awardee and each of its officers, agents and assigns hereby expressly and irrevocably waives its sovereign immunity, and all defenses based thereon, from any Claim brought to enforce or interpret this Agreement, to resolve any controversy arising from this Agreement, or otherwise related to this Agreement, in each case of any nature, whether such Claim is brought in or arises under law, equity, contract, tort or statute (inclusive of Claims for equitable or provisional relief and to compel arbitration, and whether through service of notice, attachment prior to judgment, exercise of contempt powers, or otherwise) (an “Action”), for the limited purpose of resolving Claims and the judicial enforcement thereof, to resolve any controversy arising from this Agreement, to enforce or interpret the express terms and conditions of this Agreement, or otherwise related to this Agreement, as provided for in this Agreement.
- (c) Awardee expressly and irrevocably waives any and all sovereign immunities, solely in connection with any Claim brought to enforce or interpret this Agreement, to resolve any controversy arising from this Agreement, or otherwise related to this Agreement and all defenses based thereon as provided for herein for the enforcement of any arbitration award, or judgment to enforce such an award, any form of relief, or order related thereto. Awardee further irrevocably consents to the jurisdiction of the arbitrators and/or specified courts described in this Agreement, including each Party’s consent to be bound by a lawful order or judgment, to the extent provided for herein.
- (d) With respect to any Action between SCE and Awardee, each of the Parties expressly consents and agrees to the dispute resolution provisions set forth in this Agreement, and Awardee hereby agrees that the limited waivers of sovereign immunity described in this Appendix VII apply and waive

Awardee's sovereign immunity to the extent described in this Appendix VII in connection with any arbitration under this Agreement and any judgment or award described in this Agreement. Awardee specifically expressly and irrevocably waives sovereign immunity for the limited jurisdictional purposes set forth in this Appendix VII and in this Agreement. The Parties specifically agree that the arbitrators and courts set forth in this Agreement shall have jurisdiction to enter judgments enforcing rights and remedies provided for in this Agreement, which shall be binding and enforceable on each Party. Awardee shall not contest jurisdiction or venue to the extent selected in accordance with this Agreement.

- (e) Awardee hereby consents to injunctive relief, where the standards for such relief are proven, in the forums enumerated in Section 12.13 of this Agreement should Awardee ever attempt to revoke, limit or restrict the limited waiver of sovereign immunity, where the legal standards for such relief are satisfied.
- (f) In any Action as to which Awardee has waived its sovereign immunity as provided herein, Awardee consents and agrees that process against Awardee shall be effective if served by sending a copy of the process in accordance with the notice provisions set forth in Section 13.1 of this Agreement.

APPENDIX VIII – MICROGRID OPERATING AGREEMENT (MOA)

A copy of the form Microgrid Operating Agreement is attached to and incorporated into this Agreement, and shall be attached to this Agreement upon the full execution of such Microgrid Operating Agreement by SCE and Awardee

APPENDIX IX – CMG PROGRESS MILESTONES

[illegible]