TASK ORDER

FOR

TRANSMISSION CONSULTANCY SERVICES

1. TASK ORDER SUMMARY

Clean Power Alliance of Southern California ("CPA") is seeking proposals ("Proposals") from qualified and experienced contractors (individually, a "Proposer" and collectively, "Proposers") to provide transmission consultancy services.

2. ABOUT CLEAN POWER ALLIANCE

CPA is a Community Choice Aggregation ("CCA") program, established as a Joint Powers Authority, made up of 38 local agencies across Los Angeles and Ventura Counties (CPA's member agencies are set forth in Exhibit D5). These agencies have banded together to provide cleaner electricity at competitive rates, offering a choice of electricity service providers to approximately three million residents and businesses through approximately one million customer accounts in Southern California.

3. TASK ORDER BACKGROUND

CPA is seeking a transmission consultant to assess the benefits, challenges, risks and risk mitigants associated with creating and operating a joint powers authority that would own, finance and operate a California Independent System Operator ("CAISO") interconnected transmission projects and to provide general consulting services as described in the Task List. CPA Staff have previously presented a transmission whitepaper to CPA's Board of Directors (the "Board"), included herein as Exhibit E (CPA Memorandum – Transmission Opportunity Assessment, September 2025).

CPA is seeking proposals from qualified Proposers, as described by the Task List below. The tasks will enable CPA management to assess the challenges and opportunities of creating and operating a new Joint Powers Authority ("JPA") authorized under The Joint Powers Act (California Government Code §§6500, et seq.) operated by CPA whose mission is to own and finance transmission assets (the "Transmission JPA"). It is anticipated that CPA would operate the Transmission JPA using CPA staff and resources pursuant to an operating agreement between CPA and the Transmission JPA. CPA does not have a specific transmission project under consideration. The response to Task #1 may be considered in general terms and/or by reference to specific projects solicited by CAISO. The selected Proposer will review and incorporate into the Feasibility Study outline in Task #2, as appropriate, research previously conducted by CPA staff. A library of existing CPA research will be made available to the selected Proposer.

4. TASK LIST

Task #1: Opportunity Assessment (the "Assessment")

1. Prepare and/or lead workshops, reports, and presentations that provide CPA management with a comprehensive understanding of the benefits and challenges, obstacles, risks and risk mitigations associated with entering the transmission business so that it can evaluate the Transmission JPA opportunity. The Assessment will not assess the likelihood that the Transmission JPA will be successful, nor will it be required to provide annual financial profit and loss forecasts.

2. The Assessment must include an evaluation of the market, technical, financial/economic, operational, and legal/regulatory feasibility ("Assessment Elements"), including the following the following issues:

   2.1. Transmission JPA Governance and Operations, Feasibility Elements, including but not limited to:

      2.1.1. Transmission JPA operations prior to transmission project ownership, including essential staff, consulting, federal and state regulatory requirements, and legal resources.

      2.1.2. CPA staff will develop a five (5) year operating budget forecast based in part on input provided by the selected Proposer.

      2.1.3. Governance options and risks associated with different management structures, operating agreements, and structures.

      2.1.4. Operating risks (e.g., insurable risks).

      2.1.5. Risk mitigants.

   2.2. Transmission Projects Assessment Elements, including but not limited to information regarding:

      2.2.1. Market sizing and potential assessment and trend analysis.

      2.2.2. Planning process at the CAISO and broader Western Electricity Coordinating Council ("WECC") for inter-regional projects.

      2.2.3. Transmission project life cycles.

      2.2.4. CAISO contracting process for competitively-bid projects under Federal Energy Regulatory Commission (FERC) Order 1000.

      2.2.5. Other transmission project opportunities outside of the FERC Order 1000 process within the WECC.

      2.2.6. Partnership formation for joint bids on CAISO-solicited projects.

      2.2.7. Partnership models.

      2.2.8. Financing mechanisms for transmission investment/ownership.

      2.2.9. Key activities of the Transmission JPA associated with partnership formation and project bids which will allow management to determine which functions to outsource and which to perform in house and the associated costs.

      2.2.10. Key responsibilities of transmission ownership including but not limited to design, permitting, construction, development, maintenance, operation, compliance, and a market survey of these functions which would allow management to determine which functions to outsource or perform through partnership with third parties and which to perform in-house

      2.2.11. Cost recovery on FERC-regulated projects.

      2.2.12. Capital structures and FERC-regulated returns on transmission investments.

2.2.13. Typical contracts used to facilitate transmission project ownership.

2.2.14. Project risks and liabilities.

2.2.15. Risk mitigation strategies.

2.2.16. Summary of anticipated financial and other benefits to CPA, CPA ratepayers and CPA member communities.

Task #1 Anticipated Deliverables:

1. Completed Opportunity Assessment as set forth above.

Task #2: Feasibility Study (The "Feasibility Study")

1. The Feasibility Study shall be a written report created for CPA's Board members, prospective JPA members and other stakeholders that summarizes the key elements of the Assessment and enables readers to understand and assess the Transmission JPA opportunity. The purpose of the Feasibility Study is to provide Board members, prospective JPA members and other stakeholders with a high-level assessment of the benefits and challenges, obstacles, risks and risk mitigants associated with entering the transmission business that enable them to evaluate the Transmission JPA opportunity.

2. The Feasibility Study is not intended to assess the likelihood that the Transmission JPA will be successful, though the selected Proposer will provide an opinion, subject to appropriate caveats, as to whether the Transmission JPA has a viable path to success based on their industry experience and knowledge of the regional transmission market.

3. The Feasibility Study will include but not be limited to an executive summary and summaries of:

   3.1. Risks and challenges that the Transmission JPA will need to address and manage.

   3.2. Anticipated benefits to CPA, CPA ratepayers and CPA member communities.

Task #2 Anticipated Deliverables:

1. Completed Feasibility Study as set forth above.

Task #3: Review and Evaluation of Best Practices for Transmission Project Evaluation Criteria by Public and Private Entities

1. CPA desires to understand criteria that could be used by the Transmission JPA to evaluate transmission development opportunities including FERC 1000 projects, merchant transmission projects, and projects proposed for partnership by investor-owned utilities ("IOUs"). The selected Proposer shall create a report documenting criteria that may be used by the Transmission JPA to evaluate transmission projects.

Task #3: Anticipated Deliverables:

1. Completed report as set forth above.

Task #4: General Consulting Services

1. Provide responses to periodic inquiries about various topics related to transmission planning, procurement, development and ownership.

2. Support presentations by CPA staff to the Board and prospective Transmission JPA members as required.

Task #4: Anticipated Deliverables:

1. Completion of the general consulting services as set forth above.

5. <u>PROJECT SCHEDULE AND COORDINATION</u>

5.1. Each task listed in Section 4, above, will be undertaken in close coordination with CPA's project team. The selected Proposer will discuss initial findings or approaches for each task with CPA's project team before developing final work products in order to avoid rework. CPA's project team will provide timely feedback and input in developing the work product.

5.2. The key events for CPA's transmission consultancy services are listed below and are subject to change.

<table>
<tr><th>Action</th><th>Key Event Dates*</th></tr>
<tr><td>Task #1: Opportunity Assessment</td><td>October 12, 2026 – January 18, 2027</td></tr>
<tr><td rowspan="3">Task #2: Feasibility Study</td><td>December 15, 2026 – January 31, 2027</td></tr>
<tr><td>January 8, 2027: First Draft of Feasibility Study</td></tr>
<tr><td>January 31, 2027: Task 1 Complete</td></tr>
<tr><td>Task #3: Review and Evaluation of Best Practices for Transmission Project Evaluation Criteria by Public and Private Entities</td><td>February 1, 2027 – March 15, 2027</td></tr>
<tr><td>Task #4: General Consulting Services</td><td>October12, 2026 – October 11, 2027</td></tr>
<tr><td colspan="2">*Respondents may suggest alternative timelines as part of their Proposals</td></tr>
</table>

6. <u>TASK ORDER SOLICITATION SCHEDULE</u>

6.1. Task Order Schedule

The timetable for this Task Order is as follows:

Description	Date
Release of Task Order	August 11, 2026
Deadline for Written Questions	August 17, 2026
Responses to Questions Provided	August 21, 2026
Task Order Proposals Due	**September 3, 2026 (by 4:00 p.m. Pacific Time)**
Evaluation of Proposals	September 4-11, 2026
Interviews (if needed)	September 14-18, 2026
Notice of Intent to Award Contract provided	September 21, 2026
Contract Negotiations	September 21-25, 2026
Last Day to Submit Notice of Intent to Protest	September 30, 2026
Last Day to Protest	October 2, 2026
CPA Response to Protest	October 9, 2026
Anticipated Execution of Contract	October 12, 2026
Anticipated Commencement of Work	October 12, 2026

6.2. Proposer Questions and CPA Responses

Potential proposers may submit questions regarding this Task Order by sending an email to contracting@cleanpoweralliance.org with a copy to dmcneil@cleanpoweralliance.org. All questions must be received by 4:00pm (Pacific Time) on August 17, 2026. When submitting questions, please specify which section of the Task Order you are referencing and quote the language that prompted the question. CPA will post responses to all of the questions received for this solicitation to CPA's website at: https://cleanpoweralliance.org/contracting-opportunities/ on August 21, 2026.

If a proposer has questions about the Task Order Solicitation process, including any instructions or requirements, the proposer must raise these questions through this Questions and Response process. Any failure by a proposer to raise any concern relating to the solicitation requirements through this Questions and Responses process, shall be deemed a waiver of the proposer's right to protest any decision for contract award relating to any aspect of the Task Order Solicitation's process, or requirements.

CPA reserves the right to group similar questions when providing answers. Questions may address issues or concerns that the evaluation criteria and/or business requirements would unfairly disadvantage providers or, due to unclear instructions, may result in CPA not receiving the best possible responses from provider.

6.3. Proposal Submission Deadline

A proposal should be submitted by email to contracting@cleanpoweralliance.org by 4:00 pm on September 3, 2026. Please include " PROPOSAL FOR TRANSMISSION CONSULTANCY SERVICES " in the email subject line.

It is the sole responsibility of the submitting Proposer to ensure that its proposal is received before the submission deadline. Submitting Proposer shall bear all risks associated with delays in delivery. Any proposals received after the scheduled closing date and time for receipt of proposals may not be accepted.

6.4. Proposal Evaluation Criteria

Proposals will be evaluated in accordance with the following evaluation criteria:

Evaluation Criteria	Criteria Weight
Proposer's ability to provide the Services, including information required in Section 8.1	65%
Proposer's Pricing	35%

6.5 Evaluation Process

CPA will evaluate the proposals pursuant to the criteria specified in Section 6.4 above.

CPA may select one particular Proposer or select a combination of Proposers (with or without interviews); or conduct interviews with a "short list" of Proposers, consisting of those Proposers reasonably likely, in the opinion of CPA, to be awarded the contract. Any interview may include discussions about services offered, conflicts of interests with other clients, or fees/compensation amount or structure. Interviews may take place through written correspondence, telephone or video conference, and/or face-to-face interviews, at CPA's sole discretion. CPA reserves the right, at its sole discretion, to request a 'best and final offer' ("BAFO") after it evaluates the proposals and to re-evaluate or re-score based on the BAFO or interviews (if any).

CPA reserves the right not to convene interviews or discussions, and to make an award on the basis of initial proposals received.

After a Proposer has been selected, CPA will negotiate a contract for execution. If a satisfactory contract cannot be negotiated, CPA may, at its sole discretion, begin contract negotiations with the next qualified Proposer who submitted a proposal, as determined by CPA, or cancel all or part the Task Order. Proposers are further notified that CPA may disqualify any Proposer with whom CPA cannot satisfactorily negotiate a contract.

6.6 Protest Process

Any Proposer who wishes to submit a written protest must notify CPA by no later than September 30, 2026, by no later than 4:00 p.m. (Pacific) of its intent to protest the award. The notice of intent to protest must be e-mailed to contracting@cleanpoweralliance.org. Any failure to submit an intent to protest constitutes a waiver of Proposer's right to submit a written protest.

If a notice of intent to protest has been timely submitted, then a full and complete written protest must be submitted by no later than 9:00 a.m. (Pacific) on October 2, 2026, unless this date is further amended through an Addendum. Any written protest must contain a full and complete statement specifying in detail the grounds of the protest and the facts in support thereof. The written protest must be e-mailed to contracting@cleanpoweralliance.org.

7. BUDGET

7.1. Pricing should be proposed on an hourly basis, with a not-to-exceed amount provided for each Task as noted in Section 7.3 below. Subconsultant costs, if applicable, should be broken out separately. In its cost proposal, Proposer should budget for regular check-in calls with CPA staff.

7.2. CPA's anticipated budget for this Task Order is anticipated to be $150,000 but is subject to change at CPA's discretion.

7.3. Qualified Proposers should include costs broken out separately by the following task grouping:

Task Description	Not-to-Exceed Amount
Task #1: Opportunity Assessment	$
Task #2: Feasibility Study	$
Task #3: Review and Evaluation of Best Practices for Transmission Project Evaluation Criteria by Public and Private Entities	$
Task #4: General Consulting Services	See note in Section 7.3 below
Total Maximum Amount:	**$**

7.3.1. The not-to-exceed amount for the fees for Task #4 General Consulting Services shall be determined by CPA during the contract negotiation.

7.4. CPA reserves the right to select Proposers for one or all tasks and may select multiple Proposers to cover different tasks.

8. PROPOSAL REQUIREMENTS

8.1. Proposals shall include the following components:

8.1.1. Overall approach to the work.
8.1.2. Detailed project schedule and milestones.
8.1.3. Detailed workplan for completion of deliverables.
8.1.4. List of subconsultants, if applicable, and roles by task.
8.1.5. Examples of similar projects and processes.
8.1.6. Examples of advisory work related to CAISO or other California transmission projects and/or planning.

8.1.7. Cost, including list of personnel with titles and rates.
8.1.8. Completed Vendor Campaign Contribution Disclosure Form (Exhibit D5).
8.1.9. Signed Public Records Act Letter Agreement (Exhibit D6).

8.2. These components will be the basis for developing a Statement of Work that will constitute the contractual obligation of process, timing, and deliverables provided by the selected Proposer.

9. RESERVATION OF RIGHTS

This Task Order is a solicitation for proposals only and is not intended as an offer to enter into a contract or as a promise to engage in any formal competitive bidding or negotiations. CPA may, at its sole discretion, accept or reject any or all proposals submitted in response to this Task Order. CPA also may, in its sole discretion, make no award for this Task Order or cancel this Task Order in its entirety. In addition, CPA may, at its sole discretion, only elect to proceed with contract negotiations for some of the services included in the proposal. CPA further reserves its right to waive minor errors and omissions in proposals, request additional information or revisions to offers, and to negotiate with any or all Proposers.

CPA shall not be liable for any costs incurred by the Proposer in connection with the preparation and submission of any proposal. CPA reserves the right to waive inconsequential disparities in a submitted proposal. CPA has the right to amend the Task Order, in whole or in part, by written addendum, at any time. CPA is responsible only for that which is expressly stated in the solicitation document and any authorized written addenda. Such addendum shall be made available to each person or organization which CPA records indicate has received this Task Order. Should such addendum require additional information not previously requested, failure to address the requirements of such addendum may result in the proposal being found non-responsive and not being considered, as determined in the sole discretion of CPA. CPA may issue an addendum, at any time, and based on its sole discretion. CPA is not responsible for and shall not be bound by any representations otherwise made by any individual acting or purporting to act on its behalf. CPA has the right to reissue the Task Order at a future date.

10. CONFIDENTIALITY AND PUBLIC RECORDS

Responses to this Task Order shall become the exclusive property of CPA. CPA is subject to the California Public Records Act (“CPRA”). The recommended Proposer’s proposal will become a matter of public record when contract negotiations are complete and when an agreement is executed by CPA. Exceptions to disclosure may be available to those parts or portions of proposals that are justifiably and reasonably defined as business or trade secrets, and plainly marked by the Proposer as "Trade Secret", "Confidential", or "Proprietary". CPA shall not, in any way, be liable or responsible for the disclosure of any such record or any parts thereof, if disclosure is required or permitted under the CPRA or otherwise by law.

In the event CPA receives a CPRA request for any of the aforementioned documents, information, books, records, and/or contents of a proposal marked "Confidential", "Trade Secrets", or "Proprietary", Proposer agrees to defend and indemnify CPA from all costs and expenses, including reasonable attorneys' fees, incurred in connection with any action, proceedings, or liability arising in connection with the CPRA request.

A blanket statement of confidentiality or the marking of each page of the proposal as confidential shall not be deemed sufficient notice of a CPRA exemption, and a Proposer who indiscriminately and without justification identifies most or all of its proposal as exempt from disclosure or submits a redacted copy may be deemed non-responsive.

11. CONFLICTS OF INTEREST

CPA is governed by the Political Reform Act, Government Code Section 1090, Government Code Section 84308, and other requirements governing conflicts, campaign contributions, and gifts. Proposers are required to review all applicable conflict of interest laws. In addition, CPA has adopted policies governing bidder conduct. Proposers are advised to review all policies, including the Vendor Communication Policy available here: https://cleanpoweralliance.org/public-documents/administrative-documents/.

You may not contact or receive information outside of this Task Order process. If it is discovered that the Proposer contacted and received information from anyone other than the email address specified above and under the process specified herein regarding this solicitation, CPA may, in its sole discretion, disqualify your proposal from further consideration.

All contact regarding this Task Order or any matter relating thereto must be in writing and may be emailed to contracting@cleanpoweralliance.org with a copy to dmcneil@cleanpoweralliance.org.

Exhibit A – Clean Power Alliance Administration

Task Order No. [XX]

CPA's Project Director:

Name:	David McNeil
Title:	Chief Financial Officer
Address:	801 S. Grand Ave., Suite 400 Los Angeles, CA 90017
Telephone:	(213) 376-4850
Email:	dmcneil@cleanpoweralliance.org

Exhibit B – Contractor Administration

Task Order No. [XX]

Contractor's Project Manager:

Name: ______________________________
Title: ______________________________
Address: ______________________________
____
Telephone: ______________________________
Email: ______________________________

Contractor's Authorized Officials:

Name: ______________________________
Title: ______________________________
Address: ______________________________
____
Telephone: ______________________________
Email: ______________________________

Name: ______________________________
Title: ______________________________
Address: ______________________________
____
Telephone: ______________________________
Email: ______________________________

Exhibit C1 - Sample Task Order Format
(Time and Materials Basis)

[CONTRACTOR NAME] ("Contractor")

Task Order No. [XX**]**
Project Title:
Period of Performance:
CPA Project Director:
CPA Task Order Manager:

1. GENERAL
   1.1. Contractor shall satisfactorily perform all the tasks and provide all the Services detailed in the Task Order attached hereto as Exhibit C1-A, on a time and materials basis, in compliance with the terms and conditions of Contractor's Master Agreement.

2. PERSONNEL
   2.1. Contractor shall provide the below-listed personnel whose labor rates are as shown:

Name	Skill Category	Hourly Rate

3. PAYMENT
   3.1. The Total Maximum Amount that CPA shall pay Contractor for all Services to be provided under this Task Order is shown below:

Task Description	Not-to-Exceed Amount
Task #1: Opportunity Assessment	
Task #2: Feasibility Study	
Task #3: Review and Evaluation of Best Practices for Transmission Project Evaluation Criteria by Public and Private Entities	
Task #4: General Consulting Services	
Total Maximum Amount:	

   3.2. A project budget shall be presented and approved by CPA for each task before any work commences. CPA reserves the right to reject and to not pay costs that were not approved in compliance with this provision.

   3.3. Contractor shall invoice CPA only for hours actually worked, in accordance with the terms and conditions of Contractor's Master Agreement. Contractor shall be responsible for limiting the number of hours worked by Contractor personnel under this TASK ORDER, not to exceed the Total Maximum Amount in Section 3.1, above.

   3.4. Contractor shall satisfactorily perform and complete all required Services detailed in the Task Order attached hereto as Exhibit C1-A notwithstanding the fact that total payment from CPA shall not exceed the Total Maximum Amount.

3.5. Contractor shall submit all invoices under this Task Order to:

Clean Power Alliance
Attn: Accounts Payable
801 S. Grand Ave, Ste. 400
Los Angeles, CA 90017
Email: accountspayable@cleanpoweralliance.org

4. SERVICES

4.1. In accordance with Master Agreement Section 2, Contractor may not be paid for any task, deliverable, service, or other work that is not specified in this Task Order, and/or that utilizes personnel not specified in this Task Order, and/or that exceeds the Total Maximum Amount of this Task Order, and/or that goes beyond the expiration date of this Task Order.

4.2. ALL TERMS OF THE MASTER AGREEMENT SHALL REMAIN IN FULL FORCE AND EFFECT. THE TERMS OF THE MASTER AGREEMENT SHALL GOVERN AND TAKE PRECEDENCE OVER ANY CONFLICTING TERMS AND/OR CONDITIONS IN THIS TASK ORDER. NEITHER THE RATES NOR ANY OTHER SPECIFICATIONS IN THIS TASK ORDER ARE VALID OR BINDING IF THEY DO NOT COMPLY WITH THE TERMS AND CONDITIONS OF THE MASTER AGREEMENT.

4.3. Contractor's signature on this Task Order document confirms Contractor's awareness of the terms and conditions of the Master Agreement and specifically with the provisions of Section 2 of the Master Agreement, which establish that Contractor shall not be entitled to any compensation whatsoever for any task, deliverable, service, or other work:

4.3.1. That is not specified in this Task Order, and/or

4.3.2. That utilizes personnel not specified in this Task Order, and/or

4.3.3. That exceeds the Total Maximum Amount of this Task Order, and/or

4.3.4. That goes beyond the expiration date of this Task Order.

REGARDLESS OF ANY ORAL PROMISE MADE TO CONTRACTOR BY ANY CLEAN POWER ALLIANCE PERSONNEL WHATSOEVER.

Accepted and agreed to by: [Enter Full Contractor Name]	Accepted and agreed to by: Clean Power Alliance of Southern California
Signature: ___________________________	Signature: ___________________________
Name: _____________________________	Name: ______________________________
Title: ______________________________	Title: _______________________________

Exhibit D – Forms Required for Each Task Order Before Work Begins

D1: Certification Of Employee Status

D2: Certification Of No Conflict of Interest

D3: Contractor Acknowledgement and Confidentiality Agreement

D4: Contractor Non-Employee Acknowledgement and Confidentiality Agreement

D5: Campaign Contributions Disclosure Form

D6: California Public Records Act Acknowledgement and Agreement

Exhibit D1 - Certification of Employee Status

Contractor Name:
Task Order No.: [XX]

I CERTIFY THAT: (1) I am an Authorized Official of Contractor; (2) the individual(s) named below is(are) Contractor's employee(s) or subcontractor; (3) applicable state and federal income tax, FICA, unemployment insurance premiums, and workers' compensation insurance premiums, in the correct amounts required by state and federal law, will be withheld as appropriate, and paid by Contractor for the individual(s) named below or for its subcontractor (if applicable) for the entire time period covered by the attached Task Order. The Contractor shall be solely responsible for any and all payments to its employees or subcontractor.

EMPLOYEES/SUBCOTRACTOR

1. ______________________________

2. ______________________________

3. ______________________________

4. ______________________________

I declare under penalty of perjury that the foregoing is true and correct.

____
Signature of Authorized Official

____
Printed Name of Authorized Official

____
Title of Authorized Official

____
Date

Exhibit D2 - Certification of No Conflict of Interest

Contractor Name:
Task Order No.: [XX]

The Clean Power Alliance will not contract with, and shall reject any response to the Pre-Qualification RFQ submitted by, the persons or entities specified below, unless the Executive Director finds that special circumstances exist which justify the approval of such contract:

1. Employees of CPA or staff of any of the members or members of the Board of CPA.
2. Profit-making firms or businesses in which its employees may have participated in the preparation of the bid or proposal of the Task Order.

Contractor hereby declares and certifies that no Contractor personnel, nor any other person acting on Contractor's behalf, including any subcontractors, who prepared and/or participated in the preparation of the bid or proposal submitted for the Task Order specified above, has a conflict that would prevent them from completing the Task Order.

I declare under penalty of perjury that the foregoing is true and correct.

____
Signature of Authorized Official

____
Printed Name of Authorized Official

____
Title of Authorized Official

____
Date

Exhibit D4 - Contractor Non-Employee Acknowledgement and Confidentiality Agreement

Contractor Name:
Employee / Subcontractor
Name:
Task Order No.: [XX]

GENERAL INFORMATION:

The Contractor referenced above has entered into a Master Agreement with the CPA to provide certain services to CPA. CPA requires your signature on this Contractor Non-Employee Acknowledgement and Confidentiality Agreement.

NON-EMPLOYEE ACKNOWLEDGEMENT:

I understand and agree that the Contractor referenced above has exclusive control for purposes of the above-referenced Master Agreement. I understand and agree that I must rely exclusively upon the Contractor referenced above for payment of salary and any and all other benefits payable to me or on my behalf by virtue of my performance of work under the above-referenced Master Agreement.

I understand and agree that I am not an employee of the CPA for any purpose whatsoever and that I do not have and will not acquire any rights or benefits of any kind from CPA by virtue of my performance of work under the above-referenced Master Agreement. I understand and agree that I do not have and will not acquire any rights or benefits from CPA pursuant to any agreement between any person or entity and CPA.

I understand and agree that I may be required to undergo a background and security investigation(s). I understand and agree that my continued performance of work under the above-referenced Master Agreement is contingent upon my passing, to the satisfaction of CPA, any and all such investigations. I understand and agree that my failure to pass, to the satisfaction of CPA, any such investigation shall result in my immediate release from performance under this and/or any future agreements with the CPA.

CONFIDENTIALITY AGREEMENT:

I may be involved with work pertaining to services provided by CPA and, if so, I may have access to confidential data and information pertaining to persons and/or entities receiving services from CPA, including advanced meter infrastructure data and similarly sensitive information. In addition, I may also have access to proprietary information supplied by other vendors doing business with CPA. The County has a legal obligation to protect all such confidential data and information in its possession, especially advanced meter infrastructure data or similarly sensitive confidential data and information. I understand that if I am involved in CPA work, CPA must ensure that I, too, will protect the confidentiality of such data and information. Consequently, I understand that I must sign this agreement as a condition of my work to be provided by the above-referenced Contractor for CPA. I have read this agreement and have taken due time to consider it prior to signing.

I hereby agree that I will not divulge to any unauthorized person any data or information obtained while performing work pursuant to the above-referenced Master Agreement between the above-referenced Contractor and CPA. I agree to forward all requests for the release of any data or information received by me to the above-referenced Contractor.

I agree to keep confidential all data and information pertaining to persons and/or entities receiving services from CPA, Contractor proprietary information, and all other original materials produced, created, or provided to or by me under the above-referenced Master Agreement. I agree to protect these confidential materials against disclosure to other than the above-referenced Contractor or CPA employees who have a need to know the information. I agree that if proprietary information supplied by other CPA vendors is provided to me, I shall keep such information confidential.

I agree to report to the above-referenced Contractor any and all violations of this agreement by myself and/or by any other person of whom I become aware. I agree to return all confidential materials to the above-referenced Contractor upon completion of this Master Agreement or termination of my services hereunder, whichever occurs first.

Signature:	______________________________
Name:	______________________________
Position:	______________________________
Date:	______________________________

Exhibit D5 - Campaign Contribution Disclosure Form

Government Code Section 84308

In accordance with California law, bidders and contracting parties who wish to do business with CPA are required to disclose, at the time a proposal to a Request for Offer (“RFO”) or Request for Proposal (“RFP”) is submitted or pre-qualified provider receives a Task Order solicitation, information relating to any campaign contributions made to Clean Power Alliance of Southern California’s (CPA) Regular or Alternate Directors, including: the name of the party making the contribution (which includes any “participant,” parent, subsidiary, paid “agent,” or otherwise related business entity, as defined below, including anyone who the party retains to lobby, testify, or otherwise influence a proceeding), the amount of the contribution, and the date the contribution was made. See, 2 Cal. Code of Regs. (C.C.R.) §18438.8(b).

California law prohibits a party, participant, or an agent, from making campaign contributions to a CPA Director of more than $500 while their contract is pending before the CPA Board. “Agent” is defined in 2 C.C.R. § 18438.3. A “participant” is defined in 2 C.C.R. § 18438.4.

For purposes of reaching the $500 limit, the campaign contributions of the bidder or contractor plus contributions by its “participants”, and “agents” of the proposer, contractor or bidder are added together during a 12-month period. You must review 2 C.C.R. §18438.5 in order to determine who and how contributions are aggregated.

In addition, a party must disclose the names of any person related to the party has made a contribution to any CPA Directors within the preceding 12 months, including the amount of the contribution and the names of the contributors. A party has a continuing obligation to disclose any contributions made during the pendency of the RFO, RFP, or Task Order Solicitation. A party must disclose such contribution no later than 30 days of making a contribution to a CPA Director or at the time the party first appears before CPA’s Board, whichever is earliest. 2 C.C.R. §18438.8(b). A CPA Director must also disclose and abstain from voting on a contract or permit if they have received a campaign contribution from a party or participant to the proceeding, or agent, totaling more than $500 in the 12-month period prior to the consideration of the item by the CPA Board. Gov’t Code §84308(c); 2 C.C.R. §18438.8(a).

The names of the Regular and Alternate Directors and their member agency are attached hereto as Attachment 1.

* * * * * *

Every bidder or contractor must disclose as follows:

Section 1

A. Bidder/Contractor (Legal Name) (“Declarant Company”) and any variations or acronyms used in the past 12 months:

____

____

B. Identify all entities or individuals who have the authority to make decisions for you or Declarant Company about making contributions to a CPA Board member, regardless of whether you or Declarant Company have actually made a contribution:

____

____

C. List only any parent, subsidiaries, paid agent, or business entities that Bidder/Contractor has controlled or directed or been controlled or directed by. “Controlled or directed” means shared ownership, 50% or greater ownership, or shared management and control between the entities:

____

____

D. Identify all subcontractors that have been or will be named in your bid or proposal:

____

____

E. Identify any individuals such as employees, agents, attorneys, law firms, lobbyists, and lobbying firms who are or who will act on behalf of you and who will receive compensation to communicate with CPA regarding the award or approval of any contract, project, or other transaction:

____
____

*Attach additional pages, if necessary.

Section 2

Has Contractor or Bidder (identified in Section I) solicited or directed your employee(s) or agent(s) to make a campaign contribution(s), whether through fundraising events, communications, or any other means, totaling $500 or more in the aggregate to a Director of CPA's Board in the 12 months preceding the date of execution of this disclosure? To determine whether a contribution of more than $500 has been made by a party or participant during a 12-month period, contributions by a party, participant, agent, or an individual must be aggregated. 2 C.C.R. §18438.5.

Yes: ☐
No: ☐

If YES, then please provide details of each in the table below:

Recipient Name	Amount of Contribution	Date of Contribution

Section 3

Disclose all contributions made by you or any of the other entities identified in Section 1:

Recipient Name	Amount of Contribution	Date of Contribution

Section 4

I, ______________________ (Authorized Representative), on behalf of ______________________________ (Declarant Company), at which I am employed as ___________________________ (Title), attest that after having made or caused to be made a reasonably diligent investigation regarding the Declarant Company, the foregoing responses, and the explanation on the attached page(s), if any, are correct to the best of my knowledge and belief. Further, I understand that failure to answer the questions in good faith or providing materially false answers may subject Declarant Company to consequences, including disqualification of its bid/proposal or delays in the processing or award of a requested contract, or other transaction.

Title: ____
Signature: ____
Disclosure Date ____

Exhibit D5 – Attachment 1
Regular Directors

The following individuals listed are elected officials who serve on Clean Power Alliance's Board of Directors as either Regular or Alternate Directors (subject to periodic update). Non-elected alternate directors are not included, unless they are campaigning for elected office:

Member Agency	Regular Directors	Title
1. Agoura Hills	Deborah Klein Lopez	Councilmember
2. Alhambra	Jeff Maloney	Councilmember
3. Arcadia	Paul Cheng	Councilmember
4. Beverly Hills	Lester Friedman	Councilmember
5. Calabasas	Ed Albrecht	Councilmember
6. Camarillo	Susan Santangelo	Councilmember
7. Carson	Cedric Hicks	Councilmember
8. Claremont	Corey Calaycay	Councilmember
9. Culver City	Yasmine Imani-McMorrin	Councilmember
10. Downey	Horacio Ortiz	Councilmember
11. Hawaiian Gardens	Maria Teresa Del Rio	Councilmember
12. Hawthorne	Alex Monteiro	Councilmember
13. Hermosa Beach	Ray Jackson	Councilmember
14. La Cañada Flintridge	Stephanie Fossan	Councilmember
15. Los Angeles County	Lindsey Horvath	Supervisor, 3rd District
16. Lynwood	Juan Munoz-Guevara	Councilmember
17. Malibu	Marianne Riggins	Councilmember
18. Manhattan Beach	David Lesser	Councilmember
19. Monrovia	Edward Belden	Councilmember
20. Moorpark	Chris Barrett	Councilmember
21. Ojai	Rachel Lang	Councilmember
22. Oxnard	Bert Perello	Councilmember
23. Paramount	Vilma Cuellar Stallings	Councilmember
24. Port Hueneme	Laura Hernandez	Councilmember
25. Redondo Beach	Paige Kaluderovic	Councilmember
26. Rolling Hills Estates	Debby Stegura	Councilmember
27. Santa Monica	Caroline Torosis	Councilmember
28. Santa Paula	Jenny Crosswhite	Councilmember
29. Sierra Madre	Robert Parkhurst	Councilmember
30. Simi Valley	Rocky Rhodes	Councilmember
31. South Pasadena	Omari Ferguson	Councilmember
32. Temple City	Ed Chen	Councilmember
33. Thousand Oaks	David Newman	Councilmember
34. City of Ventura	Alex Mangone	Councilmember
35. Ventura County	Vianey Lopez	Supervisor, 5th District
36. West Hollywood	John Erickson	Councilmember
37. Westlake Village	Ray Pearl	Councilmember
38. Whittier	Mary Ann Pacheco	Councilmember

Exhibit D5 – Attachment 2
Alternate Directors

County/City	Alternate Director(s)	Title
1. Agoura Hills	VACANT	
2. Alhambra	Noya Wang	Councilmember
3. Arcadia	Michael Cao	Councilmember
4. Beverly Hills	VACANT	
5. Calabasas	David Shapiro	Councilmember
6. Camarillo	Kevin Kildee Tony Trembley	Councilmember Councilmember
7. Carson	Jim Dear	Councilmember
8. Claremont	Jennifer Stark	Councilmember
9. Culver City	Bubba Fish	Councilmember
10. Downey	Dorothy Pemberton	Councilmember
11. Hawaiian Gardens	VACANT	
12. Hawthorne	Angie Reyes English	Councilmember
13. Hermosa Beach	VACANT	
14. La Cañada Flintridge	VACANT	
15. Los Angeles County	VACANT	
16. Lynwood	Gabriela Camacho	Councilmember
17. Malibu	Steve Uhring	Councilmember
18. Manhattan Beach	Nina Tarnay	Councilmember
19. Monrovia	VACANT	
20. Moorpark	Renee Delgado	Councilmember
21. Ojai	Andrew Whitman	Councilmember
22. Oxnard	VACANT	
23. Paramount	VACANT	Councilmember
24. Port Hueneme	VACANT	
25. Redondo Beach	Todd Lowenstein	Councilmember
26. Rolling Hills Estates	VACANT	Councilmember
27. Santa Monica	VACANT	
28. Santa Paula	VACANT	
29. Sierra Madre	VACANT	
30. Simi Valley	VACANT	
31. South Pasadena	VACANT	
32. Temple City	William Man	Councilmember
33. Thousand Oaks	C. Tie Gutierrez	Councilmember
34. City of Ventura	VACANT	
35. Ventura County	Janice Parvin	Supervisor, 4th District
36. West Hollywood	Chelsea Byers	Councilmember
37. Westlake Village	Sue McSweeney	Councilmember
38. Whittier	Octavio Martinez	Councilmember

Exhibit D6 – California Public Records Act

CALIFORNIA PUBLIC RECORDS ACT ACKNOWLEDGEMENT AND AGREEMENT

The undersigned duly authorized representative, on behalf of (Contractor), acknowledges and agrees to the following:

The contents of its proposal in response to the Task Order solicitation, the contract and any documents pertaining to the performance of the Task Order resulting from this contract are public records, and therefore subject to disclosure unless a specific exemption in the California Public Records Act applies.

If a Contractor submits information it believes are confidential or proprietary, the Clean Power Alliance (CPA) may protect such information and treat it with confidentiality only to the extent permitted by law. However, it will be the responsibility of the Contractor to provide to CPA the specific legal grounds on which CPA can rely in withholding information requested under the California Public Records Act, should CPA choose to withhold such information.

General references to sections of the California Public Records Act will not suffice. Rather, the Contractor must provide a specific and complete legal basis, including applicable case law that establishes the requested information is exempt from the disclosure requirements of the California Public Records Act.

If the Contractor does not provide a specific and detailed legal basis for withholding the requested information within a time specified by CPA, CPA will release the information as required by the California Public Records Act and the Contractor will hold CPA harmless for release of this information.

It will be Contractor’s obligation to defend, at Contractor’s expense, any legal actions or challenges seeking to obtain from CPA any information requested under the California Public Records Act withheld by CPA at the Contractor's request.

Furthermore, the Contractor shall indemnify CPA and hold it harmless for any claim or liability, and defend any action brought against CPA, resulting from CPA's refusal to release information requested under the Public Records Act withheld at Contractor's request.

Nothing in this Agreement creates any obligation for CPA to notify the Contractor or obtain the Contractor's approval or consent before releasing information subject to disclosure under the California Public Records Act.

Name of Firm: ____

Signature: ____

Name: ____

Position: ____

Date: ____

Exhibit E
CPA Memorandum – Transmission Opportunity Assessment, September 2025

Memorandum

To: Board of Directors

From: David McNeil, Chief Financial Officer
Ted Bardacke, Chief Executive Officer

Subject: Transmission - Opportunity Assessment

Date: September 26, 2025

SUMMARY

The Board Retreat Study Session will review the electricity transmission sector in California and discuss specific opportunities, risks, and considerations for CPA to own or lease transmission assets in partnership with the private sector. The Board's input and break-out group discussion will help CPA prioritize further research and potential action in this emerging opportunity.

INTRODUCTION

At its June 2024 retreat, CPA's Board expressed interest in exploring asset ownership. Based on that interest, CPA staff have explored several types of project ownership opportunities that might be appropriate given CPA's mission, expertise, and growth trajectory. Transmission ownership would offer CPA an opportunity to:

1. **Improve electric bill affordability**
    - Transmission bill charges are expected to nearly triple in today's dollars over the next twenty years. CPA can help to reduce transmission/delivery costs for customers
    - By accelerating and deepening transmission investments, CPA

could reduce generation charges on customer bills by reducing congestion costs and providing greater access to lower cost renewable energy.

IOU vs CCA Cost Comparison	IOU	CCA
Transmission Construction Cost	1,000,000,000	1,000,000,000
Rate of Return (Post Tax)	1,159,400,000	744,000,000
Tax-Related	240,915,014	-
Total	**2,400,315,014**	**1,744,000,000**
Ratepayer Savings - $	-	656,315,014
Ratepayer Savings - %	0.00%	27.34%

2. **Advance the clean energy transition**
    - Affordability and a lack of transmission infrastructure represent major threats to advancing the clean energy transition
  - Transmission investments can expand the build out of renewable generating assets and reduce reliance on GHG emitting generation resources
3. **Earn a fair and reasonable rate of return for CPA**
  - Regulation incentivizes public transmission owners to participate in transmission development by offering reasonable and equitable returns
  - These returns could be used to reduce generation rates, fund programs, and/or subsidize operating costs
4. **Build capacity to support our members' needs**
  - Better inform transmission planning at the community level, through improved understanding of the transmission planning and transmission alternatives
5. **Control risks**
  - Through contract structures and the creation of bankruptcy remote entities, CPA can mitigate and manage major risks associated with transmission development

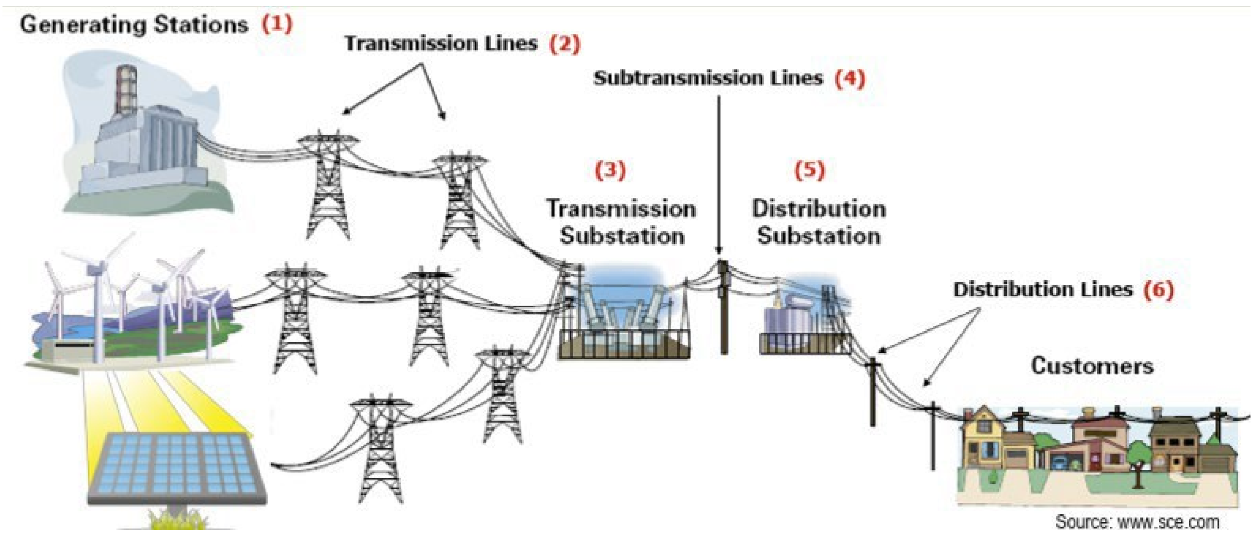
Board members will have the opportunity to join a break-out group to discuss transmission in California and do a deeper dive into an example of a transmission partnership arrangement.

BACKGROUND

Transmission System Overview

California operates in a regional transmission system which spans the entire western United States with connections into British Columbia, Canada and the northern parts of Baja California.

In the California Independent System Operator's (CAISO's) area of operation, the transmission system connects generators with the distribution systems of Investor Owned Utilities (IOUs) like Southern California Edison.



The transmission system (2,3,4) connects electric Generating Stations (1) to the Distribution System (5,6) through Transmission (2) and Sub-transmission (4) lines that exceed 200 kilovolts and 65 kilovolts respectively. The distribution system in turn connects to CPA's residential and commercial customers.

Customer electricity bills are composed of charges related to generation (CPA) and distribution of electricity (SCE), plus added charges on the SCE side of the bill for public purposes programs and other state authorized items. **Charges for the transmission of electricity currently comprise 7% residential bills and are a subset of charges on the SCE side of the bill. Transmission charges could increase to nearly 21% of bills assuming other bill charges remain flat and no action to address transmission affordability is taken.**

CAISO's 20 Year Transmission Outlook

To achieve its reliability and renewable goals and support continued electrification, California requires significant investments in transmission infrastructure over the next 20 years. The CAISO's 20-Year Transmission Outlook published in July 2024 estimated the need for up to $63.2 billion in future transmission investments.

Figure ES-1 provides an illustrative diagram of the transmission development required to integrate the resources of the 2045 portfolio and reliably serve the 2045 load forecast.[1] This analysis focused on high-voltage bulk transmission, recognizing that local transmission needs and generation interconnections will ultimately need to be addressed as well. The grayed areas and associated blue arrows represent the locations and names of CAISO transmission zones respectively. Fine gray lines and circles represent existing transmission infrastructure. Thick black and dotted red arrows represent areas of future transmission development.

[1] Source: see the CAISO's 20-Year Transmission Outlook published in July 2024

Figure ES-1: Transmission Development

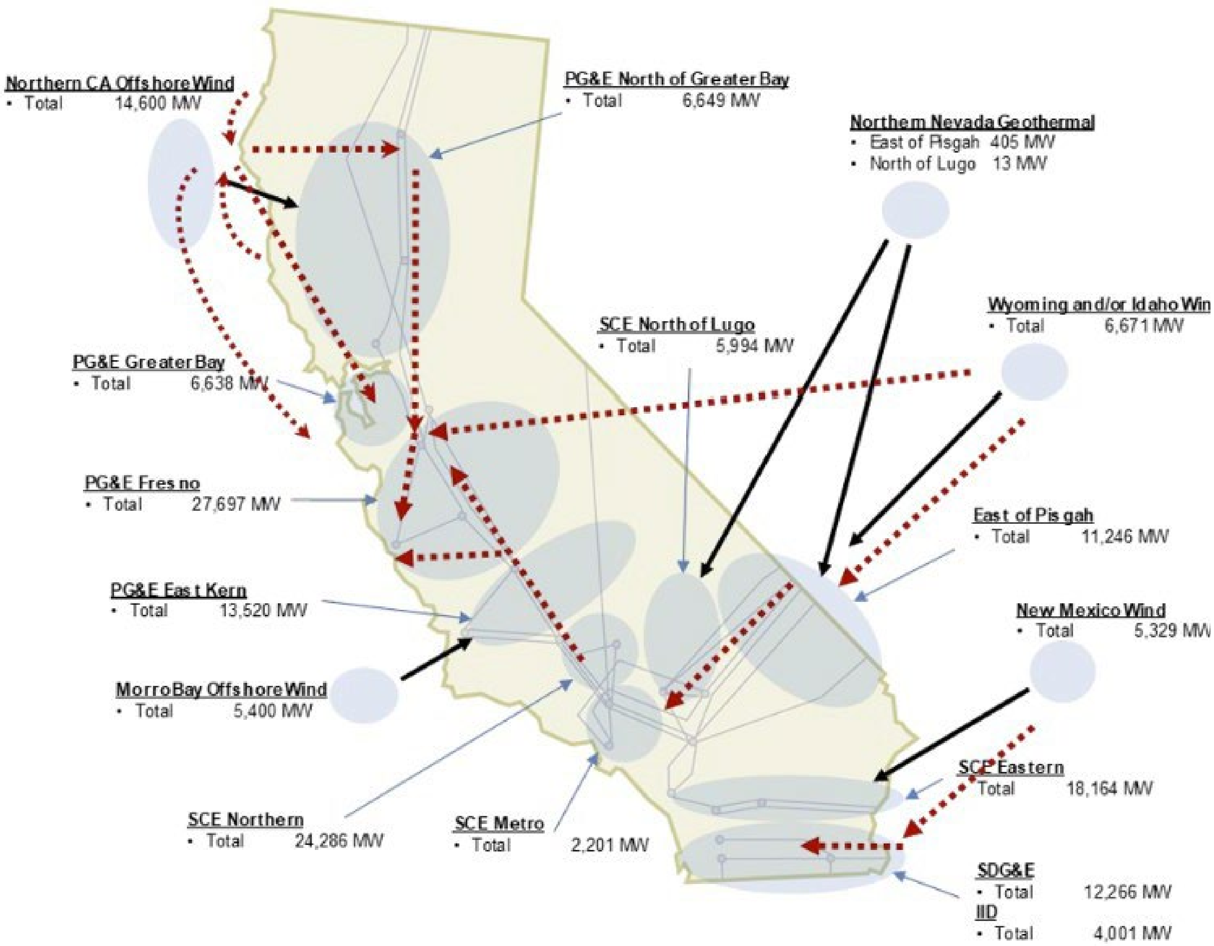


Table ES-1: provides the high-level summary of the transmission development required for upgrades to the existing ISO footprint, offshore wind integration and out-of-state wind

integration along with estimated cost. The range of cost estimate is commensurate with estimates developed at this stage of planning, with the costs in constant dollars.

Table ES-1: Cost estimate of transmission development to integrate resources of 2045 Scenario

Transmission Development	Estimated Cost ($ billions)
Upgrades to existing ISO bulk transmission footprint consisting of: • 230 kV and 500 kV AC lines • HVDC lines • Substation upgrades	$9.3 B – $11.5 B
Offshore wind integration consisting of: • 500 kV AC lines • HVDC lines	$25.0 B – $36.5 B
Out-of-state wind integration consisting of: • 500 kV AC lines • HVDC lines	$11.6 B - $15.2 B
Total estimated cost of transmission development[5]	**$45.8 B – 63.2 B**

CAISO's Transmission Planning Process

Transmission system upgrades and new development are authorized by the CAISO on an annual basis through its Transmission Planning Process (TPP). The TPP authorizes two types of transmission projects;

- New projects subject to competitive solicitation pursuant to FERC Order 1000.
- Upgrades and improvements to existing transmission assets and some new projects which are awarded to the IOU owners of the underlying transmission assets without competitive bid.

Transmission that is planned and authorized by CAISO is owned and developed by Participating Transmission Owners comprised of:

- **Investor-owned utilities:** Pacific Gas and Electric (PG&E), Southern California Edison (SCE), San Diego Gas and Electric (SDG&E)
- **Private transmission developers:** These include LS Power, NextEra and subsidiaries of Black Rock and Berkshire Hathaway.
- **Partnerships of IOUs and Private investors and developers**

While municipal electric utilities have owned, operated and maintained transmission infrastructure for over 100 years in California, with few exceptions municipal utilities have not owned or developed transmission assets in CAISO's transmission network. Unlike states such as New York and Texas, in California public entities do not currently play a meaningful role in CAISO transmission ownership or financing; with the passage of recent legislation (SB254 described below in greater detail) there may be a greater role for public finance in this area over the next decade.

Owners of both new build and upgrade projects, typically elect to turn operational control of their facilities over to the CAISO and collect Transmission Access Charges (TAC) from electric utility customers. Transmission owners are responsible for maintaining the transmission system, complying with federal regulations governing reliability standards, insuring transmission assets from damage, and acquiring third party liability insurance coverage for harms caused by the transmission asset. The IOUs participate in the California Wildfire Fund. Private transmission developers insure transmission privately.

Current State of Transmission Financing

The IOUs, Private Transmission Developers and Private Investors provide debt and equity capital to finance transmission projects. They earn a rate of return on shareholder equity which is "grossed up" to account for the payment of income taxes and are compensated for taxable interest charges on debt at cost. Table ES2 estimates the component costs to rate payers of the projected 20 year build out of transmission using private sector capital;

Table ES2	**Nominal Cost**	**% of Total Cost**
Equity return to shareholders	47,400,000,000	30%
Cost of debt financing	27,492,000,000	18%
Income Taxes	18,418,341,378	12%
Transmission Costs	63,200,000,000	40%
Total Cost	**156,510,341,378**	100%
Annual Rate Payer Cost	5,217,011,379	

These project costs are included in the TAC along with maintenance costs. Ratepayer contributions to the California Wildfire Fund are paid via separate charges on the customer bill.

Pathways Initiative and Regional Transmission Planning

The Pathways initiative is moving forward following the California legislature's passage of AB825 (formerly SB540) earlier this month. Pathways is expected to improve regional integration of electricity spot markets across the west, easing the transition to clean electricity, bolstering grid reliability, and reducing grid costs.

Historically, coordinated transmission planning between the CAISO and other western balancing authorities has been limited. Over time, Pathways may lead to improved regional coordination in transmission planning which would compliment the CAISO's TPP and reduce overall transmission costs and more effectively facilitate the buildout of transmission lines from the best renewable resources in the West to the places with the highest electricity demand.

Improved regional transmission planning would represent a positive evolution in transmission planning and could present additional opportunities for CPA both to own and finance transmission and facilitate the construction of renewable generation resources.

NEW OPPORTUNITIES FOR TRANSMISSION OWNERSHIP

California policymakers have recognized that public agencies, in partnership with the private sector, could play an important role in developing and financing transmission. Public agencies such as the New York Power Authority in New York and Lower Colorado River Authority in Texas are leading transmission owners and developers in their respective states. California lacks a public partner in the transmission space.

Public agencies, including CPA, have the following important advantages in delivering low-cost financing for transmission projects;

- A cost of "equity" that is at least 28% lower than the private sector reflecting exemption from state and federal income taxes.

- Authority to issue tax exempt debt which currently costs 20-25% less per annum than taxable debt.

CPA could bring additional competitive advantages, notably;

- Significant capital market experience
- CPA has issued $6 billion of prepay bonds in the past three years
- Sophisticated procurement expertise and experience
- CPA has procured over $16 billion of renewable energy and storage
- Credibility and influence at the state and local level
- Flexible return on investment requirements that consider the public good
- Deep and active lines of communication with its member agencies and the constituents it serves

Transmission and Local Development

As the tragic events across California over the past several years have demonstrated, wildfires caused by failures in the electricity system can have devastating impact on our communities. Transmission planning can play a significant role ensuring community safety and resiliency in which transmission siting, alternatives to transmission, and undergrounding of transmission lines are all important considerations. By developing CPA's knowledge and experience with the transmission planning and procurement, CPA could become a trusted partner to our communities as they evaluate transmission in their area, both as it relates to the operation and upgrading of existing transmission assets, and to new build transmission assets planned for their areas.

Transmission Partnership Example

The following example illustrates a possible CPA/IOU partnership to finance a transmission project using a Transmission Capacity Lease framework. A similar partnership could be achieved with an independent transmission developer.

- IOU and CPA voluntarily partner on a transmission project.
- IOU plans and constructs the project.

- The IOU and CPA enter into a Transmission Capacity Lease Agreement under which the CPA agrees to lease 50% of the transmission line capacity for 30 years.
- The CPA issues tax-exempt bonds. The bond proceeds are used to prepay 30 years of lease payments to the IOU. The IOU is effectively paid upfront for 50% of the transmission asset.
- Under the lease agreement, the IOU maintains the transmission asset in return for a maintenance fee paid by the CPA.
- The IOU indemnifies the CPA from wildfire liability risks arising from the operation of the transmission asset, which is covered by the California Wildfire Fund.
- CPA enters into a Transmission Control Agreement with the CAISO in which it passes operational control of the leased transmission capacity to the CAISO.
- The CPA receives FERC approval to recover debt service, maintenance fees, and a "proper and equitable return"[2] through the Transmission Access Charge on the customer bill.

As described in the previous section, this framework could reduce transmission costs associated with the CCA's new investment for all ratepayers by about 20-30%. This framework is believed to be attractive to institutional investors and is therefore scalable.

Managing Risk

To manage risk, CPA would be selective in its choice of transmission investments, avoiding investments with elevated wild fire or other risks. CPA could also create and use a bankruptcy-remote entity. In the example above, the bankruptcy-remote entity, and not CPA, would enter into the Transmission Capacity Lease with the IOU and would issue the tax-exempt bonds. Bond holders would be secured by future payment from ratepayers and would have no claim against CPA. Bankruptcy-remote entities have recently been

[2] "Proper and equitable return" is an established FERC approach to determining appropriate "equity" returns for municipal utilities, and lower than the return on equity awarded to IOUs reflecting CPA's exemption from state and federal income taxes.

used by the New York Power Authority to finance over $2 billion of transmission projects and are well established "tools" in the public agency toolbox. By using a bankruptcy remote entity and ensuring that the private sector partner indemnifies CPA from wildfire liability risks, CPA should be able to effectively manage and control risk. The allocation of risk between the bankruptcy-remote entity and its IOU or private developer partner would be negotiated bilaterally.

Next Steps for CPA

CPA is researching several mechanisms to establish the authority to own and finance transmission.

Existing Authority

AB 117, the CCA enabling legislation, does not explicitly authorize transmission ownership or development. CCAs may be able to own and develop transmission directly connected to generation resources for which they have contracts. Public sector entities that develop and own transmission generally only do so under explicit legislative authority. CCAs have historically opposed efforts to amend AB 117 due to the risks and uncertainties associated with legislative outcomes.

Under California law, JPA's exercise of power is restricted to the power of one of its contracting parties as designated in the Joint Powers Agreement (JPA)[3]. Per CPA's JPA (Sec. 3.4), CPA's exercise of power is restricted to the powers possessed by the County of Los Angeles.

Counties have authorities to develop transmission in accordance with California Government Code Sec. 25730.

> *The board of supervisors of any county may construct, acquire, and develop works… for the generation of hydroelectric power, and… for the generation of power produced by wind energy, and transmission lines for the conveyance thereof, and may operate and maintain the works, or contract for such operation or maintenance. The construction of the plant or plants and transmission lines may be financed by any method of financing county works.*

[3] Government Code §6509.

Under the Joint Powers Act (Government Code Sec. 6500, ets seq.), CPA's ability to own and develop transmission would be limited to Los Angeles County's authority and that authority is limited to the generation of hydroelectric or wind power and related transmission. **Potential Solution: CPA could work legislatively to amend Government Sec 25730 to expand the authorities of Counties at large to include transmission of all types.**

New Legislation

The recently passed SB254 (Becker/Petrie-Norris) envisions the use of public agencies and finance to improve transmission affordability and potentially accelerate the build out of transmission investments. SB254 creates an "Accelerator" comprised of representatives from the CAISO, CPUC, the Governor's Office and other state agencies which would identify new transmission projects subject to competitive solicitation that could be eligible for a public private partnership and financed by the California I-Bank. SB254 does not authorize additional public agencies such as CCAs to own transmission and it is not clear which public entities have the desire or institutional capacity to serve this ownership or financing role. Further the Accelerator's range of activity is limited to supporting new transmission projects while transmission upgrades, which represent a much larger share of required transmission investments, remain without a clear path for public/private partnerships. CPA lobbied the authors of SB 254 to provide CCAs with broad authority to own and finance transmission but this effort did not succeed.

Potential Solution: As commonly occurs with new initiatives, it may take the state several legislative sessions to refine its strategy for public sector participation in transmission ownership and financing Through additional education, engagement with stakeholders and broadening its base of support to include CalCCA, CPA could advocate for CCAs to be provided with clear authority to participate in the transmission projects during the 2026 legislative session.

JPA Establishment

Cities have constitutional authority to own and operate transmission[4] and can accomplish this either individually or through the creation of a JPA. The Transmission Agency of Northern California (TANC) is an example of a JPA formed by municipal members to own and operate transmission.

Potential Solution: CPA could own and finance transmission via partnership with a newly created JPA composed of members with the authority (e.g. cities) to develop transmission. CPA could operate and capitalize this new JPA which, like CPA itself, could operate on a bankruptcy-remote basis from its members.

At the retreat, Board members will have the opportunity to join a break-out group to;

- Discuss transmission in California
- Do a deeper dive into an example of a transmission partnership arrangement
- Provide guidance on whether CPA should continue to pursue this transmission opportunity and if so, which potential solutions – be they legislative or using existing legal authorities – should be pursued to enable CPA to undertake projects in this area.

[4] Under Article XI, Section 9(a) of the California Constitution "A municipal corporation may establish, purchase, and operate public works to furnish its inhabitants with light, water, power, heat, transportation, or means of communication." Cities are routinely referred to as municipalities.