

Southern California Edison Company
Tariff Title: Wholesale Distribution Access Tariff
Tariff Record Title: Service Agreement No. xxx

FERC FPA Electric Tariff

**DESIGN, ENGINEERING, PROCUREMENT AND CONSTRUCTION
LETTER AGREEMENT**

Contract Effective Date: xx/xx/20
905.XX.X
WDT1712

Tariff Record Proposed Effective Date: xx/xx/20
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Option Code: A

December 7, 2020

Mr. Tom Moody
General Manager
City of Corona Department of Water and Power
755 Public Safety Way
Corona, CA 92880

Re: Letter Agreement for Corona Porphyry Interconnection Project

Dear Mr. Moody:

At present, the City of Corona ("Corona") is served by Southern California Edison Company ("SCE") via two Wholesale Load interconnections under SCE's Wholesale Distribution Access Tariff ("WDAT"). Corona The Crossings Wholesale Load ("WDT116") is interconnected to SCE's electrical system pursuant to WDAT Service Agreement No. 078, is located near the intersection of Temescal Canyon Rd and Tom Barnes St, and is served from the Interpace 33 kV distribution circuit out-of Corona Substation via the 33/12 kV Temescal Padmounted Substation. Corona Dos Lagos Wholesale Load ("WDT143") is interconnected to SCE's Electrical System pursuant to WDAT Service Agreement No. 111, is located South East of the intersection of Cajalco Rd and Temescal Canyon road and is served from the Owens 33 kV distribution circuit out-of Corona Substation via the 33/12 kV Dos Lagos Padmounted Substation.

Corona has requested that Southern California Edison Company ("SCE") install redundant service to both WDT116 and WDT143 by extending a third 33 kV distribution circuit to the area and reserving capacity on this circuit to provide emergency service in the event that either the Owens 33 kV or Interpace 33 kV distribution circuits experience an outage, and SCE has initiated work in connection with this project. The emergency service will be accomplished by extending the existing SCE-owned Porphyry 33 kV distribution circuit approximately 1.6 miles to both the Dos Lagos and Temescal Padmounted Substations, and installing new remote controlled circuit ties. The new switching capability will allow the Wholesale Load from either WDT116 or WDT143 to be switched over to the Porphyry 33 kV distribution circuit.

Corona and SCE are sometimes referred to herein individually as "Party" and collectively as "Parties."

Corona Porphyry Interconnection Project ("Project") will necessitate certain interconnection terms and conditions between SCE and Corona, via a new interconnection agreement or amendments to existing agreements.

In the interest of expediting the design, engineering, procurement and construction timelines for the Project, the Parties desire to enter into this Letter Agreement.

All terms not otherwise defined herein shall have the meanings assigned to them in SCE's WDAT as that Tariff may be amended from time to time. The following terms, when used herein with initial capitalization, whether in the singular or the plural, shall have the meanings specified:

Governmental Authority shall mean any federal, state, local or other governmental, regulatory or administrative agency, court, commission, department, board, or other governmental subdivision, legislature, rulemaking board, tribunal, or other governmental authority having jurisdiction over the Parties, their respective facilities, or the respective services they provide, and exercising or entitled to exercise any administrative, executive, police, or taxing authority or power; provided, however, that such term does not include the Interconnection Customer, CAISO, Participating TO, or any Affiliate thereof.

In the interest of working towards the achievement of Corona's expected operating date for the Project, as set forth in Exhibit D (Milestones), Corona desires for SCE to perform certain work prior to finalizing interconnection terms and conditions. Accordingly, the purpose of this Letter Agreement ("Agreement") is to agree upon an interim arrangement pursuant to which SCE will perform, and Corona will pay for, the Work, as described herein, according to the following terms and conditions:

1. **Work.** SCE will perform the Work, as described in Exhibit A, upon payment of amounts described in Section 3 and according to the terms provided herein. SCE shall perform the Work only after receipt of the payments and financial security set forth in Exhibit C, as may be modified by Section 2.2 and by any applicable milestones set forth in Exhibit D. Corona acknowledges and understands that until completion of the construction of the necessary facilities, final engineering and construction may require additional or modified Interconnection Facilities and Distribution Upgrades necessary to enable operation of the Project. Corona further understands that any such additional Interconnection Facilities and Distribution Upgrades will be included in the interconnection terms and condition as a required scope for the Project.
2. **Payments and Financial Security**
 - 2.1. **Payments.** In order for SCE to perform its obligations under the terms and conditions of this Agreement, Corona shall provide to SCE the payment, in such estimated amount as set forth in Exhibits B and C (as may be modified as described in Section 2.2 and in such form and on such dates as set forth in Exhibit C. SCE will provide Corona an invoice of such payment obligations, which must be paid by the payment dates in Exhibit C.
 - 2.2. **Additional Amounts.** SCE shall notify Corona in writing within a reasonable time if SCE learns that charges and expenses are likely to exceed the estimated

amounts specified in Exhibit B, warranting adjustments to amounts in Exhibit C. In the event of such notification, SCE shall specify the additional payment amounts increase(s) and Corona shall pay such additional amounts within thirty (30) Calendar Days of receipt of an invoice for such additional amounts. The Parties will agree to amend the Agreement in order to reflect and collect the additional amounts required, subject to FERC's approval, as applicable, before an invoice for the additional amounts is issued to Corona.

2.3. **Failure to Pay; Insolvency.** Subject to Section 3.2, in the event that Corona fails to provide payment for amounts incurred or irrevocably committed to be incurred, pursuant to this Agreement, SCE may (a) immediately stop Work; (b) and/or (c) terminate this Agreement by written notice of cancellation effective upon FERC approval. In the event that Corona (i) is dissolved; (ii) becomes insolvent; (iii) becomes the subject of a petition in bankruptcy, either voluntary or involuntary, or in any other proceeding under federal bankruptcy laws; (iv) makes an assignment for the benefit of creditors, excluding any assignment for financing purposes; (v) is named in a suit for the appointment of a receiver, SCE may, perform (a) through (c) above.

3. **Dispute.** Disputes arising out of or in connection with this Agreement shall be resolved as follows:

3.1. **Submission.** In the event either Party has a dispute, or asserts a claim, that arises out of or in connection with this Agreement or its performance, such Party (the "disputing Party") shall provide the other Party with written notice of the dispute or claim ("Notice of Dispute"). Such dispute or claim shall be referred to a designated senior representative of each Party for resolution on an informal basis as promptly as practicable after receipt of the Notice of Dispute by the other Party. In the event the designated representatives are unable to resolve the claim or dispute through unassisted or assisted negotiations within thirty (30) Calendar Days of the other Party's receipt of the Notice of Dispute, such claim or dispute may, upon mutual agreement of the Parties, be submitted to arbitration and resolved in accordance with the arbitration procedures set forth below. In the event the Parties do not agree to submit such claim or dispute to arbitration, each Party may exercise whatever rights and remedies it may have in equity or at law consistent with the terms of this Agreement.

3.2. **Payment Dispute.** In the event of a billing dispute between SCE and Corona, SCE shall continue to perform the Work under this Agreement as long as Corona: (i) continues to make all payments not in dispute; and (ii) pays to SCE or into an independent escrow account the portion of the invoice in dispute, pending resolution of such dispute. If Corona fails to meet these two requirements for continuation of service, then SCE may invoke remedies in Section 2.3. Within thirty (30) Calendar Days after the resolution of the dispute, the Party that owes money to the other Party shall pay the amount due with interest calculated in accordance with the methodology set forth in FERC's Regulations at 18 C.F.R. § 35.19a(a)(2)(iii).

- 3.3. **External Arbitration Procedures.** Any arbitration initiated under this Agreement shall be conducted before a single neutral arbitrator appointed by the Parties. If the Parties fail to agree upon a single arbitrator within ten (10) Calendar Days of the submission of the dispute to arbitration, each Party shall choose one arbitrator who shall sit on a three-member arbitration panel. The two arbitrators so chosen shall within twenty (20) Calendar Days select a third arbitrator to chair the arbitration panel. In either case, the arbitrators shall be knowledgeable in electric utility matters, including electric transmission and bulk power issues, and shall not have any current or past substantial business or financial relationships with any party to the arbitration (except prior arbitration). The arbitrator(s) shall provide each of the Parties an opportunity to be heard and, except as otherwise provided herein, shall conduct the arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association (“Arbitration Rules”) and any applicable FERC regulations; provided, however, in the event of a conflict between the Arbitration Rules and the terms of Section 2, the terms of this Section 3 shall prevail.
- 3.4. **Arbitration Decisions.** Unless otherwise agreed by the Parties, the arbitrator(s) shall render a decision within ninety (90) Calendar Days of appointment and shall notify the Parties in writing of such decision and the reasons therefor. The arbitrator(s) shall be authorized only to interpret and apply the provisions of this Agreement and shall have no power to modify or change any provision of this Agreement in any manner. The decision of the arbitrator(s) shall be final and binding upon the Parties, and judgment on the award may be entered in any court having jurisdiction. The decision of the arbitrator(s) may be appealed solely on the grounds that the conduct of the arbitrator(s), or the decision itself, violated the standards set forth in the Federal Arbitration Act or the Administrative Dispute Resolution Act. The final decision of the arbitrator must also be filed with FERC if it affects jurisdictional rates, terms and conditions of service, Interconnection Facilities, Distribution Upgrades, or Network Upgrades.
- 3.5. **Costs.** Each Party shall be responsible for its own costs incurred during the arbitration process and for the following costs, if applicable: (1) the cost of the arbitrator chosen by the Party to sit on the three member panel and one half of the cost of the third arbitrator chosen; or (2) one half the cost of the single arbitrator jointly chosen by the Parties.
4. **Milestone Schedule.** The milestone schedule is attached as Exhibit D. SCE shall use commercially reasonable efforts to complete the Work in accordance with this schedule; however, SCE does not warrant the Work will be completed in time to meet such deadlines, and Corona understands and acknowledges that such deadlines are only estimates and that the due dates in Exhibit D are dependent on Corona coordinating with SCE to complete the milestones as specified in a timely manner. SCE shall not be liable for any cost or damage incurred by Corona as a result of or due to any delay in the completion of the Work pursuant to the milestone schedule.

5. Termination.

- 5.1. Except for terms that survive termination, this Agreement shall terminate upon the earliest of the following to occur: (i) notice that this Agreement is not accepted for filing by FERC, if applicable; (ii) the effective date of the interconnections terms and conditions, which the Parties intend to supersede this Agreement; (iii) Corona's receipt of SCE's notice of cancellation pursuant to Section 2.3, which is subject to acceptance by FERC; (iv) two (2) Business Days after receipt by SCE of a termination notice from Corona to SCE at any time and for any reason; or (v) withdrawal of Corona's Project Request.
- 5.2. In the event that either Party terminates this Agreement for reasons other than the finalization of the interconnections terms and conditions, SCE shall use commercially reasonable efforts to mitigate the costs, damages, and charges arising as a consequence of such termination. To that end, SCE shall cancel, to the extent possible, any pending orders of, or return, any materials, or equipment procured pursuant to this Agreement. To the extent that Corona has already paid SCE for any or all costs of such materials, equipment or contracts cancelled or returned, SCE shall refund such amounts to Corona, less any costs or penalties incurred by SCE to cancel pending orders, or return, of such materials and equipment.
- 5.3. In the event that this Agreement is terminated or if the Work is completed before the effective date of the interconnection s terms and conditions and a payment shortfall exists pursuant to Section 5.3.2 of this Agreement, SCE shall make reasonable efforts to submit a final invoice to Corona of all charges and expenses within twelve (12) months from the date of termination of or completion of the work performed under this Agreement. In such event, the following true-up process will be used:
- 5.3.1. **Payment Excess.** In the event that Corona's payment(s) paid in accordance with this Agreement exceeds the amount of SCE's charges and expenses incurred or irrevocably committed to be incurred pursuant to this Agreement, SCE shall return the excess amount without interest to Corona within thirty (30) Calendar Days after the date of a final invoice, which will be provided within twelve (12) months from completion of the Work, without offset for any amount that may be in dispute.
- 5.3.2. **Payment Shortfall.** In the event that Corona's payment(s) paid in accordance with this Agreement is less than the amount of SCE's charges and expenses incurred or irrevocably committed to be incurred pursuant to this Agreement, Corona shall pay the difference, without interest, within thirty (30) Calendar Days of the date of receipt of a final invoice, without offset for any amount which may be in dispute. SCE shall also have the right to draw on the interconnection financial security for any payment shortfall.

- 5.4. In the event that Corona elects to terminate this Agreement but still take delivery of materials or equipment procured pursuant to this Agreement, Corona shall assume all payment obligations with respect to delivery of such materials, equipment, and contracts, and SCE shall transfer such materials and equipment, and, if necessary, assign such contracts, to Corona as soon as reasonably practicable, at Corona's expense.
- 5.5. In the event that Corona and SCE finalize the interconnection terms and conditions concurrently with the termination of this Agreement, then any applicable work product generated by SCE and any associated payments made by Corona pursuant to this Agreement not already credited or refunded shall be reflected in the scope of, and the amount due under, such interconnection terms and conditions.

6. Estimated Tax Liability and Other Taxes:

- 6.1. Corona agrees to pay Income Tax Component of Contribution ("ITCC") specified in the Preliminary Statement, Part M of SCE's tariff on file with the California Public Utilities Commission, applicable to the Interconnection Facilities Cost, Distribution Upgrades Cost, and Capital Additions Cost, as indicated in Section 6.2 and Exhibit C for, Interconnection Facilities, Distribution Upgrades and Capital Additions under this Agreement, subject to Sections 6.3, 6.4 and 11.3 below.

6.1.1. Corona's estimated tax liability is as follows:

- 6.1.1.1. The estimated tax liability for SCE's Interconnection Facilities = The sum of the product of (i) the applicable ITCC rate for the year payments are anticipated to be received, and (ii) the total of the payments anticipated to be received for the Interconnection Facilities Cost for that year.

Year(s) payments anticipated to be received	Applicable ITCC rate	Total anticipated payments received for Interconnection Facilities Cost	ITCC for SCE's Interconnection Facilities
2020	See Section 4.4 of Attachment J to the WDAT*	\$293,057.00.00	\$70,333.68
Total		\$293,057.00	\$70,333.68

- 6.1.1.2. The estimated tax liability for SCE's Distribution Upgrades = The sum of the product of (i) the applicable ITCC rate for the year payments are anticipated to be received, and (ii) the total of the payments anticipated to be received for the Distribution Upgrades Cost for that year.

Year(s) payments anticipated to be received	Applicable ITCC rate	Total anticipated payments received for Distribution Upgrades Cost (subject to ITCC)	ITCC for SCE's Distribution Upgrades
2020	See Section 4.4 of Attachment J to the WDAT*	\$977,712.94	\$234,651.11
Total		\$977,712.94	\$234,651.11

*The estimated tax liability is based on the applicable ITCC rate in Attachment J to the Wholesale Distribution Access Tariff as of the Effective Date and is available at the following link: <https://www.sce.com/openaccess>

Based upon the total estimated tax liability, Corona shall provide to SCE cash amounts shown in the table shown in Exhibit C.

6.2. Private Letter Ruling:

6.2.1. At Corona's request and expense, SCE will coordinate with Corona to file with the Internal Revenue Service ("IRS") a request for a Private Letter Ruling ("PLR") as to whether any sums paid or to be paid by Corona to SCE under this Agreement are subject to federal income taxation. Corona will prepare the initial draft of the request for the PLR and will certify under penalty of perjury that all facts represented in the request are true and accurate to the best of Corona's knowledge. Corona and SCE shall use commercially reasonable efforts to cooperate with respect to the preparation and submittal of the PLR request. SCE will keep Corona reasonably informed of the status of the request for a PLR and shall execute either a privacy act waiver or a limited power of attorney in a form acceptable to the IRS that authorizes Corona to participate in all discussions with the IRS about the request and shall permit Corona to prepare the initial drafts of any follow-up communications to the IRS in connection with the request.

6.3. Notwithstanding any other provision of this Agreement, Corona will be relieved of the obligation to pay any ITCC or maintain any associated credit support to the extent that a favorable PLR is obtained. In the event that (a) a PLR is issued to SCE that holds that any amount paid by Corona to SCE under the terms of this Agreement is not subject to federal income taxation, (b) any legislative change or administrative announcement, notice, ruling or other determination makes it reasonably clear to SCE acting in good faith that any amount paid by Corona to SCE under the terms of this Agreement is not taxable to SCE, (c) any abatement, appeal, protest, or other contest results in a determination that any payments made by Corona to SCE under the terms of this Agreement are not subject to federal income tax, or (d) if SCE receives a refund from any taxing authority for any overpayment of tax attributable to any made by Corona to SCE pursuant to this Agreement, SCE shall promptly refund to Corona the following:

- 6.3.1. any payment made by Corona under this Section 7 for taxes that is attributable to the amount determined to be non-taxable, together with interest thereon,
- 6.3.2. interest on any amounts paid by Corona to SCE for such taxes which SCE did not submit to the taxing authority, calculated in accordance with the methodology set forth in FERC's regulations at 18 CFR §35.19a(a)(2)(iii) from the date payment was made by Corona to the date SCE refunds such payment to Corona, and,
- 6.3.3. with respect to any such taxes paid by SCE, any refund or credit SCE receives or to which it may be entitled from any Governmental Authority, interest (or that portion thereof attributable to the payment described in Section 6.3.1, above) owed to SCE for such overpayment of taxes (including any reduction in interest otherwise payable by SCE to any Governmental Authority resulting from an offset or credit); provided, however, that SCE will remit such amount promptly to Corona only after and to the extent that SCE has received a tax refund, credit or offset from any Governmental Authority for any applicable overpayment of income tax related to SCE's Interconnection Facilities, Distribution Upgrades and Capital Additions.
- 6.3.4. The intent of this provision is to leave the Parties, to the extent practicable, in the event that no taxes are due with respect to any payment for Interconnection Facilities, Distribution Upgrades and Capital Additions hereunder, in the same position they would have been in had no such tax payments been made.

6.4. **Other Taxes:**

- 6.4.1. Corona shall be solely responsible for any taxes (including, but not limited to, property tax, sales and use tax, excise tax, and document transfer tax) that are asserted against any payments or asset transfers made by Corona to SCE under this Agreement for Interconnection Facilities, Distribution Upgrades and Capital Additions. SCE and Corona shall cooperate in good faith to appeal, protest, seek abatement of, or otherwise contest other taxes associated against payments or asset transfers made by Corona to SCE under this Agreement for Interconnection Facilities, Distribution Upgrades and Capital Additions.

- 7. **Force Majeure.** No Party shall be considered to be in Default with respect to any obligation hereunder, other than the obligation to pay money when due, if prevented from fulfilling such obligation by Force Majeure, which may also be referred to as Uncontrollable Force and for purposes of clarity shall include pandemic. A Party unable to fulfill any obligation hereunder (other than an obligation to pay money when due) by reason of Force Majeure shall give notice and the full particulars of such Force Majeure to the other Party in writing or by telephone as soon as reasonably possible

after the occurrence of the cause relied upon. Telephone notices given pursuant to this Section 7 shall be confirmed in writing as soon as reasonably possible and shall specifically state the full particulars of the Force Majeure, the time and date when the Force Majeure occurred, and when the Force Majeure is reasonably expected to cease. The Party affected shall exercise due diligence to remove such disability with reasonable dispatch, but shall not be required to accede or agree to any provision not satisfactory to it in order to settle and terminate a strike or other labor disturbance.

8. **Indemnity.** Each Party shall at all times indemnify, defend, and hold the other Party harmless from, any and all Losses arising out of or resulting from the other Party's action or inactions with respect to its obligations under this Agreement on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnified Party.
9. **Consequential Damages.** In no event shall any Party be liable under any provision of this Agreement for any losses, damages, costs or expenses for any special, indirect, incidental, consequential, or punitive damages, including but not limited to loss of profit or revenue, loss of the use of equipment, cost of capital, or cost of temporary equipment or services, whether based in whole or in part in contract or in tort, including negligence, strict liability, or any other theory of liability; provided, however, that damages for which a Party may be liable to another Party under another agreement will not be considered to be special, indirect, incidental, or consequential damages hereunder.
10. **Entire Agreement.** This Agreement constitutes the complete and final expression of the agreement between the Parties and is intended as a complete and exclusive statement of the terms of their agreement. This Agreement supersedes all prior and contemporaneous offers, promises, representations, negotiations, discussions, communications, and other agreements, which may have been made in connection with the subject matter of this Agreement (Corona Porphyry Interconnection Project). The Parties intend to enter into interconnection terms and conditions for this Project, and such terms and conditions will supersede this Agreement.
11. **Insurance.** As indicated below, the designated Party shall, at its own expense, maintain in force throughout the period of this Agreement, and until released by the other Party, the following minimum insurance coverages, with insurers rated no less than A- (with a minimum size rating of VII) by Bests' Insurance Guide and Key Ratings and authorized to do business in the state where the Point of Interconnection is located:
 - 11.1. **Workers' Compensation Insurance and Employers' Liability.** SCE and Corona shall maintain such coverage from the commencement of any Construction Activities providing statutory benefits for workers compensation coverage and coverage amounts of no less than one million dollars (\$1,000,000) for employer's liability for each employee for bodily injury by accident and one million dollars (\$1,000,000) for each employee for bodily injury by disease in accordance with the laws and regulations of the state in which the Point of Interconnection is located. SCE shall provide Corona with evidence of such

insurance coverage within thirty (30) Calendar Days of any request by Corona. Corona and contractor or any other person acting on Corona's behalf shall provide evidence of such insurance thirty (30) Calendar Days prior to entry by any employee or contractor or other person acting on Corona's behalf onto any construction site to perform any work related to the Interconnection Facilities or Generating Facility.

- 11.2. Commercial General Liability Insurance. SCE and Corona shall maintain commercial general liability insurance coverage commencing within thirty (30) Calendar Days of the Effective Date of this Agreement, including coverage for premises and operations, bodily injury (including death), personal injury, property damage, products and completed operations coverage, coverage for explosion, collapse and underground hazards, independent contractors coverage, and (i) liability of SCE and Corona that would be imposed without the Agreement, or (ii) liability assumed by SCE and Corona in a contract or agreement that is an "insured contract" under commercial general liability insurance policy. Such insurance shall include no cross liability exclusions or separation of insured clause endorsement exclusions, with minimum limits of one million dollars (\$1,000,000) per occurrence/one million dollars (\$1,000,000) aggregate. If the activities of Corona are being conducted through the actions of an Affiliate, then Corona may satisfy the insurance requirements of this Section 11.2 by providing evidence of insurance coverage carried by such Affiliate and showing SCE as an additional insured only with respect to the Agreement, together with Corona's written representation to SCE that the insured Affiliate is conducting all of the necessary pre-construction work. Within thirty (30) Calendar Days prior to the entry of any person on behalf of Corona onto any construction site to perform work related to the Interconnection Facilities or Generating Facility, Corona shall replace any evidence of Affiliate insurance with evidence of such insurance carried by Corona, naming SCE as additional insured only with respect to the Agreement.
- 11.3. Business Automobile Liability Insurance. Prior to the entry of any vehicles on any construction site in connection with work done by or on behalf of Corona, Corona shall provide evidence of coverage of owned and non-owned and hired vehicles, trailers or semi-trailers designed for travel on public roads, with a minimum, combined single limit of one million dollars (\$1,000,000) per occurrence for bodily injury, including death, and property damage. Corona shall include SCE as an additional insured with respect to the Agreement on any such policies.
- 11.4. Excess Liability Insurance. Commencing at the time of entry of any person on its behalf upon any construction site for the Distribution Upgrades, Interconnection Facilities, or Generating Facility, SCE and Corona shall maintain excess liability insurance over and above the Employers' Liability, Commercial General Liability, and Business Automobile Liability Insurance coverage, with a minimum limit of one million dollars per MW, of Generating

Facility capacity, rounded up to the nearest MW, per occurrence, up to a maximum of twenty million dollars (\$20,000,000) per occurrence/twenty million dollars (\$20,000,000) aggregate. Such insurance carried by SCE shall include Corona as an additional insured with respect to the Agreement, and such insurance carried by Corona shall include SCE as an additional insured with respect to the Agreement. The requirements of Section 11.2 and 11.4 may be met by any combination of general and excess liability insurance.

- 11.5. The Commercial General Liability Insurance, Business Automobile Liability Insurance and Excess Liability Insurance policies shall include the other Party identified in the articles above, its parent, their subsidiaries, respective directors, officers, agents, servants and employees ("Other Party Group") as additional insured. All policies shall contain provisions whereby the insurers waive all rights of subrogation in accordance with the provisions of this Agreement against the Other Party Group. If any Party can reasonably demonstrate that coverage policies containing provisions for insurer waiver of subrogation rights, or advance notice are not commercially available, then the Parties shall meet and confer and mutually determine to (i) establish replacement or equivalent terms in lieu of subrogation or notice or (ii) waive the requirements that coverage(s) include such subrogation provision or require advance written notice from such insurers.
- 11.6. The Commercial General Liability Insurance, Business Automobile Liability Insurance and Excess Liability Insurance policies shall contain provisions that specify that the policies are primary and non-contributory. Each Party shall be responsible for its respective deductibles or self-insured retentions.
- 11.7. The Commercial General Liability Insurance, Business Automobile Liability Insurance and Excess Liability Insurance policies, if written on a Claims First Made Basis, shall be maintained in full force and effect for two (2) years after termination of this Agreement, which coverage may be in the form of extended reporting period coverage if agreed by the Parties.
- 11.8. Thirty (30) Calendar Days prior to the start of any work at the construction site related to Interconnection Facilities or Generating Facility under this Agreement, and as soon as practicable after the end of each fiscal year or at the renewal of the insurance policy and in any event within ninety (90) Calendar Days thereafter, each Party shall provide a certificate of insurance for all insurance required in this Agreement, executed by each insurer or by an authorized representative of each insurer.
- 11.9. Notwithstanding the foregoing, each Party may self-insure (a) to meet the minimum insurance requirements of Section 11.1, to the extent that it maintains a self-insurance program and is a qualified self-insurer within the state in which the Point of Interconnection is located, under the laws and regulations of such state; and (b) to meet the minimum insurance requirements of Sections 11.2 through 11.8 to the extent it maintains a self-insurance program; provided that,

such Party is organized under the laws of the United States or a political subdivision thereof and such Party's rating for its senior unsecured, long-term debt (not supported by third party credit enhancements) or if such Party does not have a rating for its senior unsecured long-term debt, then the rating then assigned to such Party by Standard & Poor's Rating Group (a division of McGraw-Hill, Inc.) or its successor ("S&P") or Moody's Investor Services, Inc. or its successor ("Moody's") is (i) if rated by S&P and Moody's is rated at least "BBB-" by S&P and "Baa3" by Moody's, or (ii) if rated by only one of S&P or Moody's, rated at least "BBB-" by S&P or "Baa3" by Moody's, and (iii) that its self-insurance program meets the minimum insurance requirements of Sections 11.2 through 11.8. For any period of time that a Party's senior unsecured, long-term debt is unrated by S&P or Moody's, or its unsecured long-term debt or the rating assigned to such Party does not meet the requirements in (i) or (ii), such Party shall comply with the insurance requirements applicable to it under Sections 11.2 through 11.8. In the event that a Party is permitted to self-insure pursuant to this Section 11.9, it shall notify the other Party that it meets the requirements to self-insure and that its self-insurance program meets the minimum insurance requirements in a manner consistent with that specified in Section 11.8.

11.10. The Parties agree to report to each other in writing as soon as practical all accidents or occurrences resulting in injuries to any person, including death, and any property damage greater than \$25,000, including within the scope of coverage of such insurance whether or not such coverage is sought.

12. **Access Rights.** Upon reasonable notice and supervision by a Party, and subject to any required or necessary regulatory approvals, a Party ("Granting Party") shall furnish at no cost to the other Party ("Access Party") any rights of use, licenses, rights of way and easements with respect to lands owned or controlled by the Granting Party, its agents (if allowed under the applicable agency agreement), or any Affiliate, that are necessary to enable the Access Party to obtain ingress and egress to construct, operate, maintain, repair, test (or witness testing), inspect, replace or remove facilities and equipment to: (i) interconnect the Project with the Distribution System; (ii) operate and maintain the Project, the Interconnection Facilities and the Distribution System; and (iii) disconnect or remove the Access Party's facilities and equipment upon termination of this Agreement. In exercising such licenses, rights of way and easements, the Access Party shall not unreasonably disrupt or interfere with normal operation of the Granting Party's business and shall adhere to the safety rules and procedures established in advance, as may be changed from time to time, by the Granting Party and provided to the Access Party.
13. **Waiver.** Any waiver at any time by either Party of its rights with respect to a Default, or with respect to any other matter arising from this Agreement, shall not be deemed a waiver with respect to any subsequent Default or other matter arising in connection therewith. Any delay, with the exception of the statutory period of limitation in assessing or enforcing any right, shall not be deemed a waiver of such right.

14. **No Joint Liability.** The covenants, obligations, and liabilities of the Parties are intended to be several and not joint or collective, and nothing contained in this Agreement shall ever be construed to create an association, joint venture, trust, or partnership, or to impose a trust or partnership covenant, obligation, or liability on or with regard to either Party. Each Party shall be individually responsible for its own covenants, obligations, and liabilities as provided in this Agreement. Neither Party shall be under the control of the other Party. Neither Party shall be the agent of or have a right or power to bind the other Party without such other Party's express written consent.
15. **No Third Party Beneficiaries.** The Parties do not intend to create rights in, or to grant remedies to, any third party as a beneficiary either of this Agreement or of any duty, covenant, obligation, or undertaking established herein.
16. **Governing Law.** This Agreement shall be interpreted by and in accordance with the laws of the State of California, without regard to the principles of conflict of laws therefor, or the laws of the United States, as applicable, as if executed and to be performed wholly within the United States.
17. **Successors and Assigns.** This Agreement shall be binding upon the Parties and their successors and assigns. This Agreement may be assigned by a Party only with the written consent of the other Party; provided that a Party may assign this Agreement without the consent of the other Party to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement; and provided further that Corona shall have the right to assign this Agreement, without the consent of the other Party, for collateral security purposes to aid in providing financing for the Generating Facility, provided that Corona will require any secured party, trustee or mortgagee to notify the other Party of any such assignment. Any financing arrangement entered into by Corona pursuant to this Section 17 will provide that prior to or upon the exercise of the secured party's, trustee's or mortgagee's assignment rights pursuant to said arrangement, the secured creditor, the trustee or mortgagee will notify the other Party of the date and particulars of any such exercise of assignment right(s). Any attempted assignment that violates this Section 17 is void and ineffective. Any assignment under this Agreement shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.
18. **Survival.** Indemnity obligations and obligations to pay charges and expenses incurred or irrevocably committed to be incurred pursuant to this Agreement will survive termination of this Agreement.
19. **Reservation of Rights.** SCE shall have the right to make a unilateral filing with FERC to modify this Agreement with respect to any rates, terms and conditions, charges, classifications of service, rule or regulation under section 205 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder, and

Corona shall have the right to make a unilateral filing with FERC to modify this Agreement pursuant to section 206 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder; provided that each Party shall have the right to protest any such filing by another Party and to participate fully in any proceeding before FERC in which such modifications may be considered. Nothing in this Agreement shall limit the rights of the Parties or of FERC under sections 205 or 206 of the Federal Power Act and FERC's rules and regulations thereunder, except to the extent that the Parties otherwise mutually agree as provided herein.

20. **Construction.** Ambiguities or uncertainties in the wording of this Agreement shall not be construed for or against any Party but, shall be construed in the manner that most accurately reflects the Parties' intent as of the date they executed this Agreement.

21. **Amendment.** The Parties may by mutual agreement amend this Agreement by a written instrument duly executed by all of the Parties. Such amendment shall become effective and a part of this Agreement upon satisfaction of all Applicable Laws and Regulations.

22. **Confidentiality.**

22.1. Confidential Information shall include, without limitation, all information relating to a Party's technology, research and development, business affairs, and pricing, and any information supplied by either of the Parties to the other prior to the execution of this Agreement.

22.2. Information is Confidential Information only if it is clearly designated or marked in writing as confidential on the face of the document, or, if the information is conveyed orally or by inspection, if the Party providing the information orally informs the Party receiving the information that the information is confidential.

22.3. If requested by either Party, the other Party shall provide in writing, the basis for asserting that the information referred to in this Section 22 warrants confidential treatment, and the requesting Party may disclose such writing to the appropriate Governmental Authority. Each Party shall be responsible for the costs associated with affording confidential treatment to its information.

22.4. **Term.** During the term of this Agreement, and for a period of three (3) years after the expiration or termination of this Agreement, except as otherwise provided in this Section 22, each Party shall hold in confidence and shall not disclose to any person Confidential Information.

22.5. **Scope.** Confidential Information shall not include information that the receiving Party can demonstrate: (1) is generally available to the public other than as a result of a disclosure by the receiving Party; (2) was in the lawful possession of the receiving Party on a non-confidential basis before receiving it from the disclosing Party; (3) was supplied to the receiving Party without restriction by a

third party, who, to the knowledge of the receiving Party after due inquiry, was under no obligation to the disclosing Party to keep such information confidential; (4) was independently developed by the receiving Party without reference to Confidential Information of the disclosing Party; (5) is, or becomes, publicly known, through no wrongful act or omission of the receiving Party or Breach of this Agreement; or (6) is required, in accordance with Section 22.8 of the Agreement, Order of Disclosure, to be disclosed by any Governmental Authority or is otherwise required to be disclosed by law or subpoena, or is necessary in any legal proceeding establishing rights and obligations under this Agreement. Information designated as Confidential Information will no longer be deemed confidential if the Party that designated the information as confidential notifies the other Party that it no longer is confidential.

- 22.6. Release of Confidential Information. Neither Party shall release or disclose Confidential Information to any other person, except to its Affiliates (limited by the Standards of Conduct requirements), subcontractors, employees, consultants, or to parties who may be or considering providing financing to or equity participation with Interconnection Customer, or to potential purchasers or assignees of Interconnection Customer, on a need-to-know basis in connection with this Agreement, unless such person has first been advised of the confidentiality provisions of this Section 22 and has agreed to comply with such provisions. Notwithstanding the foregoing, a Party providing Confidential Information to any person shall remain primarily responsible for any release of Confidential Information in contravention of this Section 22.
- 22.7. Rights. Each Party retains all rights, title, and interest in the Confidential Information that each Party discloses to the other Party. The disclosure by each Party to the other Party of Confidential Information shall not be deemed a waiver by either Party or any other person or entity of the right to protect the Confidential Information from public disclosure.
- 22.8. No Warranties. By providing Confidential Information, neither Party makes any warranties or representations as to its accuracy or completeness. In addition, by supplying Confidential Information, neither Party obligates itself to provide any particular information or Confidential Information to the other Party nor to enter into any further agreements or proceed with any other relationship or joint venture.
- 22.9. Standard of Care. Each Party shall use at least the same standard of care to protect Confidential Information it receives as it uses to protect its own Confidential Information from unauthorized disclosure, publication or dissemination. Each Party may use Confidential Information solely to fulfill its obligations to the other Party under this Agreement or its regulatory requirements.
- 22.10. Order of Disclosure. If a court or a Government Authority or entity with the right, power, and apparent authority to do so requests or requires either Party,

by subpoena, oral deposition, interrogatories, requests for production of documents, administrative order, or otherwise, to disclose Confidential Information, that Party shall provide the other Party with prompt notice of such request(s) or requirement(s) so that the other Party may seek an appropriate protective order or waive compliance with the terms of this Agreement. Notwithstanding the absence of a protective order or waiver, the Party may disclose such Confidential Information which, in the opinion of its counsel, the Party is legally compelled to disclose. Each Party will use Reasonable Efforts to obtain reliable assurance that confidential treatment will be accorded any Confidential Information so furnished.

- 22.11. Termination of Agreement. Upon termination of this Agreement for any reason, each Party shall, within ten (10) Calendar Days of receipt of a written request from the other Party, use Reasonable Efforts to destroy, erase, or delete (with such destruction, erasure, and deletion certified in writing to the other Party) or return to the other Party, without retaining copies thereof, any and all written or electronic Confidential Information received from the other Party.
- 22.12. Remedies. The Parties agree that monetary damages would be inadequate to compensate a Party for the other Party's Breach of its obligations under this Section 22. Each Party accordingly agrees that the other Party shall be entitled to equitable relief, by way of injunction or otherwise, if the first Party Breaches or threatens to Breach its obligations under this Section 22, which equitable relief shall be granted without bond or proof of damages, and the receiving Party shall not plead in defense that there would be an adequate remedy at law. Such remedy shall not be deemed an exclusive remedy for the Breach of this Section 22, but shall be in addition to all other remedies available at law or in equity. The Parties further acknowledge and agree that the covenants contained herein are necessary for the protection of legitimate business interests and are reasonable in scope. No Party, however, shall be liable for indirect, incidental, or consequential or punitive damages of any nature or kind resulting from or arising in connection with this Section 22.
- 22.13. Disclosure to FERC, its Staff, or a State. Notwithstanding anything in this Section 22 to the contrary, and pursuant to 18 CFR section 1b.20, if FERC or its staff, during the course of an investigation or otherwise, requests information from one of the Parties that is otherwise required to be maintained in confidence pursuant to this Agreement, the Party shall provide the requested information to FERC or its staff, within the time provided for in the request for information. In providing the information to FERC or its staff, the Party must, consistent with 18 CFR section 388.112, request that the information be treated as confidential and non-public by FERC and its staff and that the information be withheld from public disclosure. Parties are prohibited from notifying the other Party to this Agreement prior to the release of the Confidential Information to FERC or its staff. The Party shall notify the other Party to the Agreement when it is notified by FERC or its staff that a request to release Confidential Information has been

received by FERC, at which time either of the Parties may respond before such information would be made public, pursuant to 18 CFR section 388.112. Requests from a state regulatory body conducting a confidential investigation shall be treated in a similar manner if consistent with the applicable state rules and regulations.

- 22.14. Subject to the exception in Section 22.11, any information that a Party claims is competitively sensitive, commercial or financial information under this Agreement ("Confidential Information") shall not be disclosed by the other Party to any person not employed or retained by the other Party, except to the extent disclosure is (i) required by law; (ii) reasonably deemed by the disclosing Party to be required to be disclosed in connection with a dispute between or among the Parties, or the defense of litigation or dispute; (iii) otherwise permitted by consent of the other Party, such consent not to be unreasonably withheld; or (iv) necessary to fulfill its obligations under this Agreement or as a transmission service provider or a Control Area operator including disclosing the Confidential Information to an RTO or ISO or to a regional or national reliability organization. The Party asserting confidentiality shall notify the other Party in writing of the information it claims is confidential. Prior to any disclosures of the other Party's Confidential Information under this subparagraph, or if any third party or Governmental Authority makes any request or demand for any of the information described in this subparagraph, the disclosing Party agrees to promptly notify the other Party in writing and agrees to assert confidentiality and cooperate with the other Party in seeking to protect the Confidential Information from public disclosure by confidentiality agreement, protective order or other reasonable measures. The provisions governing confidentiality in the Agreement are hereby incorporated herein, in their entirety.
- 22.15. Notwithstanding anything in this Section 22 to the contrary, if interconnection terms and conditions supersede this Agreement, then the confidentiality provisions in the interconnection terms and conditions will apply.
23. **Authority.** Each Party hereby represents that it has the right, power and authority to enter into this Agreement, to become a Party hereto and to perform its obligations hereunder. This Agreement is a legal, valid and binding obligation of such Party, enforceable against such Party in accordance with its terms, except as the enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization or other similar laws affecting creditors' rights generally and by general equitable principles (regardless of whether enforceability is sought in a proceeding in equity or at law).
24. **Warranties.** Corona warrants that it is duly organized, validly existing and in good standing under the laws of the state in which it is organized, formed, or incorporated, as applicable; and that it is qualified to do business in the state or states in which the Generating Facility, Interconnection Facilities, Distribution and Network Upgrades are located; and that it has the corporate power and authority to own its properties, to carry on its business as now being conducted and to enter into this Agreement and carry out

the transactions contemplated hereby and perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Agreement.

25. **Headings.** The descriptive headings of the various Sections of this Agreement have been inserted for convenience of reference only and are of no significance in the interpretation or construction of this Agreement.
26. **Execution.** This Agreement may be executed in two or more counterparts, each of which is deemed an original, but all constitute one and the same instrument.
27. **Notice.** Unless otherwise provided in this Agreement, any notice, demand or request required or permitted to be given by either Party to the other and any instrument required or permitted to be tendered or delivered by either Party in writing to the other shall be effective when delivered and may be so given, tendered or delivered, by recognized national courier, or by depositing the same with the United States Postal Service with postage prepaid, for delivery by certified or registered mail, addressed to the Party, or personally delivered to the Party, at the address set out in Exhibit F, Addresses for Delivery of Notices and Billings. Either Party may change the notice information in this Agreement by giving five (5) Business Days written notice prior to the effective date of the change. Billings and payments shall be sent to the addresses set out in Exhibit F. Any notice or request required or permitted to be given by a Party to the other and not required by this Agreement to be given in writing may be so given by telephone or email to the telephone numbers and email addresses set out in Exhibit F.
28. **Effective Date.** This Agreement shall become effective upon execution by all Parties subject to acceptance by FERC.

SOUTHERN CALIFORNIA EDISON COMPANY

By _____/s/ Jill Horswell_____

Name: Jill Horswell

Title: Director

Date: _____

City of Corona

By: _____

Name: Tom Moody_____

Title: General Manager_____

Date: _____

Exhibit A
Corona Porphyry Interconnection Project
Scope of Work

The scope of work provided below reflects the incremental facilities required to support Corona Porphyry Interconnection Project.

The SCE's Interconnection Facilities, and Distribution Upgrades described in this Exhibit A to the Agreement are based on the SCE's preliminary engineering and design. Such descriptions are subject to modification to reflect the actual facilities that are constructed and installed following the SCE's final engineering and design, identification of field conditions, and compliance with applicable environmental and permitting requirements.

1. Interconnection Facilities.

- (a) **Corona's Interconnection Facilities.** Corona shall:
 - (i) Utilize the Owens 33 kV and Interpace 33 kV existing Interconnection.
- (b) **SCE's Interconnection Facilities.** SCE shall:
 - (i) Install approximately 3700 feet of 3/C 1500 JCN 33 kV conductor.
 - (ii) Install one (1) 4-way gas switch.
 - (iii) Install two (2) automation devices.

2. Network Upgrades. None.

3. Distribution Upgrades.

- (a) Install approximately 4550 feet of 3/C 336A 33 kV conductor extension – overbuild existing pole line along Temescal Canyon Road, between Ambassador Avenue and La Gloria Street.
- (b) Install approximately 4550 feet of 2-6 inch conduits – new underground civil system along Temescal Canyon Road from La Gloria Street to Dos Lagos WDAT Wholesale Load project.
- (c) Install five (5) new vaults.
- (d) Install two (2) 4-way rag switches.
- (e) Install approximately 500 feet of 3/C 1500 JCN 33 kV conductor.

EXHIBIT B

ESTIMATED COST OF THE WORK

(i) Estimated Cost:

Cost Element	Interconnection Facilities Cost	Interconnection Facilities One-Time Cost	Distribution Upgrades Cost	Distribution One-Time Cost	ITCC	Total
* 4550' 3/C 336A 33KV Extension - Overbuild existing pole line along Temescal Canyon Rd between Ambassador Ave & La Gloria St *4200' 2-6" Conduits – New underground civil system along Temescal Canyon Rd from La Gloria St to Dos Lagos WDAT *(5) New Vaults * (2) 4-Way Rag Switches *(1) Overhead Switch *500' of 3/C 1500 JCN 33KV	\$0.00	\$0.00	\$977,712.94	\$655,000.00	\$234,651.11	\$1,867,364.05
*3700' of 3/C 1500 JCN 33KV *(1) 4-Way Gas Switch *(2) Automation Devices	\$293,057.00	\$0.00	\$0.00	\$0.00	\$70,333.68	\$363,390.68
Totals	\$293,057.00	\$0.00	\$977,712.94	\$655,000.00	\$304,984.79	\$2,230,754.73

Dollar amounts are provided in 2020 constant dollars

* The estimated tax liability is based on the applicable ITCC rate in See Section 4.4 of Attachment J to the WDAT Tariff and is available at the following link: <https://www.sce.com/openaccess>

EXHIBIT C

PAYMENT SCHEDULE

Payment	Payment Due Date	Interconnection Facilities Cost	Distribution Upgrades Costs	Distribution Upgrades One-Time Cost	ITCC	Total Payment with ITCC
1	Paid (April and June, 2020)	\$293,057.00	\$792,744.60	\$655,000.00	\$260,592.38	\$2,001,393.98
2	12/31/2020	\$0.00	\$184,968.34	\$0.00	\$44,392.41	\$229,360.75
	Total	\$293,057.00	\$977,712.94	\$655,000.00	\$304,984.79	\$2,230,754.73

Total Payments with ITCC by Invoice as of 12/1/2020:

Invoice	PD by City
1553129ADV	\$ 30,000.00
1553129OH	\$ 42,301.85
1669171UG	\$ 181,476.69
1659258UG	\$ 1,660,566.89
1585689OH	\$ 87,048.55
	\$ 2,001,393.98

EXHIBIT D

MILESTONES

Item	Milestone	Responsible Party	Due Date
(a)	Submittal of the Interconnection Facilities , Distribution Upgrades Cost payment and an acceptable form of security instrument for the estimated removal cost	Corona	In accordance with the schedule in Exhibit C of this Agreement
(b)	Completion of SCE's Interconnection Facilities and Distribution Upgrades	SCE	Within two (2) months following execution of this Agreement and timely completion of these Appendix D Milestones
(c)	In-Service Date for Corona Porphyry Interconnection Project*	Corona & SCE	December 31, 2020

*See Section 4 of this Agreement with respect to these Exhibit D Milestones.

EXHIBIT E

ONE-LINE DIAGRAM

OF THE CORONA PORPHYRY INTERCONNECTION PROJECT

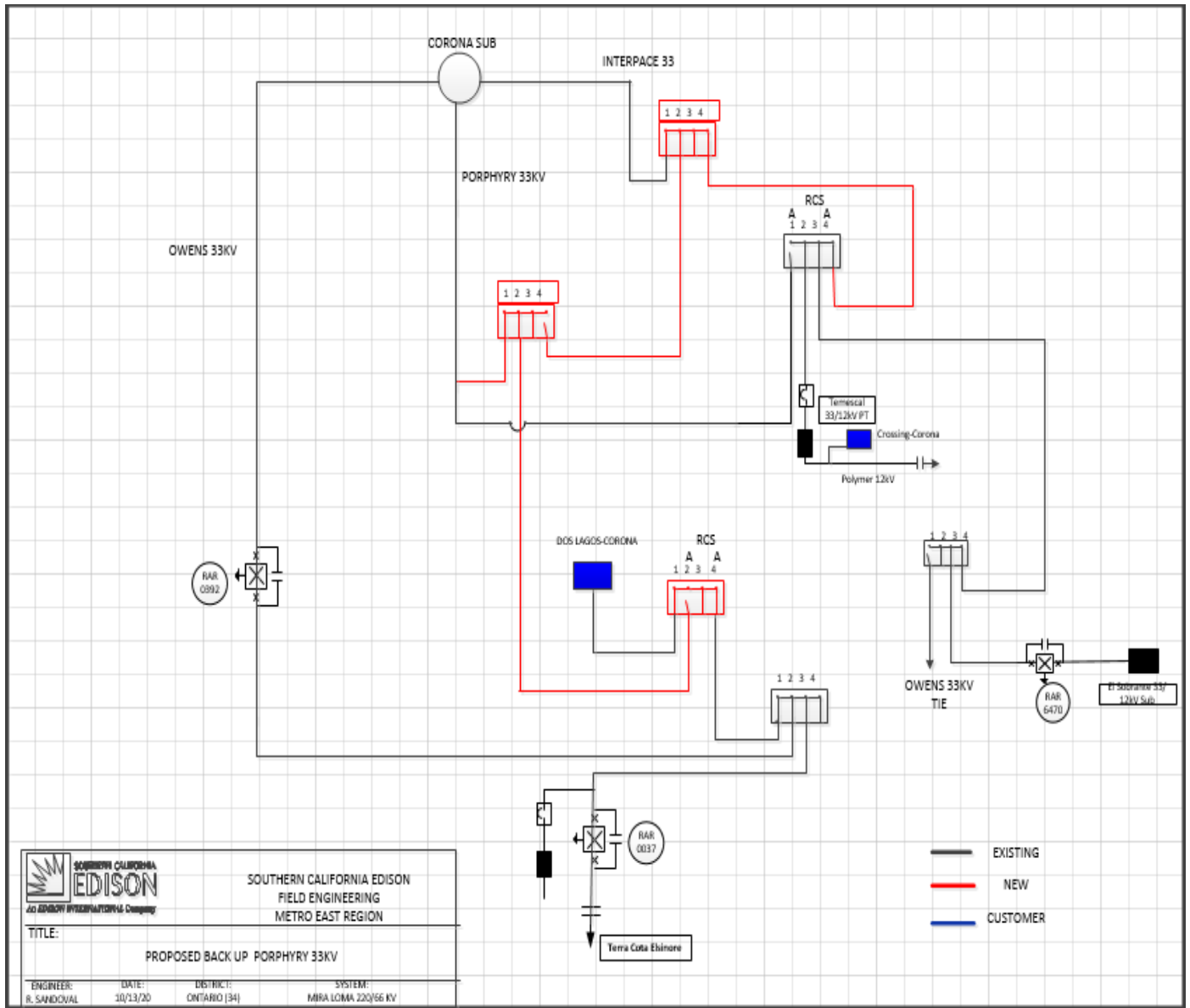


EXHIBIT F

Addresses for Delivery of Notices and Billings Notices:

SCE	City of Corona
Southern California Edison Company	City of Corona
Attn: Manager, Grid Contract Management	Attn: Curtis Showalter -Administrative Services Manager IV
P. O. Box 800 Rosemead, CA 91770	Address: 755 Public Safety Way Corona, CA 92878-4002

Billings and Payments:

SCE	City of Corona
Southern California Edison Company	City of Corona
Attn: Accounts Receivable (GCM)	Attn: Curtis Showalter – Administrative Services Manager IV
P. O. Box 800 Rosemead, CA 91771-0001	Address: 755 Public Safety Way Corona, CA 92878-4002

Alternative Forms of Delivery of Notices (telephone, facsimile or email):

SCE	City of Corona
Southern California Edison Company	City of Corona
Attn: Manager, Grid Contract Management	Attn: Curtis Showalter – Administrative Services Manager IV
Phone: (626) 302-9640	Phone: (951) 232-2307
E-mail: GridContractManagement@sce.com	E-mail: Curtis.Showalter@Corona.CA.Gov

