



SHELL ENERGY NORTH AMERICA (US), L.P.

TRANSACTION CONFIRMATION

Original Date: March 30, 2020

Trader: Rick Kunz
Commodity: Natural Gas

Endur No.:
Contract ID: 010-NG-BS-10165
Contract Date: December 1, 2006

CITY OF ROSEVILLE
2090 Hilltop Circle
Roseville, CA 95747
Attn: Power Supply Manager (or Settlements)
Phone: 916-774- 5658
Email: settlements@roseville.ca.us

This Revised Transaction Confirmation is subject to the NAESB Base Contract between SHELL ENERGY NORTH AMERICA (US), L.P. ("Shell Energy") and the CITY OF ROSEVILLE ("Roseville") dated December 1, 2006.

<u>Delivery Point</u>	<u>Designated Quantity</u>	<u>Contract Price</u>	<u>Type of Service</u>	<u>Period of Delivery</u>
See Definitions Below	0 to 50,000 MMBtu/day (See Below)	See Below	Firm (See Below)	June 1, 2020 through May 31, 2025 (per Section B, below)

A. Definitions:

Buyer means the CITY OF ROSEVILLE ("Roseville")

Seller means SHELL ENERGY NORTH AMERICA (US), L.P. ("Shell Energy")

Delivery Point means Shell Energy's PG&E Contracted Marketer Pool No. NBAA 1021.

Type of Service-Firm Shell Energy shall supply full requirements for Roseville's facilities less the fixed volumes of natural gas supplied by third parties.

Trading Day "Trading Day" shall be up to 6:00 a.m. prevailing Pacific time ("PPT") on a regular trading day as designated in the Trading Calendar immediately prior to the Gas Flow Day.

Trading Calendar "Trading Calendar" shall be the Next Day Trading Calendar for Physical Gas published by the Intercontinental Exchange ("ICE") for the applicable calendar year.

Intra-Day Trading Period "Intra-Day Trading Period" shall be the period after 6:00 a.m. prevailing Pacific time ("PPT") on a regular trading day as designated in the Trading Calendar immediately prior to

the Gas Flow Day and up to 2:00 p.m. prevailing Pacific time ("PPT") on the Gas Flow Day, if such Gas Flow Day is also a regular Trading Day

Gas Flow Day "Gas Flow Day" shall be the calendar day of actual gas use.

Imbalance Gas Flow Day "Imbalance Gas Flow Day" shall be the calendar day immediately following the Imbalance Trading Day.

Imbalance Trading Day "Imbalance Trading Day" shall be the NEXT Trading Day following the Gas Flow Day on which the imbalance occurred as designated in the Trading Calendar. (i.e. if the Gas Flow Day is Monday, the applicable Imbalance Trading Day is Tuesday for Imbalance gas flows on Wednesday; if the Gas flow Days are Friday through Sunday, the applicable Imbalance Trading Day is Monday for Imbalance gas flows on Tuesday.)

Daily Index Price "Daily Index Price" shall be the price reported in Platt's Gas Daily "Daily price survey" under the heading "Citygates" "PG&E Citygate", under the column "Midpoint" on the day published where "Flow date(s)" corresponds to the respective Gas Flow Day or Imbalance Gas Flow Day.

Monthly Index Price "Monthly Index Price" shall be the price as reported by Natural Gas Intelligence "NGI's Bidweek Survey," "California" "PG&E Citygate" under the column "avg.".

Day-Ahead Contract Quantity: "Day-Ahead Contract Quantity (DACQ)" means such quantity of Gas per Day, up to the "Designated Quantity" as Roseville may purchase from or sell to SHELL ENERGY for a particular Day, on the Trading Day. Shell Energy may, but shall not be obligated to sell a Day-Ahead Contract Quantity in excess of 50,000 MMBtu/Day. In the event Roseville fails to nominate the DACQ by 6:00 a.m. on the day before the Trading Day, the DACQ will be deemed to be zero.

Intra-Day Contract Quantity "Intra-Day Contract Quantity (IDCQ)" means such quantity of Gas per Day as Roseville purchases or sells to Shell Energy during the Intra-Day Trading Period. In the event Roseville fails to nominate the IDCQ within the Intra-Day Trading Period, the IDCQ will be deemed to be zero.

Imbalance Daily Quantity "Imbalance Daily Quantity (IDQ)" if actual meter usage on a Gas Flow Day is more or less than all scheduled gas quantities purchased and sold including, but not limited to, Month-Ahead Contract Quantity, Day-Ahead Contract Quantity, Intra-Day Contract Quantity, Third-Party Quantity delivered, and Qualifying Use Quantity, then Shell Energy will be deemed to be either a buyback from or a sell to Roseville such quantities.

Month Ahead Contract Quantity "Month-Ahead Contract Quantity (MACQ)" means a quantity of gas per day that Roseville purchases from Shell Energy for the upcoming Month. The MACQ must be delivered in equal daily quantities within the month delivered up to the Designated Quantity less any PPQ and HDQ. The MACQ confirmation must be executed no later than seven (7) Business Days prior to the first Business Day of the upcoming Month. The parties may, but are not obligated to, nominate and deliver an MACQ in excess of the Designated Quantity. If Roseville fails to nominate an MACQ within the time frame set forth above, the MACQ shall be deemed to be zero for the upcoming Month.

Third Party Pre-Pay Monthly Quantity "Third Party Pre-Pay Monthly Quantity (PPQ)" means such quantity of gas purchased by Roseville from third party suppliers under a Natural Gas Prepay Agreement with a predefined monthly schedule, and delivered at the Delivery Point for receipt into Shell Energy's Contracted Marketer Pool (PG&E No. 0602) in equal daily quantities. Shell Energy must receive notification of any PPQ for the upcoming month(s) no later than five Business Days prior to the first Business Day of the delivery month.

Third Party Physical Gas Hedge Daily Quantity "Third Party Physical Gas Hedge Daily Quantity (HDQ)" means any such quantity of gas per day purchased by Roseville from third party suppliers under a Natural Gas physical hedge Agreement with a predefined daily schedule, and delivered

at the Delivery Point for receipt into Shell Energy's Contracted Marketer Pool (PG&E No. 0602) in equal daily quantities. Shell Energy must receive notification of any HDQ for the upcoming day(s) no later than the Trading Day prior to the Day of delivery.

B. PERIOD OF DELIVERY

The Period of Delivery shall be from June 1, 2020 through May 31, 2025, however either Party shall have the right to terminate this Transaction Confirmation upon ninety (90) days' written notice to the other Party. Any termination shall be subject to the terms of the Base Contract.

C. SHELL ENERGY DELIVERIES OF GAS TO ROSEVILLE

Contract Price:

Month-Ahead Contract Quantity Price: The price for the MACQ shall be as mutually agreed by the parties, or in the absence of a mutually agreed price:

- For deliveries during November 1-March 31, the price shall be the Monthly Index Price plus \$0.015/MMBtu
- For deliveries during April 1-October 31, the price shall be the Monthly Index Price plus \$0.015/MMBtu

Day-Ahead Contract Quantity Price: For all DACQ volumes nominated on or before 6:00 a.m. PPT on the day before the Trading Day, the price for the DACQ shall be equal to the Daily Index Price, unless otherwise mutually agreed upon by the parties.

Intra-Day Contract Quantity Price: The price for the IDCQ shall be:

- the price mutually agreed upon by the parties, or
- In the absence of a mutually agreed upon price, the higher of the current or next day Daily Index Price plus \$.05/MMBtu for the Trading Day.

PPQ and HDQ Price: The price for all PPQ and HDQ volumes nominated by or on behalf of Roseville to SHELL ENERGY's Contracted Marketer Pool (PG&E No. 0602) shall be equal to \$0.00/MMBtu.

D. ROSEVILLE REDELIVERIES OF GAS TO SHELL ENERGY

Contract Price:

Day-Ahead Contract Quantity Price: For all redelivered DACQ volumes nominated on or before 6:00 a.m. PPT on the day before the Trading Day, the price for the DACQ shall be equal to the Daily Index Price, unless otherwise mutually agreed upon by the parties.

Intra-Day Contract Quantity Price: The price for the IDCQ shall be:

- the price mutually agreed upon by the parties, or
- In the absence of a mutually agreed upon price, the lower of the current or next day Daily Index Price minus \$.05/MMBtu for the Trading Day.

E. OPERATIONAL FLOW ORDERS

Buyer shall be responsible for any and all daily associated penalties, cash outs, or non-compliance charges imposed on Seller pursuant to PG&E Gas Rule No. 21 that are attributable to Buyer's Excess Imbalance and/or Buyer's Shortfall Imbalance being outside of the Transporter's tolerance band while Daily Balancing or OFO/EFO requirements are in effect. The price for Buyer's Daily Excess Imbalance and/or Buyer's Daily Shortfall Imbalance outside of the Transporter's tolerance band shall be equal to the Transporter's Tariff imbalance price per MMBtu. Notwithstanding anything to the contrary, SHELL ENERGY shall be responsible for only those penalties caused by SHELL ENERGY actually imposed

upon it by PG&E in the case where, after receiving proper notice from Roseville in accordance with Sections C and D above, SHELL ENERGY fails to schedule and deliver to the Delivery Point all contract quantities, except any PPQ or HDQ.

F. MONTHLY VOLUME DIFFERENTIAL (TRUE-UP)

If, at the conclusion of a delivery month, there is a volumetric difference between what is reported as the meter read from PG&E for the month and the volumes sold to Roseville (including MACQ, DACQ and IDCQ) for that month, the following pricing shall apply:

- (i) For all volumetric differences beyond five percent (5%) (the "Tolerance Band") of the monthly volumes burned, the price per MMBtu shall be sold or repurchased at a price equal to the average of the applicable Month's Daily Index Price.
- (ii) For all volumes that exceed the Tolerance Band:
 - a. Overburns: If the meter read from PG&E is greater than the volumes sold to Roseville (including MACQ, DACQ and IDCQ), Roseville shall pay to Shell Energy for the volumes that exceed the Tolerance Band at a price equal to the monthly average common high for the applicable Month's Gas Daily, "Daily Price Survey" per MMBtu.
 - b. Underburns: If the meter read from PG&E is less than the volumes sold to Roseville (including MACQ, DACQ and IDCQ), Shell Energy shall pay Roseville for, and dispose of, the volumes that exceed the Tolerance Band at a price equal to the monthly average common low for the applicable Month's Gas Daily, "Daily Price Survey" per MMBtu.

G. DODD-FRANK

Commodity Trade Option Representations: To the extent that this transaction (alone or combined with related transaction(s)) (the "Transaction") is deemed by either party or by the Commodity Futures Trading Commission ("CFTC") to be a commodity trade option under part 32 of the CFTC's regulations (including certain forward transactions with volumetric optionality that are not excluded from the definition of "swap"):

The seller of the option represents to the buyer of the option that in connection with this Transaction, the seller of the option is either (i) an eligible contract participant as defined in section 1a(18) of the Commodity Exchange Act ("Act"), as further jointly defined or interpreted by the CFTC and the Securities Exchange Commission or expanded by the CFTC pursuant to section 1a(18)(C) of the Act (an "ECP"), or (ii) a producer, processor, commercial user of or a merchant handling the commodity that is the subject of this Transaction, or the products or byproducts thereof, and is offering or entering into this Transaction solely for purposes related to its business as such.

The buyer of the option represents to the seller of the option that in connection with this Transaction the buyer of the option is a producer, processor, commercial user of or a merchant handling the commodity that is the subject of this Transaction or the products or by-products thereof and is offering or entering into this Transaction solely for purposes related to its business as such. Both parties hereby confirm to each other that this Transaction is intended to be physically settled so that, if exercised, the option would result in the sale of an exempt commodity for immediate or deferred delivery.

Notwithstanding anything contained in the Master Agreement to the contrary, this Confirmation shall only be effective when executed by both parties. Please confirm that the terms and conditions stated herein accurately reflect the agreement reached by Buyer and Seller by signing and returning by facsimile to Shell Energy at (858) 526-2140 and (713) 767-5414.

SHELL ENERGY NORTH AMERICA (US), L.P.

CITY OF ROSEVILLE, CALIFORNIA

DocuSigned by:
BY: Brian Johansen
C85697C216174C4...
NAME: Brian Johansen
TITLE: Vice President
DATE: 3/30/2020

BY: _____
NAME: _____
TITLE: _____
DATE: _____