

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

553



FROM: Economic Development Agency/Facilities Management

SUBMITTAL DATE:
May 8, 2014

SUBJECT: Approval of Program Development Agreement with Chevron Energy Solutions Company, District 3/District 5, [0]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the Program Development Agreement with Chevron Energy Solutions Company; and
2. Authorize the Chairman of the Board of Supervisors to execute the Agreement.

BACKGROUND:
Summary

(Commences on Page 2)

Robert Field
Assistant County Executive Officer/EDA

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 0	\$ 0	\$ 0	\$ 0	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0	

SOURCE OF FUNDS: Energy Management
Budget Adjustment: No
For Fiscal Year: 2014/15

C.E.O. RECOMMENDATION:

APPROVE
BY:
Rohini Dasika

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Jeffries, seconded by Supervisor Tavaglione and duly carried, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Tavaglione, Stone and Benoit
Nays: None
Absent: Ashley
Date: May 20, 2014
xc: EDA

Kecia Harper-Ihem
Clerk of the Board
By:
Deputy

Prev. Agn. Ref.: N/A | District: 3/5 | Agenda Number:

3-22

FORM APPROVED COUNTY OF RIVERSIDE
MAY 16 2007 5/7/14
MARGHAL VICTOR

Departmental Concurrence

- A-30
- 4/5 Vote
- Positions Added
- Change Order

SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

Economic Development Agency/Facilities Management

FORM 11: Approval of Program Development Agreement with Chevron Energy Solutions Company, District 3/District 5, [0]

DATE: May 8, 2014

Page 2 of 3

BACKGROUND:

Summary

In September of 2008, AB 2466 "Local Government Renewable Energy Self-Generation Program" was signed into law. As a result, the California Public Utilities Commission created Public Utilities Code 2830. This code established the Renewable Energy Self-Generation Bill Credit Transfer (RES-BCT) program and tariffs, to be administered by California's Investor-Owned Utilities (IOU). These RES-BCT tariffs allow local governments to generate electricity at one account and transfer any available excess bill credits (in dollars) to another account owned by the same local government.

As an IOU, Southern California Edison (SCE) has established its RES-BCT program. SCE has a total capacity of 123.8 MW of renewable energy in this program for use by local governments. This program offers great potential for energy cost savings and cost avoidance on large county SCE accounts. Electricity generated by a renewable energy project of this kind, when transferred to another county account, is valued at the full retail price per kilowatt hour (kWh) of the receiving or "benefitting" account. Such a program on county property will save electricity costs on existing accounts, avoid the costs of future SCE rate increases and contribute towards stabilization of the county's electrical costs over the life of the project.

Chevron Energy Solutions has completed an initial review of Riverside County's major electrical meters served by Edison. Based on this review, the county would benefit from a large solar program (estimated at 9.2 MW). The program will be self-funding. The annual payments to finance the program would be less than the annual utility cost savings to the county. Once the program is paid for (over the finance term) the county can continue to generate electricity for the duration of the program. The life cycle of a solar photovoltaic system is approximately 25 years.

The Economic Development Agency is requesting that the county enter into a Program Development Agreement (PDA). Chevron Energy Solutions will develop hard costs for the proposed program at their risk. The PDA does not require any upfront financial contribution by the county if the program moves forward. Otherwise, the costs of the detailed engineering and proposal preparation will have to be reimbursed to Chevron. The PDA is a commitment to develop a program that pays for itself and is typically financed with a Tax Exempt Lease Purchase. Chevron will also initiate a competitive bid process for the program financing to identify the best terms and lowest interest rates. Finally, the projected energy cost savings will be guaranteed by Chevron under this program.

Potential sites that will be evaluated include the Riverside County Regional Medical Center, the Southwest Justice Center campus, the new Perris Transportation Highway Operations Center, the Perris Valley Aquatic Center (Drop Zone) and Big League Field of Dreams. It is anticipated that solar shade structures for parking would be constructed at each site.

Impact on Residents and Businesses

The installation of solar shade structures in parking lots at the proposed sites would benefit residents with cooler vehicle temperatures, especially in the summer. At the same time, the solar panels would greatly reduce county electric costs in existing accounts and lessen the impact of rate increases in Edison territory. The electricity generated by this project would offset peak demand on the local electric grid. Also, the county will receive all possible greenhouse gas credits for this project, which could be a source of future revenue.

(Continued)

SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

Economic Development Agency/Facilities Management

FORM 11: Approval of Program Development Agreement with Chevron Energy Solutions Company, District 3/District 5, [0]

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Page 3 of 3

BACKGROUND:

Summary (Continued)

Additional Fiscal Information

Across SCE territory, the following average rate increases have gone into effect in the recent past:

October 2012	10% increase
January 2013	7.3% increase
June 2013	1% increase
November 2013	3% increase
January 2014	-1.1% increase
April 2014	1.3 % increase
June 2014	7.8% increase (approved)

In addition to a 2% increase requested for first quarter 2015, there are other factors that will likely increase utility prices in the next 5-10 years. Utilities are expected to raise rates as they buy power to replace nuclear power previously generated by the San Onofre Nuclear Generating Station. It is also anticipated that utilities will begin assessing charges to customers for the requirement that the large utilities reduce greenhouse gas emissions. Finally, the state requirement for electric utilities to have 33% of their electric portfolio come from renewable energy production will definitely cause rates to rise. This makes it even more imperative for the county to implement cost savings measures from programs like this one.

Attachment:

Chevron Energy Solutions Program Development Agreement



Chevron Energy Solutions Company,
a division of Chevron U.S.A. Inc.

Chevron ES Project #: DWCES - 3 2 6 4 2 - ____
Chevron ES Contract # CU 1414

PROGRAM DEVELOPMENT AGREEMENT

This PROGRAM DEVELOPMENT AGREEMENT (this "Agreement") is made and entered into as of this twentieth (20th) day of May 2014 between Chevron Energy Solutions Company, a Division of Chevron U.S.A. Inc. ("Chevron Energy Solutions"), having its principal offices at 345 California Street, 18th Floor, San Francisco, CA 94104, and the County of Riverside, located at 4080 Lemon Street, Riverside, CA 92501 ("Riverside") and together with Chevron Energy Solutions the "Parties" and each of Riverside and Chevron Energy Solutions a "Party".)

WHEREAS, Chevron Energy Solutions is an energy services and solutions company with the technical and management capabilities and experience to perform an integrated energy assessment (an "Assessment") and to identify supply-side and/or demand-side energy conservation measures ("ECMs");

WHEREAS, Riverside desires to enter into an agreement to have Chevron Energy Solutions perform an Assessment in accordance with the scope of work set forth in Attachment A (the "Scope of Work") for the sites listed on Part I of Attachment B (the "Sites"), and to identify energy improvements and operational changes which are recommended to be installed or implemented at the Sites (the "Recommendations"); and

WHEREAS, the primary purpose of the Assessment is to provide an engineering and economic basis for the implementation of the ECMs identified in the Recommendations, in furtherance of which the Parties intend to negotiate and consider executing a contract providing for, among other things, engineering, procurement, installation, construction and training services (an "Energy Services Contract");

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. ASSESSMENT AND RECOMMENDATIONS

Chevron Energy Solutions agrees to complete the Assessment and to present to Riverside the Recommendations within one hundred twenty (120) calendar days after the date on which Chevron Energy Solutions receives the information listed in Part I of Attachment A (the "Required Information"). Riverside agrees to deliver the Required Information to Chevron Energy Solutions no later than thirty (30) calendar days after the date hereof.

Riverside agrees to assist Chevron Energy Solutions in performing the Assessment by (i) providing Chevron Energy Solutions with access to key decision makers and stakeholders of the County of Riverside, (ii) providing Chevron Energy Solutions its employees and agents, such access to the Sites and other relevant facilities of Riverside as Chevron Energy Solutions deems necessary, subject to such reasonable restrictions as Riverside may require due to the nature of the facility, and (iii) providing, or causing Riverside's energy suppliers to provide, complete and accurate data concerning energy usage and costs related to the Sites and other relevant facilities. Chevron Energy Solutions will be entitled to rely upon the accuracy and completeness of all information provided to Chevron Energy Solutions by Riverside and Riverside's energy suppliers. Chevron Energy Solutions will promptly provide written notice to Riverside if Chevron Energy Solutions determines there is any incorrect data included in the information provided by Riverside or Riverside's energy suppliers, but Chevron Energy Solutions will have no obligation to correct or confirm any such information unless otherwise specified in the Scope of Work. Any change(s) in the Scope of Work will be set forth in a writing executed by the Parties.

2. COMPENSATION TO CHEVRON ENERGY SOLUTIONS

Riverside will compensate Chevron Energy Solutions for its performance of the Assessment by payment to Chevron Energy Solutions of a fee (the "Assessment Fee") in the amount of Two Hundred Fifty Thousand Dollars (\$250,000).

The Assessment Fee will be due and payable thirty (30) calendar days after Chevron Energy Solutions' submission of the Recommendations; *provided* that if on such thirtieth (30th) calendar day Chevron Energy Solutions and Riverside are negotiating an Energy Services Contract in good faith, the Assessment Fee will be due ninety (90) calendar days after Chevron Energy Solutions' submission of the Recommendations; *provided further*, that if Chevron Energy Solutions and Riverside execute an Energy Services Contract within ninety (90) calendar days after Chevron

Energy Solutions' submission of the Recommendations, the Assessment Fee will be incorporated into the total contract amount payable under such Energy Services Contract.

Each of Riverside and Chevron Energy Solutions reserves the right to terminate this Agreement at any time during the course of the Assessment, by delivery of written notice to the other. If this Agreement is terminated by Riverside, a fee will be payable by Riverside to Chevron Energy Solutions within thirty (30) calendar days of termination, in an amount equal to the greater of (i) Chevron Energy Solutions' estimate of its fees, costs, expenses, disbursements and overhead incurred through the date of termination or (ii) a pro-rated fee based on Chevron Energy Solutions' estimate of the percentage of completion of the Assessment. If this Agreement is terminated by Chevron Energy Solutions, Riverside will have no obligation to pay any portion of the Assessment Fee to Chevron Energy Solutions. If Chevron Energy Solutions determines that the projected savings from implementation of the ECMs identified during the Assessment cannot result in a paid-from-savings project which complies with California Government Code Sections 4217.10 through 4217.18, the Assessment and this Agreement will be terminated by Chevron Energy Solutions.

Any amount not paid when due will, from and after the due date, bear interest at a fluctuating rate equal to the sum of (a) The United States Prime Rate as listed from time to time in the Eastern print edition of the Wall Street Journal[®] plus (b) 2% per annum. Accrued and unpaid interest on past due amounts (including interest on past due interest) will be due and payable upon demand.

3. INSURANCE

Chevron Energy Solutions will maintain, or cause to be maintained, for the duration of this Agreement, the insurance coverage outlined in (A) through (F) below, and all such other insurance as required by applicable law. In lieu of any insurance required in this Section 3, Chevron Energy Solutions may self-insure hereunder. Evidence of coverage will be provided to Riverside via a self-insurance letter.

A. Workers' Compensation/Employers Liability for states in which Chevron Energy Solutions is not a qualified self-insured. Limits as follows:

- * Workers' Compensation: Statutory
- * Employers Liability: Bodily Injury by accident \$1,000,000 each accident
Bodily Injury by disease \$1,000,000 each employee
Bodily Injury by disease \$1,000,000 policy limit

B. Commercial General Liability insurance with limits of:

- * \$1,000,000 each occurrence for Bodily Injury and Property Damage
- * \$1,000,000 General Aggregate - other than Products/Completed Operations
- * \$1,000,000 Products/Completed Operations Aggregate
- * \$1,000,000 Personal & Advertising Injury
- * \$ 100,000 Damage to premises rented to Chevron Energy Solutions

Coverage to be written on a claims-made form. Coverage to be at least as broad as ISO form CG 0002 (12/07), without endorsements that limit the policy terms with respect to: (1) provisions for severability of interest or (2) explosion, collapse, underground hazard.

C. Auto Liability insurance for owned, hired and non-owned vehicles with limits of \$1,000,000 per accident. Coverage to be written on an occurrence form.

D. Professional Liability insurance with limits of:

- * \$1,000,000 per occurrence
- * \$1,000,000 aggregate

Coverage to be written on a claims-made form.

E. Excess Liability insurance. Limits as follows:

- * \$1,000,000 each occurrence
- * \$1,000,000 aggregate

Coverage terms and limits to apply excess of the per occurrence and/or aggregate limits provided for Commercial General Liability and Professional Liability written on a claims made form. Coverage terms and limits also to apply in excess of those required for Employers Liability and Auto Liability written on an occurrence form.

F. Policy Endorsements.

- * The insurance provided for Workers Compensation and Employers Liability above will contain waivers of subrogation rights against Riverside, but only to the extent of the indemnity obligations contained in this Agreement.
- * The insurance provided for Commercial General Liability and Auto Liability above will:
 - (1) include Riverside as an additional insured with respect to Work performed under this Agreement, but only to the extent of the indemnity obligations contained in this Agreement, and
 - (2) provide that the insurance is primary coverage with respect to all insureds, but only to the extent of the indemnity obligations contained in this Agreement.

4. INDEPENDENT CONTRACTOR

Chevron Energy Solutions, and the agents and employees of Chevron Energy Solutions, its subcontractors and/or consultants, are acting in an independent capacity in the performance of this Agreement, and not as public officials, officers, employees, consultants, or agents of Riverside County for purposes of conflict of interest laws or any other applicable law. This Agreement may not be construed to represent the creation of an employer/employee or principal/agent relationship. Chevron Energy Solutions will act in an independent capacity and retain sole discretion in the manner and means of carrying out its activities under this Agreement. Chevron Energy Solutions is free to work for other entities while under contract with Riverside.

5. CREDIT

Riverside will periodically provide to Chevron Energy Solutions that financial information or security deemed necessary by Chevron Energy Solutions to support any credit extension. If during the life of this Agreement, the financial capacity of Riverside becomes impaired or unsatisfactory to Chevron Energy Solutions in the sole judgment of Chevron Energy Solutions, advance cash payment or security satisfactory to Chevron Energy Solutions will be given by Riverside on demand by Chevron Energy Solutions and the Work Product (as defined below) may be withheld until such payment or security is received.

6. CONFLICTS OF INTEREST

Conflicts of interest relating to this Agreement are strictly prohibited. Except as otherwise expressly provided herein, no Party nor any director, employee, agent or subcontractor of any Party will give to or receive from any director, employee or agent of any other Party any gift, entertainment or other favor of significant value, or any commission, fee or rebate in connection with this Agreement. Likewise, no Party nor any shareholder, director, employee, agent or subcontractor of any Party, will, without prior notification thereof to all Parties, enter into any business relationship with any director, employee or agent of another Party or of any affiliate of another Party, unless such person is acting for and on behalf of the other Party or any such affiliate. A Party will promptly notify the other Parties of any violation of this Section 6 and any consideration received as a result of such violation will be paid over or credited to the Party against whom it was charged. The Parties agree to maintain true and correct records in connection with all matters relating to this Agreement, and to retain such records for at least twenty-four (24) months following the expiration of this Agreement.

7. ENERGY SERVICES CONTRACT

As it is the intent of Riverside and Chevron Energy Solutions to pursue cost effective energy retrofits and ECMs at the Sites pursuant to an Energy Services Contract, both Parties agree to enter into good faith negotiations of an Energy Services Contract immediately following completion of the Assessment.

8. WORK PRODUCT

Riverside will not, by virtue of this Agreement, acquire any interest in any formulas, patterns, devices, secret inventions or processes, copyrights, patents, other intellectual or proprietary rights, or similar items of property which are or may be used in connection with the Assessment or the Recommendations. Chevron Energy Solutions will be deemed the author of the Recommendations and of all proposals, plans, specifications, flow sheets, drawings, and other work product prepared or produced by Chevron Energy Solutions hereunder (collectively, the "Work Product") and will retain all common law, statutory and other reserved rights in the Work Product, including copyrights. All Work Product furnished directly or indirectly, in writing or otherwise, to Riverside under this Agreement will be used only in connection with further development of construction or implementation work to be performed by Chevron Energy Solutions. The Work Product may not be used by Riverside as a basis for facility construction or

implementation of ECMs developed herein by any entity other than Chevron Energy Solutions for a period of three (3) years after delivery of the Recommendations. At the end of such three (3) year period, Riverside shall have a perpetual, non-exclusive, royalty free license to use such Recommendations for facility construction and/or implementation of ECMs. Any use of the Work Product by Riverside as a basis for facility construction or implementation by any entity other than Chevron Energy Solutions will be at Riverside's sole risk and without liability to Chevron Energy Solutions, and Riverside agrees to waive and release, and indemnify and hold harmless, Chevron Energy Solutions, its subcontractors, and their directors, employees, subcontractors, and agents from any and all actions, claims, demands, damages, disabilities, fines, penalties, losses, costs, expenses (including consultants' and attorneys' fees and other defense expenses) and liabilities of any nature (collectively, "Losses") associated with or resulting from such use. In addition, if Chevron Energy Solutions determines that Riverside has used the Work Product as a basis for facility construction or implementation of ECMs developed herein in violation of the preceding provisions, Chevron Energy Solutions may, in its sole discretion and in addition to injunctive relief or any other legal or equitable remedies Chevron Energy Solutions may have, require that Riverside pay, in addition to the Assessment Fee, liquidated damages in an amount equal to the Assessment Fee. This liquidated damages amount is not a penalty but a reasonable estimate of the amount of losses Chevron Energy Solutions will suffer, and will survive the termination of this Agreement.

9. LIMITATION OF LIABILITY

The liability of a defaulting Party, in connection with this Agreement or any analysis, recommendations, or other deliverables provided hereunder, will be limited to direct, actual damages only and all other damages and remedies are waived. Under no circumstances will either Party be liable to the other Party for any special, indirect, incidental, consequential or punitive damages, lost profits or business interruption damages, however caused and on any theory of liability. It is expressly understood and agreed to by both Parties that each Party's liability to the other will be limited to reimbursement of only those Losses arising solely from a Party's breach of this Agreement, negligence or willful misconduct.

10. AMERICAN RECOVERY AND REINVESTMENT ACT

In the event Riverside is using American Recovery and Reinvestment Act ("ARRA") funding, in whole or in part, to pay for the Assessment, Riverside acknowledges and agrees that the supplies and services hereunder are being procured and purchased under state or local procurement laws and Chevron Energy Solutions is a "vendor" or "contractor" hereunder. As such, Riverside agrees that Chevron Energy Solutions is not a recipient, grantee, awardee, subrecipient, subgrantee or subawardee of ARRA funds hereunder. In the event that the awarding agency or a court of proper jurisdiction determines that Chevron Energy Solutions is a recipient, grantee, awardee, subrecipient, subgrantee or subawardee under the ARRA funded grant, rather than a "vendor" or "contractor," Chevron Energy Solutions reserves the right to terminate this Agreement at its discretion. Riverside agrees to release, defend, indemnify, and hold Chevron Energy Solutions harmless from and against any claims, costs, or damages arising out of or related to such a determination notwithstanding any other provisions in this Agreement.

11. NONDISCRIMINATION; COMPLIANCE WITH LAWS; CONFIDENTIALITY; DATA PROTECTION

Chevron Energy Solutions will comply with all applicable laws, rules, regulations and policies, including, but not limited to, those relating to nondiscrimination, accessibility and civil rights.

The Parties acknowledge and agree that Chevron Energy Solutions is not a municipal advisor and cannot give advice to Riverside with respect to municipal securities or municipal financial products. Riverside will consult with an independent registered municipal advisor about the financing option(s) appropriate for Riverside's situation.

To the extent permitted by applicable law, the Parties will maintain the confidentiality of all non-public information, documents, programs, procedures, and all other non-public items that the Parties encounter during the Assessment or pursuant to this Agreement. This requirement will be ongoing and will survive the termination of this Agreement.

Chevron Energy Solutions and Riverside agree that it is not anticipated that any personal data will be processed by Riverside on behalf of Chevron Energy Solutions under or as a result of this Agreement (other than as contained within the terms of the Agreement). If Riverside begins to process personal data on behalf of Chevron Energy Solutions, Riverside will immediately notify Chevron Energy Solutions and the Parties will incorporate appropriate data protection provisions into this Agreement.

Chevron Energy Solutions cannot guarantee that Riverside will receive funding from California Proposition 39 or any other energy efficiency rebate, incentive, and/or loan program(s) (collectively, "Incentive Funds"); Chevron

Energy Solutions expressly disclaims any liability for Riverside's failure to receive any portion of the Incentive Funds, and Riverside acknowledges and agrees that Chevron Energy Solutions will have no liability for any failure to receive all or any portion of the Incentive Funds.

12. FORCE MAJEURE

Neither Party will be considered to be in default in the performance of any material obligation under this Agreement (other than the obligation to make payments) when a failure of performance will be due to an event of Force Majeure. The term "Force Majeure" will mean any cause beyond the control of the affected Party and which by the exercise of due diligence such Party could not reasonably have been expected to avoid and which, despite using commercially reasonable efforts, it has been unable to overcome. Neither Party will be relieved of its obligation to perform if such failure is due to causes arising out of its own negligence or due to removable or remediable causes which it fails to remove or remedy within a reasonable time period. Either Party rendered unable to fulfill any of its obligations under this Agreement by reason of an event of Force Majeure will give prompt written notice of such fact to the other Party.

13. INTEGRATION; AMENDMENT; ASSIGNMENT; COUNTERPARTS

This Agreement constitutes the entire contract among the Parties relating to the subject matter hereof and supersedes any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. This Agreement may not be amended except by a writing executed by both Parties. No oral amendment will be enforceable, even if supported by new consideration. This Agreement may be assigned by either Party with prior written consent from the other Party.

This Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which will constitute an original, but all of which when taken together will constitute a single contract. Delivery of an executed counterpart of a signature page of this Agreement by email or fax will be effective as delivery of a manually executed counterpart of this Agreement.

14. DISPUTE RESOLUTION; APPLICABLE LAW; VENUE; SEVERABILITY

If a dispute arises out of or relates to this Agreement, or the transaction contemplated by this Agreement (a "Dispute"), either Party may initiate the dispute resolution process set forth in this Section 14 by giving notice to the other Party. Senior executives for the Parties will meet, within thirty (30) calendar days after notice of the Dispute, in an attempt to resolve the Dispute and any other identified disputes or any unresolved issues that may lead to a dispute. If the senior executives are unable to resolve a Dispute or if a senior management conference is not held within the time provided herein, either Party may submit the Dispute to mediation.

If the Dispute is not settled by senior management conference, the Parties will endeavor to settle the Dispute by mediation under the Commercial Mediation Procedures of the American Arbitration Association (the "AAA"). Mediation is a condition precedent to arbitration or the institution of legal or equitable proceedings by either Party. Once one Party files a request for mediation with the other Party and with the AAA, the Parties agree to conclude the mediation within sixty (60) calendar days after filing the request. Either Party may terminate the mediation at any time after the first session, but the decision to terminate must be delivered in person by the Party's representative to the other Party's representative and the mediator.

If the Dispute is not resolved by mediation within sixty (60) calendar days after the date of filing of the request for mediation, then the Parties may mutually agree to resolve the Dispute by arbitration. The following provisions apply to all arbitration proceedings pursuant to this Section 14: (i) The place of arbitration will be the AAA office closest to where the Assessment was performed; (ii) one arbitrator (or three arbitrators if the monetary value of the Dispute is more than \$2,000,000) (the "Arbitral Panel") will conduct the arbitral proceedings in accordance with the Commercial Arbitration Rules and Mediation Procedures (Excluding the Procedures for Large, Complex Commercial Disputes) of the AAA currently in effect ("Arbitration Rules") (to the extent of any conflicts between the Arbitration Rules and the provisions of this Agreement, the provisions of this Agreement prevail); (iii) the Parties will submit true copies of all documents considered relevant with their respective statement of claim or defense, and any counterclaim or reply (in the discretion of the Arbitral Panel, the production of additional documents that are relevant and material to the determination of the Dispute may be required); (iv) the Arbitral Panel does not have the power to award, and may not award, any punitive, indirect or consequential damages (however denominated); all arbitration fees and costs are to be shared equally by the parties, regardless of which Party prevails, and each Party will pay its own costs of legal representation and witness expenses; (v) the award must be in the form of a reasoned award; (vi) the Dispute will be resolved as quickly as possible, and the Arbitral Panel will endeavor to issue the arbitration award within six (6)

months after the date on which the arbitration proceedings were commenced; and (vii) the award will be final and binding and subject to confirmation and enforcement proceedings in any court of competent jurisdiction.

This Agreement and the construction and enforceability thereof will be interpreted under the laws of the State of California. The Parties consent to personal jurisdiction and venue of the State and Federal Courts within the County of Los Angeles, California and, by execution and delivery of this Agreement, each of the Parties hereby (i) accepts the jurisdiction of the foregoing courts for purposes of enforcement of any arbitral award and (ii) irrevocably waives, to the fullest extent permitted by law, any objection which it may now or hereafter have to the laying of venues of any suit, action or proceedings with respect hereto brought in any such court, and further irrevocably waives to the fullest extent permitted by law any claim that any such suit, action or proceedings brought in any such court has been brought in an inconvenient forum.

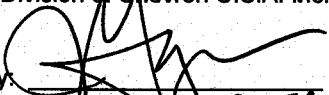
If any term of this Agreement is declared by a court to be illegal, invalid or unenforceable, the legality, validity and enforceability of the other terms of this Agreement will not be affected or impaired thereby, and the rights and obligations of the Parties will be enforced as if the illegal, invalid or unenforceable term were revised to the minimum extent necessary to make such term legal, valid and enforceable.

[the Parties' signatures appear on the following page]

IN WITNESS WHEREOF, and intending to be legally bound, the Parties hereto subscribe their names to this Agreement.


CHEVRON ENERGY SOLUTIONS

Chevron Energy Solutions Company,
a Division of Chevron U.S.A. Inc.

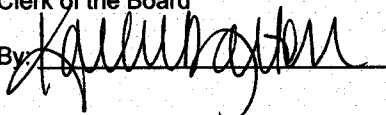
By: 
Name: JOHN GAJAN
Title: Operations Director

RIVERSIDE

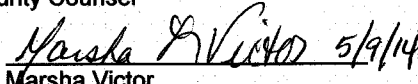
County of Riverside

By: 
Name: Jeff Stone, Chairman
Board of Supervisors

ATTEST:
Kecia Harper-Ihem
Clerk of the Board

By: 

APPROVED AS TO FORM:
Pamela J. Walls
County Counsel

By:  5/9/14
Name: Marsha Victor
Principal Deputy County Counsel

Attachment A – Scope of Work

I. Required Documents (Needed to Proceed).

- A. Riverside County will provide the following detailed documentation, where available:
1. List of Riverside-owned and/or controlled Sites having electrical utility service provided by Southern California Edison.
 2. Utility billing information for all utilities serving the Sites, for a minimum of three (3) years, immediately prior to the date hereof, with, beginning with the most recently completed month.
 3. Utility company demand interval recordings of 15/30 minute electrical demand for twelve (12) months, beginning with the most recently completed month.
 4. Access to record drawings (AutoCAD or hard copy) for Sites:
 - a. mechanical
 - b. plumbing
 - c. electrical
 - d. building automation and temperature controls
 - e. structural
 - f. architectural
 - g. modifications and remodels
 - h. site landscaping
 5. AutoCAD or hard copy of 8 ½" x 11" or 11" x 17" floor and roof plans of all Sites, as well as information on the age, type and condition of buildings and roofs.
 6. A list of key contacts at each Site, including Riverside personnel knowledgeable of the electrical, HVAC, lighting and controls systems.

II. Scope of Work.

The Integrated Energy Assessment (the "Assessment") will be performed as described below:

- A. Perform detailed review of documents delivered above.
- B. Perform an inspection survey to:
1. Identify potential opportunities for distributed and renewable generation technologies.
 2. Identify the potential locations and type of application for solar PV.
 3. Interview the facility manager, chief engineer, or others as needed.
 4. Obtain the hours of operation for building systems and equipment, and expected occupancy and use.
 5. Survey major energy using equipment, and record (to extent available) the pertinent information.
 6. Perform site survey.
- C. Perform Utility Analysis and Solar Photovoltaic Production Analysis.
- D. Analyze electrical usage for each Site. To the extent deemed necessary by Chevron Energy Solutions, prepare preliminary engineering for renewable opportunities at Sites.
- E. Calculate energy use and cost for all viable renewable generation technologies.
- F. Prepare a proposed "Project Cost" and a list of "Services to Be Provided," in anticipation of Chevron Energy Solutions and Riverside entering into an Energy Services Contract to design, construct, install, and monitor the recommended projects. Cost calculations will explicitly state that the Energy Savings Contract must be promptly

executed to avoid price increases and that hazardous substance or abnormal subsurface/soil condition issues must not be present.

G. Provide Recommendations to Riverside which will include:

1. A description of, and a table summarizing, recommended solar PV
2. A scope of work for each Site which is compatible with Riverside's investment and infrastructure improvement goals
3. An economic analysis for the aggregated Sites, including project costs, utility incentives, renewable energy revenue, and any other revenue or program contributions

ATTACHMENT B

RIVERSIDE SITES

SITES INCLUDED IN ASSESSMENT:

Only the following Riverside-owned and/or controlled Sites, having electrical utility service provided by Southern California Edison, are included in the Assessment:

	Site Addresses	Electric Utility Account Numbers
1	30755 Auld Road, Murrieta, CA 92563	026-8071-89
2	2155 Trumble Road, Perris, CA 92571	TBD
3	2165 Trumble Road, Perris, CA 92571	TBD
4	3255 East Tahquitz Canyon Way, Palm Springs, CA 92262	000-0000-19
5	63775 Dillon Road, Palm Springs, CA 92258	000-0209-77
6	41002 County Center Drive, Temecula, CA 92591	001-3785-30
7	308 East San Jacinto Avenue, Perris, CA 92570	029-8488-20
8	16750 Dalla Street, Riverside, CA 92518	032-3070-17
9	14375 Nason Street, Moreno Valley, CA 92555	024-3184-53
10	26520 Cactus Avenue, Moreno Valley, CA 92555	013-7642-86
11	800 South Redlands Avenue, Perris, CA 92570	017-4137-07
12	541 North San Jacinto Street, Hemet, CA 92543	016-9221-56
13	1400 West Minthorn Street, Elsinore, CA 92530	032-8041-25
14	6851 Van Buren Boulevard, Riverside, CA 92509	034-8000-32
15	73700 Gerald Ford Drive, Palm Desert, CA 92211	035-4145-62
16	14320 Palm Drive, Desert Hot Springs, CA 92240	038-0485-33