



SOUTHERN CALIFORNIA
EDISON[®]

An *EDISON INTERNATIONAL*[®] Company

**SCE GREENHOUSE GAS
OFFSET CREDIT
REQUEST FOR OFFERS
SPRING 2017**

RFO Participant Instructions

May 19, 2017

(rev. July 17, 2017)

TABLE OF CONTENTS

ARTICLE ONE. GENERAL INFORMATION..... 1

 1.01 Introduction.....1

 1.02 The Agreement.....1

 1.03 Communications.....1

 1.04 Recording.....2

 1.05 Confidentiality.....2

 1.06 Document Conflicts.....2

ARTICLE TWO. ELIGIBILITY REQUIREMENTS..... 4

 2.01 Participant Eligibility.....4

 2.02 Eligible Product Description.....4

 2.03 Minimum and Maximum Volume Limits.....4

 2.04 Aggregation of Multiple Offset Projects.....4

 2.05 Pricing.....4

 2.06 Double Verification.....5

 2.07 Liability for Risk of Invalidation.....5

 2.08 Delivery Schedule.....5

 2.09 Conformance with Procurement Plan.....6

 2.10 SCE Affiliates.....6

 2.11 Supplier Diversity.....6

ARTICLE THREE. RFO PROCESS AND EVALUATION OF OFFERS..... 7

 3.01 RFO Schedule.....7

 3.02 RFO Participants’ Webinar.....7

 3.03 Submission of Indicative Offer(s).....8

 3.04 Shortlisting of Offers.....8

 3.05 Commercial Lock-Down of Offers.....8

 3.06 Final Selection of Offers.....9

 3.07 Preparation and Execution of Agreements.....9

ARTICLE FOUR. EVALUATION OF OFFERS..... 10

 4.01 Evaluation Process..... 10

 4.02 Quantitative Evaluation..... 10

 4.03 Qualitative Evaluation..... 10

ARTICLE FIVE. CREDIT AND COLLATERAL REQUIREMENTS..... 12

 5.01 Delivery Security..... 12

 5.02 Invalidation Security..... 12

 5.03 Form of Collateral.....12

ARTICLE SIX. PARTICIPANT’S ACKNOWLEDGEMENT..... 13

 6.01 SCE’s Rights.....13

 6.02 SCE’s Acceptance of Offers.....13

 6.03 Expenses in Event of Termination by SCE.....13

 6.04 Waived Claims.....13

LIST OF APPENDICES

- A. Appendix A-Offer Form.
- B. Appendix B-Form of GHG Offset Credit Master Purchase Agreement.
- C. Appendix C-Non-Disclosure Agreement.

ARTICLE 1. GENERAL INFORMATION.

1.01 Introduction.

Southern California Edison Company (“SCE”) is issuing this Greenhouse Gas (“GHG”) Offset Credit Request for Offers (“RFO”) to solicit offers for qualified Offset Credits¹ (“Offers”) to meet SCE’s compliance obligation under the Cap-and-Trade Regulations set forth by the California Air Resources Board (“ARB”) pursuant to California Assembly Bill (“AB”) 32. SCE will only consider Offers to sell an eligible quantity of qualified Offset Credits that are submitted in accordance with these GHG Offset Credit RFO Participant Instructions (“RFO Instructions”).

All purchases of Offset Credits by SCE will be executed according to the terms and conditions set forth in the Master Offset Credit Purchase Agreement (Appendix B) and attachments thereto (collectively, the “Agreement”). These RFO Instructions set forth the procedures a participant wishing to submit an Offer in this GHG Offset Credit RFO (“Participant”) must follow in order to participate in the RFO. Capitalized terms used in these RFO Instructions, but not otherwise defined herein, have the meanings set forth in the Agreement.

1.02 The Agreement.

Any Participant who is selected for SCE’s shortlist must submit a completed Agreement that includes the Participant’s proposed modifications, if any, within seven (7) business days of receiving notification of shortlisting. The terms of the Agreement may be modified to reflect all of the transactional terms with which the Participant agrees to comply, should SCE choose to execute an Agreement with the Participant, but should be limited to those modifications necessary to reflect the unique characteristics of the Participant’s shortlisted Offer(s). Significant modification to the terms of the Agreement may result in a failure to obtain an executed Agreement with SCE. A shortlisted Participant’s failure to provide a completed Agreement by the deadline specified in the RFO Schedule in this Section 3.01 may result in the disqualification of the Participant’s Offer(s).

If a Participant wishes to propose a modification to the terms of the Agreement set forth by SCE, the Participant must submit to SCE the desired modifications in redline format to the pro forma Agreement (Appendix B).

1.03 Communications.

All documents, information, announcements and FAQs for this RFO will be posted on SCE’s GHG Offset Credit RFO website at <http://on.sce.com/GHGRFO>. All communications from Participants to SCE concerning the RFO, including any such

¹ Offset Credit is defined herein as an “ARB Offset Credit” in the Cap-and-Trade Regulations, section 95802(a)(14).

exchange concerning the preparation or submission of Offers to SCE, should take the form of an email directed to RFOGHGOffsets@sce.com. SCE may, in its sole discretion, decline to respond to any email or other inquiry concerning the GHG Offset Credit RFO without liability or responsibility.

1.04 Recording.

Unless the Participant or SCE expressly objects to a Recording (defined below) at the beginning of a telephone conversation, provided each party to the conversation is informed at the beginning of the telephone conversation that the conversation will be recorded, the Participant and SCE consents to the creation of a tape or electronic recording (“Recording”) of all telephone conversations between the parties’ trading and marketing personnel, and that any such Recordings will be retained in confidence, secured from improper access, and may be submitted in evidence in any proceeding or action relating to this RFO. The Participant and SCE waive any further notice of such monitoring or Recording, and agree to notify their respective officers and employees of such monitoring or Recording and to obtain any necessary consent of such officers and employees. The Recording, and the terms and conditions described therein, if admissible, shall be the controlling evidence of the Participant’s and SCE’s agreement with respect to a particular Transaction in the event a Confirmation is not fully executed (or deemed accepted) by both parties. Upon full execution (or deemed acceptance) of a Confirmation, such Confirmation shall control in the event of any conflict with the terms of a Recording, or in the event of any conflict with the terms of the Agreement.)

1.05 Confidentiality.

With respect to SCE, information provided by Participants to SCE for purposes of this RFO will be subject to (1) a fully executed Non-Disclosure Agreement (“NDA”) (Appendix C) and (2) all applicable disclosure requirements set forth by the California Public Utilities Commission (“CPUC”), including CPUC D.06-06-066.

1.06 Document Conflicts.

In the event of any conflict between the information included on the GHG Offset Credit RFO website, these RFO Instructions, the Master Offset Credit Purchase Agreement, the Offset Credit Confirmation, any of the other Appendices to these RFO Instructions, or any other RFO documents provided by SCE, the conflict will be resolved by the following priority of documents:

- (1) The Offset Credit Confirmation;
- (2) The Master Offset Credit Purchase Agreement;
- (3) These RFO Instructions;

- (4) Any other Appendix or exhibit to these RFO Instructions, including the Offer Form;
- (5) Any other documents provided by SCE to be submitted as part of a completed Offer; and
- (6) Information contained on SCE's GHG Offset Credit RFO website.

Notwithstanding the foregoing, if an Agreement is executed between SCE and a Participant, the terms contained therein shall govern over the GHG Offset Credit RFO materials listed above.

*** *End of ARTICLE ONE* ***

ARTICLE 2. ELIGIBILITY REQUIREMENTS.

2.01 Participant Eligibility.

SCE will only consider Offers from Participants who (1) have registered with or (2) have caused the project producing the Offset Credits to register with or (3) in either case have an application for registration pending with the ARB by the date of Offer submission. The Participant selling the Offset Credits must be authorized under all applicable jurisdictions and laws to transfer full title and ownership of the Offset Credits to SCE.

2.02 Eligible Product Description.

To be eligible for consideration by SCE, Offset Credits offered in this RFO must be issued by the ARB in accordance with one of the ARB Compliance Offset Protocols specified in the Cap-and-Trade Regulations² or by one of the Early Action Offset Programs approved by the ARB in the Cap-and-Trade Regulations³.

SCE will consider Offers for Offset Credits with vintage years from 2005 through 2018 generated from a source within the U.S.

2.03 Minimum and Maximum Volume Limits.

The minimum volume of Offset Credits that a Participant may offer in this RFO is 25,000 Offset Credits per year for each year in which deliveries of Offset Credits are proposed. The maximum offered volume that SCE will consider from a Participant is 1.5 million Offset Credits in aggregate (across all years in which deliveries of Offset Credits are proposed). In no case will SCE execute an Agreement to purchase more than 1.5 million Offset Credits from a single Participant as a result of this RFO.

2.04 Aggregation of Multiple Offset Projects.

Participants may offer Offset Credits from multiple Offset Projects, as defined in the Cap-and-Trade Regulations, provided that all Offset Projects from which the offered Offset Credits are produced meet all applicable requirements set forth in Subarticle 13 of the Cap-and-Trade Regulations.

2.05 Pricing.

Pricing for all Offset Credits offered to SCE by the Participant must be provided according to one of the following pricing formats:

² Section 95973(a)(2)(C) of the Cap-and-Trade Regulation.

³ Section 95990(c)(5) of the Cap-and-Trade Regulation.

- (1) Fixed Price. Pricing is provided by the Participant as a fixed nominal dollar (USD) amount for each Offset Credit included in the Participant's Offer; or
- (2) Indexed Price. Pricing is provided by the Participant as a fixed percentage of the most recent ARB Auction Clearing Price for current vintage Allowances. SCE will calculate the price to be paid for Offset Credits offered with an Indexed Price by multiplying the percentage index provided by the Participant, rounded to the nearest whole percentage point, by the most recent available Current Auction Clearing Price published by the ARB as of the date on which the Offset Credits are transferred in the Compliance Instrument Tracking System Service ("CITSS") to SCE's Holding Account ("Delivery Date").

2.06 Double Verification.

Depending on the verification history of a project for which the ARB has issued Offset Credits, the ARB may invalidate an Offset Credit within eight years of issuance, or within a reduced period of three years of issuance. SCE requires that Participants obtain the necessary second verification so that the Invalidation Period for the Offset Credits offered to SCE is shortened to three years.

The conversion to a three-year Invalidation Period by the ARB must be completed by the date specified by the Participant in the Agreement, and must be completed no later than three years after the Delivery Date. SCE will retain the Participant's Delivery Security until conversion of the Offset Credits to a three-year Invalidation Period has been completed.

2.07 Liability for Risk of Invalidation.

Participants must assume the risk of Offset Credit invalidation, as specified in the Agreement, and post appropriate collateral for the duration of the Offset Credit Invalidation Term. Credit and collateral requirements are described further in Article Five.

2.08 Delivery Schedule.

For Offers with multiple proposed Delivery Dates, the Participant may not propose to deliver Offset Credits to SCE any more frequently than once every three (3) months.

The latest Delivery Date on which SCE will accept Offset Credits is August 31, 2018.

2.09 Conformance with Procurement Plan.

Submitted Offers must meet all CPUC requirements in SCE’s approved GHG Procurement Plan⁴. These include, but are not limited to, the requirements that:

- (1) Participants must assume the risk of Offset Credit invalidation pursuant to the Agreement and must post appropriate collateral to protect SCE’s customers against invalidation and default risk; and
- (2) Offers are subject to SCE’s approved procurement credit and collateral requirements and the applicable affiliate transaction rules.

2.10 SCE Affiliates.

SCE affiliates are not permitted to participate in the RFO. Each Participant must disclose whether or not it is an SCE affiliate.

2.11 Supplier Diversity.

SCE encourages Women-Owned, Minority-Owned, Service Disabled Veteran-Owned, Lesbian-, Gay-, Bisexual-, and/or Transgender-Owned Business Enterprises and Small Business Administration 8(a) certified businesses (“Diverse Business Enterprises” or “DBE”) to participate in the RFO. Information on SCE’s Supplier Diversity Program can be found on the following SCE website: <http://www.sce.com/sd> and <http://www.sce.com/energyprocurement>.

California Public Utilities Commission (“CPUC”) General Order (“GO”) 156 (<http://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M152/K827/152827372.pdf>) sets the rules governing, among other things, goals, annual reporting and annual planning in the development of programs to increase participation of DBE in procurement of contracts from utilities as required by the California Public Utilities Code.

*** End of ARTICLE TWO ***

⁴ Order Instituting Rulemaking to Integrate and Refine Procurement Policies and Consider Long-Term Procurement Plans, D.12-04-046, Section 3.5.

ARTICLE 3. RFO PROCESS AND EVALUATION OF OFFERS.

3.01 RFO Schedule.

<i>Date</i>	<i>Event</i>
Friday, May 19, 2017	SCE launches the GHG Offset Credit RFO and posts RFO Instructions, Agreement and other RFO documents.
Thursday, May 25, 2017 – 9:00am – 10:00am Pacific Prevailing Time (“PPT”)	SCE hosts the GHG Offset Credit RFO Participants’ Webinar (see §3.02).
Friday, June 9, 2017 – 12:00 pm (noon) PPT	Deadline for Participants to submit a complete indicative Offer submittal package (see §3.03).
Tuesday, June 27, 2017	SCE notifies each Participant whether or not Participant’s Offer(s) have been shortlisted by SCE (see §3.04).
Wednesday, July 5, 2017 – 12:00 pm PPT	Deadline for Participants with shortlisted Offers to submit modifications to the Agreement.
Monday, July 17, 2017 – 12:00 pm (noon) PPT	Deadline for shortlisted Participants to (1) complete negotiations with SCE and (2) lock down the Offer structure in Appendix A: Offer Form.
Monday, July 24, 2017 – 12:00 pm (noon) PPT	Deadline for shortlisted Participants to submit a final price for each Offer to SCE.
Friday, July 28, 2017 Tuesday, August 1, 2017	SCE (1) confirms transactions with selected Participants on a recorded line and (2) sends executable Agreements (see §3.06).

SCE reserves the right to revise this schedule at any time and in SCE’s sole discretion. Participants are responsible for monitoring the RFO Website for updates and possible amendments to the RFO, these RFO Instructions or the RFO process.

3.02 RFO Participants’ Webinar.

SCE will host a GHG Offset Credit RFO Participants’ Webinar to discuss the RFO process with Participants. Information on how to attend the conference will be made available on SCE’s GHG Offset Credit RFO website <http://on.sce.com/GHGRFO>.

3.03 Submission of Indicative Offer(s).

Each complete Offer conforming to these RFO Instructions must be submitted via email to SCE (RFOGHGOffsets@sce.com) by 12:00 pm PPT on June 9, 2017. SCE will send an acknowledgement of receipt for each indicative Offer submittal package by return email.

SCE will not accept Offers received after this submittal deadline. SCE will only consider submissions that, as of the submittal deadline, constitute complete and conforming indicative Offers.

In order to have a complete and conforming indicative Offer submittal package, a Participant must provide the following documents as electronic attachments to the emailed Offer:

- (1) A fully completed and electronically signed Offer Form (Appendix A);
- (2) An executed NDA (Appendix C);
- (3) Copies of audited financial statements of their or their guarantors' company, if applicable, from the past three fiscal years including certified independent accountant reports thereon;
- (4) An explanation of how safety is incorporated into business operations; and
- (5) A copy of the corporate ownership chart up to the ultimate parent company, if applicable.

Each attachment to the emailed Offer should be labeled with a unique identifier containing the company name, date, and form title (e.g. OffsetMakerABC-OfferForm-06.09.2017.xlsx).

By responding to this RFO, each Participant agrees to be bound by all terms, conditions and other provisions of this RFO and any changes or supplements to it that may be issued by SCE.

3.04 Shortlisting of Offers.

By June 27, 2017, SCE will notify each Participant regarding the shortlisting status of its Offer(s). If necessary, SCE may request additional information prior to selection. Each Participant that is shortlisted by SCE will be required to submit a redlined version of the Agreement, as described in this Section 1.02, which affirms that the Participant agrees to be bound by the terms contained therein and to make specified representations and warranties to SCE.

SCE will evaluate Offers using the evaluation criteria described in this Article Three.

3.05 Commercial Lock-Down of Offers.

From the time that contract negotiations are completed on July 17, 2017 the structure of the Participant's Offer(s), including all inputs to the Offer Form (Appendix A) other than price, will be "locked down," meaning that they can no longer be changed by the Participant and are considered binding features of the Participant's Offer(s) as of that time.

3.06 Final Selection of Offers.

On July 24, 2017 shortlisted Participants may submit an updated final price for each Offer submitted to SCE. SCE will conduct the final valuation of Offers based only on the most recent Offer price the Participant has submitted as of 12:00 pm PPT on that date. SCE may also consider in its selection of shortlisted Offer(s) the Participant's willingness to abide by the terms set forth in the Agreement, subject to commercially reasonable requests for modification made by the Participant and agreed upon by SCE during the negotiation period.

Final decisions on the selection of shortlisted Offer(s) will be communicated to shortlisted Participants by ~~July 28, 2017~~ August 1, 2017. SCE will confirm transactions with selected Participants over a recorded line on that date.

3.07 Preparation and Execution of Agreements.

By submitting an Offer in SCE's Offset RFO, Participant agrees to negotiate and execute an Agreement consistent with the terms of the Offer(s) submitted by the Participant, and containing such terms and conditions as may be mutually acceptable to SCE and the Participant, should the Participant's Offer(s) be selected by SCE. Any Participant that has a final Offer selected from the shortlist will be required to enter into a new Agreement. To the extent that a Participant, whose final Offer is selected by SCE, is currently enabled with SCE under a prior Master Offset Credit Purchase Agreement, SCE will consider, but may not necessarily accept, modifications to the Agreement based upon Participant's prior Master Offset Credit Purchase Agreement. The Agreement will only be considered executed once duly authorized officers of both SCE and the Participant have executed the Agreement.

*** *End of ARTICLE THREE* ***

ARTICLE 4. EVALUATION OF OFFERS

4.01 Evaluation Process.

All Offers will be initially assessed for conformance with the eligibility requirements set out in these RFO Instructions. Participants should conform to the eligibility requirements in these RFO Instructions in order to be considered for selection. Participants are responsible for the accuracy of all information and calculations submitted as part of their Offer(s). Beyond such eligibility requirements as are set forth in these RFO Instructions, SCE will apply both quantitative and qualitative criteria in its evaluation of submitted Offers.

4.02 Quantitative Evaluation.

SCE will consider the following quantitative criteria in its evaluation of submitted Offers:

- (1) Market Value – How the pricing of the submitted Offer compares to the value of the Offset Credits offered, as assessed using current and forecasted Compliance Instrument prices; the current and forecasted future Auction Reserve Prices for California Carbon Allowances; and the price of other equivalent Offset Credits offered in this RFO; and
- (2) Portfolio Fit – To what extent the Offset Credits included in the submitted Offer satisfy SCE’s forecasted compliance needs and procurement limits set forth in the ARB’s Cap-and-Trade Regulations and SCE’s Long Term Procurement Plan approved by the CPUC.

4.03 Qualitative Evaluation.

Additionally, SCE may consider qualitative criteria in its evaluation of submitted Offers, including without limitation the following criteria:

- (1) Credit – The Participant’s creditworthiness and its willingness and ability to meet credit and collateral requirements prior to the Delivery Date and throughout the Invalidation Period, either by posting collateral with SCE or through an unsecured credit line extended to the Participant by SCE. The financial information of the Participant or its Guarantor, if applicable, provided as part of the indicative Offer submittal package will be used to assess the creditworthiness of the Participant or its Guarantor, if applicable;
- (2) Project Status – The progress of the GHG Offset Project in securing a positive verification statement, being listed with an ARB-certified Offset Project Registry, receiving ARB-issued GHG Offset Credits, and shortening the invalidation period of the ARB-issued Offset Credits to three years or less, as determined by the latest date for second verification and any

optional project-specific information submitted with the Participant's Offer(s);

- (3) Developer Experience – The experience of Offset Project owners and/or developers in developing Offset Projects that have previously been issued GHG Offset Credits by ARB or an ARB-certified Offset Project Registry, as determined by any optional developer experience information submitted with the Participant's Offer(s);
- (4) Seller's Proposed Changes to SCE's Master Offset Credit Purchase Agreement – The amount of proposed changes made to SCE's Master Offset Credit Purchase Agreement;
- (5) Safety – The Participant's implementation of safe business practices and operations, as documented in the indicative Offer submittal package; and
- (6) Supplier Diversity – The Participant's status as a CPUC-certified WMDVBE and/or commitment to subcontract with WMDVBEs, where applicable.

*** End of ARTICLE FOUR ***

ARTICLE 5. CREDIT AND COLLATERAL REQUIREMENTS.

Key provisions in Article 6, Credit and Collateral, of the Agreement are as summarized below:

5.01 Delivery Security.

Starting from the date on which the Participant executes an Agreement with SCE and until the later of the Delivery Date and the date on which the Participant's Offsets receive a second verification in accordance with the terms of the Agreement, the Participant will be required to post and maintain collateral equal to twenty percent (20%) of the notional contract value, to be calculated as of the date of contract execution, of all Offset Credits that have not yet been transferred to SCE's Holding Account under the Agreement or, if transferred, have not had a second verification accepted by the ARB, less any unsecured credit limit granted ("Delivery Security"). For contracts with multiple Delivery Dates, the Delivery Security will be returned to the Participant pro rata according to the volume of Offset Credits delivered or obtaining a second verification from the ARB (whichever is later) on each date. Any unsecured credit granted to the Participant may offset some or all of this requirement.

5.02 Invalidation Security.

Following delivery of the Offset Credits to SCE and for the entire Invalidation Term, the Participant will be required to post and maintain collateral equal to twenty percent (20%) of the notional contract value, to be calculated as of the date of contract execution, of all Offset Credits that have been transferred to SCE's Holding Account under the Agreement, less any unsecured credit limit granted ("Invalidation Security"). This Invalidation Security Amount will be held by SCE throughout the Invalidation Term applicable to the Offset Credits in order to mitigate SCE's risk of loss in the event that the Offset Credits are invalidated by the ARB in whole or in part.

5.03 Form of Collateral.

SCE will accept Letters of Credit, meeting the requirements provided in the Agreement, and cash in U.S. dollars (USD). As noted above, Participants that qualify for unsecured credit with SCE or provide a parental guarantee based on the financial information provided in connection with their Offer(s) may utilize available unsecured credit extended to satisfy and meet the above-stated collateral requirements, as determined by SCE.

In its evaluation of Offers, SCE will consider its overall credit concentrations with each Participant, including its affiliates.

SCE will not provide collateral.

**** End of ARTICLE FIVE ***

ARTICLE 6. PARTICIPANT'S ACKNOWLEDGEMENT.

By submitting an Offer to SCE pursuant to the GHG Offset Credit RFO, the Participant acknowledges the following:

6.01 SCE's Rights.

SCE reserves the right to terminate this RFO or to modify any dates and terms specified in these RFO Instructions, in its sole discretion and at any time [prior to the full execution and delivery of the Agreement] without notice and without assigning any reasons and without liability of Edison International, SCE or any of their subsidiaries, affiliates or representatives. Grounds for the early termination of the GHG Offset Credit RFO may include, without limitation, the assertion of any Waived Claims by a Participant or a determination by SCE that no submitted Offers will provide sufficient benefits to its customers.

6.02 SCE's Acceptance of Offers.

SCE will not be deemed to have accepted any Offer, and will not be bound by any term thereof, unless and until authorized representatives of SCE and the Participant execute an Agreement and, if appropriate, related collateral and other required agreements.

6.03 Expenses in Event of Termination by SCE.

In the event that the GHG Offset Credit RFO is terminated by SCE, each Participant will be responsible for expenses it incurs as a result of its participation in the GHG Offset Credit RFO.

6.04 Waived Claims.

By submitting an Offer, the Participant knowingly, voluntarily, and completely waives any rights under statute, regulation, state or federal constitution or common law to assert any claim, complaint or other challenge in any regulatory, judicial or other forum, including without limitation, the CPUC (except as expressly provided below), the FERC, the Superior Court of the State of California ("State Court") or any United States District Court ("Federal Court") concerning or related in any way to this GHG Offset Credit RFO or these RFO Instructions, including all exhibits, attachments, and appendices thereto ("Waived Claims"). The Participant further expressly acknowledges and consents that if it asserts any Waived Claim at the CPUC, FERC, State Court or Federal Court, or otherwise in any forum, SCE is entitled to automatically disqualify this Offer from further consideration in the RFO or otherwise, and further, SCE may elect to terminate the GHG Offset Credit RFO.

By submitting an Offer, the Participant further agrees that the sole forum in which the Participant may assert any challenge with respect to the conduct or results of the RFO is at the CPUC. The Participant further agrees that: (1) the sole means of challenging the conduct or results of the RFO is a protest to SCE's filing before the CPUC seeking

approval of one or more Agreements entered into as a result of the RFO, or, if no such filing is required, by a complaint before the CPUC, (2) the sole basis for any such protest or complaint shall be that SCE allegedly failed in a material respect to conduct the GHG Offset Credit RFO in accordance with these RFO Instructions; and (3) the exclusive remedy available to the Participant in the case of such a protest shall be an order of the CPUC that SCE again conduct any portion of the GHG Offset Credit RFO that the CPUC determines was not previously conducted in accordance with these RFO Instructions. The Participant expressly waives any and all other remedies, including, without limitation, compensatory and/or exemplary damages, restitution, injunctive relief, interest, costs and/or attorneys' fees. Unless SCE elects to do otherwise in its sole discretion, during the pendency of such a protest the GHG Offset Credit RFO and any related regulatory proceedings related to the GHG Offset Credit RFO will continue as if the protest or complaint had not been filed, unless the CPUC issues an order suspending the GHG Offset Credit RFO or SCE has elected to terminate the GHG Offset Credit RFO.

The Participant further acknowledges and agrees that if the Participant asserts any Waived Claim, SCE shall be entitled to seek immediate dismissal of the Participant's claim, complaint or other challenge, with prejudice, by filing a motion to dismiss (or similar procedural device) supported by the language in this Section 6.04 and that the Participant will not challenge or oppose such a request for dismissal. The Participant further acknowledges and agrees that if it asserts any Waived Claim, and if SCE successfully has that claim dismissed or transferred to the CPUC, the Participant shall pay SCE's full costs and expenses incurred in seeking such dismissal or transfer, including reasonable attorneys' fees.

*** *End of ARTICLE SIX* **