



NATURAL GAS PURCHASE AGREEMENT

This Agreement is between Commercial Energy of Montana Inc., dba Commercial Energy of California (Seller), 7677 Oakport St., Suite 525, Oakland, CA 94621, and Livermore Valley Joint Unified School District (Buyer), 685 East Jack London Blvd., Livermore, CA 94551 (Address).

SELLER'S OBLIGATIONS:

- To sell natural gas to the Buyer under the terms and conditions specified herein, beginning no sooner than **July 1st, 2024** for a one year (12 billing months) term.
- To perform all balancing, nominations and such other services necessary to provide natural gas to Buyer to fulfill Buyer's daily requirements.
- To manage and secure all necessary natural gas transportation and storage capacity requirements on behalf of Buyer as Buyer's agent.
- To assist Buyer, if desired, in converting to Non-Core service, as eligible, based upon the Utility's tariffs.

BUYER'S OBLIGATIONS:

- To purchase all natural gas from Seller under the terms detailed herein for the following locations or as listed on Exhibit A (if any) including any & all new future locations. This Agreement (Service ID Number and Meter Number may be modified by the Utility and are listed here for informational purposes only):

See Exhibit A

- To provide to Seller all necessary or sufficient information to assist Seller in meeting Seller's balancing and nominating duties on behalf of Buyer, including authorizing Seller the right to access Buyer's Utility SmartMeter Accounts to retrieve, analyze, store, and compile consumption and other data. Buyer will provide Seller its passwords, usernames, and/or login information required for Buyer to access the data from the Utility. Username: _____ Password: _____. Seller is responsible for obtaining and maintaining, at its sole cost and expense, any hardware, equipment, third party software, or other support and maintenance services related to the foregoing.
- To pay all invoices for natural gas, customer charges, and transportation under the terms herein.

EXTENSION: If neither party sends a written non-renewal notice to the other party at least fifteen (15) days prior to the beginning of the last delivery month, this Agreement automatically extends monthly at: (1) the same terms as in this Agreement; or (2) monthly price based on the month's PG&E Citygate Monthly Index Price (as published in NGI - www.naturalgasintel.com) plus Seller's risk management fee of \$0.070 per therm, whichever is greater, plus Seller's risk management fee of 5.0% on the PG&E Citygate Monthly Index Price. For Core Service (GNR-1, GNR-2, GM, G1, GS or GT), Seller must also bill the monthly Stranded Pipeline Capacity Charge (SPCC) published in Table 6 of the Crossborder Energy Study (currently \$0.042/therm from April 1, 2015). Buyer's monthly price paid to Seller does not include Utility's shrinkage allowance.

UTILITY BILL AUDITING SERVICE: Seller will perform for the Buyer an audit of Utility and/or other third-party energy providers invoices for generation, transportation, transmission, metering, distribution services, and/or taxes for electricity and natural gas. Should Seller find errors or reductions in these fees, Seller will provide Buyer with a findings letter to reduce these fees, as well as to obtain potential refund(s) from Utility and/or other third-party providers for previous overcharges. Buyer will provide Seller all necessary and required documentation and authorization to capture reductions in fees and/or refund(s) of previous overcharges. If Seller is successful in obtaining forward reductions in fees, Seller will receive 33.33% of the savings generated for a period of 24 months. Seller will prepare and deliver a savings true-up report after month 24 to reconcile any differences in the fees to ensure Buyer is charged 33.33% of actual savings realized. If Seller is successful in obtaining refunds for previous errors, Seller will also receive 33.33% of such refund(s). Seller's costs to capture these savings and/or refunds will be borne by Seller. Buyer will provide Seller all necessary information and access to their utility accounts to perform the functions within this paragraph.



PRICING AND TERM

Natural gas will be measured and billed on the basis of therms delivered to the Buyer's meter(s). Interstate transportation and gas storage costs paid to Utility as part of Utility's procurement costs will be borne by Seller. Buyer's monthly price paid to Seller does not include Utility's customer charge(s) or transportation charge(s). Those charges are published from time-to-time by Utility. Please select or initial as acceptance your desired risk management option offered below:

_____ **ENERGY SAFE™ (Fixed) PRICE:**

Buyer is guaranteed a fixed price of **\$0.661 per therm** for all natural gas delivered. There are no volumetric requirements so any excess or deficit quantities relating to changes in Buyer's monthly natural gas load will also be charged at the fixed price of **\$0.661 per therm.**

_____ **CAPPED PRICE:**

Buyer pays for each therm of natural gas delivered each month at a monthly price that is capped at **\$0.811 per therm**. Monthly natural gas price is determined by taking the month's PG&E Citygate Monthly Index Price (as published in Natural Gas Intelligence, Inc. - www.naturalgasintel.com) plus Seller's risk management fee of **\$0.069 per therm** and the monthly Stranded Pipeline Capacity Charge (SPCC) of **\$0.025 per therm**. Buyer's monthly price paid to Seller does not include Utility's shrinkage allowance.

BLEND & EXTEND: On a monthly basis, Buyer may request Seller to provide an additional twelve (12) months to existing Agreement. This extension offer will blend the costs of the remaining term of existing Agreement with the costs of the additional months of the extended Agreement.

This Offer expires **June 4th, 2024 at 5pm Pacific Time**, if not signed and returned electronically, via email, or via fax. This Agreement (5 pages) is the complete Agreement and may be modified only in writing and only upon mutual consent of both parties.

Seller: Commercial Energy of Montana Inc.

Buyer: Livermore Valley Joint Unified School District

By: _____

By: _____

Printed Name: _____

Printed Name: _____

Title: _____ Date: _____

Title: _____ Date: _____



GENERAL CONDITIONS

PRICE AND VOLUME: Buyer will purchase all natural gas measured at the locations listed in Exhibit A of this Agreement from Seller during the term of this Agreement. Buyer's price from Seller, regardless of any changes in usage, will be billed at the selected contracted price in the Pricing section above. There will be no imbalance charges or penalties for excess or deficit quantities relating to any changes in Buyer's consumption. Seller will supply all necessary natural gas to meet Buyer's daily requirements.

PAYMENTS: Billing and collection of Buyer's account will be performed by the Seller or Utility. Buyer will abide by all terms of payment as provided within the monthly billing statement. Payments not received by Seller directly or through the Utility by the due date incur a fifty dollar (\$50) administrative charge per past due meter account. An invoice billed through the Utility for which a payment is not received by Seller may be invoiced directly to the Buyer and payable upon receipt. Interest on late payments of all undisputed amounts accrues from the due date until the date of payment at the rate of twelve percent (12%) annually, or the maximum applicable lawful interest rate, whichever is less. Seller cannot be compelled to assign Buyer's transportation and storage management to another provider until such time as the amount due, including interest, is paid. However, if Buyer, in good faith, disputes the amount of any such billing or part thereof, and shall pay such amounts as it concedes to be correct, no suspension shall be permitted. Such disputes shall be resolved through arbitration.

VENDOR MASTERFILE: To ensure Seller receives all vendor notifications, Seller shall provide a W-9 for the Buyer to establish the Seller as a vendor within their Accounts Payable masterfile at time of initial contract acceptance.

CHANGE IN METER STATUS: In the event that any meter(s) disconnect, outstanding balances shall be treated as follows: (a) If other meter(s) are enrolled under this contract, balances from the disconnected meter will be transferred, and become due and payable. (b) Should all meters covered within this contract be disconnected, Seller will prepare and submit final bill inclusive of any outstanding balances, whether billed directly by the Seller or the Utility.

JURISDICTION: This Agreement shall be construed under the laws of the State of California.

ASSIGNMENT: Neither party will assign this Agreement or any of its rights or obligations under this Agreement without the prior written consent of the other party. Consent to assignment shall not be unreasonably withheld. This Agreement binds and inures to the benefit of the parties hereto, their successors and assigns, and constitutes a covenant running with the location(s) listed in Exhibit A.

TITLE AND WARRANTIES: Seller warrants that it will transfer good and merchantable title to all natural gas sold hereunder and delivered by it to Buyer, free and clear of all liens, encumbrances and claims. Title and right of possession to all natural gas sold and delivered hereunder shall pass from Seller to Buyer at the Delivery Point, which shall mean the Buyer's Utility meter.

FORCE MAJEURE: If either party due to a condition of force majeure is unable to perform any obligation or condition of this Agreement, with the exception of paying debt, such obligation shall be suspended during the continuance of the inability. Force majeure shall include, without limitations, acts of God, failure of any pipeline or utility to accept or transport gas, strikes, lockouts, or labor disputes, fire, flood, storms, hurricanes or other natural occurrences, or any similar cause which is beyond the reasonable control of the party claiming force majeure. Economic hardship of either party shall not constitute a Force Majeure under this Agreement. A party that is delayed in performing or rendered unable to fulfill any of its obligations under this Agreement by Force Majeure shall notify the other party in writing as soon as possible and shall exercise due diligence to attempt to remove such inability with all reasonable dispatch.

CREDIT: Buyer credit standing is essential to Seller entering into and performing its obligations under this Agreement. Should Seller, at any time, become reasonably concerned about Buyer's credit quality (as a result, for instance, of two late payments in a six-month period or a credit rating agency red flag), Seller may require and Buyer will provide credit assurance in the form of a prepayment or cash deposit up to the amount of sixty (60) days exposure plus the Contract Value minus the Market Value for the remaining term. Seller will reasonably determine this amount, which must be funded within ten (10) business days of written request. Failure to fund the request is a Default event of the Buyer.

FORWARD CONTRACT/EARLY TERMINATION: This Agreement is a forward contract under the Federal Bankruptcy Code. In the event that Buyer or Seller shall: i) make an assignment or any general arrangement for the benefit of creditors; ii) file a petition or otherwise commence, authorize or acquiesce in the commencement of a proceeding or cause under any bankruptcy or similar law for the protection of creditors or have such petition filed or proceeding commenced against it, iii) otherwise become insolvent, then such party will be in Default of this Agreement and this Agreement will terminate immediately. Seller shall have the right to suspend deliveries without prior notice. Buyer's early termination without cause shall be an event of default of this Agreement.

DEFAULT: In the event either party defaults ("Defaulting Party") in its obligations under the terms of this Agreement to the other party ("Performing Party") except to the extent excused by Force Majeure under this Agreement (which shall not include a delay in payment that is cured within 5 (five) business days of a written demand or any other failure of performance that is cured within 10 (ten) business days of a written demand from the Performing Party for corrective action), Performing Party shall have the right to establish an early termination date to this Agreement upon 10 business days written notice to the Defaulting Party. The Performing Party shall act reasonably to minimize its damages.

DISPUTE RESOLUTION AND ARBITRATION: The parties shall attempt to resolve any claim or dispute through good faith negotiations. Upon failure of such negotiations, all claims and disputes that (1) are between Seller and Buyer and (2) arise out of, or relate to, this Agreement between Seller and Buyer or to their performance or breach (including any tort or statutory claim) ("Arbitrable Claims"),



shall be arbitrated under the Commercial Arbitration Rules of the American Arbitration Association ("AAA"), in English within the state of California, within the County of Alameda, before one neutral arbitrator who shall be a member of the AAA's Large Complex Case Panel. Upon the reasonable request of a party, specific documents relevant to the claim or dispute in the possession of the other party shall be made available to the requesting party not later than sixty (60) days after the demand for arbitration is served. The arbitrator may permit depositions or other discovery deemed necessary for a fair hearing. The hearing may not exceed two days. The award shall be rendered within 120 days of the demand for arbitration. The arbitrator may award interim and final injunctive relief and other remedies, but may not award punitive damages. No time limit herein is jurisdictional. Any award of the arbitrator (including awards of interim or final remedies) may be confirmed or enforced in any court having jurisdiction. Notwithstanding the above, Buyer or Seller may bring court proceedings or claims against each other (i) solely as part of separate litigation commenced by an unrelated third party, or (ii) if not first sought from the arbitrator, solely to obtain in the state or federal courts in or for the state of California temporary or preliminary injunctive relief or other interim remedies pending conclusion of the arbitration.

REMEDIES IN THE EVENT OF DEFAULT:

If Seller terminates this Agreement upon the default of Buyer, or Buyer terminates without cause, Buyer will pay Seller the following early termination payment, if a positive number: Contract Value minus Market Value. If Buyer terminates this Agreement upon the default of Seller, Seller will pay Buyer the following early termination payment, if a positive number: Market Value minus Contract Value. For purposes of this Section, "Contract Value" means the contract price of natural gas, per therm hereunder, times Remaining Anticipated Usage. "Market Value" means the amount, as determined by the Non-Defaulting Party, less Costs, a bona fide third party would purchase or sell for the Remaining Anticipated Usage over the remaining term of the Agreement at current forward market prices. In determining "Market Value", the Non-Defaulting Party may consider, among other things, quotes from dealers in the wholesale energy industry, forward price valuations developed by the Non-Defaulting Party, and other bona fide offers from third parties, all as commercially available and adjusted for the length of the Remaining Term, as the Non-Defaulting Party reasonably determines. "Costs" mean brokerage fees, commissions and similar transaction costs reasonably incurred by, or on behalf of, the Non-Defaulting Party in terminating or liquidating any arrangement pursuant to which it has hedged its obligations, and attorneys' fees, expenses and costs, if any, incurred in connection with enforcing its rights under this Agreement. "Remaining Anticipated Usage" means the historical usage (in therms), for the remaining term of the Agreement. If Seller Defaults on the Agreement and the Buyer finds a replacement alternate supplier, Seller should take direction from Buyer with regards to switching the accounts. After termination, cancellation, or expiration, Buyer agrees that it will remit full payment of all amounts due under this Agreement within the Final Payment Period (which will be deemed to be the 20-day period following receipt of the invoice for the last period of deliveries hereunder). The applicable provisions of this Agreement will continue in effect after termination, cancellation, or expiration hereof to the extent necessary, including but not limited to providing for final billing, billing adjustments and payments, and with respect to any other payment obligations hereunder. Buyer is responsible for all collection costs incurred by seller in the event of nonpayment.

SURVIVAL: Termination of this Agreement shall not relieve either Party from an obligation under this Agreement to pay amounts due to the other Party that were incurred prior to termination.

LIMITATION OF LIABILITY: FOR BREACH OF ANY PROVISION FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED IN THIS AGREEMENT, THE LIABILITY OF THE DEFAULTING PARTY SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER DAMAGES OR REMEDIES HEREBY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED, THE LIABILITY OF THE DEFAULTING PARTY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY AND ALL OTHER DAMAGES AND REMEDIES ARE WAIVED. IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES IN TORT, CONTRACT UNDER ANY INDEMNITY PROVISION OR OTHERWISE.



California
Public Utilities
Commission

Appendix C

CPUC Required Notice of Price, Terms, and Conditions of Service

Public Utilities Code Section 986 and Decision 18-02-002 of the California Public Utilities Commission requires that each registered Core Transport Agent (CTA) offering natural gas (gas) service to residential and small commercial customers provide each customer with this written Notice. This Notice represents standardized information about the price, terms and conditions of service that apply to you in our standard offer. Commercial Energy is required by law to provide this standard Notice to all new or renewing customers in addition to your customized written contract for service with Commercial Energy.

Commercial Energy (CE) is a registered CTA with the California Public Utilities Commission. Our CTA registration number is CTA0007. Our address is 7677 Oakport St., Suite 525, Oakland, CA 94621. Our telephone number is (510) 567-2700.

Summary

This Notice contains important information regarding the standard price, terms, and conditions of service with our company. This summary describes some of the more important points covered in this notice. You should, however, read the entire notice so that you understand all of the standard price, terms, and conditions which apply to you. Your total price of gas provided by Commercial Energy under our standard contract cannot be estimated in advance, as it is dependent upon the monthly market price of gas and CE's Administrative Fee at the time of the contract signing and the volumes consumed.

Your Right To Choose

You have the right to choose the company you purchase natural gas from. In selecting Commercial Energy, your existing gas utility, PG&E, will still be responsible for transporting the gas to your service location and billing you monthly. If you choose Commercial Energy to be your CTA, be aware that we do not offer a low income assistance program that provides a discount on your gas bill.

Commercial Energy requires you contract with us for a minimum of one year, and not on a month to month basis. If you decide to switch your gas provider before the contract term is up, you may be obligated to pay certain fees or penalties for early termination of the contract. Our early termination fees and penalties are explained below in the Terms and Conditions of Service. Should any CTA refuse to provide you with gas service, you have the right to request, within thirty days from the date service was denied, that the CTA send you a written explanation of why the CTA denied you service.

Verification That You Want a New Provider of Gas

As a small commercial customer or business customer, Commercial Energy must confirm your agreement to switch to our service through an enrollment form created by the utility. CE also requires written/digital contracts for new and renewal service. Accordingly, Commercial Energy will ask you to sign a written contract (or DocuSign a digital one) which explains the effect of the change in your gas service to CTA service with Commercial Energy, and also explains all the relevant terms and prices of service. This Notice will be provided to you with your written contract for service with Commercial Energy.

Your Total Price of Gas

The price of each therm of gas provided by Commercial Energy in our standard contract varies by month and by your usage pattern. On the PG&E system, we use the posted PG&E Citygate price for the month of consumption plus our standard Administrative Adder of \$0.09/therm. The CE Administrative Adder includes the price for PG&E's interstate pipeline and storage costs that CTAs must bear, plus our internal costs all multiplied by the volume consumed and metered after accounting for utility imposed, and CPUC approved, fuel and line losses. There are no other charges in our standard contract. CE's standard contract has no non-recurring charges, only monthly recurring charges based on volumes consumed.

ILLUSTRATIVE PRICE CALCULATION: In the month of January 2018, the PG&E Citygate price was \$0.38/therm. With our standard adder of \$0.09/therm, you would pay CE \$0.47/therm for natural gas. If your meter read 100



therms for the month as shown on your bill, then you would be charged for that 100 therms plus the fuel loss (for that month) of 4.0%, for a total usage of 104 therms multiplied by \$.47 for a CE bill of \$48.88.

For our customized contracts, the price per unit is calculated individually based on a series of variables and the services included in the customized contract. Those services may include, but are not limited to: daily or monthly natural gas prices; natural gas storage, scheduling and dispatching of daily volumes; evaluation, design, installation, financing and/or management of energy efficiency products and/or services; demand response and/or conservation products; gas-fired generating solutions including combined heat and power, peaking or emergency systems, and energy optimization and delivery services.

As the utility customer, you will pay PG&E to transport the gas to your meter location. These charges are based on your rate category and include a meter charge, transmission and distribution charges, as well as various other public goods charges imposed by the CPUC that may vary by month, season, or year.

Description of Terms and Conditions of Service

If you choose Commercial Energy to be your CTA, you agree to let us be your gas provider for the term provided in your contract. Per your contract, you may choose another gas service provider or renew your service agreement with us. In our standard contract offer, you have a Right to Cancel, defined below. After that period of time, if you terminate this contract early, you will pay an early termination fee which is the Administrative Adder multiplied by the estimated remaining consumption for the contract period.

Our standard contract does not require a deposit for qualified businesses. You are required to pay our bill timely and fully for the entire term of the agreement. If an advance deposit is required, Public Utilities Code Section 985(g) provides that the deposit amount cannot be more than your estimated bill for a three-month period. Since you will be purchasing gas from Commercial Energy, PG&E will continue to read your gas meter and send you a single bill for both their charges and Commercial Energy's charges. Should you owe any past due amounts on your bill, PG&E is responsible for collecting any past due amount from you. If you fail to pay any past due amount owed to PG&E, they may disconnect your service. If you fail to pay any past due amount owed to CE, we may transfer your gas service back to PG&E, who may then disconnect your gas service if you fail to pay them. You may still owe CE for natural gas provided per the terms of your contract. If your gas service is disconnected, you may be obligated to pay a disconnect fee to the gas utility. In order to reestablish gas service, you may have to pay a reconnection fee to the gas utility.

Complaint Procedures

Different complaint procedures apply depending upon whom you have a dispute with. If you have a billing-related dispute concerning the gas utility's charges, or a dispute regarding the manner in which the gas is distributed to your residence, an informal complaint may be submitted to the California Public Utilities Commission (CPUC) for an attempt at resolving the matter. If the matter is not resolved, you may file a formal complaint with the CPUC if you meet the conditions set forth in Article 4 of the CPUC's Rules of Practice and Procedure. If you have a billing-related or service-related dispute with Commercial Energy, your CTA, you may complain to the CPUC. We also encourage you to contact Commercial Energy so that we may help resolve any problem. If you contact the CPUC, the agency shall first attempt to informally resolve your complaint. If the matter cannot be resolved satisfactorily, you may file a formal complaint against us with the CPUC or file a complaint against us in civil court per the terms of our contract.

If you file or submit a complaint with the CPUC against a gas utility or a CTA, your gas service cannot be disconnected if you deposit the disputed amount with the CPUC in an escrow account. If you have any questions regarding the CPUC complaint procedures, you may contact the Consumer Affairs Branch (CAB) or the Public Advisor's Office of the CPUC. The CAB may be reached at 1-800 649-7570, and the Public Advisor's Office may be reached at 1-866-849-8390.

Other Services

We do not offer any Other Services as part of our Standard contract.



Notice Of Your Right To Cancel

You have a limited right to cancel our standard contract for gas service unless you have signed a waiver of your right to cancel. Residential gas customers have the right to cancel the contract until midnight of the thirtieth day after the date of the first bill for CTA service has been issued to you the customer. Core commercial gas customers have the right to cancel the contract until midnight of the third business day after the day on which you the customer signs an agreement or offer to purchase from us, the CTA.

However, core commercial gas customers can also waive their right to cancel under Public Utilities Code §989.1(a) by signing a separate written waiver of your right to cancel and returning that waiver to Commercial Energy. This separate written waiver is presented to you at the same time that you sign the contract for CTA service from Commercial Energy. The waiver of a customer's cancellation rights enables Commercial Energy to provide firm gas price quotes, initiate other services, and/or promptly hedge a customer's contract price and volume for gas, which may be advantageous to the customer.

If you have not signed the waiver of your right to cancel, and wish to cancel the CTA contract with us, you may send us, at the address listed on page 1 of this notice, written notice of your cancellation within the time period specified above. If you have not signed the waiver of your right to cancel, no fee or penalty may be imposed against you for exercising your right to cancel within the applicable time period.

Your Rights If You Are Denied Service By The CTA

If you are offered gas service by Commercial Energy by means of a written contract, and after you have signed the contract we subsequently decline to provide the service to you, you have the right to request we provide a written reason as to why we declined to provide you with service. Your request for the written reason must be made within 35 days from the date that CE declined to provide service to you. We then have 30 days from your request to provide you with the written reason as to why we declined to provide service to you. If you disagree with the written reason why we declined to provide service to you, you may submit an informal complaint to the CPUC to ask them if they can resolve this issue.