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<td><strong>Docket Number:</strong></td>
<td>18-EPS-01</td>
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<td><strong>Project Title:</strong></td>
<td>Emission Performance Standard</td>
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<td><strong>TN #:</strong></td>
<td>227349</td>
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<tr>
<td><strong>Document Title:</strong></td>
<td>SCPPA EPS Compliance Filing for the Mammoth Casa Diablo IV Energy Project</td>
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<tr>
<td><strong>Description:</strong></td>
<td>N/A</td>
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<td><strong>Filer:</strong></td>
<td>Daniel Hashimi</td>
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<td><strong>Organization:</strong></td>
<td>Southern California Public Power Authority</td>
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<td><strong>Submitter Role:</strong></td>
<td>Applicant</td>
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March 18, 2018

California Energy Commission
EPS Compliance
1516 Ninth Street
Sacramento, CA 95814-512
Attention: Compliance Filing

Re: EPS Compliance Filing for the Mammoth Casa Diablo IV Energy Project

Dear Sir or Madam:

Pursuant to 20 CCR § 2900 et seq., of the California Code of Regulations, adopted by the California Energy Commission ("CEC") to implement Senate Bill 1368, the Southern California Public Power Authority ("SCPPA") hereby submits the attached compliance filing. In submitting this filing, SCPPA respectfully requests that the Commission determine that the procurements of geothermal renewable energy, associated environmental attributes and capacity rights pursuant to a power purchase agreement ("PPA") between SCPPA and ORNISO LLC, dated February 21, 2019 (the "Project") is in compliance with the energy performance standard ("EPS") regulations promulgated by the CEC. The second PPA will be presented to the Commission through a separate compliance filing substantially similar to this compliance filing (the PPA was previously contemplated, together with an additional 5 MW of energy and capacity, as part of a larger power purchase agreement, however, for commercial reasons among SCPPA and ORNISO LLC, the project was split into two separate power purchase agreements. The first of which is the PPA and is being presented to the Commission for its consideration. SCPPA will submit a separate compliance filing for the additional 5MW of energy and capacity which, if agreed to between the parties, will be contracted between SCPPA and ORNISO LLC pursuant to a separate power purchase agreement).

SCPPA is a joint powers agency formed in 1980 pursuant to the Joint Exercise of Powers Act (Cal. Govt. Code § 6500 et seq.). SCPPA is comprised of eleven cities and one irrigation district ("Member"), each of which owns and operates an electric utility within its jurisdictional boundaries.
On October 11, 2018, SCPPA submitted notice to the CEC of its intent to deliberate on the original project that included the additional 5MW of energy and capacity, a covered procurement, at its October 18, 2018 Board meeting consistent with 20 CCR § 2908. The SCPPA Board of Directors, as part of its noticed public meeting consistent with the requirements of the Ralph M. Brown Act (“Brown Act,” Cal. Govt. Code § 54950 et seq.), approved the original combined project under a single power purchase agreement. On February 21, 2019, having renegotiated the power purchase agreement into two separate PPAs to split the off take of energy and capacity from the Mammoth Casa Diablo IV Energy Project into two separate projects and power purchase agreements, between SCPPA and ORNI50 LLC, the SCPPA Board of Directors approved the Project. During that same meeting, the SCPPA Board of Directors approved the PPA the subject of this compliance filing on behalf of the City of Colton (“Participating Member”).

This compliance filing is presented on behalf of the Participating Member as well as for SCPPA’s own account pursuant to the EPS regulations (20 CCR § 2900 et seq.).

On November 15, 2018, at a noticed public meeting consistent with the requirements of the Brown Act, this compliance filing was presented to the SCPPA Board of Directors in substantial final form. The SCPPA Board of Directors considered, authorized and approved the compliance filing during that same meeting.

SCPPA executed the PPA on March 14, 2019 less than ten business days from the date of this compliance filing. The Participating Member will receive all of the geothermal renewable energy, associated environmental attributes and capacity rights acquired under the PPA through a separate Power Sales Agreement (“PSA”) between SCPPA and the Participating Member.

Additional information about the Project is shown on Attachment A. Attachment B includes the Staff Report presented to the SCPPA Board of Directors during its February 21, 2019, meeting (Attachment B-1) and the SCPPA Board Resolution No. 2019-013, adopted the same day (Attachment B-2) for approval and execution of the PPA. Attachment C includes the Staff Report presented to the SCPPA Board of Directors during its November 15, 2018, meeting (Attachment C-1) and the SCPPA Board Resolution No. 2018-104, adopted the same day (Attachment C-2) for approval and execution of the compliance filing for the Project. Attachment D is the attestation required by 20 CCR § 2909.

Sincerely,

Daniel S. Hashimi
Sr. Assist. General Counsel

Attachments
ATTACHMENT A

CALIFORNIA ENERGY COMMISSION
EMISSION PERFORMANCE STANDARD COMPLIANCE FILING
DESCRIPTION OF THE MAMMOTH CASA DIABLO IV ENERGY PROJECT

- **Name of Project**: Mammoth Casa Diablo IV Energy Project
- **Name of Counterparty**: ORNIS0 LLC
- **Location of Facility**: Jct. Old Hwy 395 & Hwy 203, Mammoth Lakes, CA 93546
- **Technology/Fuel**: Geothermal
- **Nameplate Capacity of Facility**: The total nameplate capacity of the Project is expected to 38 MW and SCPPA will procure up to 16 MW of capacity from the Project.
- **Project Participant and Participation Share**:  
  - The City of Colton – 100%
- **Substitute Energy Allowed**: No
- **Contract Date**: February 21, 2018 (Note: contract date is listed on the agreement for convince of reference only and does not reflect the actual date of execution of the power purchase agreement)
- **Expected Energy Delivery Start Date**: December 31, 2021
- **Expected Energy Delivery End Date**: December 31, 2046
MEETING DATE: February 21, 2019

CONSENT □ DISCUSSION □ RENEWAL □ NEW X
Place an X in box next to the appropriate consideration(s) above.

FROM:
Finance
Project Development □
Program Development □
Regulatory/Legislative □
Project Administration □
Legal □
Place an X in box next to the appropriate consideration(s) above.

METHOD OF SELECTION:
Competitive □
Cooperative Purchase □
Sole Source □
Single Source □
Other □
Other, please describe: □

Approved By Executive Director: [Signature]

SUBJECT: Mammoth Casa Diablo IV Energy Project to provide in total approximately 16 MWs of long-term geothermal supply of renewable electrical energy through the Southern California Public Power Authority ("SCPPA" or "the Authority") to one of its participating Members, the City of Colton ("Colton") for all 16 MWs, for the purpose of satisfying the utility’s renewable electrical energy resource goals.

RECOMMENDATION: Authorize the Mammoth Casa Diablo IV Energy Project and authorize the negotiation, execution, and delivery of the project power purchase agreement and power sales agreement.

BACKGROUND: In pursuit of the goals of the renewable development study project to provide opportunities for its members to supply 33 percent by 2020, the Authority has issued requests for proposals for potential renewable electric energy resources to address the renewable electrical energy needs of its members, including Colton (the "Project Participant"). Pursuant to this process the Project Participant had identified the Mammoth Casa Diablo IV Energy Project (CD4) as a viable geothermal power project which will further its renewable electrical energy goals and needs. The Authority and the Project Participant with the City of Banning had previously negotiated and developed, in substantial form, with ORNI 50 LLC a power purchase agreement with an expected capacity of 20 MW, previously approved by the SCPPA Board, Resolution Number 2018-093. However, SCPPA, on behalf of and at the request of the Cities of 　

RESOLUTION NUMBER: 2019-013

FROM: Finance
Project Development □
Program Development □
Regulatory/Legislative □
Project Administration □
Legal □
Place an X in box next to the appropriate consideration(s) above.

METHOD OF SELECTION:
Competitive □
Cooperative Purchase □
Sole Source □
Single Source □
Other □
Other, please describe: □
Banning and Colton, engaged in further negotiations to mitigate the expenses associated with losses assessed by the California Independent System Operator (the "CAISO") that may have otherwise been incurred by each City; and therefore was able to develop separate power purchase agreements and power sales agreements to facilitate the purchase and sale of geothermal energy and associated attributes separately to the Cities of Banning and Colton while mitigating the CAISO loss expenses.

CD4 is a new geothermal facility located in Mono County, California. ORNI 50 LLC, an affiliate of Ormat Technologies Inc., directly controls CD4 denominated to deliver energy under the power purchase agreement to the Authority. Point of delivery is the 115-kV bus at the SCE Control Substation within the CAISO. The Authority expects to receive energy deliveries pursuant to the power purchase agreement beginning on December 31, 2021. The twenty-five-year term power purchase agreement is expected to begin upon completion of certain conditions as required under the power purchase agreement and is expected to end on December 31, 2046. The energy price under the power purchase agreement is fixed for Delivered Energy that is provided on or after the Commercial Operation Date shall be zero dollars ($00.00) per MWh for the first MWh of Delivered Energy in each hour and $68.00 per MWh for each MWh of Delivered Energy in each hour in excess of one (1) MWh which is for the term of the contract. Any test energy delivered prior to a facility’s commercial operation date and at the consent of the Project Participant, as appropriate, will be paid for at the rate of zero dollars ($00.00) per MWh for the first MWh of Test Energy in each hour and $51.00 per MWh for each MWh of Test Energy in each hour in excess of one (1) MWh.

FISCAL IMPACT: None. Colton is responsible for their share of the full compensation to pay for all energy products and services received from Ormat over the term of the Agreement.
RESOLUTION NO. 2019-013


WHEREAS, the Southern California Public Power Authority ("SCPPA" or "the Authority") pursuant to Resolution No. 2018-093 approved and authorized the Mammoth Casa Diablo IV Energy Project (the "Project") together with a power purchase agreement for the purchase of geothermal energy and other attributes from the Project, and two separate power sales agreements to sell such geothermal energy and attributes to the Cities of Banning and Colton under separate power sales agreements;

WHEREAS, since, the Authority on behalf of and at the request of the Cities of Banning and Colton have engaged in further negotiations to mitigate the expenses associated with losses assessed by the California Independent System Operator (the "CAISO") that may have otherwise been incurred by each City;

WHEREAS, the Authority and ORNI50, LLC (the "Power Purchase Provider"), pursuant to the aforementioned negotiations, were able to agree to mutually beneficial terms to mitigate the costs of losses as assessed by the CAISO and develop separate power purchase agreements and power sales agreements to facilitate the purchase and sale of geothermal energy and associated attributes separately to the Cities of Banning and Colton;

WHEREAS, the Authority now presents a power purchase agreement dated February 21, 2019 (the "Power Purchase Agreement") between the Authority and the Power Purchase Provider and a separate power sales agreement dated February 21, 2019 (the "Power Sales Agreement") to facilitate the purchase and sale of up to 16 MW of capacity and associated energy, energy attributes and capacity attributes to the City of Colton, which shall be denominated as the Mammoth Casa Diablo IV Energy Project;

WHEREAS, the Authority will present, on a later date, similar agreements for the facilitation of the purchase and sale of capacity, energy and associated attributes to the City of Banning; and

WHEREAS, SCPPA and the City of Colton desire to provide for the further development, negotiation, entering into, execution and delivery of such other documents,
ATTACHMENT B-2

instruments, agreements and arrangements with respect to the resources of the Project so as to facilitate the generation, transmission and delivery of energy associated with the Project and to provide for the negotiation and approval of those terms and conditions with respect to such agreements and arrangements as shall best carry forward the interests of the Authority and the City of Colton and as shall best achieve the Authority’s and the City of Colton’s objectives.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Southern California Public Power Authority as follows:

1. The Executive Director is hereby delegated all right power and authority to negotiate and finalize, and each of the President, Vice President and Executive Director of the Authority is hereby authorized and directed, upon the successful negotiation thereof, to execute and deliver the Power Purchase Agreement, in substantial form as on file with the Authority, and each of such other agreements, documents and instruments the substance or form of which are referenced in or otherwise attached to the Power Purchase Agreement or which may be contemplated by the terms of the Power Purchase Agreement and to which the Authority is to be a party or is to sign, each with such changes, insertions and omissions as shall be approved by said President, Vice President or Executive Director (such approval to be conclusively evidenced by her or his execution and delivery thereof), and each of the Secretary and any Assistant Secretary is hereby authorized to attest to such signature. The Power Purchase Agreement (including such other agreements, documents and instruments the form of which is attached to the Power Purchase Agreement or is referenced therein) is hereby approved in substantially the form as on file with the Authority.

2. Each of the President, Vice President and Executive Director of the Authority is hereby authorized and directed to execute and deliver the Power Sales Agreement, with the City of Colton in substantially the form on file with the Authority, with such changes, insertions and omissions as shall be approved by said President, Vice President or Executive Director (such approval to be conclusively evidenced by her or his execution and delivery thereof), and each of the Secretary and any Assistant Secretary is hereby authorized to attest to such signature. The form of the Power Sales Agreements each in substantial final form on file with the Authority are each hereby made a part of this Resolution as though set forth in full herein and the same hereby is approved.

3. In addition to the foregoing, in order to facilitate the negotiation and consummation of the contemplated arrangements for the generation and delivery of energy from the Project and to carry forward other necessary or appropriate agreements associated with the acquisition of energy and geothermal generation resources of the Project and the delivery of the energy and environmental attributes of the Project to Southern California, and to achieve the full utilization of the resources of the Project, the Board of Directors hereby delegates to the Executive Director of the Authority all right, power and authority to negotiate, approve and execute agreements and arrangements with respect to the resources of the Project to facilitate the generation, transmission and delivery of energy associated with the Project and to negotiate and approve those terms and conditions with respect to such agreements and arrangements as shall best carry forward the interests of the Authority and the City of Colton and as shall best achieve the Authority’s and the City of Colton’s objectives, including the negotiation, development and execution of any consent agreement or other agreement pursuant to a change in control, project related financing, or as otherwise necessary or appropriate to carry forward the interests of the
Authority and the City of Colton which does not require a material modification to or material change to the Power Purchase Agreement.

4. Each of the President, Vice President, Secretary, any Assistant Secretary, the Executive Director and any other officer of the Authority is hereby authorized to execute and deliver any and all agreements, documents and instruments and to do and cause to be done any and all acts and things deemed necessary or advisable for carrying out the transactions contemplated by this Resolution (including, but not limited to, making such changes to the agreements, documents and instruments referred to in this Resolution if such changes are determined by the President, Vice President or Executive Director to be necessary or advisable). Each reference in this Resolution to the President, Vice President, Secretary, Assistant Secretary or Executive Director shall refer to the person holding such office or position, as applicable, at the time a given action is taken and shall not be limited to the person holding such office or position at the time of the adoption of this Resolution. All actions heretofore taken by the officers, employees and agents of the Authority in furtherance of the transactions contemplated by this Resolution are hereby approved, ratified and confirmed.

5. This Resolution shall become effective immediately.

THE FOREGOING RESOLUTION is approved and adopted by the Authority this 21st day of February 2019.

[Signature]
PRESIDENT
Southern California Public Power Authority

ATTEST:

[Signature]
ASSISTANT SECRETARY
Southern California Public Power Authority
ATTACHMENT C-1
SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY
Board of Directors Meeting
AGENDA ITEM STAFF REPORT

MEETING DATE: November 15, 2018
RESOLUTION NUMBER: 2018-103

CONSENT X DISCUSSION
Place an X in box next to the appropriate consideration(s) above.

RENEWAL  NEW

FROM:
Finance
Project Development  X
Program Development
Regulatory/Legislative
Project Administration
Legal
Executive Director

METHOD OF SELECTION:
Competitive
Cooperative Purchase  X
Sole Source
Single Source
Other
If other, please describe: ____________________________

Approved By Executive Director: ____________________________

INITIAL MEMBER PARTICIPANTS:
Anaheim  Colton  X  LADWP
Azusa  Cerritos
Banning  Glendale
Burbank  IID
Pasadena
Riverside
Vernon

Place an X in box next to the applicable Member(s) shown above.

SUBJECT: Mammoth Casa Diablo IV Energy Project will provide 20 MW of geothermal supply of renewable electrical energy through SCPPA to city of Banning and Colton.

RECOMMENDATION: Authorize and approve each of the Executive Director, Director of Resource and Program Development, General Counsel and Senior Assistant General Counsel to execute and submit the compliance filing for the Ormat Mammoth Casa Diablo IV as submitted to the Board of Directors in substantial final form attached to the Agenda Report accompanying the Resolution.

BACKGROUND: The Authority has issued requests for proposals for potential renewable electric energy resource to address the renewable electrical energy needs of its members, including the City of Colton and City of Banning, the project participant in the current project (the “Project Participant”). Pursuant to this process the Project Participant has identified the Ormat Mammoth Casa Diablo IV Geothermal Project as a viable geothermal power project which will further its
renewable electrical energy goals and needs. The Authority including Banning and Colton have negotiated and developed with ONGP LLC a power purchase agreement with an expected capacity of 20 MW. ONGP LLC, a subsidiary of developer Ormat Nevada Inc., directly or indirectly to deliver energy under the power purchase agreement to the Authority. The Authority expects to receive the energy under the power purchase agreement beginning on December 31, 2021. The term of the power purchase agreement is expected to begin upon completion of certain conditions as required under the power purchase agreement and is expected to end on December 31, 2046. The energy price under the power purchase agreement is fixed at $68.00/MWh for the terms of the contract. Any test energy delivered prior to a facility's commercial operation or delivery commencement date, as appropriate, will be paid for at the rate of $51.00 per MWh.
RESOLUTION NO. 2018-093


WHEREAS, the Southern California Public Power Authority ("SCPPA" or "the Authority") has issued Requests for Proposals for potential renewable electric resources to address SCPPA member renewable energy needs, as part of that process the Authority together with the Cities of Banning and Colton (the "Project Participants") have identified a geothermal energy generation resource denominated as the Mammoth Casa Diablo IV Energy Project ("Project"). The Project is being developed by ORNI 50 LLC ("Power Purchase Provider"), a Delaware limited liability company, and an affiliate of Ormat Technologies, Inc. The Project is planned to be situated in Mono County, California;

WHEREAS, SCPPA and the Project Participants have negotiated and developed in substantial final form with the Power Purchase Provider a power purchase agreement with a term of 25 years (the "Power Purchase Agreement") whereby the Power Purchase Provider, will sell and SCPPA will purchase geothermal renewable energy and associated environmental rights and benefits;

WHEREAS, the Authority and each of the Project Participants desire to enter into separate power sales agreements (the "Power Sales Agreements"), whereby the Authority will provide to the Project Participants the full output of the Project, and the Project Participants will pay all costs, liabilities and obligations of the Authority in connection with the Project;

WHEREAS, the Project is subject to the California Energy Commission's ("Commission") Emission Performance Standard regulations ("EPS Regulations;" 20 CCR § 2900 et seq.), including the requirement in 20 CCR § 2909 that a publicly-owned utility submit a "compliance filing" with the Commission within 10 business days after it enters into a "covered procurement" as therein defined; and

WHEREAS, SCPPA and the Project Participants desire to provide for the further development, negotiation, entering into, execution and delivery of such other documents, instruments, agreements and arrangements with respect to the resources of the Project so as to facilitate the generation, transmission and delivery of energy associated with the Project and to provide for the negotiation and approval of those terms and conditions with respect to such
agreements and arrangements as shall best carry forth the interests of the Authority and the Project Participants and as shall best achieve the Authority’s and the Project Participants’ objectives.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Southern California Public Power Authority as follows:

1. The Executive Director is hereby delegated all right power and authority to negotiate and finalize, and each of the President, Vice President and Executive Director of the Authority is hereby authorized and directed, upon the successful negotiation thereof, to execute and deliver the Power Purchase Agreement, in substantial form as on file with the Authority, and each of such other agreements, documents and instruments the substance or form of which are referenced in or otherwise attached to the Power Purchase Agreement or which may be contemplated by the terms of the Power Purchase Agreement and to which the Authority is to be a party or is to sign, each with such changes, insertions and omissions as shall be approved by said President, Vice President or Executive Director (such approval to be conclusively evidenced by her or his execution and delivery thereof), and each of the Secretary and any Assistant Secretary is hereby authorized to attest to such signature. The Power Purchase Agreement (including such other agreements, documents and instruments the form of which is attached to the Power Purchase Agreement or is referenced therein) is hereby approved in substantially the form as on file with the Authority.

2. Each of the President, Vice President and Executive Director of the Authority is hereby authorized and directed to execute and deliver the Power Sales Agreements, with the Cities of Banning and Colton, each in substantially the form on file with the Authority, with such changes, insertions and omissions as shall be approved by said President, Vice President or Executive Director (such approval to be conclusively evidenced by her or his execution and delivery thereof), and each of the Secretary and any Assistant Secretary is hereby authorized to attest to such signature. The form of the Power Sales Agreements each in substantial final form on file with the Authority are each hereby made a part of this Resolution as though set forth in full herein and the same hereby is approved.

3. In addition to the foregoing, in order to facilitate the negotiation and consummation of the contemplated arrangements for the generation and delivery of energy from the Project and to carry forth other necessary or appropriate agreements associated with the acquisition of energy and geothermal generation resources of the Project and the delivery of the energy and environmental attributes of the Project to Southern California, and to achieve the full utilization of the resources of the Project, the Board of Directors hereby delegates to the Executive Director of the Authority all right, power and authority to negotiate, approve and execute agreements and arrangements with respect to the resources of the Project to facilitate the generation, transmission and delivery of energy associated with the Project and to negotiate and approve those terms and conditions with respect to such agreements and arrangements as shall best carry forth the interests of the Authority and the Project Participants and as shall best achieve the Authority’s and the Project Participants’ objectives, including the negotiation, development and execution of any consent agreement or other agreement pursuant to a change in control, project related financing, or as otherwise necessary or appropriate to carry forward the interests of the Authority and the Project Participants which does not require a material modification to or material change to the Power Purchase Agreement.
4. Each of the President, Vice President, Secretary, any Assistant Secretary, the Executive Director and any other officer of the Authority is hereby authorized to execute and deliver any and all agreements, documents and instruments and to do and cause to be done any and all acts and things deemed necessary or advisable for carrying out the transactions contemplated by this Resolution (including, but not limited to, making such changes to the agreements, documents and instruments referred to in this Resolution if such changes are determined by the President, Vice President or Executive Director to be necessary or advisable). Each reference in this Resolution to the President, Vice President, Secretary, Assistant Secretary or Executive Director shall refer to the person holding such office or position, as applicable, at the time a given action is taken and shall not be limited to the person holding such office or position at the time of the adoption of this Resolution. All actions heretofore taken by the officers, employees and agents of the Authority in furtherance of the transactions contemplated by this Resolution are hereby approved, ratified and confirmed.

5. This Resolution shall become effective immediately.

THE FOREGOING RESOLUTION is approved and adopted by the Authority this 18th day of October, 2018.

PRESIDENT
Southern California Public
Power Authority

ATTEST:

ASSISTANT SECRETARY
Southern California Public
Power Authority
I, the official named below, certify under penalty of perjury, the following:

1. I am an agent of the Southern California Public Power Authority SCPPA authorized by its governing board to sign this attestation on its behalf. (Capitalized terms used herein have the meanings given in the cover letter submitted herewith.)

2. The SCPPA Board of Directors reviewed and approved in a public meeting the covered procurement on February 21, 2019, and the compliance filing described above on November 15, 2018, respectively.

3. Based on the SCPPA Board of Director's knowledge, information, and belief, the compliance filing does not contain a material misstatement or omission of fact;

4. Based on the SCPPA Board of Director's knowledge, information, or belief, the covered procurement complies with Title 20, Division 2, Chapter 11, Article 1 of the California Code of Regulations; and

5. The PPA contains the contractual terms or conditions specifying that the contract or commitment is void and all energy deliveries shall be terminated no later than the effective date of any Commission decision pursuant to 20 CCR § 2910 that the covered procurement fails to comply with 20 CCR § 2900 et seq.

Executed this 18th day of March of 2019, at Glendora, California.

Michael S. Webster, Executive Director
Southern California Public Power Authority