

**Exhibit A
Scope of Work**

TECHNICAL TASK LIST

| Task # | CPR | Task Name |
|---------------|------------|-----------------------------------|
| 1 | N/A | Agreement Management |
| 2 | | Drawings and Detailed Engineering |
| 3 | X | Order Equipment |
| 4 | | Site Preparation |
| 5 | X | Equipment Receipt |
| 6 | | Mechanical Integration |
| 7 | | Electrical Integration |
| 8 | X | Equipment Testing |
| 9 | | Data Collection and Analysis |

KEY NAME LIST

| Task # | Key Personnel | Key Subcontractor(s) | Key Partner(s) |
|---------------|--|---|-----------------------|
| 1 | Atul Deshmane – Whole Energy Fuels | Martin Wahl, Project Management Contractor | |
| 2 | Orion Polinsky – Whole Energy Fuels | Camcal Inc. | |
| 3 | Orion Polinsky – Whole Energy Fuels | | |
| 4 | Orion Polinsky – Whole Energy Fuels | Martin Wahl, Project Management Contractor | Amtecol Inc. |
| 5 | Orion Polinsky – Whole Energy Fuels | | |
| 6 | Orion Polinsky – Whole Energy Fuels | | Amtecol Inc. |
| 7 | Orion Polinsky – Whole Energy Fuels | | Amtecol Inc. |
| 8 | Orion Polinsky – Whole Energy Fuels | Camcal Inc. | |
| 9 | Orion Polinsky – Whole Energy Fuels | Martin Wahl, Project Management Contractor | |

GLOSSARY

Specific terms and acronyms used throughout this work scope are defined as follows:

| Acronym | Definition |
|----------------|---|
| CPR | Critical Project Review |
| ARFVT | Alternative and Renewable Fuel and Vehicle Technology |
| FTD | Fuels and Transportation Division |
| GHG | Greenhouse Gas |
| Recipient | Whole Energy Pacifica LLC |

Background:

Assembly Bill 118 (Núñez, Chapter 750, Statutes of 2007), created the Alternative and Renewable Fuel and Vehicle Technology Program (ARFVT Program). The statute, subsequently amended by AB 109 (Núñez, Chapter 313, Statutes of 2008), authorizes the Energy Commission to develop and deploy alternative and renewable fuels and advanced transportation technologies to help attain the state’s climate change policies. The Energy Commission has an annual program budget of approximately \$100 million and provides financial support for projects that:

- Develop and improve alternative and renewable low-carbon fuels;
- Optimize alternative and renewable fuels for existing and developing engine technologies;
- Produce alternative and renewable low-carbon fuels in California;
- Decrease, on a full fuel cycle basis, the overall impact and carbon footprint of alternative and renewable fuels and increase sustainability;
- Expand fuel infrastructure, fueling stations, and equipment;
- Improve light-, medium-, and heavy-duty vehicle technologies;
- Retrofit medium- and heavy-duty on-road and non-road vehicle fleets;
- Expand infrastructure connected with existing fleets, public transit, and transportation corridors; and
- Establish workforce training programs, conduct public education and promotion, and create technology centers.

The California Energy Commission issued solicitation PON-11-602 to provide funding opportunities under the ARFVT Program for projects which develop infrastructure necessary to store, distribute, and dispense electricity, E-85, propane, diesel substitutes, and natural gas. To be eligible for funding under PON-11-602, the projects must also be consistent with the Energy Commission’s ARFVT Investment Plan updated annually.

In response to PON-11-602, the Recipient submitted application #155 which was proposed for funding in the Energy Commission’s Notice of Proposed Awards on April 24, 2012, and is incorporated by reference to this Agreement in its entirety.

Problem Statement:

Currently, the San Francisco Bay Area does not have the infrastructure for accurate, uniform blending of biodiesel with diesel fuel. The best practice for blending biodiesel with diesel fuel is inline proportional blending. Today, the method used for blending biodiesel in the Bay Area, called splash blending, is to bottom-load biodiesel into a tanker truck that has diesel loaded in it and rely on the movement of the truck to mix the contents. The lack of infrastructure for inline blending technology limits the growth of biodiesel use in the Bay Area. Using potentially unevenly blended fuel risks damage to engines that are rated for specific blends. Potential biodiesel blend users who are today reluctant to run that risk will find precision-blended fuel negates that concern.

Goals of the Agreement

The goal of this project is to provide inline proportional biodiesel blending capability at a strategically located biodiesel terminal in the Bay Area.

Objectives of the Agreement:

The objectives of this project are to design and build a skid mounted inline blending rack for biodiesel fuels at the Recipient's terminal facility in Richmond, CA. The skid will be integrated into the current biodiesel loading rack allowing proportional inline blending of biodiesel with diesel fuel.

TASK 1 ADMINISTRATION

Task 1.1 Attend Kick-off Meeting

The goal of this task is to establish the lines of communication and procedures for implementing this Agreement.

The Recipient shall:

- Attend a "Kick-Off" meeting with the Commission Project Manager, the Grants Officer, and a representative of the Accounting Office. The Recipient shall bring its Project Manager, Agreement Administrator, Accounting Officer, and others designated by the Commission Project Manager to this meeting. The administrative and technical aspects of this Agreement will be discussed at the meeting. Prior to the kick-off meeting, the Commission Project Manager will provide an agenda to all potential meeting participants.

The administrative portion of the meeting shall include a discussion of the following:

- The terms and conditions of the Agreement
- Critical Project Review (Task 1.2)
- Match fund documentation (Task 1.6)
- Permit documentation (Task 1.7)
- Subcontracts needed to carry out project (Task 1.8)

The technical portion of the meeting shall include a discussion of the following:

- The Commission Project Manager's expectations for accomplishing tasks described in the Scope of Work
- An updated Schedule of Products
- Progress Reports (Task 1.4)
- Technical Products (Product Guidelines located in Section 5 of the Terms and Conditions)
- Final Report (Task 1.5)

The Commission Project Manager shall designate the date and location of this meeting.

Recipient Products:

- Updated Schedule of Products
- Updated List of Match Funds
- Updated List of Permits

Commission Project Manager Product:

- Kick-Off Meeting Agenda

Task 1.2 Critical Project Review (CPR) Meetings

The goal of this task is to determine if the project should continue to receive Energy Commission funding to complete this Agreement and to identify any needed modifications to the tasks, products, schedule or budget.

CPRs provide the opportunity for frank discussions between the Energy Commission and the Recipient. CPRs generally take place at key, predetermined points in the Agreement, as determined by the Commission Project Manager and as shown in the Technical Task List above. However, the Commission Project Manager may schedule additional CPRs as necessary, and any additional costs will be borne by the Recipient.

Participants include the Commission Project Manager and the Recipient and may include the Commission Grants Officer, the Fuels and Transportation Division (FTD) team lead, other Energy Commission staff and Management as well as other individuals selected by the Commission Project Manager to provide support to the Energy Commission.

The Commission Project Manager shall:

- Determine the location, date, and time of each CPR meeting with the Recipient. These meetings generally take place at the Energy Commission, but they may take place at another location.

- Send the Recipient the agenda and a list of expected participants in advance of each CPR. If applicable, the agenda shall include a discussion on both match funding and permits.
- Conduct and make a record of each CPR meeting. One of the outcomes of this meeting will be a schedule for providing the written determination described below.
- Determine whether to continue the project, and if continuing, whether or not modifications are needed to the tasks, schedule, products, and/or budget for the remainder of the Agreement. Modifications to the Agreement may require a formal amendment (see the Terms and Conditions, Section 8). If the Commission Project Manager concludes that satisfactory progress is not being made, this conclusion will be referred to the Lead Commissioner for Transportation activities for his or her concurrence.
- Provide the Recipient with a written determination in accordance with the schedule. The written response may include a requirement for the Recipient to revise one or more product(s) that were included in the CPR.

The Recipient shall:

- Prepare a CPR Report for each CPR that discusses the progress of the Agreement toward achieving its goals and objectives. This report shall include recommendations and conclusions regarding continued work of the projects. This report shall be submitted along with any other products identified in this scope of work. The Recipient shall submit these documents to the Commission Project Manager and any other designated reviewers at least 15 working days in advance of each CPR meeting.
- Present the required information at each CPR meeting and participate in a discussion about the Agreement.

Commission Project Manager Products:

- Agenda and a list of expected participants
- Schedule for written determination
- Written determination

Recipient Product:

- CPR Report(s)

Task 1.3 Final Meeting

The goal of this task is to closeout this Agreement.

The Recipient shall:

- Meet with Energy Commission staff to present the findings, conclusions, and recommendations. The final meeting must be completed during the closeout of this Agreement.

This meeting will be attended by, at a minimum, the Recipient, the Commission Grants Office Officer, and the Commission Project Manager. The technical and administrative aspects of Agreement closeout will be discussed at the meeting, which may be two separate meetings at the discretion of the Commission Project Manager.

The technical portion of the meeting shall present an assessment of the degree to which project and task goals and objectives were achieved, findings, conclusions, recommended next steps (if any) for the Agreement, and recommendations for improvements. The Commission Project Manager will determine the appropriate meeting participants.

The administrative portion of the meeting shall be a discussion with the Commission Project Manager and the Grants Officer about the following Agreement closeout items:

- What to do with any equipment purchased with Energy Commission funds (Options)
- Energy Commission's request for specific "generated" data (not already provided in Agreement products)
- "Surviving" Agreement provisions
- Final invoicing and release of retention
- Prepare a schedule for completing the closeout activities for this Agreement.

Products:

- Written documentation of meeting agreements
- Schedule for completing closeout activities

Task 1.4 Monthly Progress Reports

The goal of this task is to periodically verify that satisfactory and continued progress is made towards achieving the research objectives of this Agreement on time and within budget.

The objectives of this task are to summarize activities performed during the reporting period, to identify activities planned for the next reporting period, to identify issues that may affect performance and expenditures, and to form the basis for determining whether invoices are consistent with work performed.

The Recipient shall:

- Prepare a Monthly Progress Report which summarizes all Agreement activities conducted by the Recipient for the reporting period, including an assessment of the ability to complete the Agreement within the current budget and any anticipated cost overruns. Each progress report is due to the Commission Project Manager within 10 days of the end of the reporting period. The recommended specifications for each progress report are contained in Section 6 the Terms and Conditions of this Agreement.
- In the first Monthly Progress Report and first invoice, document and verify match expenditures and provide a synopsis of project progress, if match funds have been expended or if work funded with match share has occurred after the notice of proposed award but before execution of the grant agreement. If no match funds have been expended or if no work funded with match share has occurred before execution, then state this in the report. All pre-execution match expenditures must conform to the requirements in the Terms and Conditions of this Agreement.

Product:

- Monthly Progress Reports

Task 1.5 Final Report

The goal of the Final Report is to assess the project's success in achieving its goals and objectives, advancing science and technology, and providing energy-related and other benefits to California.

The objectives of the Final Report are to clearly and completely describe the project's purpose, approach, activities performed, results, and advancements in science and technology; to present a public assessment of the success of the project as measured by the degree to which goals and objectives were achieved; to make insightful observations based on results obtained; to draw conclusions; and to make recommendations for further projects and improvements to the FTD project management processes.

The Final Report shall be a public document. If the Recipient has obtained confidential status from the Energy Commission and will be preparing a confidential version of the Final Report as well, the Recipient shall perform the following activities for both the public and confidential versions of the Final Report.

The Recipient shall:

- Prepare a draft outline of the Final Report and submit to the Commission Project Manager for approval.
- Prepare a draft Final Report following the approved outline and the latest version of the Final Report guidelines which will be provided by the Commission Project Manager. The Commission Project Manager shall

provide written comments on the Draft Final Report within fifteen (15) working days of receipt.

- Prepare a Final Report incorporating the Commission Project Manager's comments. The Final Report must be completed at least 60 days before the end of the Agreement Term.
- Submit one bound copy of the Final Report with the final invoice.

Products:

- Draft Outline of the Final Report
- Final Outline of the Final Report
- Draft Final Report
- Final Report

Task 1.6 Identify and Obtain Matching Funds

The goal of this task is to ensure that the match funds planned for this Agreement are obtained for and applied to this Agreement during the term of this Agreement.

The costs to obtain and document match fund commitments are not reimbursable through this Agreement. Although the Energy Commission budget for this task will be zero dollars, the Recipient may utilize match funds for this task. Match funds shall be spent concurrently or in advance of Energy Commission funds for each task during the term of this Agreement. Match funds must be identified in writing and the associated commitments obtained before the Recipient can incur any costs for which the Recipient will request reimbursement.

The Recipient shall:

- Prepare a letter documenting the match funding committed to this Agreement and submit it to the Commission Project Manager at least 2 working days prior to the kick-off meeting. If no match funds were part of the proposal that led to the Energy Commission awarding this Agreement and none have been identified at the time this Agreement starts, then state such in the letter. If match funds were a part of the proposal that led to the Energy Commission awarding this Agreement, then provide in the letter a list of the match funds that identifies the:
 - Amount of each cash match fund, its source, including a contact name, address and telephone number and the task(s) to which the match funds will be applied.
 - Amount of each in-kind contribution, a description, documented market or book value, and its source, including a contact name, address and telephone number and the task(s) to which the match funds will be applied. If the in-kind contribution is equipment or other tangible or real property, the Recipient shall identify its owner and provide a contact name, address and telephone number, and the address where the property is located.

- Provide a copy of the letter of commitment from an authorized representative of each source of cash match funding or in-kind contributions that these funds or contributions have been secured. For match funds provided by a grant a copy of the executed grant shall be submitted in place of a letter of commitment.
- Discuss match funds and the implications to the Agreement if they are reduced or not obtained as committed, at the kick-off meeting. If applicable, match funds will be included as a line item in the progress reports and will be a topic at CPR meetings.
- Provide the appropriate information to the Commission Project Manager if during the course of the Agreement additional match funds are received.
- Notify the Commission Project Manager within 10 days if during the course of the Agreement existing match funds are reduced. Reduction in match funds must be approved through a formal amendment to the Agreement and may trigger an additional CPR.

Products:

- A letter regarding match funds or stating that no match funds are provided
- Copy(ies) of each match fund commitment letter(s) (if applicable)
- Letter(s) for new match funds (if applicable)
- Letter that match funds were reduced (if applicable)

Task 1.7 Identify and Obtain Required Permits

The goal of this task is to obtain all permits required for work completed under this Agreement in advance of the date they are needed to keep the Agreement schedule on track.

Permit costs and the expenses associated with obtaining permits are not reimbursable under this Agreement. Although the Energy Commission budget for this task will be zero dollars, the Recipient shall budget match funds for any expected expenditures associated with obtaining permits. Permits must be identified in writing and obtained before the Recipient can make any expenditure for which a permit is required.

The Recipient shall:

- Prepare a letter documenting the permits required to conduct this Agreement and submit it to the Commission Project Manager at least 2 working days prior to the kick-off meeting. If there are no permits required at the start of this Agreement, then state such in the letter. If it is known at the beginning of the Agreement that permits will be required during the course of the Agreement, provide in the letter:
 - A list of the permits that identifies the:
 - Type of permit
 - Name, address and telephone number of the permitting jurisdictions or lead agencies

- The schedule the Recipient will follow in applying for and obtaining these permits.
- Discuss the list of permits and the schedule for obtaining them at the kick-off meeting and develop a timetable for submitting the updated list, schedule and the copies of the permits. The implications to the Agreement if the permits are not obtained in a timely fashion or are denied will also be discussed. If applicable, permits will be included as a line item in the Progress Reports and will be a topic at CPR meetings.
- If during the course of the Agreement additional permits become necessary, provide the appropriate information on each permit and an updated schedule to the Commission Project Manager.
- As permits are obtained, send a copy of each approved permit to the Commission Project Manager.
- If during the course of the Agreement permits are not obtained on time or are denied, notify the Commission Project Manager within 5 working days. Either of these events may trigger an additional CPR.

Products:

- Letter documenting the permits or stating that no permits are required
- A copy of each approved permit (if applicable)
- Updated list of permits as they change during the term of the Agreement (if applicable)
- Updated schedule for acquiring permits as changes occur during the term of the Agreement (if applicable)

Task 1.8 Manage Subcontracts

The goal of this task is to ensure quality products and to procure subcontracts required to carry out the tasks under this Agreement consistent with the terms and conditions of this Agreement and the Recipient's own procurement policies and procedures. It will also provide the Energy Commission an opportunity to review the subcontracts to ensure that the tasks are consistent with this Agreement, that the budgeted expenditures are reasonable and consistent with applicable cost principles.

The Recipient shall:

- Manage and coordinate subcontractor activities.
- Submit a draft of each subcontract required to conduct the work under this Agreement to the Commission Agreement Manager for review.
- Submit a final copy of the executed subcontract.
- If Recipient decides to add new subcontractors, it shall notify the Commission Agreement Manager.

Products:

- Draft subcontracts
- Final subcontracts

TECHNICAL TASKS

TASK 2 DRAWINGS AND DETAILED ENGINEERING

The goal of this task is to prepare all the detailed drawings and specifications required to place final orders for equipment and to plan the installation and integration required to retrofit the components into the Amtecol facility.

The Recipient shall:

- Prepare detailed drawings and design specifications for the biodiesel blending skid installation.
- Conduct a design review with all affected parties and subject matter experts to confirm that the retrofit detailed design will meet the design requirements.
- Revise design specifications for blending skid installation retrofit based on input from the affected parties during design review, and submit the resulting final detailed drawings to the CAM.
- Prepare Bill of Materials

Products:

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- Final detailed dimensional drawings and design specifications of skid installation
- Bill of Materials

TASK 3 ORDER EQUIPMENT

The goal of this task is to make a final determination of the price and delivery time of equipment quoted in the original application for funding.

The Recipient shall:

- Contact all vendors of equipment and materials for final price and delivery.
- Revise Schedule of Products and Due Dates if necessary to accommodate changing vendor conditions and submit revised document to the Commission Agreement Manager for approval.
- Prepare a final Bill of Materials
- Issue final binding purchase orders to vendors.

[CPR WILL OCCUR DURING THIS TASK. SEE TASK 1.2 FOR DETAILS.]

Products:

- Revised Schedule of Products and Due Dates (if necessary)
- Final Bill of Materials

TASK 4 SITE PREPARATIONS

The goal of this task is to clear the area where the equipment will be installed, notify all personnel who operate in the area, and update facility procedures and manuals accordingly.

The Recipient shall:

- Demarcate all affected project site areas to receive equipment and areas that will be affected during installation of the blending and distribution equipment.
- Remove any existing equipment as needed and prepare the site to receive and install the blending equipment
- Meet with all parties affected by the project, such as those individuals who may be present during equipment installation and during subsequent operation, and notify these individuals of the installation of the blending equipment.
- Prepare revised safety manual and operating procedures to account for inline biodiesel blending equipment.

Products:

- Revised safety manual and operating procedures

TASK 5 RECEIVE EQUIPMENT

The goal of this task is to efficiently and safely receive and site the equipment for the fuel blending skid.

The Recipient shall:

- Record receipt of equipment listed in the Bill of Materials.
- Confirm the equipment per acceptance procedures.
- Verify necessary equipment for mechanical and electrical integration is in physical inventory.

[CPR WILL OCCUR DURING THIS TASK. SEE TASK 1.2 FOR DETAILS.]

Products:

- Bill of Materials recording that all necessary equipment is in physical inventory and meets specification.

TASK 6 MECHANICAL INTEGRATION

The goal of this task is to mount all equipment to their skids and to plumb all equipment together with the appropriate valves, pipes, fittings, etc.

The Recipient shall:

- Review detailed engineering drawing and verify during integration
- Revise detailed engineering drawings where appropriate based on site-specific construction constraints
- Review any engineering changes with affected parties
- If necessary, revise bill of materials
- Participate in and supervise mechanical integration tasks to ensure that all components are installed and mechanically connected, including but not limited to:
 - Installation of the biodiesel blender
 - Installation of pipes to connect blender and tanks.

Products:

- Revised detailed engineering drawings
- Revised bill of materials, (if necessary)

TASK 7 ELECTRICAL INTEGRATION

The goal of this task is to bring power and control wiring to the skid-mounted equipment and to provide communications and electrical power to all motors, actuators, and sensors.

The Recipient shall:

- Review detailed engineering drawing and verify during integration
- Revise detailed engineering drawings where appropriate based on site-specific construction constraints
- Review any engineering changes with affected parties
- If necessary, revise bill of materials
- Engage electrical contractor to complete the electrical tasks and ensure that all skid components are electrically connected.
- Obtain inspection by certified electrician that project meets electrical codes

Products:

- Revised detailed engineering drawings
- Revised bill of materials, (if necessary)

TASK 8 EQUIPMENT TESTING

The goal of this task is to test all subsystems for their basic operation without evaluation of the subsystems performance.

The Recipient shall:

- Prepare a detailed plan for testing and validating the operation of the fuel blending skid
- Conduct a design review with all affected parties and subject matter experts
- Test and evaluate the basic operation of all subsystems
- Prepare report on the testing and basic operation of all subsystems

[CPR WILL OCCUR DURING THIS TASK. SEE TASK 1.2 FOR DETAILS.]

Products:

- Report on the testing and basic operation of all subsystems

Task 9 DATA COLLECTION AND ANALYSIS

The goal of this task is to collect operational data from the inline biodiesel blending rack, to analyze that data for economic and environmental impacts, and to include the data and analysis in the Final Report.

The Recipient shall:

- Develop data collection test plan.
- Troubleshoot any issues identified.
- Collect 12 months of throughput, usage, and operations data from the project including, but not limited to:
 - Number of tanker vehicles loaded per day at terminal
 - Number of days per year tanker vehicles loaded at terminal
 - Maximum capacity of the new fueling system
 - Volume of biodiesel blended monthly by percentage
 - Feedstock sources for biodiesel
 - Gallons of diesel fuel displaced by using biodiesel
 - Expected air emissions reduction, for example:
 - Non-methane hydrocarbons
 - Oxides of nitrogen
 - Non-methane hydrocarbons plus oxides of nitrogen
 - Particulate Matter
 - Formaldehyde
 - Duty cycle of the current fleet and the expected duty cycle of future vehicle acquisitions
 - Specific jobs and economic development resulting from this project
- Identify any current and planned use of renewable energy at the facility.
- Identify the source of the alternative fuel.
- Describe any energy efficiency measures used in the facility that may exceed Title 24 standards in Part 6 of the California Code Regulations.
- Provide data on potential job creation, economic development, and increased state revenue as a result of expected future expansion.

- Provide a quantified estimate of the project's carbon intensity values for life-cycle greenhouse gas emissions.
- Compare any project performance and expectations provided in the proposal to Energy Commission with actual project performance and accomplishments.

Products:

- None. Data collection information and analysis will be included in the Final Report.

GRANTS/CONTINGENT AWARD REQUEST



To: Grants and Loans Office

Date: 04 / 30 / 2012

Project Manager: Eric VanWinkle

Phone Number: (916) 651-1235 ext.

Office: Emerging Fuels and Technology Office

Division: Fuels and Transportation

MS- 27

Project Title: Biodiesel Inline Blending Rack

Type of Request: (check one)

Form for New Agreement with fields for Agreement Number, Program, Solicitation Name, Recipient Name, Address, Project Officer, and Dates.

Form for Amendment with checkboxes for Term Extension, Work Statement Revision, Budget Revision, Change of Scope, and Other.

ITEMS TO ATTACH WITH REQUEST:

- List of items to attach: A. Work Statement, B. Budget, C. Recipient Resolution, D. Special Conditions, E. CEQA Compliance Form, F. Other Documents.

California Environmental Quality Act (CEQA)

Form for CEQA compliance with checkboxes for CEC finds, project exempt, and CEQA finding.

Funding Information:

Table for funding information with columns for Source #, Amount, Statute, FY, and Budget List #.

If federally funded, specify federal agreement number:

* Source Examples include ERPA, PIER-E, PIER-NG, FED, GRDA, ARFVT, OTHER.

Business Meeting Approval: (refer to Business Meeting Schedule)

Form for Business Meeting Approval with fields for Date, Participant, and Time Needed.

Agenda Notice Statement: (state purpose in layperson terms)

Possible approval of a Grant / Contingent Award to... Whole Energy Pacifica LLC for \$125,274 to design, build and install a skid-mounted inline, proportional biodiesel-diesel blending system...