

## AMENDMENT 1 TO EXHIBIT A: Scope of Services

### A.1 Task Order 1 – Technical and Analytical Services

SMUD and VCEA agree to the following services, terms, and conditions described in this Amendment 1 to Exhibit A, Task Order No. 1. (Amendment 1), the provisions of which are subject to the terms and conditions of the Master Professional Services Agreement (Agreement) between the Parties. If any specific provisions of this Amendment 1 conflict with any general provisions in the Agreement or Task Order 1, the provisions of this Amendment 1, shall take precedence.

The Effective Date of this Amendment 1 is the date of last signature below.

#### Section 1, SCOPE OF WORK, is amended to include Section 1.9 below:

#### 1.9 Agricultural Rate Study

VCEA has approximately 1,700 Ag accounts, accounting for 16% of load, on a total of 13 rates. The scope of this task is to assess a flat rate option for VCEA Agricultural customers as an alternative to the Time of Use (TOU) rate for generation charges. The distinguishing feature of the rate is that the energy component won't vary by time of use, but would be flat across any day. The rate would have different levels for summer and winter seasons.

Current distribution of Ag load and customers (2016 load and July 2017 accounts)

Rate	2016 kWh	% of Load	2017 Accounts	% of Accounts	Notes
AG1A	317	0.2%	15	0.9%	Flat Rate. Closed to new customers with Smart Meters
AG1B	1,880	1.4%	16	0.9%	
AG4A	6,380	4.8%	542	31.8%	
AG4B	20,594	15.6%	410	24.0%	
AG4C	2,645	2.0%	16	0.9%	
AG5A	2,211	1.7%	81	4.8%	
AG5B	42,070	31.8%	364	21.3%	
AG5C	35,984	27.2%	53	3.1%	
AGICE	19,143	14.5%	155	9.1%	Rate closing. Customers moving to other rates 1/1/2018.
AGRA	38	0.0%	4	0.2%	Closed to new customers
AGRB	75	0.1%	2	0.1%	Closed to new customers
AGVA	726	0.5%	41	2.4%	Closed to new customers
AGVB	120	0.1%	6	0.4%	Closed to new customers
Ag	132,183	16.2%	1,705	3.3%	
Non-Ag	682,233	83.8%	50,137	96.7%	
<b>Total</b>	<b>814,416</b>		<b>51,842</b>		

#### 1.9.1 Task 1: Rate Option Analysis for 4 Ag Rates

For an initial analysis, SMUD will investigate the impact of an optional flat energy rate for 4 of these rates categories (approx. 80% of both load and customers). This analysis will include:

- Rates AG4A, AG4B, AG5B, and AG5C.
- Review of individual customers' load to determine usage by time buckets and percentage of load on-peak vs. off-peak
- Development of illustrative rates that would keep VCEA revenue neutral if the expected number of customers opted in
- Estimated opt-in flat rate for four AG rate categories
- Estimated bill impacts for sample customers opting in
- Review of potential revenue loss from low opt-in rate or potential revenue gain from high opt-in rate.
- The analysis will assume demand charges remain unchanged with TOU components as applicable
- The analysis will assume there is not a significant amount of load shifting from off-peak to peak

**Deliverable:** Report of results of analysis described in Section 1.9.1

**Due Date:** December 15, 2017

**Pricing:** Time and Materials, estimated to be 50 hours for analysis, plus any presentations or workshops needed to go over the results. Estimated not-to-exceed amount: *\$15,000.*

**Section 4, COMPENSATION FOR SERVICES, the first sentence of SECTION 4.1, is amended to read:**

#### **4.1. Technical and Analytical Services**

“Services performed under this Task Order 1 are based on a “time and materials” compensation structure with a not to exceed amount of \$107,000.”

#### **SIGNATURES**

The Parties have executed this Amendment 1, and it is effective as of the date of last signature below.

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Valley Clean Energy Alliance

By: [Signature]

Name: Mitch Sears

Title: Interim General Manager

Date: 12/18/17

Approved as  
to Form: [Signature]

Sacramento Municipal Utility District

By: [Signature]

Name: Arlen Orchard

Title: CEO: GM

Date: 1/4/18

Approved as  
to Form: [Signature]

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