

**ENGINEERING, DESIGN, PROCUREMENT AND CONSTRUCTION
LETTER AGREEMENT**

BETWEEN

ALTAGAS POMONA ENERGY INC.

AND

SOUTHERN CALIFORNIA EDISON COMPANY

AltaGas Pomona Energy Storage Project (WDT1250EXP)

August 31, 2016

Scott Valentino
Vice President, Finance
AltaGas Pomona Energy Inc.
1717 McKinney Avenue, Suite 1040
Dallas, TX 75202

Re: Engineering, Design, Procurement and Construction Letter Agreement for the AltaGas Pomona Energy Storage Project

Dear Mr. Valentino:

1. Recitals:

AltaGas Pomona Energy Inc. (“Interconnection Customer”) is proposing to construct and operate the AltaGas Pomona Energy Storage Project (“Project”), a 20.0 MW battery energy storage generating facility. The Project will supplement the existing 42.783 net MW (44.0 gross MW) gas turbine generating facility (San Gabriel Cogeneration) located in Pomona, California. The total MW output from the combined resources (proposed battery energy storage and existing gas turbine) will be 64.0 MW. The net output of the combined resources will be limited to 42.783 MW. Interconnection Customer submitted an Interconnection Request to Southern California Edison Company (“Distribution Provider”) pursuant to the Distribution Provider’s Generator Interconnection Procedures Section 5 – Independent Study Process contained in Attachment I of the Distribution Provider’s Wholesale Distribution Access Tariff (“GIP”) to interconnect the Project to the Distribution Provider’s Ganesha-Simpson 66 kV line out of Simpson 66 kV Substation and transmit Energy and/or Ancillary Services to the California Independent System Operator controlled grid.

All capitalized terms used herein, and not otherwise defined, shall have the meaning ascribed to that term in the GIP. The Interconnection Customer and the Distribution Provider are hereinafter sometimes referred to individually as “Party” and collectively as “Parties.”

The Distribution Provider and the Interconnection Customer intend to amend the existing Generator Interconnection Agreement (FERC Docket No. ER16-804) (“GIA”) to revise the terms for the Distribution Provider to engineer, design, license, permit, procure, construct, own, operate and maintain, and for the Interconnection Customer to pay for the Distribution Provider’s Interconnection Facilities, Distribution Upgrades, and, if applicable, Interconnection Customer’s allocated share of the Distribution Provider’s Reliability Network Upgrades.

In order for the Distribution Provider to pursue the Project’s desired In-Service Date of December 1, 2016, the design, engineering, licensing, permitting, procurement and construction of the Distribution Provider’s Interconnection Facilities may commence prior to the completion of the Interconnection System Impact Study and prior to the subsequent amendment of the GIA.

Publication of the Interconnection System Impact Study Report and subsequent amendment of the GIA is not expected until a later date.

In the interest of timely completion of the Distribution Provider's Interconnection Facilities, the Interconnection Customer desires for the Distribution Provider to commence work prior to completion of the Interconnection System Impact Study and amendment of the GIA. Accordingly, the purpose of this letter agreement ("Agreement") is to agree upon an interim arrangement pursuant to which the Distribution Provider will perform a protection coordination study and commence the design, engineering, licensing, permitting, procurement and construction of the Distribution Provider's Interconnection Facilities, and the Interconnection Customer will pay for such facilities.

2. Term:

This Agreement shall become effective on the date assigned by FERC ("Effective Date"). If the Distribution Provider does not receive the fully executed Agreement back from the Interconnection Customer within seven (7) calendar days of the Interconnection Customer's receipt of this Agreement, then the offer reflected in this Agreement will expire and this Agreement will be of no effect. The Distribution Provider shall promptly file this Agreement with FERC following execution. The Interconnection Customer shall support acceptance of this Agreement as filed, including waiver of any necessary filing and notice requirements. Such support shall include a written statement of concurrence with such filing if requested by the Distribution Provider.

3. Termination:

- (a) This Agreement shall terminate upon the earliest of the following to occur: (i) completion of the work pursuant to Section 4; (ii) notice that this Agreement is not accepted for filing by FERC; (iii) the effective date of the amended GIA that supersedes this Agreement; (iv) written notice of a request to terminate this Agreement by the Interconnection Customer to the Distribution Provider; (v) written notice provided by the Distribution Provider to the Interconnection Customer pursuant to Section 3(b), 4(b) or 7(b); (vi) written notice provided by the Distribution Provider to the Interconnection Customer of a Default as defined in Section 18 below; or (vii) the withdrawal of the Project interconnection application.
- (b) This Agreement is provided in order to expedite such work pursuant to Section 4, in advance of the amendment of the GIA. If the GIA is not amended in time to meet the requested In-service Date, without written consent to delay execution by the Distribution Provider, the Distribution Provider shall have the right to terminate this Agreement at its sole discretion; in such event, termination will become effective two (2) Business Days after receipt by the Interconnection Customer of the termination notice.
- (c) In the event that either Party terminates this Agreement, in the absence of amended GIA:
 - (i) The Distribution Provider shall use commercially reasonable efforts to mitigate the costs, damages and charges arising as a consequence of such termination.

To that end, the Distribution Provider shall, to the extent possible, cancel any pending orders of, or return, any materials or equipment procured pursuant to this Agreement.

- (ii) If the Distribution Provider has taken delivery of, or is irrevocably committed to taking delivery of, material and equipment procured pursuant to this Agreement, the Distribution Provider shall, at the Distribution Provider's option, either (1) retain such material and equipment in its inventory for future use by the Distribution Provider, in which case the Distribution Provider shall refund to the Interconnection Customer the full cost of such material and equipment, or (2) salvage such material and equipment, in which case the Distribution Provider shall refund to the Interconnection Customer the salvage value of such material and equipment.
- (iii) The Distribution Provider may, at its sole discretion, offer the Interconnection Customer the option to take title to materials or equipment procured by the Distribution Provider pursuant to this Agreement. If the Interconnection Customer elects to take delivery of materials or equipment procured pursuant to this Agreement, the Interconnection Customer shall assume all payment obligations with respect to delivery of such materials, equipment, and contracts, and the Distribution Provider shall deliver such material and equipment, and, if necessary, assign such contracts, to the Interconnection Customer as soon as reasonably practicable, at the Interconnection Customer's expense.
- (d) The Interconnection Customer's obligations to pay charges and expenses incurred or irrevocably committed to be incurred pursuant to this Agreement will survive termination of this Agreement, except insofar as payment of such charges and expenses is provided for in the amended GIA that is accepted for filing by FERC and becomes effective.

4. Performance of Work:

- (a) The Distribution Provider will commence the engineering, design, preparation of specifications, licensing, permitting, procurement of material and equipment and construction for the Distribution Provider's Interconnection Facilities and Distribution Upgrades, if applicable, as such facilities and upgrades have been described in Exhibit A.
- (b) If required by the Distribution Provider, the Interconnection Customer shall acquire an easement for the Distribution Provider's Interconnection Facilities and provide the Distribution Provider unrestricted access to the property site. If such easement is not provided within thirty (30) Calendar Days following execution of this Agreement, the Distribution Provider shall have the right to terminate this Agreement.
- (c) If the Distribution Provider and the Interconnection Customer enter into an amended GIA prior to completion of the work pursuant to this Agreement, such amended GIA shall supersede this Agreement upon its effective date and any applicable work product performed by the Distribution Provider pursuant to this Agreement shall be reflected in the scope of the amended GIA.

- (d) The Parties agree that this Agreement does not provide for Distribution Service, Interconnection Service, allow the interconnection or Commercial Operation of the Generating Facility.

5. Timeline for Completion of Work:

The Distribution Provider estimates that the timeline for completion of the work as described in Exhibit A will be seventeen (17) weeks from the Effective Date of this Agreement and receipt of (i) evidence of insurance pursuant to Section 6, and (ii) payment pursuant to Section 7. The Interconnection Customer understands and acknowledges that such timeline is only an estimate and that equipment and material lead times, labor availability, outage coordination, regulatory approvals, right-of-way negotiations, or other unforeseen events could delay the actual completion dates of the Distribution Provider's Interconnection Facilities and Distribution Upgrades, if applicable, beyond those specified. The Distribution Provider shall not be liable for any cost or damage incurred by the Interconnection Customer because of any delay in the work provided for in this Agreement.

6. Insurance:

The Interconnection Customer shall, at its own expense, maintain in force throughout the period of this Agreement, and until released by the Distribution Provider, the following minimum insurance coverages, with insurers rated no less than A- (with a minimum size rating of VII) by Bests' Insurance Guide and Key Ratings and authorized to do business in the state where the Point of Interconnection is located:

- (a) Employer's Liability and Workers' Compensation Insurance providing statutory benefits in accordance with the laws and regulations of the state in which the Point of Interconnection is located.
- (b) Commercial General Liability Insurance including premises and operations, personal injury, broad form property damage, broad form blanket contractual liability coverage (including coverage for the contractual indemnification) products and completed operations coverage, coverage for explosion, collapse and underground hazards, independent contractors coverage, coverage for pollution to the extent normally available and punitive damages to the extent normally available and a cross liability endorsement, with minimum limits of one million dollars (\$1,000,000) per occurrence/one million dollars (\$1,000,000) aggregate combined single limit for personal injury, bodily injury, including death and property damage.
- (c) Business Automobile Liability Insurance for coverage of owned and non-owned and hired vehicles, trailers or semi-trailers designed for travel on public roads, with a minimum, combined single limit of one million dollars (\$1,000,000) per occurrence for bodily injury, including death, and property damage.
- (d) Excess Public Liability Insurance over and above the Employer's Liability Commercial General Liability and Business Automobile Liability Insurance coverage, with a minimum combined single limit of twenty million dollars (\$20,000,000) per occurrence/twenty million dollars (\$20,000,000) aggregate.

- (e) The Commercial General Liability Insurance, Business Automobile Insurance and Excess Public Liability Insurance policies shall name the Distribution Provider, its parents, associated and affiliate companies and its directors, officers, agents, servants and employees ("Other Party Group") as additional insured. All policies shall contain provisions whereby the insurers waive all rights of subrogation in accordance with the provisions of this Agreement against the Other Party Group and provide thirty (30) calendar days advance written notice to the Other Party Group prior to anniversary date of cancellation or any material change in coverage or condition.
- (f) The Commercial General Liability Insurance, Business Automobile Liability Insurance and Excess Public Liability Insurance policies shall contain provisions that specify that the policies are primary and shall apply to such extent without consideration for other policies separately carried and shall state that each insured is provided coverage as though a separate policy had been issued to each, except the insurer's liability shall not be increased beyond the amount for which the insurer would have been liable had only one insured been covered. Interconnection Customer shall be responsible for its deductibles or retentions.
- (g) The Commercial General Liability Insurance, Business Automobile Liability Insurance and Excess Public Liability Insurance policies, if written on a Claims First Made Basis, shall be maintained in full force and effect for two (2) years after termination of this Agreement, which coverage may be in the form of tail coverage or extended reporting period coverage if agreed by the Parties.
- (h) The requirements contained herein as to the types and limits of all insurance to be maintained by the Interconnection Customer are not intended to and shall not in any manner, limit or qualify the liabilities and obligations assumed by the Interconnection Customer under this Agreement.
- (i) Within ten (10) Calendar Days following execution of this Agreement, and as soon as practicable after the end of each fiscal year or at the renewal of the insurance policy and in any event within ninety (90) calendar days thereafter, the Interconnection Customer shall provide certification of all insurance required in this Agreement, executed by each insurer or by an authorized representative of each insurer.
- (j) Notwithstanding the foregoing, the Interconnection Customer may self-insure to meet the minimum insurance requirements of Sections 6(b) through 6(h) to the extent it maintains a self-insurance program; provided that, the Interconnection Customer's senior unsecured debt or issuer rating is BBB-, or better, as rated by Standard & Poor's and that its self-insurance program meets the minimum insurance requirements of Sections 6(b) through 6(h). For any period of time that the Interconnection Customer's senior unsecured debt rating and issuer rating are both unrated by Standard & Poor's or are both rated at less than BBB- by Standard & Poor's, the Interconnection Customer shall comply with the insurance requirements applicable to it under Sections 6(b) through 6(i). In the event that the Interconnection Customer is permitted to self-insure pursuant to this Section 6(j), it shall notify the Distribution Provider that it meets the requirements to self-insure and that its self-insurance

- program meets the minimum insurance requirements in a manner consistent with that specified in Section 6(i).
- (k) The Interconnection Customer agrees to report to the Distribution Provider in writing as soon as practical all accidents or occurrences resulting in injuries to any person, including death, and any property damage arising out of this Agreement.

7. Charges:

- (a) The Interconnection Customer shall provide the security instruments pursuant to Sections 8 and 9(b), and pay to the Distribution Provider the following charges in accordance with this Agreement: (i) estimated amounts as shown in Exhibit B, paid pursuant to the payment schedule in Exhibit C; (ii) actual costs pursuant to Section 10; (iii) Removal Cost pursuant to Section 13; and (iv) termination charges pursuant to Section 3.
- (b) The Distribution Provider shall notify the Interconnection Customer in writing within a reasonable time if the Distribution Provider learns that charges and expenses are likely to exceed the total estimated amount as shown in Exhibit B, which notification shall provide updated cost estimates in the format of Exhibit B. In such notification, the Distribution Provider shall specify any additional amount required to be paid by the Interconnection Customer, and the amount by which the security instruments shall be increased in order for the Distribution Provider to continue work under the terms of this Agreement. The Interconnection Customer shall pay such additional amount and provide the Distribution Provider the additional security instruments within thirty (30) calendar days of receipt of such notification. If the Interconnection Customer does not pay the additional amount or provide the increased security instruments, or make any of the payments as described in Exhibit C, or provide the security instruments in the required amounts by the due dates specified in this Agreement pursuant to Section 8 and 9(b), the Distribution Provider shall tender a cure notice to the Interconnection Customer for such non-payment or failure to provide the security instruments and a final deadline for making such payment or providing such security instruments, which shall be fifteen (15) Calendar Days from the receipt of the notice. Subject to the foregoing sentence, if the fifteen (15) Calendar Day cure timeline described above has expired and the Interconnection Customer has not cured the default, the Distribution Provider may stop work, and the Distribution Provider may terminate this Agreement immediately upon written notice by the Distribution Provider, subject to acceptance or approval by FERC.
- (c) If the Distribution Provider and the Interconnection Customer enter into an amended GIA prior to completion of the work pursuant to this Agreement, the Interconnection Customer's payments made and the security instruments under the terms of this Agreement, including any additional payments and increases to the security instruments will be credited to the amount due under the terms of the amended GIA.

8. Security Amount for the Distribution Provider's Interconnection Facilities, Distribution Upgrades, and Removal Cost.

Removal Cost: Upon the Distribution Provider's Interconnection Facilities completion date and until all obligations of the Interconnection Customer to the Distribution Provider under this Agreement, including any obligation to pay the Removal Cost in accordance with Section 13 have been finally and irrevocably paid after the termination date pursuant to Section 3, the Interconnection Customer shall provide Credit Support in the amount of \$50,000.00. The Removal Cost Credit Support will be released in the event an amended GIA is executed for the Project.

9. Taxes:

- (a) The Parties intend that all payments made by the Interconnection Customer to the Distribution Provider pursuant to this Agreement will be non-taxable in accordance with the Internal Revenue Code and any applicable state income tax laws, and will not be taxable as contributions in aid of construction or otherwise under the Internal Revenue Code and any applicable state income tax laws.
- (b) Notwithstanding Section 9(a), the Interconnection Customer shall provide to the Distribution Provider a letter of credit in the favor of the Distribution Provider for the income tax liability associated with the payments paid to the Distribution Provider pursuant to this Agreement in the amounts and form as described in Section 8(b) ("Security Instrument").
- (c) The Security Instrument shall remain in place for 10 years unless superseded by another agreement or security instrument pursuant to Article 5.17.3 of the WDAT Tariff Appendix 6.2 of Attachment I (Generator Interconnection Agreement for a Generating Facility Interconnecting Under the Independent Study Process). The Distribution Provider shall have the right to draw on the Security Instrument if the Internal Revenue Service makes a final determination that the activity taken pursuant to this Agreement is recognizable as a federal income taxable event. The Distribution Provider may draw on the Security Instrument in the actual amount of any such resultant tax liability.
- (d) ITCC (Income Tax Component of Contribution): ITCC is equal to the estimated tax liability described in Section 9(b) and is the Income Tax Component of Contribution described in the Preliminary Statement, Part M of the Distribution Provider's tariff on file with the CPUC. ITCC applicable to the Distribution Provider's Interconnection Facilities Cost is described in Section 9(e) and is shown in Exhibit B.
 - (i) The Interconnection Customer's liability for the cost consequences of any current tax liability under this Section 9 shall be calculated on a fully grossed-up basis. Except as may otherwise be agreed to by the parties, this means that the Interconnection Customer will pay the Distribution Provider, in addition to the amount paid for the Distribution Provider's Interconnection Facilities and Network Upgrades, an amount equal to (1) the current taxes imposed on the Distribution Provider ("Current Taxes") on the excess of (a) the gross income realized by the Distribution Provider as a result of payments or property transfers made by the Interconnection Customer to the Distribution Provider under this

Agreement (without regard to any payments under this Section 9) (the “Gross Income Amount”) over (b) the present value of future tax deductions for depreciation that will be available as a result of such payments or property transfers (the “Present Value Depreciation Amount”), plus (2) an additional amount sufficient to permit the Distribution Provider to receive and retain, after the payment of all Current Taxes, an amount equal to the net amount described in clause (1).

- (ii) For this purpose, (i) Current Taxes shall be computed based on the Distribution Provider’s composite federal and state tax rates at the time the payments or property transfers are received and the Distribution Provider will be treated as being subject to tax at the highest marginal rates in effect at that time (the “Current Tax Rate”), and (ii) the Present Value Depreciation Amount shall be computed by discounting the Distribution Provider’s anticipated tax depreciation deductions as a result of such payments or property transfers by the Distribution Provider’s current weighted average cost of capital. Thus, the formula for calculating the Interconnection Customer's liability to the Distribution Provider pursuant to this Section 9 can be expressed as follows: $(\text{Current Tax Rate} \times (\text{Gross Income Amount} - \text{Present Value of Tax Depreciation})) / (1 - \text{Current Tax Rate})$.
- (e) **Security Amount for Estimated Tax Liability.** the Interconnection Customer’s estimated tax liability is as follows:

Estimated tax liability for Distribution Provider’s Interconnection Facilities = The sum of the product of (i) the applicable ITCC rate for the year payments are anticipated to be received, and (ii) the total of the payments anticipated to be received for the Interconnection Facilities Cost for that year.

Year(s) payments anticipated to be received	Applicable ITCC rate	Total anticipated payments received for Interconnection Facilities Cost	ITCC for Distribution Provider’s Interconnection Facilities
2016 & 2017	See Section 4.4 of Attachment J to the Tariff*	\$59,160.00	\$13,015.20
Total		\$59,160.00	\$13,015.20

* The estimated tax liability is based on the applicable ITCC rate in Attachment J to the Tariff as of the Effective Date and is available at the following link:

<https://www.sce.com/openaccess>

Based upon the total estimated tax liability, the Interconnection Customer shall provide to the Distribution Provider a Security Instrument in the form of a letter of credit totaling **\$13,015.20**. The letter of credit shall be an irrevocable and unconditional letter of credit

issued by a bank or financial institution that has a credit rating of A or better by Standard and Poors or A2 by Moody's.

10. Final Invoice:

- (a) Following termination of this Agreement pursuant to Section 3(a)(i), (ii), (iv), (v), (vi), and (vii), or following completion of the work as described in Exhibit A, the Distribution Provider shall submit a final invoice to the Interconnection Customer as soon as practicable, but within twelve (12) months, which will set forth such costs in sufficient detail to enable the Interconnection Customer to compare the actual costs with the estimates and to ascertain deviations, if any, from the cost estimates, and within thirty (30) days of receipt of the final invoice, the Interconnection Customer shall pay the actual costs.
- (b) In the event that the Interconnection Customer's amounts paid in accordance with Section 7(a) of this Agreement, including any additional amount paid pursuant to Section 7(b) of this Agreement, exceeds the amount of the Distribution Provider's charges and expenses incurred or irrevocably committed to be incurred pursuant to this Agreement, the Distribution Provider shall return the excess amount to the Interconnection Customer without interest, within thirty (30) Calendar Days after the date of such invoice provided in accordance with Section 10 of this Agreement, without offset for any amount that may be in dispute. In the event of any such dispute, the Parties shall follow the dispute provisions in Section 16. In the event the Parties determine that the Interconnection Customer did not owe the Distribution Provider the full amount paid, then the Distribution Provider shall refund to the Interconnection Customer, without interest, the amount overpaid within thirty (30) Calendar Days of such determination.
- (c) In the event that the Interconnection Customer's amounts paid in accordance with Section 7(a) of this Agreement, including any additional amount paid pursuant to Section 7(b) of this Agreement, is less than the amount of the Distribution Provider's charges and expenses incurred or irrevocably committed to be incurred pursuant to this Agreement, then the Interconnection Customer shall pay the difference, without interest, within thirty (30) Calendar Days of the date of receipt of the invoice provided in accordance with Section 10 of this Agreement, without offset for any amount which may be in dispute. In the event of any such dispute, the Parties shall follow the dispute provisions in Section 16. In the event the Parties determine that the Interconnection Customer did not owe the Distribution Provider the full amount paid, then the Distribution Provider shall refund to the Interconnection Customer, without interest, the amount overpaid within thirty (30) Calendar Days of such determination.

11. Addresses For Billing And Payment:

- (a) All payments to be made by Interconnection Customer to the Distribution Provider shall be sent to:

Southern California Edison Company

Accounts Receivable
Box 600
Rosemead, California 91770-0600

The Distribution Provider may, at any time, by written notice to the Interconnection Customer, change the address to which payments will be sent.

- (b) All billings to be presented by the Distribution Provider to the Interconnection Customer shall be sent to:

Scott Valentino
Vice President, Finance
AltaGas Pomona Energy Inc.
1717 McKinney Avenue, Suite 1040
Dallas, TX 75202

Interconnection Customer may, at any time, by written notice to the Distribution Provider, change the address to which billings will be sent.

12. Notices:

Any notice or request made to or by either Party regarding this Agreement shall be made to the representative of the other Party as indicated below:

Southern California Edison Company
Transmission & Distribution
Manager, Grid Contract Management
P. O. Box 800
2244 Walnut Grove Avenue
Rosemead, California 91770
Telefax No. (626) 302-1152
Telephone No. (626) 302-9640

Interconnection Customer:

Scott Valentino
Vice President, Finance
AltaGas Pomona Energy Inc.
1717 McKinney Avenue, Suite 1040
Dallas, TX 75202
Telephone No. (469) 904-5212
Telefax No. (469) 904-5201

A Party may at any time designate different or additional persons or different addresses for giving of notices, demands or requests.

13. Removal of the Distribution Provider's Interconnection Facilities.

Following the withdrawal of the Project interconnection application, or the termination of this Agreement without an executed or effective amended GIA, the Distribution Provider may remove the Distribution Provider's Interconnection Facilities. On or before the date one (1) year following termination of the Agreement, the Distribution Provider will notify the Interconnection Customer as to whether the Distribution Provider intends to physically remove the Distribution Provider's Interconnection Facilities, or any part thereof. If the Distribution Provider intends to physically remove the Distribution Provider's Interconnection Facilities, or any part thereof, then the Distribution Provider will physically remove such facilities within two (2) years from the date of notification of intent, and the Interconnection Customer shall pay the Removal Cost. If the Distribution Provider does not intend to physically remove the Distribution Provider's Interconnection Facilities, or any part thereof, then the Interconnection Customer shall have no obligation to pay such Removal Cost.

14. Audit Rights:

- (a) The Interconnection Customer shall have the right, during normal business hours, and upon prior reasonable notice to the Distribution Provider, to audit at its own expense the Distribution Provider's accounts and records pertaining to the Distribution Provider's performance or either such Party's satisfaction of obligations owed to the other Party under this Agreement. Any audit authorized by this Section 14 shall be performed at the offices where such accounts and records are maintained and shall be limited to those portions of such accounts and records that relate to the Distribution Provider's performance and satisfaction of obligations under this Agreement.
- (b) Accounts and records related to the work described in Exhibit A performed by the Distribution Provider shall be subject to audit for a period of twenty-four (24) months following the Distribution Provider's issuance of a final invoice in accordance with Section 10.
- (c) If an audit by the Interconnection Customer determines that an overpayment or an underpayment has occurred, a notice of such overpayment or underpayment shall be given to the Interconnection Customer together with those records from the audit which supports such determination. The Party that is owed payment shall render an invoice to the other Party and such invoice shall be paid pursuant to Section 10.

15. Force Majeure:

For the purposes of this Agreement, Force Majeure shall mean any act of God, labor disturbance, act of the public enemy, war, insurrection, riot, fire, storm or flood, explosion, breakage or accident to machinery or equipment, any order, regulation or restriction imposed by governmental, military or lawfully established civilian authorities, or any other cause beyond a Party's control. A Force Majeure event does not include acts of negligence or intentional wrongdoing by the Party claiming Force Majeure. Economic hardship is not considered a Force Majeure event.

16. Dispute:

In the event of any dispute, the Parties shall promptly meet and attempt to resolve the dispute. Such dispute shall be referred to a designated senior representative of each party for resolution on an informal basis as promptly as practical in accordance with the dispute procedures set forth in the amended GIA, except that references to the Generator Interconnection Agreement shall be interpreted as references to this Agreement. In the event that the parties are unable to resolve the dispute on an informal bases and do not agree to submit such claim or dispute to arbitration, each Party may exercise whatever rights and remedies it may have in equity or law consistent with the terms of this Agreement.

17. Suspension:

This Agreement or work performed under this Agreement may not be suspended, unless approved in writing by the Parties.

18. Default:

No Party shall be considered to be in Default with respect to any obligation hereunder, other than the obligation to pay money when due, if prevented from fulfilling such obligation by Force Majeure. For the purposes of this Agreement, Default shall mean the failure of a breaching Party to cure its breach. A Party unable to fulfill any obligation hereunder (other than an obligation to pay money when due) by reason of Force Majeure shall give notice and the full particulars of such Force Majeure to the other Party in writing or by telephone as soon as reasonably possible after the occurrence of the cause relied upon. Telephone notices given pursuant to this Section shall be confirmed in writing as soon as reasonably possible and shall specifically state full particulars of the Force Majeure, the time and date when the Force Majeure occurred and when the Force Majeure is reasonably expected to cease. The Party affected shall exercise due diligence to remove such disability with reasonable dispatch, but shall not be required to accede or agree to any provision not satisfactory to it in order to settle and terminate a strike or other labor disturbance.

19. Indemnification:

Each Party shall at all times indemnify, defend, and hold the other Party harmless from, any and all Losses arising out of or resulting from the other Party's action or inactions of its obligations under this Agreement on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnified Party.

20. Limitation of Liability:

- (a) The Distribution Provider's liability for any action arising out of its activities relating to this Agreement shall be limited to refund of amounts received hereunder.
- (b) In no event shall either party be liable under any provision of this Agreement for any losses, damages, costs or expenses for any special, indirect, consequential, or punitive damages included but not limited to loss of profit or revenue, or loss of use of equipment, cost of capital, cost of temporary equipment or services, whether based in

whole or in part in contract, in tort, including negligence, strict liability, or any other theory of liability.

21. Complete and Final Expression:

This Agreement constitutes the complete and final expression of the agreement between the parties and is intended as a complete and exclusive statement of the terms of their agreement which supersedes all prior and contemporaneous offers, promises, representations, negotiations, discussions, communications, and other agreements which may have been made in connection with the subject matter of this Agreement. Nothing in this Agreement is intended or shall be deemed to require the Distribution Provider or the Interconnection Customer to enter into any other agreement, including without limitation, any interconnection agreement.

22. Waiver:

Any waiver at any time by either Party of its rights with respect to a default under this Agreement, or with respect to any other matter arising from this Agreement, shall not be deemed a waiver with respect to any subsequent default or other matter arising in connection therewith. Any delay, with the exception of the statutory period of limitation in assessing or enforcing any right, shall not be deemed a waiver of such right.

23. Covenants, Obligations and Liabilities:

The covenants, obligations, and liabilities of the parties are intended to be several and not joint or collective, and nothing contained in this Agreement shall ever be construed to create an association, joint venture, trust or partnership, or to impose a trust or partnership covenant, obligation, or liability on or with regard to either Party. Each Party shall be individually responsible for its own covenants, obligations, and liabilities as provided in this Agreement. Neither Party shall be under the control of the other Party. Neither Party shall be the agent of or have a right or power to bind the other Party without such other Party's express written consent.

24. Rights or Remedies:

The Parties do not intend to create rights in, or to grant remedies to, any third party as a beneficiary either of this Agreement or of any duty, covenant, obligation, or undertaking established herein.

25. Interpretation:

This Agreement shall be interpreted by and in accordance with the laws of the State of California, without regard to the principles of conflict of laws thereof, or the laws of the United States, as applicable, as if executed and to be performed wholly within the United States.

26. This Agreement shall be binding upon the Parties and their successors and assigns.

27. Modification:

- (a) This Agreement may be modified only through a written amendment executed by duly authorized representatives. However, nothing contained herein shall be construed as affecting in any way the right of the Distribution Provider to unilaterally make application to FERC for a change in the rates, terms, and conditions of this Agreement under section 205 of the Federal Power Act and pursuant to FERC's rules and regulations promulgated thereunder.
- (b) The Distribution Provider and the Interconnection Customer shall have the right to make a unilateral filing with FERC to modify this Agreement pursuant to section 206 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder; provided that each Party shall have the right to protest any such filing by another Party and to participate fully in any proceeding before FERC in which such modifications may be considered.

28. Assignment:

This Agreement may be assigned by a Party only with the written consent of the other Party; provided that a Party may assign this Agreement without the consent of the other Parties to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement; and provided further that the Interconnection Customer shall have the right to assign this Agreement, without the consent of the Distribution Provider, for collateral security purposes to aid in providing financing for the Generating Facility, provided that the Interconnection Customer will promptly notify the Distribution Provider of any such assignment. Any financing arrangement entered into by the Interconnection Customer pursuant to this Section 28 will provide that prior to or upon the exercise of the secured party's trustee's or mortgagee's assignment rights pursuant to said arrangement, the secured creditor, the trustee or mortgagee will notify the Distribution Provider of the date and particulars of any such exercise of assignment right(s), including providing the Distribution Provider with proof that it meets the requirements of Sections 6, 8 and 9. Any attempted assignment that violates this Section 28 is void and ineffective. Any assignment under this Agreement shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned, or delayed.

- 29.** Ambiguities or uncertainties in the wording of this Agreement shall not be construed for or against any Party, but shall be construed in the manner that most accurately reflects the parties' intent as of the date they executed this Agreement.
- 30.** This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument.

SOUTHERN CALIFORNIA EDISON COMPANY

By: /s/ Jill Horswell

Name: Jill P Horswell

Title: Director, Contracts and Reliability Standards Operations

Date: August 31, 2016

ALTAGAS POMONA ENERGY INC.

By: /s/ John O'Brien

Name: John D. O'Brien

Title: President, AltaGas, U.S.

Date: 9-1-16

EXHIBIT A

DESCRIPTION AND ESTIMATED COST SUMMARY ENGINEERING, DESIGN, PROCUREMENT AND CONSTRUCTION WORK

Description of Work: The engineering, design, procurement and construction work to be performed under this Agreement are for the Distribution Provider's Interconnection Facilities necessary for the Interconnection and operation of the Project.

Distribution Provider's Interconnection Facilities. The Distribution Provider shall:

- (a) Perform a protection relay coordination study
- (b) Install meter for energy storage component
- (c) Install and test RTU point additions at generating substation

EXHIBIT B
ESTIMATED COST

The estimated cost for the Distribution Provider to commence engineering, design, preparation of specifications, procurement of material and equipment and construction of the Distribution Provider's Interconnection Facilities. This estimate reflects such work to be performed by the Distribution Provider prior to completion of the Interconnection System Impact Study and prior to execution of the amended GIA.

Element-	Distribution Provider's Interconnection Facilities Cost	One-Time Cost	Total	ITCC*
Interconnection Facilities				
Install meter for energy storage component	\$59,160.00	\$0.00	\$59,160.00	\$13,015.20
Perform a protection relay coordination study	\$0.00	\$87,327.00	\$87,327.00	\$0.00
Install and test RTU point additions at generating substation	\$0.00	\$26,630.00	\$26,630.00	\$0.00
Total	\$59,160.00	\$113,957.00	\$173,117.00	\$13,015.20

EXHIBIT C**DEPOSIT PAYMENT SCHEDULE**

Payment No.	Payment Due Date	Interconnection Facilities Cost	One-Time Cost	Project Payment	Associated ITCC*
1	9/5/2016	\$59,160.00	\$113,957.00	\$173,117.00	\$13,015.20
Totals		\$59,160.00	\$113,957.00	\$173,117.00	\$13,015.20

*Note: ITCC/Estimated Tax Liability will be provided pursuant to Section 9.