

RENEWABLE ENERGY SELF-GENERATION BILL CREDIT TRANSFER PROGRAM (CEA-RESBCT) TERMS AND CONDITIONS OF SERVICE

A. PURPOSE

The purpose of the Clean Energy Alliance Renewable Energy Self-Generation Bill Credit Transfer Program (CEA-RESBCT) Program terms & conditions (T&C) is to provide a process for how eligible governmental customers are enrolled in CEA-RESBCT and how the program is administered.

B. APPLICABILITY

The CEA-RESBCT program is available to local government CEA customers with an eligible renewable electrical generating facility (defined in Section D Definitions) within CEA service territory. Eligible customers who take service under the CEA-RESBCT program shall not be eligible for any other program that requires an electrical corporation to purchase generation from the customer's eligible renewable generation facility enrolled in this program.

C. TERRITORY

Applicable in the CEA service area.

D. DEFINITIONS

ELIGIBLE RENEWABLE ELECTRICAL GENERATION FACILITY: A facility that generates electricity from a renewable source listed in paragraph (1) of subdivision (a) of Section 25741 of the Public Resources Code. These sources are biomass, solar thermal, photovoltaic, wind, geothermal, fuel cells using renewable fuels, small hydroelectric generation (only if facility will not cause an adverse impact on instream beneficial uses or cause a change in the volume or timing of streamflow), digester gas, municipal solid waste conversion, landfill gas, ocean wave, ocean thermal, or tidal current, and any additions or enhancements to the facility using that technology.

The eligible renewable electrical generation facility must also meet all of the following criteria:

- a. is a generation facility with a generation capacity of not more than five megawatts;
- b. is located within the geographical boundaries of Clean Energy Alliance service territory;
- c. is owned, operated or located on property under the control of the local government customer. Under certain circumstances when a local government customer is a lessee in a lease agreement, leased property within the

geographical boundaries of the local government customer shall be considered under the control of the local government customer;

- d. is sized to offset all or a part of the electrical load of the Generating account; and
- e. is interconnected and operates in parallel with SDG&E's transmission and distribution systems.

Eligible generators utilized to receive service under the terms of this rate schedule shall be in compliance with SDG&E's Electric Rule 21, Interconnection Standards for Non-Utility Owned Generation. The local government customer shall have installed a meter capable of recording net generation output in 15-minute intervals to interconnect with the generator, and which must be approved by SDG&E. The Local Government must execute and comply with the applicable SDG&E Interconnection Agreement, SDG&E tariffs, and any other regulations and laws governing the interconnection of the Eligible Renewable Generating Facility.

Eligible generators participating on this schedule are not eligible for service under CEA's Net Energy Metering program.

LOCAL GOVERNMENT: A city, county, (whether general law or chartered, city and county) special district, school district political subdivision, other local public agency Per PU Code § 2830, or a joint powers authority formed pursuant to the Joint Exercise of Powers Act (Chapter 5 (commencing with Section 6500) of Division 7 of Title 1 of the Government Code) that has as members public agencies located within the CEA territory, but shall not mean the state or any agency or department of the state, other than an individual campus of the University of California or the California State University.

GENERATING ACCOUNT: A Generating Account is the SDG&E electricity billing account at the location of the eligible renewable generation facility served under a time-of-use (TOU) rate schedule with bills rendered in the name of the local government customer. Generating accounts will be allowed to take service under Schedule DG-R.

BENEFITING ACCOUNT: A Benefiting Account is a service account, or more than one service account, located within Clean Energy Alliance service territory, in the name of the local government agency and served under a time-of-use (TOU) rate schedule. The number of Benefiting Accounts is limited to 50. Benefiting Accounts will not automatically be eligible to receive service under Schedule DG-R, unless the Benefiting Account is already a host facility to a distributed generation project.

POWER DELIVERED: The Power Delivered is the metered output measured in kilowatt-hours, exported to the grid, as recorded by the net generator output meter and validated by the SDG&E billing processes during the specific billing period.

E. PROGRAM

In order to initiate service under this program, the local government customer must submit a CEA-RESBCT Allocation Request Form (Exhibit A - Request Form). The Request Form designates how the credits from the Generating Account will be allocated amongst the customer's Benefiting Accounts. The customer may submit an updated Form within a Relevant Period in the event there is a change in eligibility of a Benefiting Account (such as account closure) and which must be received by CEA at least 30 days prior to when the reallocation of Generating Account credits is to be effective. Local Government customers requesting to terminate CEA-RESBCT service shall provide written notice to CEA, which must be received at least 30 days in advance of the termination date.

Only the energy charge rate component of the Generating Account's CEA service charge shall be used in the calculation of credits to be applied under this program. Credits will be calculated by multiplying the Power Delivered by the appropriate CEA TOU rate in effect at the time the Power Delivered was produced and exported to the grid. Credits will be applied to Benefiting Accounts based on the Request Form. CEA will not compensate a local government for electricity generated from an eligible renewable facility in excess of the bill credits applied to the designated benefiting account.

A Benefiting Account Relevant Period is a twelve-month period, or portion thereof, corresponding to that of the Generating Account Relevant Period. However, due to possible differences in billing (and meter read) cycles, the Benefiting Account Relevant Period may lag in time behind the Generating Account Relevant Period by any number of days up to one full billing cycle.

For purposes of applying Bill Credit, the Bill Credit Relevant Period ends at the same time as the Benefiting Account Relevant Period (noted in the Request Form) that is lagging the *most* behind the Generating Account Relevant Period, up to one Billing Cycle.

For a new Benefiting Account Credit arrangement, the initial Benefiting Account Relevant Period for a Benefiting Account that does not have the same Billing Cycle as the Generating Account, will start its Relevant Period at the start of its first full billing cycle that falls *after* that of the Generating Account. During the less-than-one-full billing-cycle period between the start of the Generating Account's Relevant Period and that of the Benefiting Account, no bill credit will be applied to that Benefiting Account's usage. The Benefiting Account's normal Relevant Period will consist of a twelve-month period, starting with the first full bill cycle.

Credits will be applied to the Generating Account and the Benefiting Account(s) based on whole percentages provided by the Local Government on the Request Form. The process of allocating credits shall commence on the effective date of the Request Form and shall continue for 12 consecutive billing periods (Relevant Period). Credits remaining at the end of the Relevant Period will be applied toward remaining eligible CEA electric generation charges during the

Relevant Period. At the end of the Relevant Period, any remaining credit shall be reset to zero. Each subsequent 12-month period of service under this schedule shall be considered a new Relevant Period. The Local Government will not be compensated for electricity generated from an eligible renewable facility in excess of the bill credits applied to the Benefiting Accounts. The Local Government is responsible for all charges due on the Benefiting Account bill in excess of the Generating Account applied credits.

EXHIBIT A
CLEAN ENERGY ALLIANCE
RENEWABLE ENERGY SELF-GENERATION BILL CREDIT TRANSFER REQUEST FORM

DATE: _____

LOCAL GOVERNMENT CUSTOMER NAME: _____

MAILING ADDRESS: _____

CONTACT NAME: _____

CONTACT PHONE NUMBER: _____

CONTACT EMAIL ADDRESS: _____

REQUESTED EFFECTIVE DATE: _____

_____ Check here if this is an initial request

_____ Check here if this is an update to an existing CEA-RESBCT Request Form

During the 12-month Relevant Period, updates to an existing CEA-RESBCT Request Form will only be considered in the event of a change in eligibility of a Benefiting Account, such as account closure. Changes to allocation in subsequent 12-month Relevant Periods must be received at least 30 days prior to the start of the next Relevant Period.

Signature

Date

