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21 February 2020

Mr. Lee Friedman
Strategic Energy Initiatives Manager
City of San Diego

Dear Mr. Friedman,

Indian Energy LLC is pleased to submit to you this concept framework for a new form of electric and gas utility supply partnership. In 2009 Indian Energy LLC ('IE') was formed with the intent to assist indigenous peoples obtain clean energy independence and sovereignty. The simple concept was to meet with all the Tribal Nations of a region and blend the imbalanced financial and land resources of the whole to create an equitable solution for all.

Background

In 2017 IE took this principle and our expertise and formed a powerhouse consortium of multinational firms experienced in development, design, construction, ownership and operation of distributed power systems and utility infrastructure and was awarded the first very large highly renewable microgrid system for the Department of Defense in the San Diego region. This microgrid is capable of providing energy resiliency to critical and essential assets in the region. It is also capable of providing the City of San Diego with 500MW+ of firm power able to meet local resource adequacy needs and is backed by a consortium that has \$30B+ in market capitalization.

Recently, Indian Energy secured over 16,000 acres of uniquely situated land that is rich with wind and solar resource. The land also has unique access to distribution and transmission grids as well as pathways to some of the most critical and essential assets in the region. All in all, IE and its consortium; which includes current utility providers to large communities in other regions, has exclusive access to sites that are well down the permitting path with unique grid interconnection access, are capable of generating up to 3GW/4GWh of firm clean local power, and the financial strength of \$30B+ in market capitalization to offer to the City and San Diego Clean Power (SDCP).

Indian Energy and its consortium ('Consortium') are perfectly and uniquely poised to work with the City of San Diego and SDCP to become the first 100% clean, resilient, local and secure utility partnership in the world. We feel the time is now to bring together the local community and indigenous peoples to create a future that protects our environment, provides resiliency and security of service, and produces an outcome of greater social equity for all parties involved.

Concept

First, IE proposes that the City of San Diego and IE engage as utility partners ('the Partnership') to condemn the existing San Diego Gas & Electric systems in which communities are served and create a new Load Serving Entity ('LSE') to provide clean electricity and gas to its constituents. Our consortium consists of Tribal Nations which have done just that and from whom we can glean the experience thereof to successfully accomplish this task in a peaceful, fair and equitable way. This would occur within the first three (3) years or by 2023.

Second, and in parallel, IE will utilize its own lands and resources to provide a basic level of clean, local, RA approved, firm megawatts (MW) that will provide the foundation of the electrical service for the community. Gas contracts will remain intact while the Partnership firms supply agreements with sources which align with the long-term goals of the City.

Third, also in parallel, employees of the existing utility industry which desire to transition to the new utility will be offered the opportunity to do so. This good faith offer will be alongside of a robust training and education program focused to provide long term career opportunities to local residents, particularly in communities of concern.

Fourth, a wide reaching and fair competitive bidding process will take place for clean distributed energy asset development and microgrid systems. This program will competitively bid out the remaining MW of firm power provision through strategically placed microgrids that will first start with critical/essential infrastructure assets and as well communities of concern. The intention will be to balance the resources of the region to provide low cost, clean power and gas to lower income communities as an empowerment mechanism. Qualified local labor will be utilized, and a balance of labor and community interests will be struck.

Our program and initiative is far reaching and will include the localization of the next generation of energy firms and energy technology firms/manufacturers to San Diego.

Lastly, once the grid is built out and 100% clean electricity is achieved the Partnership will engage in an ownership and operations plan that will seek to include the following:

- Operation by a 100% local team
- Public-Private-Public cost savings-sharing plan
- Options to transition the LSE to the community at certain intervals
- The ability to undertake research and development activities aimed at a 100% carbon free mix, including gas and transportation

The intent of IE would be to enter into the Partnership under an Exclusive Development Agreement in 2020. It would then be the intent to be serving the community 100% clean electrical energy by 2025.

Mechanics & Timelines

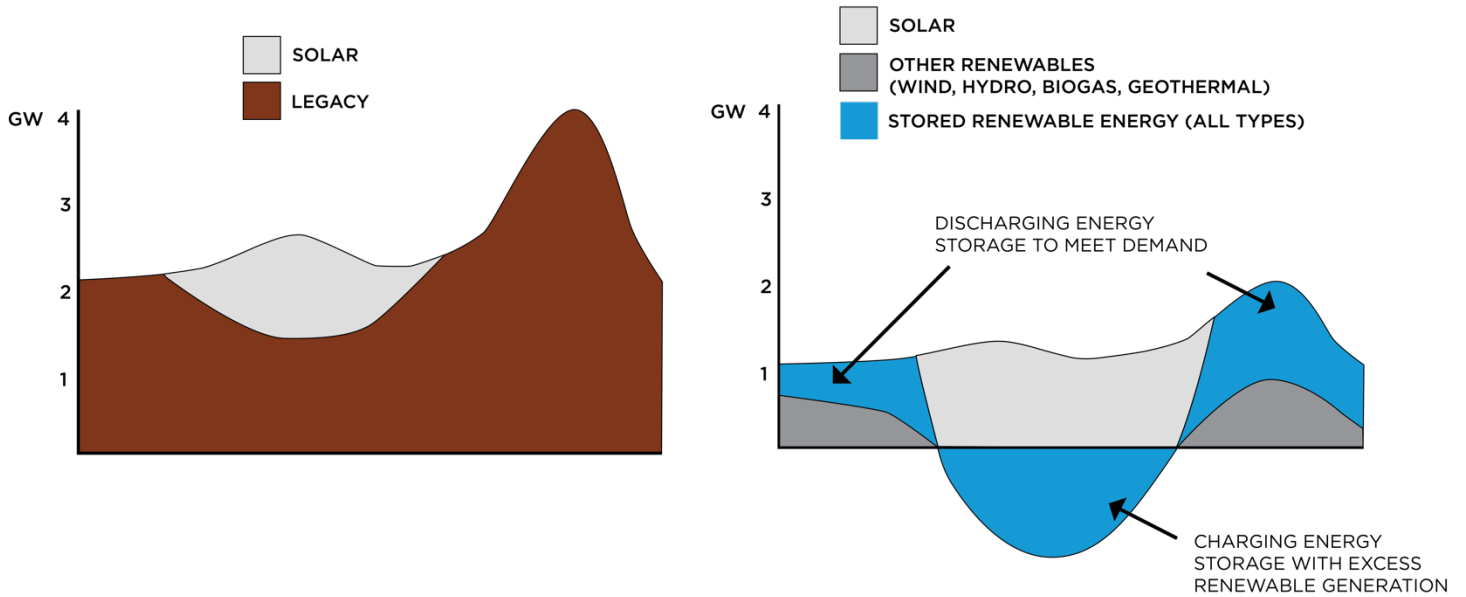
As a process of mechanics to employ this strategy, IE suggests that the City release a Request for Proposals for A New Utility. This proposal would be akin to a Phase 1 proposal for a Multiple Award Construction Contract administered by the United States Navy out of NAVFAC SW. This solicitation could be basic and simple and could be released around April of this year. Proposals could be in by June 1.

Interviews could then take place and a short list of qualified and willing Offeror/Partners could quickly be identified. This could occur by July 1.

Brief workshops, and then negotiations could occur in few months and it could be possible to arrive at a deal by September 1, leaving ample time to conclude joint negotiations with the existing LSE by the end of the year.

Next Steps

- RFEI Q&A and open dialogue
- Drafting of A New Utility RFP
- Phase 1 Offeror/Partner Interviews/Negotiations
- Partner Selection



Sincerely,

Allen G Cadreau

Allen G Cadreau
IE/CEO