



**LINCOLN-SMD 1 WASTEWATER AUTHORITY
MEETING AGENDA**

Regular Meeting of the Board of Directors

Lincoln City Hall, Third Floor Council Chambers
600 Sixth Street, Lincoln, CA 95648

June 28, 2024, at 10:00 a.m.

The public may also observe and participate in the meeting via Zoom at the following videoconferencing link:

https://us06web.zoom.us/webinar/register/WN_L2bYfOdARYiQxL2vDwckAQ

Board of Directors

COUNTY OF PLACER

Jim Holmes, Chair
Shanti Landon

CITY OF LINCOLN

Holly Andreatta, Vice Chair
Dan Karleskint

General Manager and Secretary

Jim Mulligan

Legal Counsel

Wes Miliband

PRELIMINARY MATTERS

- A. CALL TO ORDER
- B. PLEDGE OF ALLEGIANCE
- C. ROLL CALL
- D. PUBLIC COMMENT ON NON-AGENDA ITEMS

Any member of the public wishing to address the Board of Directors regarding items not on the Agenda within the Authority's subject matter jurisdiction should do so at this time. With respect to items on the Agenda, the Board will receive public comments at the time the item is opened for discussions, prior to any vote or other Board action. A three-minute time limit is requested. Please complete a speaker card and submit it to the General Manager at the meeting.



ACTION CALENDAR

1. CONSENT ITEMS

It is recommended by the General Manager that these items, which are expected to be routine in nature and without controversy, be received and acted upon by the Board without discussion. If any Board member or interested party requests that an item be removed from the Consent Calendar for discussion, it will be considered separately. The consent calendar may be approved by a single motion to approve, followed by a second and then a call for vote.

1.1 Approval of Minutes – 06/19/24 Special Meeting

2. GENERAL MANAGER'S REPORT AND UPDATE – A PowerPoint and verbal report will be provided covering topics not limited to:

- California Sanitation Risk Management Authority (CSRMA)
- WWTRF CIP Design Update
- WWTRF Operations Transition Update
- WWTRU Evaluation Report Update
- Capital Assets Valuation Audit
- WWTRF Break in Update
- General Manager Work in Progress
- FY 25 LiSWA Budget Format
- Board Meeting Calendar

3. OPERATIONS REPORT AND UPDATE – A PowerPoint and verbal report will be provided.

4. TOTALENERGIES (THE POWER PURCHASE AGREEMENT HOLDER FOR LISWA) TO PARTICIPATE IN THE CALIFORNIA DEMAND SIDE GRID SUPPORT PROGRAM. -- A written report and a presentation from TotalEnergies following questions posed by the LiSWA Board of Directors during the Board Meeting on April 12, 2024 will be provided.

5. LEGAL REPORT – Counsel will provide a verbal report if relevant legislative, case, or related developments have occurred.

6. DIRECTOR'S COMMENTS

7. CLOSED SESSION MATTERS: CONVENE TO CLOSED SESSION FOR MATTER(S) LISTED ON THE AGENDA

- #### 7.1 Public Employee Evaluation (Government Code § 54957(b)(1)) Titles: General Manager and Board Secretary



ADJOURNMENT

THE FOLLOWING INFORMATION IS PROVIDED TO ASSIST WITH PUBLIC PARTICIPATION:

Americans with Disabilities Act (ADA): In compliance with the ADA, if you need special assistance to participate in this meeting or other services in conjunction with this meeting, please contact the Lincoln City Clerk's Office at (916) 434-2490. The meeting room is wheelchair accessible and disabled parking is available. Notification at least 24 hours prior to the meeting or time when services are needed will assist staff in assuring reasonable arrangements can be made to provide accessibility to the meeting or service.

Agenda Availability: The main posting location of the LiSWA Agenda is on the public kiosk outside the entrance of Lincoln City Hall, 600 6th Street, Lincoln, California. Agenda Packets are available for review at the Lincoln City Clerk's Office, 600 6th Street, Lincoln, California.



**LINCOLN-SMD 1 WASTEWATER AUTHORITY
MEETING MINUTES**

Special Meeting of the Board of Directors

Lincoln City Hall, Third Floor Council Chambers
600 Sixth Street, Lincoln, CA 95648

June 19, 2024, at 11:00 a.m.

Board of Directors

COUNTY OF PLACER

Jim Holmes, Chair
Shanti Landon

CITY OF LINCOLN

Holly Andreatta, Vice Chair
Dan Karleskint

General Manager and Secretary

Jim Mulligan

Legal Counsel

Wes Miliband

PRELIMINARY MATTERS

- A. CALL TO ORDER -The meeting was called to order at 11:00 am.
- B. PLEDGE OF ALLEGIANCE-The pledge was led by Chair Holmes.
- C. ROLL CALL

Jim Holmes, Chair

Holly Andreatta, Vice Chair

Dan Karleskint, Director

Shanti Landon, Director

Staff present:

Jim Mulligan, General Manager and Board Secretary

George Barber, Authority Engineer

Wes Miliband, Legal Counsel

- D. PUBLIC COMMENT ON NON-AGENDA ITEMS

There were no public comments on non-agenda items.

ACTION CALENDAR

- 1. APPROVAL OF MINUTES – 05/10/24 Regular Meeting
Motion to approve by Director Andreatta, Second by Director Landon, Approved 4-0.
- 2. CONSENT ITEMS



Motion to approve by Director Karleskint, Second by Director Andreatta, Approved 4-0.

- 2.1 APPROVAL AND AUTHORIZATION TO EXECUTE AGREEMENT WITH MILIBAND WATER LAW FOR GENERAL COUNSEL SERVICES – Consider approval of agreement with Miliband Water Law from May 18, 2024 until terminated with 30 days’ notice. – A written report.
3. APPROVAL AND AUTHORIZATION TO EXECUTE AN AMENDMENT TO THE AGREEMENT WITH STANTEC FOR THE OPERATION OF LiSWA FACILITIES TO CONTINUE OPERATIONS UP TO TWO MONTHS – Consider approval of an amendment to the operations agreement with Stantec to continue operations for up to an additional two months (potentially through August 2024) in an amount up \$1,440,584 and authorize the General Manager to execute the agreement - *The agreement was discussed and questions answered. Director Karleskint made a motion for approval that was changed from the staff recommendation. A motion for approval of an amendment to the operations agreement with Stantec to continue operations for up to an additional two months (potentially through August 2024) and authorize the General Manager to execute the agreement was made by Director Karleskint, second by Director Landon, Approved 4-0.*
4. APPROVAL AND AUTHORIZATION TO EXECUTE AND ADMINISTER THE AGREEMENT WITH JACOBS PROJECT MANAGEMENT COMPANY FOR THE OPERATIONS, MAINTENANCE and MANAGEMENT SERVICES of the LINCOLN-SMD1 WASTEWATER TREATMENT and RECLAMATION FACILITIES – Consider approval of the Operations, Maintenance, and Management agreement with Jacobs Project Management Company for a five-year term with the first year in an amount of \$4,310,452 with contract escalators for the subsequent years from August 1, 2024 to July 31, 2029 and authorize the General Manager to execute the agreement. - *The agreement was discussed and questions answered. A comment from Dan Scholz, participating online, was received. The motion for approval was made by Director Landon, second by Director Karleskint, Approved 4-0.*
5. APPROVAL AND AUTHORIZATION TO EXECUTE AGREEMENT WITH WEST YOST ASSOCIATES FOR GENERAL MANAGER, BOARD SECRETARY, AUTHORITY ENGINEER AND AUTHORITY SUPPORT SERVICES – Consider approval of agreement with West Yost Associates for an amount up to \$774,480.00 from July 1, 2024 through June 30, 2025 subject to one-year renewal increments, and authorizing the LiSWA Board Chair to execute the agreement. – *After discussion regarding the tasks in the contract, a motion was made by Director Karleskint to approve with the understanding the tasks will be further defined with the General Manager, second by Director Andreatta, Approved 4-0.*
6. LiSWA 2024/25 BUDGET APPROVAL AND AUTHORIZATION– Consider approval of LiSWA 2024/25 Budget. – *After discussion regarding the budget and updates being made to the budget, a motion was made by Director Landon to approve, subject to the creation of a committee to review the budget and possible amendments to the budget, second by Director Karleskint, Approved 4-0.*
7. DIRECTOR’S COMMENTS – *Director Landon requested a discussion on the future of the General Manager position be placed on the agenda.*

ADJOURNMENT *The meeting was adjourned at 12:01 pm.*

May-June 2024 WWTRF Operations Report

6-28-24

Highlights

-161.972 Million Gallons (MG) of influent, 72.794 MG was sent to reclamation and no effluent flow was sent to Auburn Ravine in the month of May.

- Regional Water Quality Control Board annual compliance inspection May 28th. Board found “no areas of concern or violations”.

-Annual Flow meter calibrations occurred the week of June 17th.

-Took Oxidation Ditch #1 down for cleaning and inspection. In the process, a dewatering valve broke which was a challenging repair. Photos 1 through 3.

-Ditch #3 developed a bad air leak so Ditch #1 was put back in service prior to cleaning and Ditch#3 was drained and repaired. Photos 4 & 5.

-NPDES permit R5-2024-0024 became effective June 1st.

-Russ Ortman our Solids Handling and UV Maintenance expert left Stantec to start a new career on June 4th. Russ was a very dedicated and dependable operator for the past 12.5 years at the treatment plant.

Compliance

-No Compliance Issues

Major Equipment Out of Service

Equipment	Failure Date	Redundancy	Problem	Solution	Estimated Repair Cost	Estimated Return to Service Date
Centrifuge #1 Blended Polymer Flow Meter	2/5/24	1 of 2	Erratic readings >20% error	Meters arrived June 24 th .	Reduced from \$65,000 to \$25,000	7-31-24
Centrifuge #1 Solids Feed Flow meter	2-27-24	1 of 2	Meter has failed	Meters arrived June 24 th .		7-31-24
Influent Pump 2B	4-5-24	1 of 6	Motor windings failed.	Motor will be rewound and the pump rebuilt	\$25,000	7-15-24

Filter Feed Pump #2	3-25-24	1 of 4	Motor windings are broken down. Fails in wet weather.	Pump to be replaced with plant upgrade.	TBD	TBD
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Photo 1&2.



Photo 3.



Photo 4.

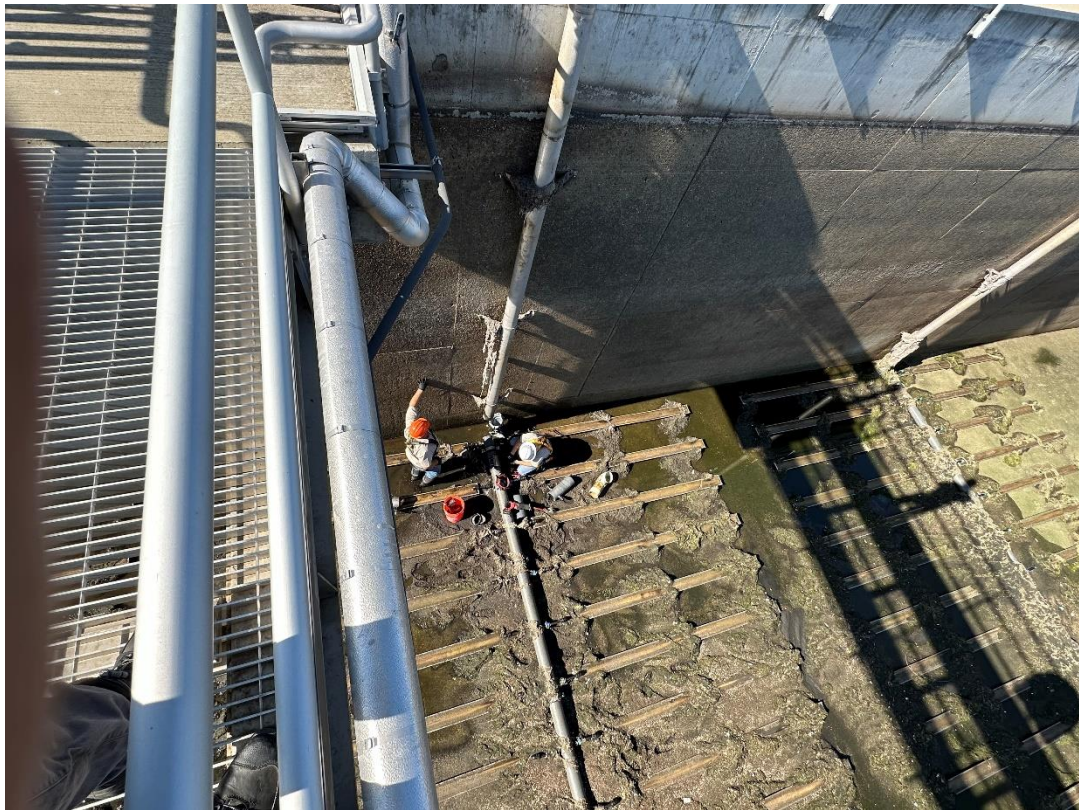
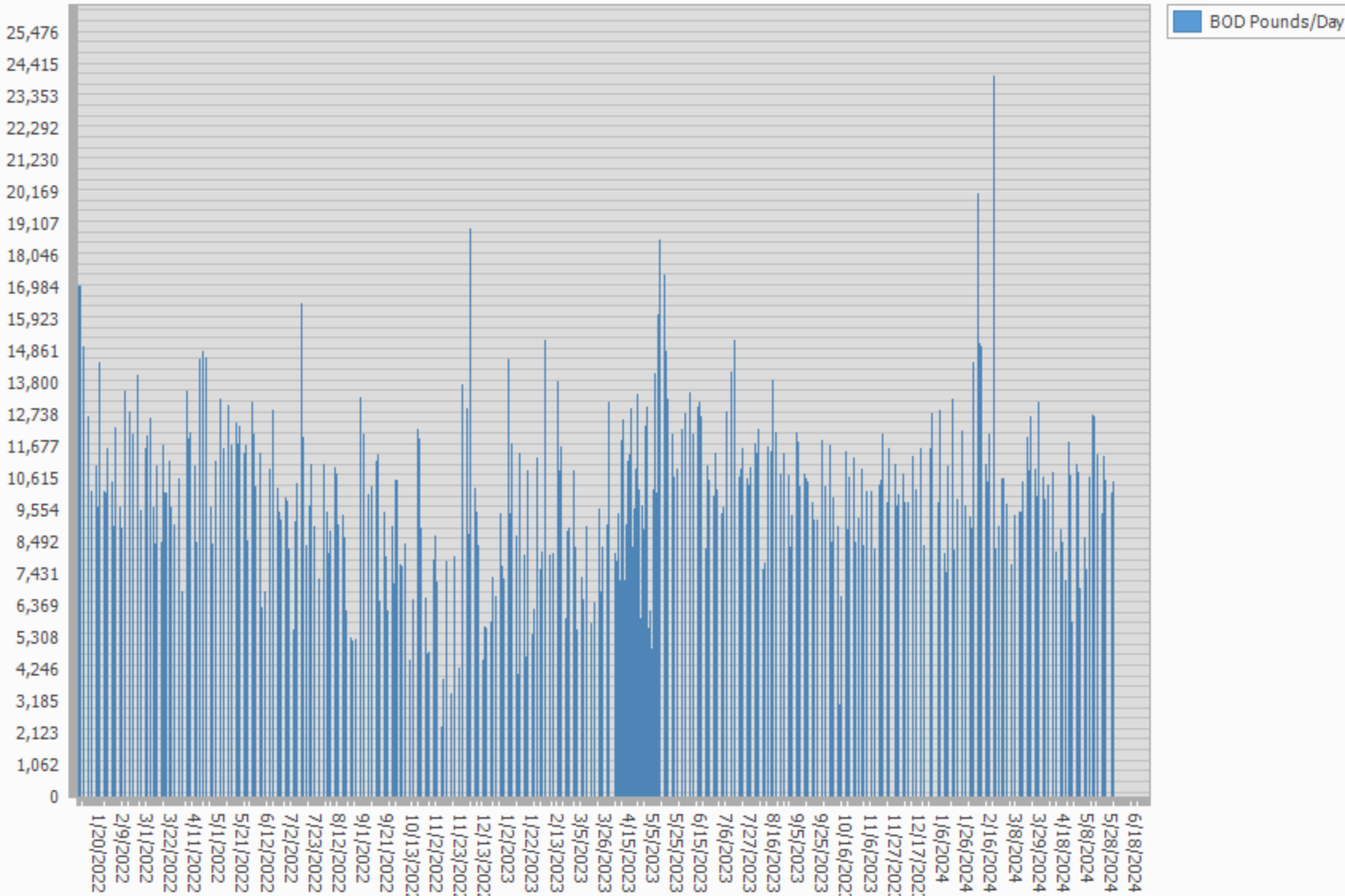


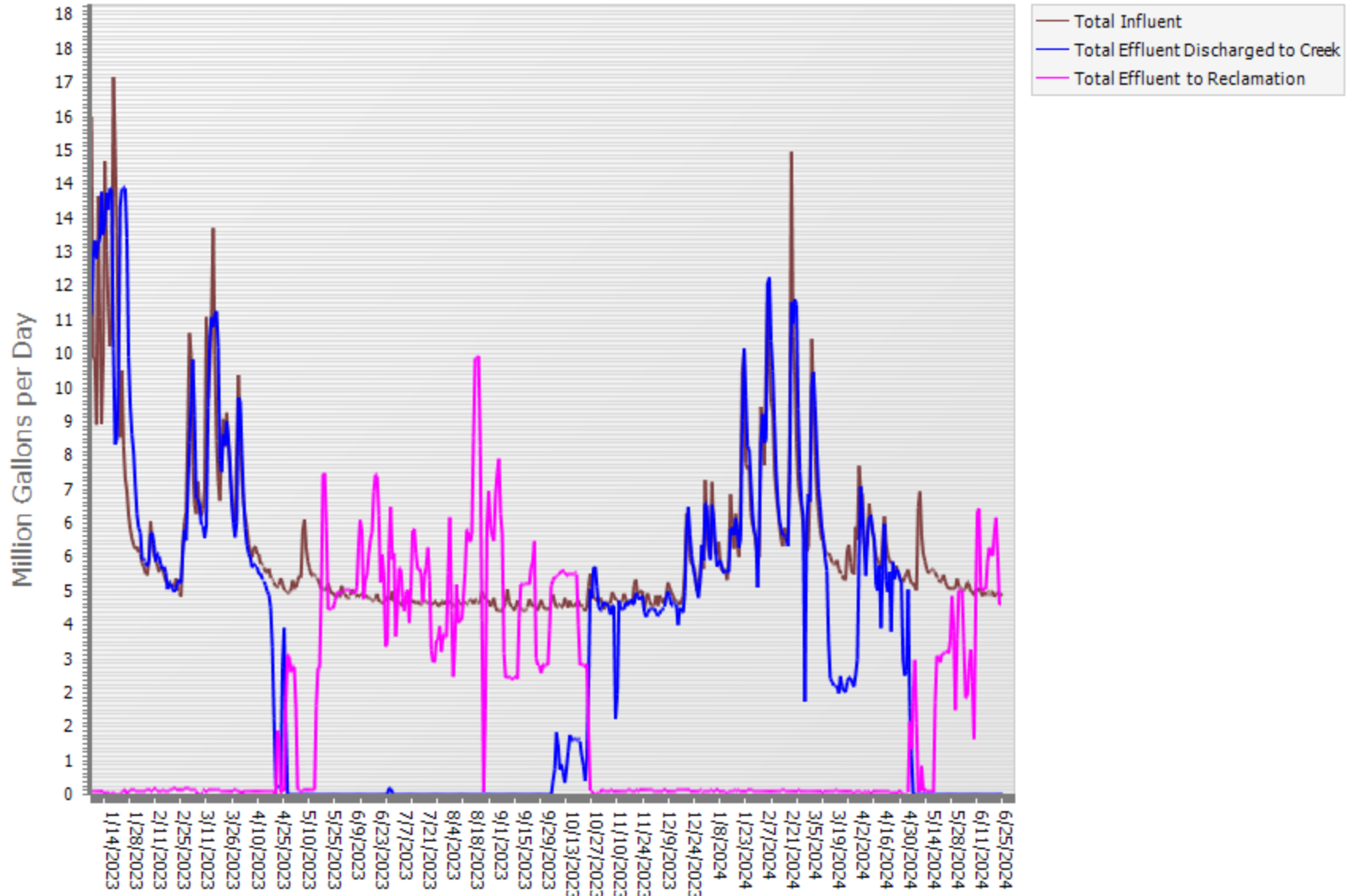
Photo 5.

LISWA WWTRF Operation and Maintenance Budget FY 2023-2024 Report Month: May		Current Period			Project to Date				Project to Date Total Annual Budget			
Month: #	11	Actual	Budgeted	Variance	Actual	Budgeted	Variance	% Budget	Actual	Budgeted	Budget Remaining	% Budget
DIRECT PERSONNEL (Stantec O&M Labor)												
	Reg Labor Direct (223.000)	243361.00	249255.25	-5894.25	2731262.50	2741807.75	-10545.25	100%	2731262.50	2991063.00	259800.50	91%
	Over Time (223.001)	2662.00	4166.67	-1504.67	25164.25	45833.33	-20669.08	55%	25164.25	50000.00	24835.75	50%
	Standby Pay (223.006)	1988.00	1975.00	13.00	22540.00	21725.00	815.00	104%	22540.00	23700.00	1160.00	95%
	R&R Labor(223.007)		0.00	0.00	0.00	0.00	0.00		0.00	0.00	0.00	
DIRECT PERSONNEL (Stantec Labor)			0.00		0.00							
	Groundwater Testing Labor (223.004)	263.00	916.67	-653.67	9938.90	10083.33	-144.43	99%	9938.90	11000.00	1061.10	90%
	Permit, Planning & Reporting Eng Services (223.003 & 223.003.1 & 223.003.2 & 223.003.3 &	3118.50	8333.33	-5214.83	97685.00	91666.67	6018.33	107%	97685.00	100000.00	2315.00	98%
	Sub Total	251,392.50	264,646.92	-13,254.42	2,886,590.65	2,911,116.08	24,525.43	99%	2,886,590.65	3,175,763.00	289,172.35	91%
WWTRF DIRECT EXPENSES												
	Operating Supplies	1944.24	1916.67	27.57	11634.89	21083.33	-9448.44	55%	11634.89	23000.00	11365.11	51%
	Maintenance Supplies	2034.84	2083.33	-48.49	21043.00	22916.67	-1873.67	92%	21043.00	25000.00	3957.00	84%
	Chemicals	19549.96	41666.67	-22116.71	523638.70	458333.33	65305.37	114%	523638.70	500000.00	-23638.70	105%
	Laboratory Supplies	483.87	666.67	-182.80	6345.42	7333.33	-987.91	87%	6345.42	8000.00	1654.58	79%
	Outside Lab Services	3895.00	6666.67	-2771.67	47616.76	73333.33	-25716.57	65%	47616.76	80000.00	32383.24	60%
	Safety Supplies	171.65	416.67	-245.02	10884.77	4583.33	6301.44	237%	10884.77	5000.00	-5884.77	218%
	Repair Parts	84627.15	20833.33	63793.82	263585.69	229166.67	34419.02	115%	263585.69	250000.00	-13585.69	105%
	Outside Services	9008.16	29166.67	-20158.51	358286.76	320833.33	37453.43	112%	358286.76	350000.00	-8286.76	102%
	Equipment Rental-Outside	0.00	125.00	-125.00	5932.35	1375.00	4557.35	431%	5932.35	1500.00	-4432.35	395%
	Telephone	100.00	416.67	-316.67	4100.00	4583.33	-483.33	89%	4100.00	5000.00	900.00	82%
	Postage & Freight	0.00	83.33	-83.33	433.34	916.67	-483.33	47%	433.34	1000.00	566.66	43%
	Vehicle Expense/Mileage	1089.53	125.00	964.53	9698.75	1375.00	8323.75	705%	9698.75	1500.00	-8198.75	647%
	Utilities/Plant Diesel Fuel	0.00	666.67	-666.67	31853.05	7333.33	24519.72	434%	31853.05	8000.00	-23853.05	398%
	Uniform Expense	1245.04	1500.00	-254.96	17999.86	16500.00	1499.86	109%	17999.86	18000.00	0.14	100%
	Tools	80.41	250.00	-169.59	667.15	2750.00	-2082.85	24%	667.15	3000.00	2332.85	22%
	Taxes & Licenses	0.00	750.00	-750.00	1155.50	8250.00	-7094.50	14%	1155.50	9000.00	7844.50	13%
	Training	0.00	500.00	-500.00	0.00	5500.00	-5500.00	0%	0.00	6000.00	6000.00	0%
	Computer Expense	0.00	291.67	-291.67	-0.05	3208.33	-3208.38	0%	-0.05	3500.00	3500.05	0%
	Ground Water Monitoring	0.00	1500.00	-1500.00	10901.00	16500.00	-5599.00	66%	10901.00	18000.00	7099.00	61%
	Biosolids Disposal	64994.82	66666.67	-1671.85	763307.30	733333.33	29973.97	104%	763307.30	800000.00	36692.70	95%
	Membership & Certificates	0.00	416.67	-416.67	1066.26	4583.33	-3517.07	23%	1066.26	5000.00	3933.74	21%
	UV Maintenance	17099.01	8333.33	8765.68	70014.95	91666.67	-21651.72	76%	70014.95	100000.00	29985.05	70%
	R&R Outside Labor and Expenses (223.007)	0.00	57083.33	-57083.33	420709.89	627916.67	-207206.78	67%	420709.89	685000.00	264290.11	61%
	Contingency	0.00	8333.33	-8333.33	1247.61	91666.67	-90419.06	1%	1247.61	100000.00	98752.39	1%
	Sub Total	206,323.68	250,458.33	-44,134.65	2,582,122.95	2,755,041.67	-172,918.72	94%	2,582,122.95	3,005,500.00	423,377.05	86%
	WWTRF Total	\$ 457,716.18	\$ 515,105.25	-57,389.07	\$ 5,468,713.60	\$ 5,666,157.75	-197,444.15	97%	\$ 5,468,713.60	\$ 6,181,263.00	\$ 712,549.40	88%

WWTRF Influent BOD Pounds/Day



Total Treatment Plant Flow





Lincoln-SMD1 Wastewater Authority

Board Communication – Agenda Item #4

To: Board of Directors
From: Jim Mulligan, General Manager
Date: 06/28/24 Special Board Meeting

SUBJECT: Consider participating with TotalEnergies in the California Demand Side Grid Support Program, authorize the General Manager to execute and administer agreements necessary for a revenue share or fixed payment, and direct the General Manager to work with TotalEnergies to move the Pacific Gas & Electric (PGE) rate tariff to Option S.

Board Recommendation

Staff recommends the Board **authorize the General Manager to change the PGE rate to Option S, participate with Total Energies in the California Demand Side Grid Support Program in calendar years 2024 and 2025 and authorize the General Manager to execute and administer necessary agreements, subject to Legal Counsel Review for Option 1, Revenue Sharing.**

Background

Total Energies, the company LiSWA has a power purchase agreement with for the solar panels and batteries at the WWTRF, proposed LiSWA participate in California's Demand Side Grid Support (DSGS) Program. The Board discussed this at the April 2024 Board meeting and provided conditional approval subject to a determination there would be no negative impacts to LiSWA's system or costs.

This DSGS program offers financial incentives to reduce demand on the power grid during times when the grid is stressed in the summer. This can happen a dozen or so times each year. TotalEnergies has met with and provided information to the General Manager, the Treasurer and Legal Counsel.

PGE Rate Switch

The first of two strategies TotalEnergies presented was a recommendation for LiSWA to change the PGE rate Structure to Option S. This will provide significant savings to LiSWA as shown in the table below.

PG&E Tariff Impact on Annual Utility Bill				
Year	Current Tariff Option R	New Tariff Option S	Tariff Switch Savings	% Bill Reduction
1	\$496,678	\$372,414	\$124,264	25.0%
2	\$499,943	\$378,044	\$121,899	24.4%
3	\$503,229	\$383,758	\$119,471	23.7%
4	\$506,537	\$389,559	\$116,978	23.1%
5	\$509,867	\$395,448	\$114,419	22.4%
6	\$513,218	\$401,426	\$111,792	21.8%
7	\$516,592	\$407,494	\$109,098	21.1%
8	\$519,987	\$413,654	\$106,334	20.4%
9	\$523,405	\$419,907	\$103,499	19.8%
10	\$526,846	\$426,254	\$100,592	19.1%
Total	\$5,116,302	\$3,987,956	\$1,128,346	-22.1%

Note: Annual savings are slightly impacted by standard battery performance degradation

DSGS

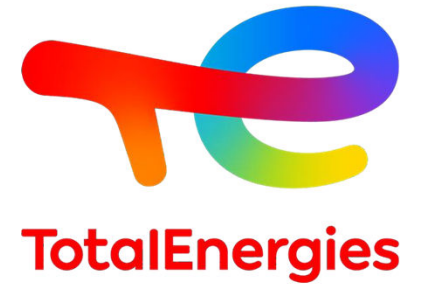
The second strategy that was presented was an offer to share in the benefits of the DSGS Program. TotalEnergies is offering two options, Option 1 a revenue share, or Option 2 a fixed payment. Option 1 would be LiSWA receiving a 25% revenue share of the program and Option 2 would be a 15% revenue share based on the estimated revenue from participating. For Option 1, revenue would only be generated based on successful participation in the DSGS program. Revenue is likely as the battery is provided a day-ahead activation signal, but not guaranteed, as response to this signal requires load on site to dispatch against. Utility bill savings coincident with this on peak dispatch still accrue to LiSWA based on displacing load. Participation has no penalty risk and can be stopped at any time with one month’s notice. DSGS is expected to deliver both monetary and environmental benefits to LiSWA and California ratepayers through its energy emergency mitigation. The program and the options are further explained in the information attached to this staff report as provided from and as presented by TotalEnergies as part of this agenda item.

Fiscal Impact

LiSWA staff are recommending proceeding with a change to PGE rate Option S with Option 1, Revenue Sharing as this is estimated to provide the greatest cost savings to LiSWA. TotalEnergies estimates the change in tariffs provides an estimated 10-year savings of \$1,128,346. For the DSGS program the expected revenue share to LiSWA is \$13,592 for the 2024 year, paid in 2025 and \$10,455 for the 2025 year, paid in 2026.

Attachments:

TotalEnergies Presentation



DSGS and LiSWA

Frantz Tony

Sr. Asset Management

Alex Dey

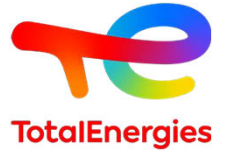
Director of Asset Management

Allegra Donadio

Sr. Business Development Manager

May 2024

Agenda



01

Rate Switch

02

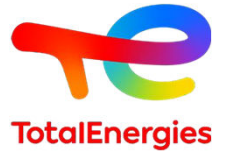
DSGS Program

03

Savings Impact and Revenue Opportunities

04

Next Steps



01.

Rate Switch

Option S tariffs in PGE



- **Eligibility**

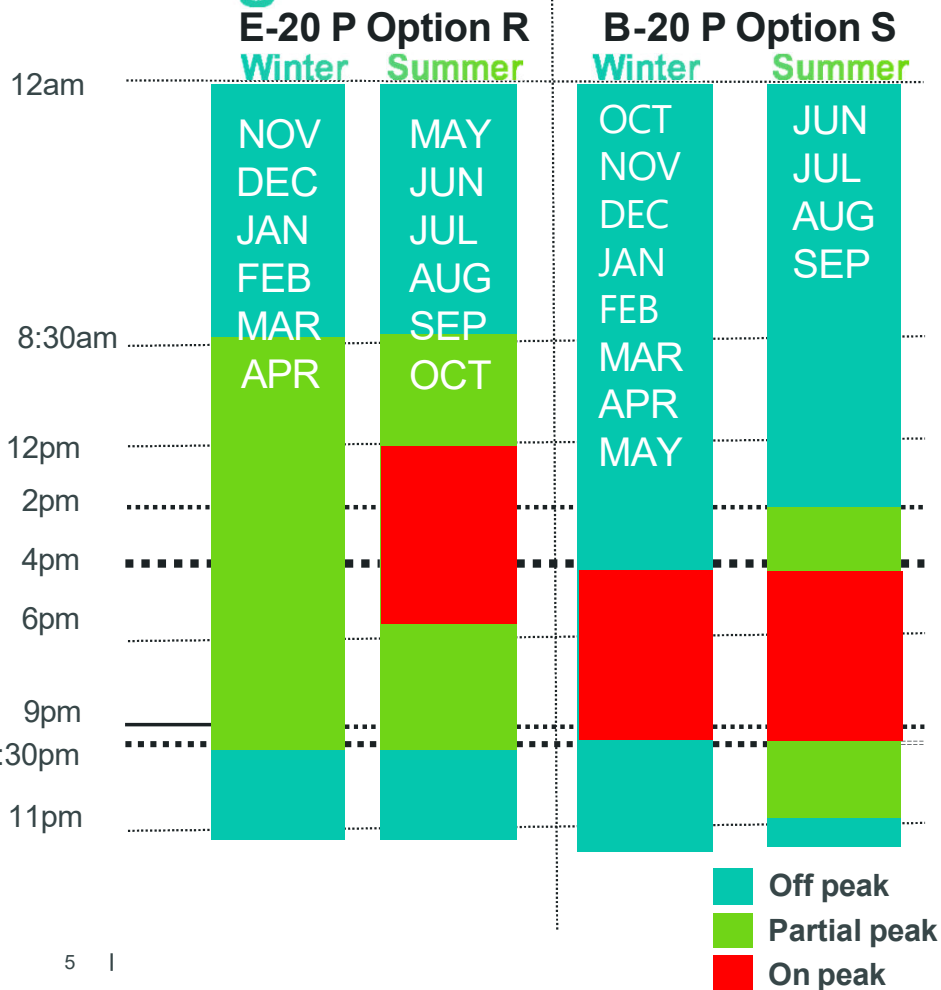
- “Option S” is a limited rate option available to customers who install storage.
- Option S is currently only offered under medium and large C&I rates: B-19 and B-20. Those qualified for grandfathering under legacy rates E-19 or E-20 but interested in Option S will need to opt onto a B rate, forfeiting their grandfathering rights.

- **Benefits**

- Without Option S, customers on the “B” rates are charged demand charges (\$/kW) on a monthly basis. With Option S, a portion of the demand charge revenue is collected through daily demand charges and monthly demand charges are lower than those for customers who are on the regular “B” rates. This reduces exposure to higher demand charges that result from infrequent periods of elevated load.
- The pioneering Option S rate, “S” standing for “storage-friendly”, was specifically designed to reduce customers’ exposure to high demand charges associated with infrequent periods of elevated load. The idea is to incentivize customers with a behind-the-meter energy storage system (ESS) to shave peak loads throughout the entire month, to capture demand charge reduction savings more effectively.

B-20 Energy Charge (\$/kWh) Effective 8/1/2021				
Charge Type		B-20	B-20 Option R	B-20 Option S
Summer	Peak	0.14893	0.35608	0.35608
	Part-Peak	0.12298	0.17325	0.17325
	Off-Peak	0.10249	0.11423	0.11423
Winter	Peak	0.13347	0.14995	0.14995
	Off-Peak	0.10233	0.10622	0.10622
	Super Off-Peak	0.06061	0.07047	0.07047

Proposed rate switch benefits current savings and ideal renewable operations

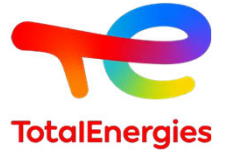


Synergistic operations

- **Proposed tariff switch**
 - PGE E-20 P Option R with Direct Access → B-20 P Option S with Direct Access
- **Higher performance out of BESS during the summer season**
 - Concentration of on peak window between **4-9pm** allows the BESS to more easily impact demand charge savings versus the longer **12-6pm** current schedule
 - Creates winter on peak window for better renewable optimization
 - Better NPV for Lincoln WWTP based on available tariff change

Simulation of Tariffs Results

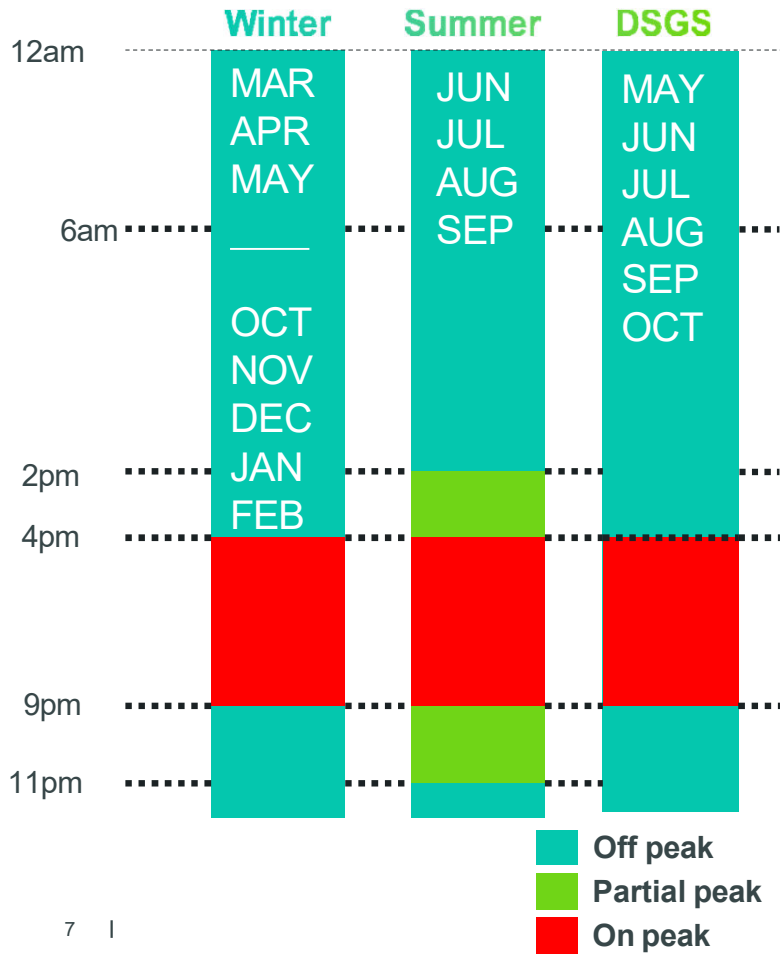
City of Lincoln - E-20 P (Option R)	
PGO Demand Charges Post Solar G Storage	
Year 1	Year 10
\$4G6,678	\$526,846
City of Lincoln - B-20 P (Option S)	
PGO Demand Charges Post Solar G Storage	
Year 1	Year 10
\$372,414	\$426,254
-25%	-19%



02.

DSGS Program

What is DSGS and what does it mean for LiSWA on the proposed new tariff?



Program at a Glance	
Program Hours	4pm - 9pm
Program Season	May 1 – October 31
Event Frequency	Min: 1 per month, Max: 35 per season
Enrolled capacity	Propose 4hr nomination: 500kW / 2000kWh

PG&E 2023 DSGS Events		
Month	Date	Event Duration (hr)
July	21	1
August	14	2
	15	5
	16	4
	17	1
October	18	1
	19	2
Notes	7 total event days	2 hr average duration

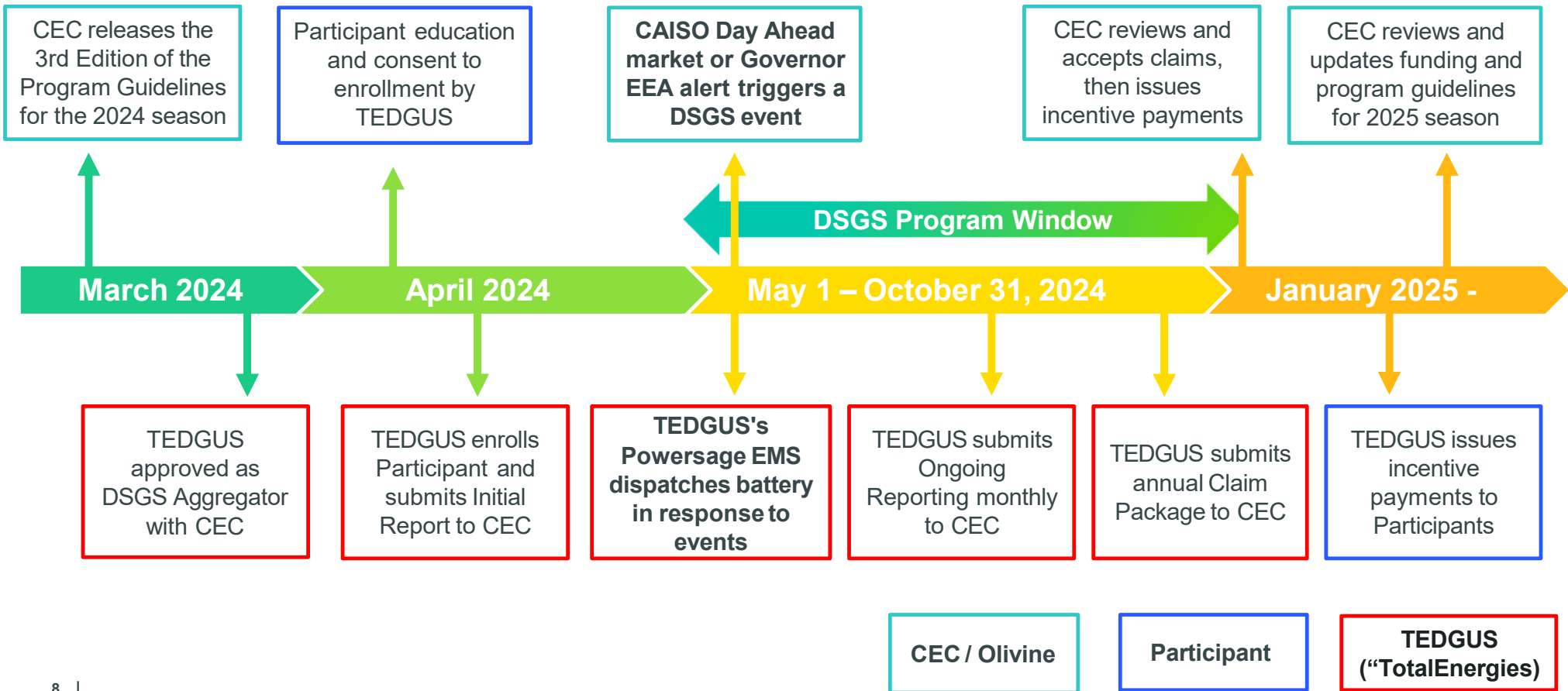
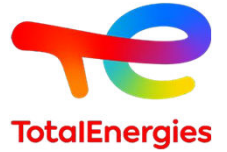
Site Information

- Energy Storage System Size
1000 kW / 2000 kWh
- Utility and Tariff Information
PGE B-20 P Option S

Synergistic operations

- The on peak period the site tariff **directly overlaps** with the 4-9pm DSGS dispatch window
- New rate limits impact of co-optimization for demand charge management and DSGS operations
- DSGS for the 2024 season is triggered when the Day Ahead energy market price signal is $\geq \$200/\text{MWh}$ between 4-9pm

DSGS Program Timeline





03.

Savings Impact and Revenue Opportunities

TotalEnergies proposes two options for LiSWA



DSGS Program Revenue			
Month	4hr	3hr	2hr
May	\$9/kW	\$8.10/kW	\$6.75/kW
June	\$9.30/kW	\$8.37/kW	\$6.98/kW
July	\$16.80/kW	\$15.12/kW	\$12.60/kW
August	\$18/kW	\$16.20/kW	\$13.50/kW
September	\$19.20/kW	\$17.28/kW	\$14.40/kW
October	\$10.50/kW	\$9.45/kW	\$7.88/kW
Season Total	\$82.80/kW	\$74.52/kW	\$62.10/kW
+30% bonus applied to capacity incentives for program years 2024-2025 for early participation			

● Option 1: Revenue Share

- **25%** of DSGS program revenue accrues to host site

● Option 2: Fixed Payment

- **15%** of DSGS program revenue accrues to host site

- TotalEnergies will share M&V documentation and reporting with CEC and LiSWA in Q4
- CEC will remit payment to TEDGUS (Aggregator), who will subsequently pay LiSWA in Q1

- (Calculations on next slide)

TotalEnergies proposes two options for LiSWA



● Modeling

- LiSWA load analyzed for both impact to savings calculation, in addition to total available incentive payment

- **Tariff Option S**
- System size **1000kW / 2000kWh**
- Aggregation enrolled duration **4hrs**
- Event schedule **2023 DSGS events in PGE**
- Average load available at time of events **594kW**
- Expected impact to savings **-\$4046 per season**

- Both options are based on the total DSGS incentive payment of base **\$49,200** or with **+30% bonus \$63,960**, net the administration fee of 15%.

● Option 1: Expected Revenue Share

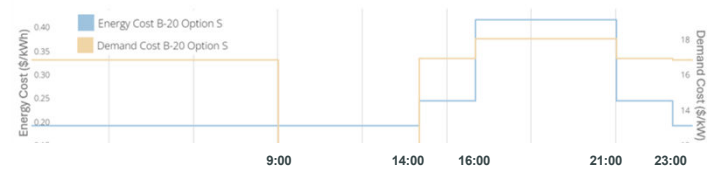
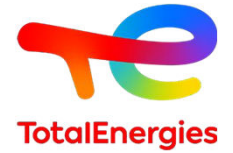
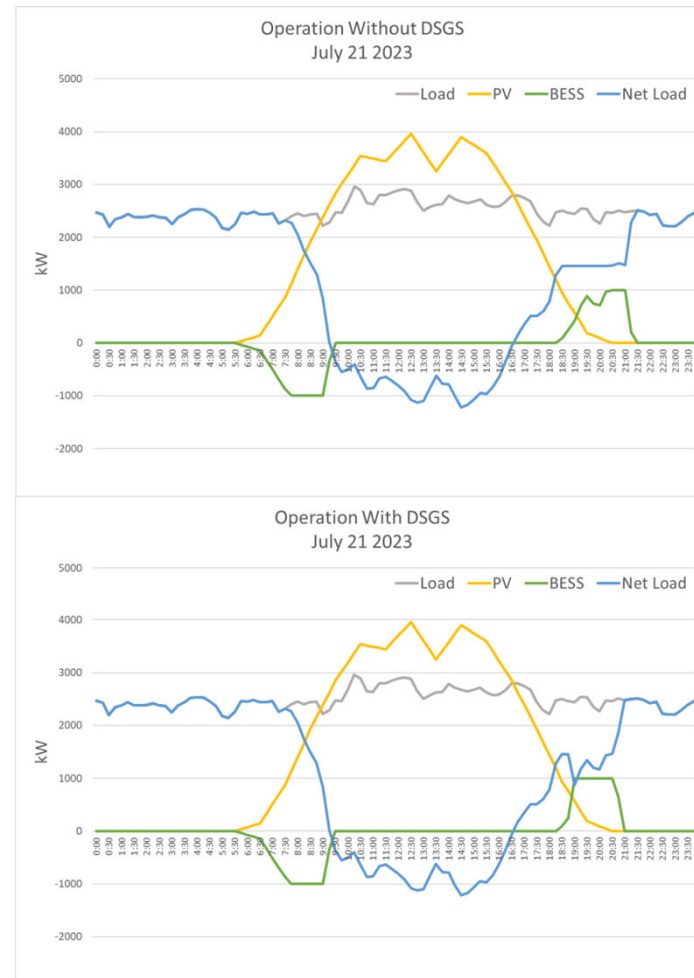
- Total program value 2025 = **\$13,592**
- *Net savings impact yields \$9,546*
- Total program value 2026+ = **\$10,455**
- *Net savings impact yields \$6,409*

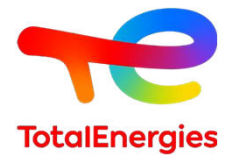
● Option 2: One-time Seasonal Fixed Payment

- Total program value 2025 = **\$8,155**
- *Net savings impact yields \$4,109*
- Total program value 2026+ = **\$6,273**
- *Net savings impact yields \$2,227*

Example of a DSGS event date and impact on dispatch behavior

- This shows how during a typical day the storage asset has a more conservative dispatch behavior following the contours of the load curve
- If alternatively, the storage asset responded to a DSGS event, it has a flatter dispatch, while still contributing to reducing the net load during the high energy and demand tariff window





04.

Next Steps

Next Steps



● Sign PPA addendums

- Authorize Site as program Participant (CEC)
- Attest Site is not in conflicting programs (CEC)
- Accept additional revenue, once remitted by CEC (PPA)

● That's it!

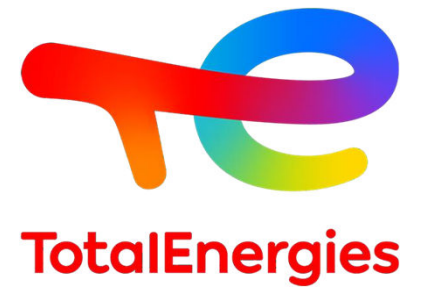
LiSWA (formerly Lincoln WWTP) PPA



- Please note the below sections of your existing Power Purchase Agreement (PPA) with TotalEnergies / Lincoln Solar Star, LLC committing to supporting our enrollment of the storage asset into performance-based incentives, such as DSGS.
- **Supporting program enrollment does not impact your Performance Guarantee or guaranteed system savings!**

5.2.2 Environmental Financial Incentives. All Environmental Financial Incentives and associated Reporting Rights available in connection with the System are retained and owned by Provider or its assignee. Customer shall take all reasonable measures to assist Provider in obtaining all Environmental Financial Incentives currently available or subsequently made available in connection with the System. At Provider's request and expense, Customer shall execute all such documents and instruments reasonably necessary or desirable to effect or evidence Provider's or its assignee right, title and interest in and to the Environmental Financial Incentives. If the standards used to qualify the Environmental Financial Incentives to which Provider is entitled under this Agreement are changed or modified, Customer shall, at Provider's request and expense, use all reasonable efforts to cause the Environmental Financial Incentives to comply with new standards as changed or modified. If Customer fails to act in good faith in completing documentation or taking actions reasonably requested by Provider, and such failure results in the loss of an Environmental Attribute that would otherwise be available, Customer shall reimburse Provider for the full amount of such lost Environmental Attribute.

"Environmental Financial Incentives" shall mean each of the following financial rebates and incentives that is in effect as of the Effective Date or may come into effect in the future: (i) performance-based incentives, rebates and any other incentive programs offered by or in the State of California (or any political subdivision thereof) under the federal government's, any municipality's, any utility's or any other state's program or initiative (including, if applicable, subsidies available under the Self Generation Incentive Program administered through the California Public Utilities Commission), incentive tax credits (including investment tax credits arising under the Code) other tax benefits or grants in lieu thereof (including without limitation the monetization of tax benefits), and accelerated depreciation (collectively, "incentives"), howsoever named or referred to, with respect to any and all fuel, emissions, air quality, energy generation, energy storage, or other environmental or energy characteristics, resulting from the construction, ownership or operation of the System or from the use of solar generation or energy storage or the avoidance of the emission of any gas, chemical or other substance into the air, soil or water attributable to the sale of Energy and Storage Services generated by the System; and (ii) all reporting rights with respect to such incentives.



Thank you!