

## PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298

Tel. No. (415) 703-1691



April 18, 2005

Advice Letter 2564-E

Ms Rose de la Torre  
Pacific Gas and Electric Company  
77 Beale Street, Room 1088  
Mail Code B10C  
San Francisco, CA 94105

Subject: Revisions to Electric Rate Schedule E-BIO—Net Energy Metering Service for Biogas Customer-Generators for Use by PG&E to Provide Eligible Biogas Digester Customer-Generators with Net Energy Metering

Dear Ms de la Torre:

Advice Letter 2564-E is effective November 22, 2004. A copy of the advice letter is sent herewith for your records.

Sincerely,

A handwritten signature in black ink, appearing to read "S. H. Gallagher".

Sean H. Gallagher  
Director  
Energy Division



**Pacific Gas and  
Electric Company**

**Brian K. Cherry**  
Director  
Regulatory Relations

77 Beale Street, Room 1087  
San Francisco, CA 94105

*Mailing Address*  
Mail Code B10C  
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October 14, 2004

**Advice 2564-E  
(Pacific Gas and Electric Company ID U39 E)**

Public Utilities Commission of the State of California (CPUC)

**Subject: Revisions to Electric Rate Schedule *E-BIO--Net Energy Metering Service For Biogas Customer-Generators* For Use By Pacific Gas and Electric Company To Provide Eligible Biogas Digester Customer-Generators With Net Energy Metering.**

Pacific Gas and Electric Company (PG&E) hereby submits for filing revisions to its electric tariffs. The affected tariff sheets are listed on the enclosed Attachment I.

**Purpose**

The purpose of this filing is to seek California Public Utilities Commission (CPUC) approval to adjust the credit calculation for Rate Schedule *E-BIO – Net Energy Metering Service For Biogas Customer Generators* (Rate Schedule E-BIO) so that net credit amounts are not reduced by surcharges provided for in Rate Schedule *E-EPS – Energy Procurement Surcharges*, or any successor rate schedule.

**Background**

The governor signed Assembly Bill (AB) 2228 on September 24, 2002 to establish a pilot net energy metering program for eligible biogas digester customer-generators. The legislation became effective January 1, 2003, and PG&E's Rate Schedule E-BIO (Advice Letter 2350-E-A) was approved by the CPUC (retroactively, including subsequently filed substitute sheets) effective August 9, 2003.

Currently, the E-BIO rate schedule states that, "only the Generation Rate Component of the Biogas Customer-Generator's OAS, *without* generation surcharges such as those from Schedule E-EPS, if any, shall be used in the calculation of credits when the Biogas Customer-Generator is a net energy producer, on a monthly basis, for any TOU period. Only the Generation Rate Component of the Biogas Customer-Generator's OAS, including all generation surcharges, if any, shall be used to calculate the charge for generation when the Biogas Customer-Generator is a Net Energy consumer on a monthly basis, for

any TOU period."

PG&E is filing this revision to include Schedule E-EPS or any successor rate schedule surcharges in the Generation Rate Component of the E-BIO customer's otherwise applicable rate schedule in the calculation of the Rate Schedule E-BIO bill when calculating **both** charges and credits for the customer. While this may result in a slightly larger possible credit for Rate Schedule E-BIO customers than originally provided for in AB 2228, this will bring PG&E's credit calculation more in line with Southern California Edison's (SCE) and San Diego Gas & Electric's (SDG&E) calculations. This is because, unlike PG&E, the other utilities' biogas digester customers' otherwise applicable rate schedules do not include generation rate component surcharges that act to reduce customer credit amounts. In essence, this will mean that the Generation Rate Component amount used to calculate credits will be in line with the amount currently used to calculate charges. In addition to providing a benefit to E-BIO customers, this will also help reduce the complexity of the Rate Schedule E-BIO billing calculation.

In addition, PG&E is refiling the Interconnection Agreement for Net Energy Metering of Qualifying Biogas Digester Generating Facilities (Form 79-997) to correct the numbering of one section.

PG&E is hereby submitting the revised tariffs.

### Tariff Revisions

The attached electric Rate Schedule E-BIO modifies the previously filed tariff sheet by changing:

- 1) The Rates Section, Paragraph 1, the second sentence to read, "*Only the Generation Rate Component of the Biogas Customer-Generator's OAS, **including generation surcharges such as those from Schedule E-EPS or any successor rate schedule**, if any, shall be used in the calculation of credits when the Biogas Customer-Generator is a net energy producer, on a monthly basis, for any TOU period. Only the Generation Rate Component of the Biogas Customer-Generator's OAS, including all generation surcharges, if any, shall be used to calculate the charge for generation when the Biogas Customer-Generator is a Net Energy consumer on a monthly basis, for any TOU period.*" (Text changes documented in bolded font.)
- 2) Special Condition 2, *Load Aggregation*, paragraph 1, the second sentence to read, "*In addition, for purposes of calculating the Eligible Generation Credit for a dairy with aggregated accounts at the end of the Relevant Period, the Generation rate of the Biogas Customer-Generator's OAS, including generation surcharges such as those from Schedule E-EPS or*

*any successor rate schedule, if any, will be used to calculate the credit for electricity produced by the Generating Facility that is netted against usage on the aggregated accounts, as if all the aggregated account usage was registered on the meter serving the Eligible Biogas Digester Electrical Generating Facility.* (Text changes documented in bolded font.)

In addition, the numbering of Section 6 of the Interconnection Agreement for Net Energy Metering of Qualifying Biogas Digester Generating Facilities (Form 79-997) is corrected so that the last paragraph of this section is numbered "6.4" instead of "7.2."

This filing will not increase any rate or charge, cause the withdrawal of service, or conflict with any other rate schedule or rule.

### Protests

Anyone wishing to protest this filing may do so by sending a letter by **November 2, 2004**, which is 20 days from the date of this filing. The protest must state the grounds upon which it is based, including such items as financial and service impact, and should be submitted expeditiously. Protests should be mailed to:

IMC Branch Chief – Energy Division  
California Public Utilities Commission  
505 Van Ness Avenue, 4<sup>th</sup> Floor  
San Francisco, California 94102

Facsimile: (415) 703-2200  
E-mail: [jjr@cpuc.ca.gov](mailto:jjr@cpuc.ca.gov)

Protests also should be sent by e-mail and facsimile to Mr. Jerry Royer, Energy Division, as shown above, and by U.S. mail to Mr. Royer at the above address.

The protest should be sent via both e-mail and facsimile to PG&E on the same date it is mailed or delivered to the Commission at the address shown below.

Pacific Gas and Electric Company  
Attention: Brian K. Cherry  
Director, Regulatory Relations  
77 Beale Street, Mail Code B10C  
P.O. Box 770000  
San Francisco, California 94177

Facsimile: (415) 973-7226  
E-mail: [RxDd@pge.com](mailto:RxDd@pge.com)

**Effective Date**

PG&E requests that this advice filing become effective **November 22, 2004**, which is 40 days from the date of this filing.

**Notice**

In accordance with General Order 96-A, Section III, Paragraph G, a copy of this Advice Letter is being sent electronically and via U.S. mail to parties shown on the attached list and to the Service List R.04-03-017. Address changes should be directed to Rose De La Torre at (415) 973-4716. Advice Letter filings can also be accessed electronically at:

<http://www.pge.com/tariffs>

*Brian K. Cherry* <sup>SRP</sup>

Director - Regulatory Relations

Attachments

cc: Service List R. 04-03-017

<b>Cal P.U.C. Sheet No.</b>	<b>Title of Sheet</b>	<b>Cancelling Cal P.U.C. Sheet No.</b>
22303-E	Schedule E-BIO – Net Energy Metering Service for Biogas Customer-Generators	20465-E
22304-E	Schedule E-BIO (Cont'd)	20466-E
22305-E	Interconnection Agreement Form No.79-997	20471-E
22306-E	Table of Contents – Sample Forms	21583-E
22307-E	Table of Contents – Rate Schedules (Cont'd)	22102-E
22308-E	Table of Contents – Rate Schedules	22095-E



**SCHEDULE E-BIO—NET ENERGY METERING SERVICE FOR BIOGAS CUSTOMER-GENERATORS**

**APPLICABILITY:** This schedule is applicable to Bundled Service Customers who are served under a Time-of-Use (TOU) rate schedule, and who (1) interconnect and operate in parallel with PG&E's electrical system an Eligible Biogas Digester Electrical Generating Facility, as defined below pursuant to California Public Utilities Code Section 2827.9 (PU Code Section 2827.9), with a generating capacity no greater than 1,000 kW, located on or adjacent to the Biogas Customer-Generators' premises as the sole source of Biogas Customer-Generators' generation, intended to offset part or all of the Biogas Customer-Generators' electrical requirements, and (2) are the recipient of local, state, or federal funds, or who self-finance projects designed to encourage the development of Biogas Digester Electrical Generating Facilities (Biogas Customer-Generator). Customers eligible for service under this Schedule are exempt from any new or additional charges not included in their Otherwise Applicable Schedule (OAS). Pursuant to PU Code Section 2827.9, this Schedule is available on a first-come, first-serve basis and will be closed to new customers once 5,000 kW of rated generating capacity is served under this Schedule and will expire on January 1, 2006, unless extended by legislation.

A customer's E-BIO account is not eligible for E-NET and E-NET accounts are not eligible under Special Condition 2.

**TERRITORY:** The entire territory served.

**RATES:** Only the Generation Rate Component of the Biogas Customer-Generator's OAS, including generation surcharges such as those from Schedule E-EPS or any successor rate schedule, if any, shall be used in the calculation of credits when the Biogas Customer-Generator is a net energy producer, on a monthly basis, for any TOU period. Only the Generation Rate Component of the Biogas Customer-Generator's OAS, including all generation surcharges, if any, shall be used to calculate the charge for generation when the Biogas Customer-Generator is a Net Energy consumer on a monthly basis, for any TOU period. All other charges, including but not limited to, Transmission Charges, Distribution Charges, Monthly Customer Charges, Minimum Charges, Demand Charges, and non-energy related charges, shall be calculated according to the Customer-Generator's OAS prior to the netting of energy supplied or produced, for all energy supplied.

(T)  
|  
(T)

(Continued)



**SCHEDULE E-BIO—NET ENERGY METERING SERVICE FOR BIOGAS CUSTOMER-GENERATORS**  
(Continued)

**SPECIAL  
CONDITIONS:**

1. **REQUIRED CONTRACT:** An "Interconnection Agreement for Net Energy Metering of Qualifying Biogas Digester Generating Facilities" (Form 79-997) is required for service under this Schedule.
2. **LOAD AGGREGATION:** For purposes of determining whether the Biogas Customer-Generator was a Biogas Net Consumer or a Biogas Net Producer, as defined in Special Condition 6.f below, PG&E shall aggregate the load of metered TOU service accounts that meet the requirements of Special Condition 6.e for dairy operations. In addition, for purposes of calculating the Eligible Generation Credit for a dairy with aggregated accounts at the end of the Relevant Period, the Generation rate of the Biogas Customer-Generator's OAS, including generation surcharges such as those from Schedule E-EPS or any successor rate schedule, if any, will be used to calculate the credit for electricity produced by the Generating Facility that is netted against usage on the aggregated accounts, as if all the aggregated account usage was registered on the meter serving the Eligible Biogas Digester Electrical Generating Facility. (T)
3. **METERING:**
  - a. Biogas Digester net energy metering shall be accomplished using a TOU meter capable of separately registering the flow of electricity in two directions. If the Biogas Customer-Generator's existing meter is not capable of separately measuring the flow of electricity in two directions, the Biogas Customer-Generator shall be responsible for all expenses involved in purchasing and installing a meter that is able to separately measure electricity flow in two directions. If dual metering is installed, the net energy metering calculation shall yield a result identical to that of a single meter capable of separately measuring the flow of electricity in two directions.
  - b. If none of the normal metering options at PG&E's disposal that are necessary to render accurate billing are acceptable to the Biogas Customer-Generator, PG&E shall have the have the right to refuse interconnection under this rate schedule.
  - c. Dairy operations with service accounts that qualify for Special Condition 2 are required to meet the provisions of Special Conditions 3.a and 3.b for the account serving the Eligible Biogas Digester Electrical Generating Facility only; all other service accounts are only required to have the metering specified in the TOU rate schedule on which it is billed.
4. **BILLING:** Biogas Customer-Generator will be billed monthly for all charges other than Generation Rate Component charges on all Eligible Metered Service Accounts. Then, at the end of each Relevant Period, as defined in 6.d, following the Date of Final Interconnection, PG&E shall proceed as follows:
  - a. PG&E will complete an Annual Reconciliation per section 6.f.
  - b. Any remaining Generation credit greater than the Eligible Generation Credit calculated per section 6.g will be zeroed out and the Biogas Customer-Generator shall not be entitled to compensation for such credit, and a new Relevant Period shall commence.
  - c. PG&E shall provide the Biogas Customer-Generator with gross energy (kWh) consumption and net energy (kWh) consumed/produced information with each monthly billing statement.

(Continued)



**Pacific Gas and Electric Company**  
San Francisco, California

Original  
Cancelling

Original

Cal. P.U.C. Sheet No.  
Cal. P.U.C. Sheet No.

22305-E  
20471-E

PACIFIC GAS AND ELECTRIC COMPANY  
INTERCONNECTION AGREEMENT FOR NET ENERGY METERING  
OF QUALIFYING BIOGAS DIGESTER GENERATING FACILITIES  
FORM NO. 79-997 (10/04)  
(ATTACHED)

(T)

Advice Letter No. 2564-E  
Decision No.

Issued by  
**Karen A. Tomcala**  
Vice President  
Regulatory Relations

Date Filed October 14, 2004  
Effective November 22, 2004  
Resolution No. E-3827

53218



**WE DELIVER ENERGY.™**

This "Interconnection Agreement for Net Energy Metering of Qualifying Biogas Digester Generating Facilities" ("Agreement") is entered into by and between \_\_\_\_\_ ("Biogas Customer-Generator"), and Pacific Gas and Electric Company ("PG&E"), a California Corporation. Biogas Customer-Generator and PG&E are sometimes also referred to in this Agreement jointly as "Parties" or individually as "Party." In consideration of the mutual promises and obligations stated in this Agreement and its attachments, the Parties agree as follows:

**1. SCOPE AND PURPOSE**

This Agreement provides for Biogas Customer-Generator to interconnect and operate an Eligible Biogas Digester Electrical Generating Facility in parallel with PG&E's Distribution System to serve the electrical loads connected to the electric service account that PG&E uses to interconnect Biogas Customer-Generator's Generating Facility. Biogas Customer-Generator's Generating Facility is intended primarily to offset part or all of the Biogas Customer-Generator's own electrical requirements. Consistent with, and in order to effectuate, the provisions of Section 2827.9 of the California Public Utilities Code and Pacific Gas and Electric Company's electric rate Schedule E-BIO ("E-BIO"), Parties enter into this Agreement. This Agreement applies to the Biogas Customer-Generator's Generating Facilities identified below with the specified characteristics and generating capacity, and does not allow interconnection or operation of facilities different than those described.

**2. SUMMARY AND DESCRIPTION OF BIOGAS CUSTOMER-GENERATOR'S GENERATING FACILITY AND DESIGNATION OF OTHERWISE-APPLICABLE-RATE SCHEDULE.**

2.1 A description of the Generating Facility, including a summary of its significant components and a single-line diagram showing the general arrangement of how Biogas Customer-Generator's Eligible Biogas Digester Electrical Generating Facility and loads are interconnected with PG&E's Distribution System, are attached to, and made a part of this Agreement. (This description is supplied by Biogas Customer-Generator as Appendix A).

2.2 Generating Facility identification number: \_\_\_\_\_ (Assigned by PG&E)

2.3 Biogas Customer-Generator's electric service account number: \_\_\_\_\_ (Assigned by PG&E)

2.4 Name and address used by PG&E to locate the electric service account used to interconnect the Eligible Biogas Digester Electrical Generating Facility with PG&E's Distribution System:

Name: \_\_\_\_\_

Address: \_\_\_\_\_

City/Zip Code: \_\_\_\_\_

**INTERCONNECTION AGREEMENT FOR NET ENERGY METERING OF BIOGAS DIGESTER GENERATING  
FACILITIES**

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- 2.5 The Gross Nameplate Rating of the Generating Facility is: \_\_\_\_\_ kW.
- 2.6 The Net Nameplate Rating of the Generating Facility is \_\_\_\_\_ kW.
- 2.7 The expected annual energy production of the Generating Facility is \_\_\_\_\_ kWh.
- 2.8 The Generating Facility's expected date of Initial Operation is \_\_\_\_\_.  
The expected date of Initial Operation shall be within two years of the date of this Agreement.
- 2.9 Biogas Customer-Generator's otherwise-applicable-rate schedule as of the execution of this Agreement is \_\_\_\_\_.

**3. DOCUMENTS INCLUDED; DEFINED TERMS**

- 3.1 This Agreement includes the following exhibits which are specifically incorporated herein and made a part of this Agreement.

Appendix A Description of Generating Facility and Single-Line Diagram (Supplied by Biogas Customer-Generator)

Appendix B A Copy of PG&E's Agreement for Installation of Allocation of Special Facilities for Parallel Operation of Nonutility-Owned Generation and/or Electrical Standby Service (Form 79-280) ("Special Facility Agreement"), if applicable, (Formed by the Parties).

Appendix C List of qualifying accounts eligible for aggregation under Special Condition 2 of Schedule E-BIO (if applicable).

In addition PG&E Electric Tariff Rules and Rates, including but not limited to Electric Rules 2, 14, 15, 16, and 21, Schedule E-BIO, and Biogas Customer-Generator's otherwise applicable rate schedule, available at PG&E's web-site at [www.pge.com](http://www.pge.com), or by request, are specifically incorporated herein and made part of this Agreement.

- 3.2 When initially capitalized, whether in the singular or in the plural, the terms used herein shall have the meanings assigned to them either in this Agreement, or in PG&E's Rule 21, Section H, or in Schedule E-BIO.

**4. CUSTOMER BILLING AND PAYMENT OPTIONS**

Biogas Customer-Generator initially selects Pacific Gas and Electric Company's electric rate schedule referenced in Section 2.9 of this Agreement as its otherwise-applicable rate schedule. Biogas Customer-Generator understands that they will be billed according to Schedule E-BIO.

As provided under Special Condition 2 of Schedule E-BIO, dairy operations may aggregate the electric load of other qualifying accounts. Exhibit C of this Agreement lists all accounts that qualify for this provision. Exhibit C may be modified from time to time by mutual consent of the Parties. Biogas Customer-Generator must provide PG&E with at least 60 days Notice pursuant to Section 11 of this Agreement, of proposed changes to Exhibit C.

Form 79-997  
Effective: November 22, 2004  
Advice 2564-E  
Tariffs and Compliance

5. TERM AND TERMINATION

- 5.1 This Agreement shall become effective as of the last date entered in Section 18, below, which shall be no later than 12/31/06. The Agreement shall continue in full force and effect until the earliest date that one of the following events occurs:
- (a) The Parties agree in writing to terminate the Agreement.
  - (b) Unless otherwise agreed in writing by the Parties, at 12:01 A.M. on the day following the date the electric service account through which Biogas Customer-Generator's Generating Facility is interconnected to PG&E's Distribution System is closed or terminated.
  - (c) At 12:01 A.M. on the 61<sup>st</sup> day after Biogas Customer-Generator or PG&E provides written Notice pursuant to Section 11 below to the other Party of Biogas Customer-Generator's or PG&E's intent to terminate this Agreement.
- 5.2 Biogas Customer-Generator may elect to terminate this Agreement pursuant to the terms of Section 5.1(c) for any reason. PG&E may elect to terminate this Agreement pursuant to the terms of Section 5.1(c) for one or more of the following reasons:
- (a) A change in applicable rules, tariffs, and regulations, as approved or directed by the Commission, or a change in any local, state or federal law, statute or regulation, either of which materially alters or otherwise affects PG&E's ability or obligation to perform PG&E's duties under this Agreement; or,
  - (b) Biogas Customer-Generator fails to take all corrective actions specified in PG&E's Notice that Biogas Customer-Generator's Generating Facility is out of compliance with the terms of this Agreement within the time frame set forth in such Notice; or,
  - (c) Biogas Customer-Generator fails to interconnect and operate the Generating Facility per the terms of this Agreement prior to January 1, 2007; or,
  - (d) Biogas Customer-Generator abandons the Generating Facility. PG&E shall deem the Generating Facility to be abandoned if PG&E determines, in its sole opinion, the Generating Facility is non-operational and Biogas Customer-Generator does not provide a substantive response to PG&E Notice of its intent to terminate this Agreement as a result of Biogas Customer-Generator's apparent abandonment of the Generating Facility affirming Biogas Customer-Generator's intent and ability to continue to operate the Generating Facility; or,
  - (e) Biogas Customer-Generators facility ceases to meet all applicable safety and performance standards set out in Section 6.
- 5.3 Notwithstanding any other provisions of this Agreement, PG&E shall have the right to unilaterally file with the Commission, pursuant to the Commission's rules and regulations, an application to terminate this Agreement.

**INTERCONNECTION AGREEMENT FOR NET ENERGY METERING OF BIOGAS DIGESTER GENERATING  
FACILITIES**

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- 5.4 Any agreements attached to and incorporated into this Agreement shall terminate concurrently with this Agreement unless the Parties have agreed otherwise in writing.

**6 GENERATING FACILITY REQUIREMENTS:**

- 6.1 Biogas Customer-Generator's generator must meet all applicable safety and performance standards established by the National Electrical Code, the Institute of Electrical and Electronics Engineers, and accredited testing laboratories such as Underwriters Laboratories and, where applicable rules of the Public Utilities Commission regarding safety and reliability.
- 6.2 Biogas Customer-Generator shall: (a) maintain the Facility and Interconnection Facilities in a safe and prudent manner and in conformance with all applicable laws and regulations including, but not limited to, Section 6.1, and (b) obtain any governmental authorizations and permits required for the construction and operation of the Facility and interconnection facilities. Biogas Customer-Generator shall reimburse Pacific Gas and Electric Company for any and all losses, damages, claims, penalties, or liability it incurs as a result of Biogas Customer-Generator's failure to obtain or maintain any governmental authorizations and permits required for construction and operation of Biogas Customer-Generator's Facility.
- 6.3 Biogas Customer-Generator shall not commence parallel operation of the Facility until Pacific Gas and Electric Company has provided written approval to the Biogas Customer-Generator to do so. No such approval shall be provided until at least ten (10) working days following the utility's receipt of the inspection clearance of the governmental authority having jurisdiction. Such approval shall not be unreasonably withheld. Pacific Gas and Electric Company shall have the right to have representatives present at the initial testing of Biogas Customer-Generator's protective apparatus. Biogas Customer-Generator shall notify the utility five (5) working days prior to the initial testing.
- 6.4 The Biogas Customer-Generator warrants that they are the recipient of local, state, or federal funds; or they self-finance pilot projects designed to encourage the development of eligible biogas digester electrical generating facilities.

**7. INTERCONNECTION FACILITIES**

- 7.1 Biogas Customer-Generator and/or PG&E, as appropriate, shall provide Interconnection Facilities that adequately protect PG&E's Distribution System, personnel, and other persons from damage or injury, which may be caused by the operation of Biogas Customer-Generator's Generating Facility.
- 7.2 Biogas Customer-Generator shall be solely responsible for the costs, design, purchase, construction, operation, and maintenance of the Interconnection Facilities that Biogas Customer-Generator owns.
- 7.3 If the provisions of PG&E's Electric Rule 21, or any other tariff or rule approved by the Commission, requires PG&E to own and operate a portion of the Interconnection Facilities, Biogas Customer-Generator and PG&E shall promptly execute a Special Facilities Agreement that establishes and allocates responsibility for the design,

**INTERCONNECTION AGREEMENT FOR NET ENERGY METERING OF BIOGAS DIGESTER GENERATING  
FACILITIES**

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installation, operation, maintenance, and ownership of the Interconnection Facilities. This Special Facilities Agreement shall be attached to and made a part of this Agreement as Appendix B.

**8. LIMITATION OF LIABILITY**

Each Party's liability to the other Party for any loss, cost, claim, injury, liability, or expense, including reasonable attorney's fees, relating to or arising from any act or omission in its performance of this agreement, shall be limited to the amount of direct damage actually incurred. In no event shall either Party be liable to the other Party for any indirect, special, consequential, or punitive damages of any kind whatsoever.

**9. INSURANCE**

9.1 In connection with Customer-Generator's performance of its duties and obligations under this Agreement, Customer-Generator shall maintain, during the term of this Agreement, general liability insurance with a combined single limit of not less than:

- (a) Two million dollars (\$2,000,000) for each occurrence if the Gross Nameplate Rating of Producer's Generating Facility is greater than one hundred (100) kW;
- (b) One million dollars (\$1,000,000) for each occurrence if the Gross Nameplate Rating of Producer's Generating Facility is greater than twenty (20) kW and less than or equal to one-hundred (100) kW; and
- (c) Five hundred thousand dollars (\$500,000) for each occurrence if the Gross Nameplate Rating of Producer's Generating Facility is twenty (20) kW or less.
- (d) Two hundred thousand dollars (\$200,000) for each occurrence if the Gross Nameplate Rating of Producer's Generating Facility is ten (10) kW or less and Producer's Generating Facility is connected to an account receiving residential service from PG&E.

Such insurance shall include coverage for "Premises-Operations, Owners and Contractors Protective, Products/Completed Operations Hazard, Explosion, Collapse, Underground, Contractual Liability, and Broad Form Property Damage including Completed Operations."

9.2 The general liability insurance required in this Section shall, by endorsement to the policy or policies, (a) include PG&E as an additional insured; (b) contain a severability of interest clause or cross-liability clause; (c) provide that PG&E shall not by reason of its inclusion as an additional insured incur liability to the insurance carrier for payment of premium for such insurance; and (d) provide for thirty (30) calendar days' written notice to PG&E prior to cancellation, termination, alteration, or material change of such insurance.

9.3 If Biogas Customer-Generator's Generating Facility is connected to an account receiving residential service from PG&E and the requirement of Section 9.2(a) prevents Biogas Customer-Generator from obtaining the insurance required in this

**INTERCONNECTION AGREEMENT FOR NET ENERGY METERING OF BIOGAS DIGESTER GENERATING  
FACILITIES**

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Section, then upon Biogas Customer-Generator's written Notice to PG&E in accordance with Section 11.1, the requirements of Section 9.2(a) shall be waived.

- 9.4 Evidence of the insurance required in Section 9.2 shall state that coverage provided is primary and is not in excess to or contributing with any insurance or self-insurance maintained by PG&E.
- 9.5 Biogas Customer-Generator agrees to furnish the required certificates and endorsements to PG&E prior to Initial Operation. PG&E shall have the right to inspect or obtain a copy of the original policy or policies of insurance.
- 9.6 If Biogas Customer-Generator is self-insured with an established record of self-insurance, Biogas Customer-Generator may comply with the following in lieu of Section 9.2:
- (a) Biogas Customer-Generator shall provide to, PG&E, at least thirty (30) calendar days prior to the date of Initial Operation, evidence of an acceptable plan to self-insure to a level of coverage equivalent to that required under Section 9.1.
  - (b) If Biogas Customer-Generator ceases to self-insure to the level required hereunder, or if Biogas Customer-Generator is unable to provide continuing evidence of Biogas Customer-Generator's ability to self-insure, Biogas Customer-Generator agrees to immediately obtain the coverage required under Section 9.1.
- 9.7 All insurance certificates, statements of self insurance, endorsements, cancellations, terminations, alterations, and material changes of such insurance shall be issued and submitted to the following:

Pacific Gas and Electric Company  
Attn: Manager, Generation Interconnection Services.  
PO Box 770000  
Mail Code B13J  
San Francisco, California 94177

**10 INDEMNITY FOR FAILURE TO COMPLY WITH INSURANCE PROVISIONS**

- 10.1 If Biogas Customer-Generator fails to comply with the insurance provisions of this Agreement, Biogas Customer-Generator shall, at its own cost, defend, save harmless and indemnify Pacific Gas and Electric Company, its directors, officers, employees, agents, assignees, and successors in interest from and against any and all loss, liability, damage, claim, cost, charge, demand, or expense of any kind or nature (including attorney's fees and other costs of litigation) resulting from the death or injury to any person or damage to any property, including the personnel and property of the utility, to the extent that the utility would have been protected had Biogas Customer-Generator complied with all such insurance provisions. The inclusion of this Section 10.1 is not intended to create any expressed or implied right in Biogas Customer-Generator to elect not to provide any such required insurance.

Form 79-997  
Effective: November 22, 2004  
Advice 2564-E  
Tariffs and Compliance

**INTERCONNECTION AGREEMENT FOR NET ENERGY METERING OF BIOGAS DIGESTER GENERATING  
FACILITIES**

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- 10.2 The provisions of this Section 10 shall not be construed to relieve any insurer of its obligations to pay any insurance claims in accordance with the provisions of any valid insurance policy.

**11 NOTICES**

- 11.1 Any written notice, demand, or request required or authorized in connection with this Agreement ("Notice") shall be deemed properly given if delivered in person or sent by first class mail, postage prepaid, to the person specified below:

If to PG&E: Pacific Gas and Electric Company  
Attention: Business Customer Services  
P.O. Box 770000  
Mail Code B8C  
San Francisco, California 94177  
Phone: (800) 468-4743  
FAX: (415) 972-5309

If to Biogas Customer-Generator:

Biogas Customer-Generator Name: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_

Phone: (      ) \_\_\_\_\_

FAX: (      ) \_\_\_\_\_

- 11.2 A Party may change its address for Notices at any time by providing the other Party notice of the change in accordance with Section 11.1.
- 11.3 The Parties may also designate operating representatives to conduct the daily communications, which may be necessary or convenient for the administration of this Agreement. Such designations, including names, addresses, and phone numbers may be communicated or revised by one Party's Notice to the other.

**12. REVIEW OF RECORDS AND DATA**

- 12.1 PG&E shall have the right to review and obtain copies of Biogas Customer-Generator's operations and maintenance records, logs, or other information such as, Generation Unit availability, maintenance outages, circuit breaker operation requiring manual reset, relay targets and unusual events pertaining to Biogas Customer-Generator's Generating Facility or its interconnection with PG&E's Distribution System.
- 12.2 Biogas Customer-Generator authorizes to release to the California Energy Commission (CEC) information regarding Biogas Customer-Generator's facility,

Form 79-997  
Effective: November 22, 2004  
Advice 2564-E  
Tariffs and Compliance

including customer name, location, size, and operational characteristics of the unit, as requested from time to time pursuant to the CEC's rules and regulations.

**13. ASSIGNMENT**

Biogas Customer-Generator shall not voluntarily assign its rights nor delegate its duties under this Agreement without PG&E's written consent. Any assignment or delegation Biogas Customer-Generator makes without PG&E's written consent shall not be valid. PG&E shall not unreasonably withhold its consent to Biogas Customer-Generator's assignment of this Agreement.

**14. NON-WAIVER**

None of the provisions of this Agreement shall be considered waived by a Party unless such waiver is given in writing. The failure of a Party to insist in any one or more instances upon strict performance of any of the provisions of this Agreement or to take advantage of any of its rights hereunder shall not be construed as a waiver of any such provisions or the relinquishment of any such rights for the future, but the same shall continue and remain in full force and effect.

**15. GOVERNING LAW, JURISDICTION OF COMMISSION, INCLUSION OF PG&E's TARIFF SCHEDULES AND RULES**

- 15.1 This Agreement shall be interpreted, governed, and construed under the laws of the State of California as if executed and to be performed wholly within the State of California without giving effect to choice of law provisions that might apply to the law of a different jurisdiction.
- 15.2 This Agreement shall, at all times, be subject to such changes or modifications by the Commission as it may from time to time direct in the exercise of its jurisdiction.
- 15.3 The interconnection and services provided under this Agreement shall at all times be subject to the terms and conditions set forth in the Tariff Schedules and Rules applicable to the electric service provided by, PG&E, which Tariff Schedules and Rules are hereby incorporated into this Agreement by this reference.
- 15.4 Notwithstanding any other provisions of this Agreement, PG&E shall have the right to unilaterally file with the Commission, pursuant to the Commission's rules and regulations, an application for change in rates, charges, classification, service, tariff or rule or any agreement relating thereto.

**16. AMENDMENT AND MODIFICATION**

This Agreement can only be amended or modified by a writing signed by both Parties.

**17. ENTIRE AGREEMENT**

This Agreement, including any incorporated Tariff Schedules and rules, contains the entire agreement and understanding between the Parties, their agents, and employees as to the subject matter of this Agreement. Each party also represents that in entering into this Agreement, it has not relied on any promise, inducement, representation, warranty, agreement or other statement not set forth in this Agreement or in the incorporated tariff schedules and rules.

**18 SIGNATURES**

IN WITNESS WHEREOF, the Parties hereto have caused two originals of this Agreement to be executed by their duly authorized representatives. This Agreement is effective as of the last date set forth below.

BIOGAS CUSTOMER-GENERATOR'S  
NAME

PACIFIC GAS AND ELECTRIC COMPANY

By: \_\_\_\_\_

By: \_\_\_\_\_

Name \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: Manager,  
Generation Interconnection Svcs

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**INTERCONNECTION AGREEMENT FOR NET ENERGY METERING OF BIOGAS DIGESTER GENERATING FACILITIES**

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**APPENDIX A  
DESCRIPTION OF GENERATING FACILITY  
AND SINGLE-LINE DIAGRAM,  
(Provided by Biogas Customer-Generator)**

**INTERCONNECTION AGREEMENT FOR NET ENERGY METERING OF BIOGAS DIGESTER GENERATING  
FACILITIES**

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**APPENDIX B  
(If Applicable)  
RULE 21 "SPECIAL FACILITIES" AGREEMENT  
(Formed between the Parties)**

INTERCONNECTION AGREEMENT FOR NET ENERGY METERING OF BIOGAS DIGESTER GENERATING FACILITIES

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APPENDIX C  
(If Applicable)

LIST OF QUALIFYING ACCOUNTS ELIGIBLE  
FOR AGGREGATION UNDER SPECIAL  
CONDITION 2 OF SCHEDULE E-BIO

Customer Account No.	Address (Street, City, Zip Code)
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Signature: (PG&E): \_\_\_\_\_ Date: \_\_\_\_\_

(Customer) \_\_\_\_\_ Date: \_\_\_\_\_

Date Completed:

Page \_\_\_ of \_\_\_



TABLE OF CONTENTS—SAMPLE FORMS  
(Continued)

FORM NO.	DATE SHOWN ON FORM	AGREEMENT/CONTRACT TITLE	CPUC SHEET NO.
<b>RESIDENTIAL</b>			
79-744	10/88	Declaration of Eligibility for Baseline Quantities for Residential RV Parks .....	10629-E
79-763		Experimental Residential Dispatchable Peak Time-of-Use Service Letter of Understanding .....	11647-E
<b>RESIDENTIAL FAMILY ELECTRIC RATE ASSISTANCE</b>			
62-1415	4/04	Application for Residential Single-Family Customers (English/Vietnamese) .....	21577-E
62-1418	4/04	Application for Residential Single-Family Customers (English/Spanish) .....	21578-E
62-1419	4/04	Application for Residential Single-Family Customers (English/Chinese) .....	21579-E
62-1420	4/04	Application for Tenants of Sub-Metered Facilities (English/Chinese) .....	21580-E
62-1422	4/04	Application for Tenants of Sub-Metered Facilities (English/Spanish) .....	21581-E
62-1423	4/04	Application for Tenants of Sub-Metered Facilities (English/Vietnamese) .....	21582-E
<b>NET ENERGY METERING</b>			
79-854	REV 6/01	Interconnection Agreement for Net Energy Metering for Residential and Small Commercial Solar or Wind Electric Generating Facilities of 10 kW or Less .....	18324-E
79-978	6/01	Interconnection Agreement for Net Energy Metering of Solar or Wind Electric Generating Facilities 1,000 kW or less, other than Residential or Small Commercial Facilities of 10 kW or less .....	18318-E
79-994	7/02	Application for Interconnecting Residential or Small Commercial Net Energy Metering (E-NET) Customers With Solar or Wind Electric Generating Facilities of 10 Kilowatts or less .....	18970-E
79-997	10/04	Interconnection Agreement for Net Energy Metering of Qualifying Biogas Digester Generating Facilities .....	22305-E (T)
79-998	10/03	Expanded Net Energy Metering (E-Net) Supplemental Application .....	20854-E (T)
79-999	5/03	Agreement for Limited Optional Remote Metering Service .....	20195-E

(Continued)



TABLE OF CONTENTS  
(Continued)

RATE SCHEDULES

SCHEDULE	TITLE OF SHEET	CAL P.U.C. SHEET NO.
COMMERCIAL/INDUSTRIAL (Continued)		
E-25	Restricted Variable-Peak-Period Time-of-Use Service to Water Agencies.....	21384,21770,22066, 21387,20746,15378,20747,21388,21399-E
E-31	Distribution Bypass Deferral Rate.....	20620,20621,20622-E
E-36	Small General Service to Oil and Gas Extraction Customers.....	21390,22067,21392,21393-E
E-37	Medium General Demand-Metered Time-of-Use Service to Oil and Gas Extraction Customers.....	21394,17108,21773,22068,21397,19315,21398,21399-E
ED	Experimental Economic Development Rate.....	20956,20957-E
E-CARE	CARE Program Service for Qualified Nonprofit Group-Living and Qualified Agricultural Employee Housing Facilities.....	21400-E
LIGHTING RATES		
LS-1	PG&E-Owned Street and Highway Lighting .....	21775,21776,22069,15395,15396,21404,21405-E
LS-2	Customer-Owned Street and Highway Lighting .....	22101,21976,22070,21409,15401,15402,15403,21410-E
LS-3	Customer-Owned Street and Highway Lighting Electrolier Meter Rate .....	22071,21412,15406,15407,21413-E
TC-1	Traffic Control Service.....	22072,21415,20763,21416-E
OL-1	Outdoor Area Lighting Service.....	21783,22073,21419,15413,20766,21420-E
OTHER		
S	Standby Service.....	21421,22074, 21423,21424,21425,21426,21427,21428,19282,16203,16204,16205,20771,19220,21429-E
E-DEPART	Departing Customers.....	15905-E
E-EXEMPT	Competition Transition Charge Exemption.....	16068,17116,16070,16071,16072,16073-E
E-LORMS	Limited Optional Remote Metering Services.....	20194-E
E-RRB	Rate Reduction Bonds Bill Credit and Fixed Transition Amount Charge.....	20773,14799-E
E-NET	Net Energy Metering Service.....	18711,18712,21430,21431-E
E-BIO	Net Energy Metering Service for Biogas Customer-Generators .....	22303,22304,20467 to 20469-E
E-EPS	Emergency Procurement Surcharges.....	21432 to 21438-E

(T)

(Continued)



TABLE OF CONTENTS

Title Page .....	CAL P.U.C. SHEET NO. 8285-E	
Table of Contents:		
Rate Schedules .....	22095,22307,22085,2816-E	(T)
Preliminary Statements .....	21813,21010,21644-E	
Rules, Maps, Contracts and Deviations .....	22094-E	
Sample Forms .....	19880,20472,22306,19236,20509,19572,21472-E	(T)

RATE SCHEDULES

SCHEDULE	TITLE OF SHEET	CAL P.U.C. SHEET NO.
<b>RESIDENTIAL RATES</b>		
E-1	Residential Service .....	21708,22028,21219,19910,21220,21221-E
E-2	Experimental Residential Time-of-Use Service .....	21222,21710,22029,21712,22030,21227,22031,21229,22032,21231,21614,21232,21233-E
E-3	Experimental Residential Critical Peak Pricing Service .....	21234,21716,22033,21718,22034,21239,22035,21241,22036,21243,21615,19896,21244-E
EE	Service to Company Employees .....	21245-E
EM	Master-Metered Multifamily Service .....	21722,22037,21248,20648,21249,21250-E
ES	Multifamily Service .....	21724,22038,21253,21254,21255,21256-E
ESR	Residential RV Park and Residential Marina Service .....	21726,22039,21259,20657,21260,21261-E
ET	Mobilehome Park Service .....	21728,22040,21264,21265,21266,21267-E
E-7	Residential Time-of-Use Service .....	21268,21730,22041,21271,21272,21273-E
E-A7	Experimental Residential Alternate Peak Time-of-Use Service .....	21274,21732,22042,21277,21278,21279-E
E-8	Residential Seasonal Service Option .....	21734,22043,21571,21283-E
E-9	Experimental Residential Time-of-Use Service for Low Emission Vehicle Customers .....	20891,21736,22044,21738,22045,21288,21289,21290,21291-E
EL-1	Residential CARE Program Service .....	21292,22046,21294,21295,21296-E
EML	Master-Metered Multifamily CARE Program Service .....	21297,22047,21299,21300,21301-E
ESL	Multifamily CARE Program Service .....	21742,22048,21304,21305,21306,21307-E
ESRL	Residential RV Park and Residential Marina CARE Program Service .....	21744,22049,21310,21311,21312,21313-E
ETL	Mobilehome Park CARE Program Service .....	21746,22050,21316,21317,21318,21319-E
EL-7	Residential CARE Program Time-of-Use Service .....	21320,21321,22051,21323,21324,21325-E
EL-A7	Experimental Residential CARE Program Alternate Peak Time-of-Use Service .....	21326,21327,22052,19783,21329,21330-E
EL-8	Residential Seasonal CARE Program Service Option .....	21331,22053,21572,21334-E
<b>COMMERCIAL/INDUSTRIAL</b>		
A-1	Small General Service .....	21751,22054,21337,21338,21339-E
A-6	Small General Time-of-Use Service .....	21340,21753,22055,21343,21344,21345-E
A-10	Medium General Demand-Metered Service .....	21346,22056,22057,22058,22059,21351,21352,21353,21354,21355-E
A-15	Direct-Current General Service .....	22060,21357-E
E-19	Medium General Demand-Metered Time-of-Use Service .....	21358,17092,21359,17900,21760,22061,21762,22062,21364,20932,20723,21365,18864,18039,20933,18865,16414,15330,20512,21764,22063,21368,20935,21369,20729,19805,21370,21371-E
E-20	Service to Customers with Maximum Demands of 1,000 Kilowatts or More .....	21372,21373,21766,22064,21377,21376,19314,20736,21378,18044,20942,18867,15356,21379,15358,20513,21768,22065,21382,20944,17101,20945,21383-E

(Continued)

**PG&E Gas and Electric Advice  
Filing List  
General Order 96-A, Section III(G)**

ABAG Power Pool  
Accent Energy  
Aglet Consumer Alliance  
Agnews Developmental Center  
Ahmed, Ali  
Alcantar & Elsesser  
Anderson Donovan & Poole P.C.  
Applied Power Technologies  
APS Energy Services Co Inc  
Arter & Hadden LLP  
Avista Corp  
Barkovich & Yap, Inc.  
BART  
Bartle Wells Associates  
Blue Ridge Gas  
Bohannon Development Co  
BP Energy Company  
Braun & Associates  
C & H Sugar Co.  
CA Bldg Industry Association  
CA Cotton Ginners & Growers Assoc.  
CA League of Food Processors  
CA Water Service Group  
California Energy Commission  
California Farm Bureau Federation  
California Gas Acquisition Svcs  
California ISO  
Calpine  
Calpine Corp  
Calpine Gilroy Cogen  
Cambridge Energy Research Assoc  
Cameron McKenna  
Cardinal Cogen  
Cellinet Data Systems  
Chevron Texaco  
Chevron USA Production Co.  
Childress, David A.  
City of Glendale  
City of Healdsburg  
City of Palo Alto  
City of Redding  
CLECA Law Office  
Constellation New Energy  
Cooperative Community Energy  
CPUC  
Creative Technology  
Cross Border Inc  
Crossborder Inc  
CSC Energy Services  
Davis, Wright Tremaine LLP  
Davis, Wright, Tremaine, LLP  
Defense Fuel Support Center  
Department of the Army  
Department of Water & Power City  
Dept of the Air Force  
DGS Natural Gas Services  
DMM Customer Services  
Douglass & Liddell  
Downey, Brand, Seymour & Rohwer  
Duke Energy  
Duke Energy North America  
Duncan, Virgil E.  
Dutcher, John  
Dynegy Inc.  
Ellison Schneider  
Energy Law Group LLP  
Energy Management Services, LLC  
Enron Energy Services  
Exelon Energy Ohio, Inc  
Exeter Associates  
Foster Farms  
Foster, Wheeler, Martinez  
Franciscan Mobilehome  
Future Resources Associates, Inc  
G. A. Krause & Assoc  
Gas Transmission Northwest Corporation  
GLJ Energy Publications  
Goodin, MacBride, Squeri, Schlotz &  
Hanna & Morton  
Heeg, Peggy A.  
Hogan Manufacturing, Inc  
House, Lon  
Imperial Irrigation District  
Integrated Utility Consulting Group  
International Power Technology  
Interstate Gas Services, Inc.  
J. R. Wood, Inc  
JTM, Inc  
Kaiser Cement Corp  
Korea Elec Power Corp  
Luce, Forward, Hamilton & Scripps  
Marcus, David  
Masonite Corporation  
Matthew V. Brady & Associates  
Maynor, Donald H.  
McKenzie & Assoc  
McKenzie & Associates  
Meek, Daniel W.  
Mirant California, LLC  
Modesto Irrigation Dist  
Morrison & Foerster  
Morse Richard Weisenmiller & Assoc.  
Navigant Consulting  
New United Motor Mfg, Inc  
Norris & Wong Associates  
North Coast Solar Resources  
Northern California Power Agency  
Office of Energy Assessments  
Palo Alto Muni Utilities  
PG&E National Energy Group  
Pinnacle CNG Company  
PITCO  
Plurimi, Inc.  
PPL EnergyPlus, LLC  
Price, Roy  
Product Development Dept  
R. M. Hairston & Company  
R. W. Beck & Associates  
Recon Research  
Regional Cogeneration Service  
RMC Lonestar  
Sacramento Municipal Utility District  
SCD Energy Solutions  
Seattle City Light  
Sempra  
Sempra Energy  
Sequoia Union HS Dist  
SESCO  
Sierra Pacific Power Company  
Silicon Valley Power  
Simpson Paper Company  
Smurfit Stone Container Corp  
Southern California Edison  
SPURR  
St. Paul Assoc  
Stanford University  
Sutherland, Asbill & Brennan  
Tabors Caramanis & Associates  
Tansev and Associates  
Tecogen, Inc  
TFS Energy  
TJ Cross Engineers  
Transwestern Pipeline Co  
Turlock Irrigation District  
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United Cogen Inc.  
URM Groups  
Utility Cost Management LLC  
Utility Resource Network  
Wellhead Electric Company  
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White & Case  
WMA