STATE OF CALIFORNIA

ARNOLD SCHWARZENEGGER, *Governor*

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE

SAN FRANCISCO, CA 94102-3298

Tel. No. (415) 703-1691

June 30, 2004

Advice Letter 2458G-C & D|2379E-C & D

Ms Anita Smith, Rate Analyst
Pacific Gas and Electric Company
77 Beale Street, 10B Mail Code
San Francisco, CA 94177

Subject: Revisions to Gas and Electric Rule 15 and Forms

Dear Ms Smith:

Advice Letter 2458G-C & D|2379E-C & D is effective July 1, 2004. A copy of the advice letter is sent herewith for your records.

Sincerely,

Paul Clanon

Director
Energy Division

Pacific Gas and Electric Company

Karen A. Tomcala
Vice President
Regulatory Relations

77 Beale Street, Room 1065
San Francisco, CA 94105

Mailing Address
Mail Code B10A
P.O. Box 770000
San Francisco, CA 94177

415.972.5209
Internal: 222.5209
Fax: 415.972.5625
Internet: kat5@pge.com

January 6, 2004

Advice 2458-G-A/2379-E-A
(Pacific Gas and Electric Company ID U39M)

Subject: **Revised Line Extension Gas and Electric Rule 15 and Forms (Decision (D.) 03-03-032; D. 03-08-078; and D. 03-09-054)**

Public Utilities Commission of the State of California

Pacific Gas and Electric Company (PG&E) hereby submits for filing revisions to its Gas and Electric Rule 15—*Distribution Line Extension*, and related forms. The affected tariff sheets are listed on the enclosed Attachment I. The tariffs in this filing replace and supersede the tariffs filed in Advice 2458-G/2379-E.[1]

Purpose

The purpose of this filing is to revise PG&E's gas and electric Rule 15, and related forms, in accordance with Decision (D.) 03-03-032—Alternate Opinion of Commissioner Wood on Proposed Free Inspections and Accounting Changes for Line Extensions; D.03-08-078—Order Modifying Decision 03-03-032 and Denying Rehearing; and D.03-09-054—Opinion for Clarification of Decision 03-03-032, (collectively "the Decisions") all issued in Rulemaking (R.) 92-03-050.

Decision 03-03-032 ordered the utilities to file their tariff changes by April 12, 2003, and Executive Director Ahern extended the filing date to May 12, 2003. The utilities filed advice letters with proposed tariff changes and accompanying documents on May 12, 2003.[2]

Subsequently, the Commission issued D.03-08-078—Order Modifying Decision 03-03-032 and Denying Rehearing, dated August 21, 2003, followed by D. 03-09-054—Opinion on Petition for Clarification of Decision 03-03-032. PG&E accordingly is submitting tariff revisions and accompanying documents in this

[1] PG&E reserves all legal rights to challenge the decisions or statutes under which it has been required to make this advice filing, and nothing in this advice filing constitutes a waiver of such rights. Also, PG&E reserves any additional legal rights to challenge the requirement to make this advice filing by reason of its status as a debtor under Chapter 11 of the Bankruptcy Code, and nothing in this advice filing constitutes a waiver of such rights.
[2] PG&E Advice 2458-G/2379-E.

supplemental filing to implement the changes ordered in D.03-03-032, as modified by D.03-08-078 and as clarified by D.03-09-054.

Decision 03-03-032 was issued March 13, 2003, and ordered PG&E and other California utilities to revise their tariffs to implement the following provisions:

- A requirement for utilities to change their accounting procedures to book to ratebase the lower of the utility's bid or the applicant's costs for applicant installed line extension projects.

- A requirement for applicants to be permitted to apply any otherwise-available line extension allowance to some or all of the cost of utility inspections, to the extent that the over-all cost of the installation does not exceed the utility's cost estimate for performing the same work.

Decision 03-08-078 specified that the utilities must require the customer to submit an invoice and verified statement of costs prior to issuing any refunds.

Decision 03-09-054 clarified the following:

- The requirement that utilities book the "lower of" the utility's estimated costs or the applicant's actual costs applies only to the refundable portion of applicant-installed project costs for work that is normally the utility's responsibility to install under its rules, but which is installed by the applicant.

- In implementing the accounting change for applicant-installed work, the utilities shall use the applicant's third-party contract anticipated cost at the start of a project as set forth in the applicant's third-party contract with the applicant's contractor, or in the rare event the applicant performs the work itself, the utilities shall use a verified estimate of the applicant's costs submitted in advance. A verified statement of such costs must be submitted on a form provided by the utilities prior to the utility's preparation of the line extension contract, or if the applicant chooses not to provide its costs, it must indicate this choice on the utility's form, and the utility will use its estimate. Until the applicant returns the form providing its costs or stating that it will not do so, the utility shall not proceed with any work on the project.

- The estimated costs of inspecting applicant-performed work shall be fixed by the utilities at the outset and shall not be subject to reconciliation.

- The amount subject to refund, including any portion of the inspection costs, shall not exceed the utility's cost estimate for performing the same work.

Tariff Revisions

PG&E is revising its gas and electric Rule 15, and related forms to implement changes as described above in accordance with the Decisions.

PG&E's line extension contract (Distribution Service and Extension Agreement) generally consists of four forms: the Declarations (which identify the parties, and contain the applicant's options) (not included in this filing), the Provisions (Form 62-0982) (pertinent provisions of the rule expressed in contract form), the General Terms and Conditions (Form 79-716) (general contract terms for construction work), and Exhibit A–Cost Summary (Form 79-1004) (forms to be used for the numbers of any particular transaction). The most recent rule changes necessitate revisions to the Provisions, the General Terms and Conditions, Exhibit A—Cost Summary, and Form 79-1003—Applicant's Cost Verification Form, as filed in Advice 2458-G/2379-E.

PG&E's tariff changes include the new treatment of "cost" in the Decisions and the change to inspection costs, which are made subject to the otherwise-available allowances, and are not subject to reconciliation. So that it will have the applicant's costs to make a comparison of whether that cost is lower than the utility's, PG&E is revising new Form 79-1003, as called for by the Decisions. Tariff changes are briefly summarized below.

Gas and Electric Rule 15 Revisions

PG&E is changing Section G--*Applicant Installation Option,* in both gas and electric Rule 15, in accordance with the Decisions.

Provisions (Form 62-0982)

PG&E is changing Paragraphs 2, 8, 9 and 12 of Form 62-0982—Distribution and Service Extension Agreement Option 2—Competitive Bidding Provisions, in accordance with the Decisions.

General Terms and Conditions (Form 79-716)

PG&E is making the following related implementing changes to its General Terms and Conditions:

- In Section B.8--DEFINITIONS, a definition of the "Applicant's Statement of Costs Form" is added.
- In Section C.1.a. reference to "Applicant's Statement of Costs, Form 79-1003" is added.

- In Section C.3.a. PAYMENTS, PG&E adds the following language to the last paragraph: "The refundable costs for Applicant installed work that is PG&E's responsibility will be based on the lower of the Applicant's anticipated refundable costs or PG&E's estimated refundable costs. All other refundable and non-refundable costs will be based on PG&E's estimated costs".

- In Section C.3.b., PG&E is adding the language, "the lower of the Applicant's refundable costs or...".

- In Section C.7.c. INSPECTIONS, PG&E is adding the language: "...in accordance with the provisions of gas and electric Rules 15 and 16."

Applicant's Statement of Costs (Form 79-1003)

In this filing, PG&E is revising new Form 79-1003—Applicant's Cost Verification Form, for the applicant to verify its costs when electing applicant installation-- ("Applicant's Statement of Costs"). This form complies with the requirement set forth in the Decisions for a verified statement of the applicant's refundable costs, which PG&E will compare with its cost estimate for the same work, the lower of which will apply for accounting and refunds. Consistent with the Decisions, the form requires that the cost figures be taken from applicant's contract with its contractor, or in the rare event that the applicant will perform the work itself, the costs must be a verified estimate. PG&E's proposed form includes mandatory language specified in the decisions, and also includes an option for the applicant to acknowledge its election not to provide costs, also required by the Decisions.

Exhibit A - Cost Summary (Form 79-1004)[3]

To more easily compare costs, PG&E is adding three items to the Estimated Cost of Services section: "Service Cost – PG&E," "Service Cost - Applicant," and "Inspection by PG&E," on Exhibit A – Cost Summary (Form 79-1004), page one of the Gas Distribution and Service Extension Cost Summary, and page one of the Electric Distribution and Service Extension Cost Summary.

On page two of the same documents, PG&E is adding the item "Inspection Fees," and changing the line "Value of Distribution System" to "Value of Distribution System Including Non-Residential Services" under the section entitled "Amount Subject to Refund."

[3] The gas and electric Distribution and Service Extension Cost Summaries contain five out-dated references to "unit costs" which were eliminated by D.99-06-079 when it eliminated Option 1. PG&E had inadvertently kept those entries on the form, but has not been using them. They are located under the heading Amount Subject to Refund" and are: "Unit Cost of Project (if applicable)","Unit Cost" "Value of Transformers (not included in Unit Cost)," "Project Specific Costs," and "Other Project Specific Costs Subject to Refund."

As inspection fees are not subject to reconciliation under the Decisions, PG&E has deleted footnote 3, which read as follows: "Inspection fees will be reconciled with actual expenditures at the completion of the project with any difference being refunded or billed as appropriate."

Protests

Anyone wishing to protest this filing may do so by sending a letter by **January 26, 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, 4th Floor
San Francisco, California 94102

Facsimile: (415) 703-2200
E-mail: 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

Effective Date

The Decisions do not state a date on which the proposed tariff changes are to be implemented. PG&E therefore respectfully requests an implementation date of **July 1, 2004**.

The Decisions clearly order changes to the line extension rules, and according to Public Utilities Code, Section 783, "Any new order or decision issued pursuant to an investigation or proceeding pursuant to subdivision (b) shall become effective on July 1 of the year which follows the year when the new order or decision is

adopted by the commission, so as to ensure that the public has at least six months to consider the new order or decision." That date for D. 03-03-032 is **July 1, 2004**. This date will also allow for changes in the rules, practices, policies, training and computer programs, many of which have been in effect for over fifteen years.

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 the parties on the service list for R. 92-03-050. Address changes should be directed to Sandra Ciach at (415) 973-7572. Advice letter filings can also be accessed electronically at:

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

Karen A. Tomalas/ss

Vice President - Regulatory Relations

Attachments

cc: Service List – R. 92-03-050

Cal. P.U.C. Sheet No.	Title of Sheet	Canceling Cal P.U.C. Sheet No.
Deleted	Preliminary Statement Part AI--Applicant Installation Trench Inspection Deferred Account	19533-G
Deleted	Preliminary Statement Part AJ-- Applicant Installation Trench Inspection Memorandum Account	19534-G
22100-G	Rule 15—Gas Main Extensions	20351-G
22101-G	Rule 15 (Cont'd.)	20351-G
22102-G	Rule 15 (Cont'd.)	20352-G
22103-G	Rule 15 (Cont'd.)	18808-G
22104-G	Rule 15 (Cont'd.)	20353-G
22105-G	Rule 15 (Cont'd.)	--
22106-G	Rule 15 (Cont'd.)	20354-G
22107-G	Rule 15 (Cont'd.)	18812-G
22108-G	Rule 15 (Cont'd.)	--
22109-G	Rule 15 (Cont'd.)	18813-G
22110-G	Rule 15 (Cont'd.)	18814-G
22111-G	Form No. 62-0982—Distribution Service and Extension Agreement Option 2—Competitive Bidding	18830-G
22112-G	Form No. 79-716—General Terms and Conditions for Gas and Electric Extension and Service Construction by Applicant	20526-G
22113-G	Form No. 79-1003—Applicant's Cost Verification Form—Statement of Costs for Applicant Installation of PG&E's Distribution and Service Facilities	--
22114-G	Form No. 79-1004—Distribution and Service Extension Exhibit A Cost Summary	--
22115-G	Table of Contents – Agreement Forms	21643-G
22116-G	Table of Contents – Rules	21539-G
22117-G	Table of Contents (Cont'd)– Preliminary Statements	21579-G
22118-G	Table of Contents	21581-G

ADVICE 2379-E-A

Cal. P.U.C. Sheet No.	Title of Sheet	Canceling Cal P.U.C. Sheet No.
Deleted	Preliminary Statement Part BM-- Applicant Installation Trench Inspection Memorandum Account	16607-E
Deleted	Preliminary Statement Part BR-- Applicant Installation Trench Inspection Deferred Account	16606-E
21130-E	Rule 15—Distribution Line Extensions	15578-E
21131-E	Rule 15 (Cont'd.)	17851-E
21132-E	Rule 15 (Cont'd.)	--

Cal. P.U.C. Sheet No.	Title of Sheet	Canceling Cal P.U.C. Sheet No.
21133-E	Rule 15 (Cont'd.)	17852-E
21134-E	Rule 15 (Cont'd.	15582-E
21135-E	Rule 15 (Cont'd.)	17854-E
21136-E	Rule 15 (Cont'd.)	17855-E
21137-E	Rule 15 (Cont'd.)	15587-E
21138-E	Rule 15 (Cont'd.)	17857-E
21139-E	Rule 15 (Cont'd.)	--
21140-E	Rule 15 (Cont'd.)	15591-E
21141-E	Rule 15 (Cont'd.)	16986-E
21142-E	Form No. 62-0982—Distribution Service and Extension Agreement Option 2—Competitive Bidding	15614-E
21143-E	Form No. 79-716—General Terms and Conditions for Gas and Electric Extension and Service Construction by Applicant	18157-E
21144-E	Form No. 79-1003—Applicant's Cost Verification Form—Statement of Costs for Applicant Installation of PG&E's Distribution and Service Facilities	--
21145-E	Form No. 79-1004—Distribution and Service Extension Exhibit A Cost Summary	--
21146-E	Table of Contents – Agreement Forms	18158, 19880-E
21147-E	Table of Contents – Rules	21005-E
21148-E	Table of Contents (Cont'd)– Preliminary Statements	19373-E
21149-E	Table of Contents	20983-E

RULE 15—GAS MAIN EXTENSIONS
(Continued)

D. CONTRIBUTIONS OR ADVANCES BY APPLICANT (Cont'd.)

4. POSTPONEMENT. At PG&E's option, the payment of that portion of such an advance that PG&E estimates would be refunded within six (6) months under provisions of this rule may be postponed for six (6) months if: (1) PG&E is provided evidence the construction will proceed promptly and financing is adequate; (2) Applicant has submitted evidence of building permits(s) or fully executed home purchase contract(s) or lease agreement(s); or (3) where there is equivalent evidence of occupancy or gas usage satisfactory to PG&E; and (4) Applicant agrees in writing to pay at the end of six (6) months all amounts not previously Advanced.

5. TAX. All Contributions and Advances by Applicant are taxable and shall include an Income Tax Component Contribution (ITCC) at the rate provided in PG&E's Preliminary Statement. ITCC Tax will be either refundable or non-refundable in accordance with the corresponding Contribution.

6. REFUNDABLE AND NON-REFUNDABLE AMOUNTS. Applicant shall advance or contribute, before the start of PG&E's construction, the following:

   a. REFUNDABLE AMOUNT. (1) When PG&E performs the work, Applicant's Refundable Amount is the portion of PG&E's total estimated installed cost, including taxes, to complete the Distribution Main Extension (including distribution regulators, PG&E's estimated value of the Distribution Trenching, and any non-residential service facilities, and excluding Betterment), that exceeds the amount of the Distribution Main Extension allowance determined in Section C; or, (2) When the Applicant performs the work, the Applicant's Refundable Amount is the lower of PG&E's Estimated Refundable Costs or the Applicant's Actual Refundable Costs. (T) (T) (N) I (N)

(Continued)

RULE 15—GAS MAIN EXTENSIONS
(Continued)

D. CONTRIBUTIONS OR ADVANCES BY APPLICANT (Cont'd.)

6. REFUNDABLE AND NON-REFUNDABLE AMOUNTS. (Cont'd.)

b. NON-REFUNDABLE DISCOUNT OPTION. In lieu of contributing the refundable amount determined in Section D.6.a.i., Applicant has the option of contributing, on a non-refundable basis, fifty percent (50%) of such refundable amount, plus (T)

c. OTHER NON-REFUNDABLE AMOUNTS. Applicant's Non-Refundable Amount is PG&E's estimated value of the Substructures, Protective Structures, required by PG&E for the Distribution Main Extension under Section B.1. The Non-Refundable Amounts also include the cost of PG&E inspections of Applicant's work to the extent that such costs are not covered by an otherwise-available allowance as described in Section G.1.e. (T) (T) (T)

7. JOINT APPLICANTS. The total Contribution or Advance from a group of Applicants will be apportioned among the members of the group in such manner as they may mutually agree.

8. PAYMENT ADJUSTMENTS. (L)

a. CONTRACT COMPLIANCE. If, after six (6) months following the date PG&E is first ready to serve residential loads for which allowances were granted (one (1) year for non-residential loads), Applicant fails to take service, or fails to use the service contracted for, Applicant shall pay PG&E an additional Contribution or Advance, based on the allowances for the revenues actually generated.

b. EXCESS FACILITIES. If the loads provided by Applicant(s) result in PG&E installing facilities which are in excess of those needed to serve the actual loads, and PG&E elects to reduce such excess facilities, Applicant shall pay PG&E its estimated total cost to remove, abandon, or replace its excess facilities, less the estimated salvage value of any removed facilities. (L)

(Continued)

RULE 15—GAS MAIN EXTENSIONS
(Continued)

(L)

E. REFUND BASIS

1. GENERAL. Refunds are based on the allowances and conditions in effect at the time the contract is signed. Residential Allowances: the allowance in excess of that needed for the Residential Service Extension in accordance with Rule 16 will be applied to the Distribution Main Extension to which the Service Extension is connected. Non-Residential Allowances: the allowances for non-residential applicants will be applied to the combined refundable cost of the Distribution and Service Extension. (T)

2. TOTAL REFUNDABLE AMOUNT. The total amount subject to refund is the Applicant's Refundable Amount as set forth in Section D.6. (T)

3. REFUND PERIOD. The total refundable amount is subject to refund for a period of ten (10) years after the Distribution Main Extension is first ready for service.

4. RESIDENTIAL. Refunds will be made on the basis of a new customer's Permanent Load which produces additional revenues to PG&E. The refund will be deducted from the total refundable amount, and the remaining amount subject to refund represents that portion of the Distribution Main Extension cost not supported by revenues. (See Section E.11 for series refund provisions.)

5. NON-RESIDENTIAL. PG&E shall be responsible for reviewing Applicant's actual base annual revenue for the first three (3) years from the date PG&E is first ready to serve. Applicant shall be responsible for notifying PG&E if new, permanent load is added from the fourth (4th) through the tenth (10th) year from the date first ready to serve. Such review shall determine if the additional revenue supports any refunds to the Applicant. (See Section E.11 for series refund provisions.)

(Continued)

RULE 15—GAS MAIN EXTENSIONS
(Continued)

E. REFUND BASIS (Cont'd.)

6. UNSUPPORTED DISTRIBUTION MAIN EXTENSION COST. When any portion of a refundable amount has not qualified for a refund at the end of thirty-six (36) months from the date PG&E is first ready to serve, Applicant will pay to PG&E an Ownership Charge on the remaining refundable balance. Ownership charges are in addition to the refundable amount, and will normally be accumulated and deducted from refunds due Applicant. This provision does not apply to individual residential Applicants.

7. REFUND TIMING. Refunds will be made without interest within ninety (90) days after the date of first service to new permanent loads, except that refunds may be accumulated to a fifty dollar ($50) minimum, or the total refundable balance, if less than fifty dollars ($50).

8. MAXIMUM REFUND. No refund shall be made in excess of the applicable Refundable Amount under Section D.6 nor after a period of ten (10) years from the date PG&E is first ready to serve. Any unrefunded amount remaining at the end of the ten (10) year period shall become the property of PG&E. (T) (T)

9. PREVIOUS RULES. Refundable amounts paid, Contributed, or Advanced under conditions of a rule previously in effect will be refunded in accordance with the provisions of such earlier rule.

10. JOINT APPLICANTS. When two (2) or more parties make joint Contributions or Advances on the same Distribution Main Extension, refunds will be distributed to these parties in the same proportion as their individual Contributions or Advances bear to the total refundable amount, or as they may mutually agree.

11. SERIES OF DISTRIBUTION MAIN EXTENSIONS. Where there are a series of Distribution Main Extensions, commencing with a Distribution Main Extension having an outstanding amount subject to refund, and each Distribution Main Extension is dependent upon the previous Distribution Main Extension as a direct source of supply, a series refund will be made as follows:

    a. Additional service connections supplied from a Distribution Main Extension on which there is a refundable amount will provide refunds first to the Distribution Main Extension to which they are connected; and

    b. When the amount subject to refund on a Distribution Main Extension in a series is fully refunded, the excess refundable amount will provide refunds to the Distribution Main Extension having the oldest outstanding amount subject to refund in the series.

(Continued)

RULE 15—GAS MAIN EXTENSIONS
(Continued)

G. APPLICANT INSTALLATION OPTION

1. COMPETITIVE BIDDING. When Applicant selects competitive bidding, the Distribution Main Extension may be installed by Applicant's qualified contractor or subcontractor in accordance with PG&E design and specifications. Under this option, the following applies:

   a. Upon acceptance by PG&E, ownership of such facilities will transfer to PG&E. (T)

   b. Applicant shall provide to PG&E, prior to PG&E preparing the line extension contact, the Applicant's contract anticipated costs subject to refund to perform the work normally provided by PG&E. The Applicant shall submit, on a form provided by PG&E, a verified statement of such costs. If the Applicant elects not to provide such costs to PG&E, the Applicant shall acknowledge its election on the form and PG&E will use its estimated costs. (N)

   c. Applicant shall pay to PG&E, subject to refund, PG&E's estimated cost of work performed by PG&E for the Distribution Main Extension, including the estimated costs of design, administration, and installation of any additional facilities. (T)

   d. The lower of PG&E's refundable costs, or Applicant's contract anticipated costs, as reported in G.1.b., for the work normally performed by PG&E, shall be subject to the refund and allowance provisions of Rules 15 and 16. (N)

(Continued)

RULE 15—GAS MAIN EXTENSIONS
(Continued)

G. APPLICANT INSTALLATION OPTION (Cont'd.)

e. Applicant shall pay to PG&E the estimated costs of PG&E's inspection, which shall be a fixed amount not subject to reconciliation. Such inspection costs may be subject to otherwise available allowances up to the difference between the Applicant's contract anticipated cost as reported in G.1.b. and PG&E's estimated costs for perfoming the same work, but not to exceed PG&E's estimated costs. (N)

f. Only duly authorized employees of PG&E are allowed, to connect to, disconnect from, or perform any work upon PG&E's facilities. (L)

2. MINIMUM CONTRACTOR QUALIFICATIONS. Applicant's contractor or subcontractor (QC/S) shall:

a. Be licensed in California for the appropriate type of work, such as, but not limited to, gas and general.

b. Employ workmen properly qualified for the specific skills required (plastic fusion, welding, etc.).

c. Comply with applicable laws (Equal Opportunity regulations, OSHA, EPA, etc.)

3. OTHER CONTRACTOR QUALIFICATIONS. An Applicant for service who intends to employ a QC/S also should consider whether the QC/S:

a. Is technically competent.

b. Has access to proper equipment.

c. Demonstrates financial responsibility commensurate with the scope of the contract.

d. Has adequate insurance coverage (worker's compensation, liability, property damage, etc.).

e. Is able to furnish a surety bond for performance of the contract, if required. (L)

(Continued)

RULE 15—GAS MAIN EXTENSIONS
(Continued)

(L)

H. SPECIAL CONDITIONS

1. FACILITY RELOCATION OR REARRANGEMENT. Any relocation or rearrangement of PG&E's existing facilities, at the request of or to meet the convenience of an Applicant or customer, and agreed upon by PG&E, normally shall be performed by PG&E at Applicant's expense. Where new facilities can be constructed in a separate location, before abandonment or removal of any existing facilities, and Applicant requests to perform the new construction work, it can be performed under the applicable provisions of Section G, Applicant Installation Options.

   In all instances, PG&E shall abandon or remove its existing facilities at the option of PG&E. Applicant or customer shall be responsible for the costs of all related relocation, rearrangement, and removal work.

2. PERIODIC REVIEW. PG&E will periodically review the factors it uses to determine its residential allowances, nonrefundable discount option percentage rate, and cost of service factor stated in this rule. If such review results in a change of more than five percent (5%), PG&E will submit a tariff revision proposal to the Commission for review and approval. Such proposed changes shall be submitted no sooner than six (6) months after the last revision.

   Additionally, PG&E shall submit by advice letter proposed tariff revisions, which result from other relevant Commission decisions, to the allowance formula for calculating line and service extension allowances.

(Continued)

RULE 15—GAS MAIN EXTENSIONS
(Continued)

H. SPECIAL CONDITIONS (Cont'd.)

3. EXCEPTIONAL CASES. When the application of this rule appears impractical or unjust to either party or the ratepayers, PG&E or Applicant may refer the matter to the Commission for a special ruling, or for the approval of special condition(s) which may be mutually agreed upon.

4. SERVICE FROM TRANSMISSION LINES. PG&E will not tap a gas transmission line except at its option, when conditions in its opinion justify such a tap. Such taps are made in accordance with the provisions of this rule.

I. DEFINITIONS FOR RULE 15

ADVANCES: Cash payments made to PG&E prior to the initiation of any work done by PG&E which is not covered by allowances.

APPLICANT: A person or agency requesting PG&E to supply gas service.

APPLICANT'S ACTUAL COSTS: The cost incurred by an Applicant for performing work under this Rule as determined by an oral or written contract for performance of the work, or by a statement of costs supplied by the Applicant if it will perform the work itself, rather than using a third party. Such costs shall be set forth on a Cost Verification form determined by PG&E and shall be verified under penalty of perjury by Applicant. (N)

APPLICANT'S ACTUAL REFUNDABLE COSTS: The portion of Applicant's Actual Costs incurred for refundable items of work as defined under this Rule, and as shown on the Cost Verification form. (N)

BETTERMENT: Facilities installed for PG&E's operating convenience such as, but not limited to the following: to improve gas flow or correct poor pressure conditions, to increase line capacity available to an existing system, to permit pressure conversion of an area, or to install proportionally larger pipe than necessary to provide for future load growth, will be installed at the expense of PG&E. (L) (L)

(Continued)

RULE 15—GAS MAIN EXTENSIONS
(Continued)

I. DEFINITIONS FOR RULE 15 (Cont'd.)

CONTRIBUTION: In-kind services, and/or the value of all property conveyed to PG&E at any time during PG&E's work on an extension which is part of PG&E's total estimated installed cost of its facilities, or cash payments not covered by Applicant's allowances. (L)

COST-OF-SERVICE FACTOR: The factor as stated in Rule 2 that includes taxes, return, depreciation that is applied to the Net Revenue to determine PG&E's investment in distribution facilities.

DISTRIBUTION MAIN EXTENSION: The length of main and its related facilities required to transport gas from the existing distribution facilities to the point of connection with the service pipe.

A Distribution Main Extension consists of new distribution facilities of PG&E that are required to extend service into an open area not previously supplied to serve an Applicant. It is a continuation of, or branch from, the nearest available existing permanent Distribution Main, to the point of connection of the last service. PG&E's Distribution Main Extension includes any required Substructures and facilities for transmission taps but excludes service connections, services, and meters.

DISTRIBUTION MAINS: Mains which are operated at distribution pressure, and supply three (3) or more services or run parallel to the property line in a public right-of-way. (L)

ESTIMATED REFUNDABLE COSTS: PG&E's project-specific estimate of the installed costs for refundable items of work as defined under this Rule. (N)

ESTIMATED NON-REFUNDABLE COSTS: PG&E's project-specific estimate of the installed cost for non-refundable items of work as defined under this Rule. (N)

(Continued)

RULE 15—GAS MAIN EXTENSIONS
(Continued)

(L)

I. DEFINITIONS FOR RULE 15 (Cont'd.)

EXCAVATION: All necessary Trenching, backfilling, and other digging to install Distribution Main Extension facilities, including furnishing of any imported backfill material and disposal of spoil as required, surface repair and replacement and landscape repair and replacement.

FRANCHISE AREA: Public streets, roads, highways, and other public ways and places where PG&E has a legal right to occupy under franchise agreements with governmental bodies having jurisdiction.

INSIGNIFICANT LOADS: Small operating loads such as log lighters, barbecues, outdoor lighting, etc.

INTERMITTENT LOADS: Loads which, in the opinion of PG&E, are subject to discontinuance for a time or at intervals.

JOINT TRENCH: Excavation that intentionally provides for more than one service, such as gas, electricity, cable television, telephone, etc.

NET REVENUE: That portion of the total rate that supports PG&E's Distribution Main and Service Extension costs and excludes such items as fuel costs, transmission, public purpose programs, and other costs that do not support the Distribution Main and Service Extension costs.

NON-REFUNDABLE AMOUNT: The amount determined under the provisions of Section D.6.c. (N) (N)

NON-RESIDENTIAL ALLOWANCES NET REVENUE MULTIPLIER: This is a revenue-supported factor determined by PG&E that is applied to the net revenues expected from non-residential loads to determine non-residential allowances.

(Continued)

RULE 15—GAS MAIN EXTENSIONS
(Continued)

I. DEFINITIONS FOR RULE 15 (Cont'd.)

OWNERSHIP CHARGE: Monthly charge as a percentage rate applied against the outstanding unrefunded refundable balance after thirty-six (36) months from the date PG&E is first ready to serve. Serves to recover the cost of operating and maintaining customer-financed facilities that are not fully utilized.

PERMANENT SERVICE: Service which, in the opinion of PG&E is of a permanent and established character. This may be continuous, intermittent, or seasonal in nature.

PROTECTIVE STRUCTURES: Fences, retaining walls (in lieu of grading), barriers, posts, barricades, and other structures as required by PG&E.

REFUNDABLE AMOUNT: The amount determined under the provision of (N)
Section D.6.a. (N)

RESIDENTIAL DEVELOPMENT: Five (5) or more dwelling units in two (2) or more buildings located on a single parcel of land.

RESIDENTIAL SUBDIVISION: An area of five (5) or more lots for residential dwelling units which may be identified by filed subdivision plans or an area in which a group of dwellings may be constructed about the same time, either by a builder or several builders working on a coordinated basis.

SEASONAL SERVICE: Gas service to establishments which are occupied seasonally or intermittently, such as seasonal resorts, cottages, or other part-time establishments.

SUBSTRUCTURES: The surface and subsurface structures which are necessary to contain or support PG&E's gas facilities. This includes, but is not limited to, equipment vaults and boxes, required sleeves for street crossings, and enclosures, foundations, or pads for surface-mounted equipment.

TRENCHING: See Excavation.

PACIFIC GAS AND ELECTRIC COMPANY
DISTRIBUTION AND SERVICE EXTENSION AGREEMENT
OPTION 2—COMPETITIVE BIDDING
FORM NO. 62-0982 (REVISED 7/04) (T)
(ATTACHED)

1. As indicated in the Declarations, Applicant has elected to have competitive bidding and has awarded a qualified Contractor or PG&E the responsibility of installing gas and electric service, as applicable, to the locations described in Exhibit B. These services shall be installed in accordance with the provisions of PG&E's Rules 2, 15 and 16, General Terms and Conditions, project specific terms and conditions, design, specifications, and the requirements of this Agreement.

2. **Construction Responsibilities of Applicant.**
Applicant shall perform or arrange for the performance of the following work required for this project:

Electric Extensions:
- Route clearing, tree trimming, trenching, excavating, backfilling, and compacting;
- Furnishing of imported backfill material as required and disposal of trench spoil as required;
- Performing necessary surface repair and boring as required;
- Furnishing, installing, and transferring ownership to PG&E of any substructures, conduits, and protective structures required other than the conduit portion of cable-in-conduit (Rule 15 only);
- Obtaining any necessary construction permits for all work performed by Applicant under this Agreement.

Electric Underground Extensions:
- Installing primary and secondary distribution conductors, poles, pole risers, switches, transformers, and other distribution facilities required to complete the extension.

Electric Overhead Extensions:
- Installing all facilities required for the pole line extension, including poles, conductors, transformers, switches, and other devices as might be required.

Gas Extensions:
- Installing gas distribution main pipe, valves, and other related distribution equipment, as specified by PG&E, required to complete the extension including all necessary trenching, backfilling, and other digging as required.

- Furnishing, installing and upon acceptance by PG&E, conveying to PG&E the ownership of all necessary installed substructures and protective structures necessary to contain or support PG&E's gas facilities.

Applicant agrees to secure and pay for all required permits and licenses which may be required to fulfill the construction responsibilities from the governmental authority having jurisdiction.

Applicant shall provide to PG&E, prior to PG&E preparing the line extension contract, the Applicant's anticipated refundable costs to perform the work normally provided by PG&E. The Applicant shall submit, on a form provided by PG&E, a verified statement of such costs. If the Applicant elects not to provide such costs to PG&E, the Applicant shall acknowledge its election on the form and PG&E will use its estimate.

Form 62-0982
Tariffs and Compliance
Advice 2458-G-A/2379-E-A
Effective Date: July 1, 2004

If Applicant elects to have PG&E perform this work, Applicant shall pay to PG&E, as specified herein and before the start of construction, PG&E's estimated-installed costs thereof.

Applicant shall also pay to PG&E the costs for substructures and conduits which PG&E had previously installed at its own expense in anticipation of the current extension. Any necessary riser conduit, conduit covering, and miscellaneous riser material required for the line extension shall be paid for by Applicant and shall be installed by PG&E on PG&E owned and maintained facilities.

Upon completion of construction by Applicant and inspection and acceptance by PG&E, title and ownership for the gas and electric facilities installed under this Agreement shall vest in PG&E in accordance with the Acceptance and Conveyance section of this Agreement and as specified in the respective rule.

3. **Construction Responsibilities of PG&E.**
Except as otherwise provided in the rules, PG&E shall be responsible for:
   - Providing inspection service to verify Applicant's performance under this Agreement, as determined by PG&E; and
   - Connecting the applicant-installed facilities to PG&E's energized and pressurized supply system (system tie-in work), as applicable.

   PG&E will perform its construction responsibilities for the installation of only those facilities that, in PG&E's judgment, will be used within a reasonable time to serve permanent loads.

4. **Power Quality and Voltage Stability.**
Under normal load conditions, PG&E will deliver sustained voltage as close to the nominal service voltages that are economically practical. Any deviations from the normal voltage levels will be no greater than the service voltage ranges specified in PG&E's Electric Rule 2. Exceptions to voltage limits are specified in PG&E's Electric Rule 2. Applicant is responsible for planning, designing, operating and protecting equipment beyond PG&E's delivery point.

5. **Rule 16 Service Extensions.** Service Extensions will be installed in accordance with PG&E's Gas and Electric Rule 16. Applicant shall be responsible for all service trenching.

6. **Street Lighting Facilities.** If any street lighting facilities are to be installed, the installation shall be made in accordance with PG&E's applicable street and highway lighting schedule(s).

7. **Overhead to Underground Conversions.** In the event there is replacement of existing overhead electric facilities with underground facilities in conjunction with this project, the conversion shall be made in accordance with the applicable provisions of PG&E's Electric Rule 20.

   In the event that there is an Electric Rule 20.B or 20.C conversion in conjunction with this project, Applicant shall, at its expense, provide any necessary changes to the existing facilities so as to receive underground electric service at the points specified by PG&E. Underground electric service will not be energized until all affected premises are equipped to receive service in accordance with specifications and inspection has been received from the governing jurisdiction.

   Applicant shall not work on facilities owned by PG&E.

8. Allowances and Payments.

Applicant shall pay to PG&E on demand and in advance of any construction, a refundable payment, shown in Exhibit A, less any allowances shown therein, for any PG&E costs associated with the extension for the estimated costs of design, administration and the installation of any additional facilities necessary to complete the extension, including, but not limited to:

- engineering and administrative costs,
- system tie-in work,
- any applicable taxes.

INSPECTION FEES: A payment for PG&E's estimated cost for the inspections by PG&E of work performed by Applicant or Applicant's contractor, shown in Exhibit A, which shall be a fixed amount, not subject to reconciliation. Such inspection costs may be subject to otherwise available allowances up to the difference between the Applicant's contract anticipated refundable cost estimate and PG&E's estimate for performing the same work. Inspections costs are otherwise non-refundable. The total amount subject to refund shall not exceed PG&E's refundable cost estimate.

NON-REFUNDABLE: A non-refundable payment, shown in Exhibit A, for costs which may include, but are not limited to:

- re-engineering fees,
- preparation fees for trench composite drawings,
- survey and land rights acquisition costs,
- any applicable taxes.

ALLOWANCES: Allowances for permanent residential and non-residential service are provided in accordance with Gas and Electric Rule 15 and are included in Exhibit A, as applicable.

ITCC: All contributions and advances by Applicant are taxable and shall include an Income Tax Component of Contributions (ITCC) at the rate provided in PG&E's Preliminary Statement. ITCC will be either refundable or non-refundable in accordance with the corresponding contribution.

GROUP OF APPLICANTS. The total contribution or advance from a group of applicants will be apportioned among the members of the group in such manner as they mutually agree.

9. Amount Subject to Refund.

The total refundable amount set forth in Exhibit A - Cost Summary shall be subject to refund, without interest, on the basis of a new customer's permanent load connected to the line extension that produces additional revenue to PG&E in accordance with the following provisions:

Refunds will be made within ninety (90) days after the date Applicant becomes eligible for a refund except that refunds may be accumulated to a $50 minimum, or the total refundable balance remaining is less than $50.

Residential: The refund will be deducted from the total refundable amount. The remaining amount subject to refund represents that portion of the extension cost not supported by revenues.

Non-residential: PG&E shall review Applicant's actual base annual revenue each year for the first three years from the date PG&E is first ready to provide service. Applicant shall be responsible for notifying PG&E if new, permanent load is added the fourth through tenth year from the date PG&E is first ready to provide service. Such review shall determine if additional revenue supports any refunds to Applicant.

Refund Period: The total refundable amount is subject to refund for a period of ten (10) years after PG&E is first ready to provide service. No refund shall be made in excess of the refundable amount nor after a period of (10) years after the date PG&E is first ready to provide service. Any unrefunded amount remaining at the end of the ten-year period shall become the property of PG&E.

Refunds in Series: When there is a series of extensions, beginning with an extension having an outstanding amount subject to refund, and each extension is dependent on the previous extension as a direct source of supply, a series of refunds will be made as follows:

1. Additional service connections supplied from an extension on which there is a refundable amount will provide refunds first to the extensions to which they are connected; and,

2. When the amount subject to refund on an extension in a series is fully refunded, the excess refundable amount will provide refunds to the extension having the oldest outstanding amount subject to refund in the series.

Gas-only Trenching: If Applicant chooses to perform trenching for PG&E's gas facilities, and qualifies for a gas extension allowance, PG&E will provide Applicant with a reimbursement or credit for the lower of PG&E's project-specific estimated costs or Applicant's costs, as reported on Applicant's verified statement, upon completion and acceptance by PG&E.

Outstanding Payments: Applicant or subsequent assignees of this Agreement shall not be eligible for refunds if there are any outstanding payments due PG&E.

10. Unsupported Extension Cost.

When any portion of the refundable amount has not qualified for a refund at the end of twelve (12) months for electric service or thirty-six (36) months for gas service from the date PG&E is first ready to provide service, Applicant will pay to PG&E a cost-of-ownership charge on the remaining refundable balance. Monthly ownership charges are in addition to the refundable amount, and will normally be accumulated and deducted from refunds due to Applicant.

Payment of such cost-of-ownership charges will normally be made by deduction from the payments to be refunded as described in the Amount Subject to Refund section of this Agreement, but such deduction will not thereafter reduce the amount on which the cost-of-ownership charges are determined. If the amount remaining in the original refundable payment is insufficient to offset the cost-of-ownership charge within the 10-year refund period (described in the Amount Subject to Refund section of this Agreement) PG&E shall have the right to separately bill Applicant for this deficiency for the remaining duration of the 10-year refund period. However, the amount subject to cost-of-ownership charges will continue to be reduced by additional connected loads as defined in the Amount Subject to Refund section of this Agreement. Such ownership charges shall initially be determined from the applicable percentage rate established in the Special Facilities section(s) of PG&E's Gas or Electric Rule 2.

The monthly cost-of-ownership charges herein shall automatically increase or decrease without formal amendment to this Agreement if the Commission should subsequently authorize a higher or lower percentage rate for the monthly cost-of-ownership, effective on the date of such authorization.

This provision does not apply to individual residential applicants.

11. Payment Adjustments.

Contract Compliance. If after six (6) months following the date PG&E is first ready to serve residential loads for which allowances were granted, one (1) year for non-residential loads, Applicant fails to take service, or fails to use the service contracted for, Applicant shall pay to PG&E an additional contribution.

Excess Facilities: If the loads provided by Applicant(s) results in Applicant, the approved contractor or PG&E having installed facilities which are in excess of those needed to serve the actual loads, PG&E may elect to do the following: (1) Applicant shall pay PG&E its estimated cost to remove, abandon, alter, or replace the excess facilities, including those facilities that PG&E reinforced, enlarged, or replaced in anticipation of Applicant's proposed load, less the estimated salvage for any removed facilities, or (2) Applicant shall pay PG&E any Special Facilities charges in accordance with PG&E's Rule 2 for those facilities, including those facilities that PG&E reinforced, enlarged, or replaced in anticipation of Applicant's proposed load, which are in excess of those facilities needed to serve Applicant's actual load. The total cost of the facilities PG&E reinforced, enlarged, or replaced are shown in Exhibit A.

Deficiency Charges for Non-Payment: Applicant shall pay PG&E for any administrative and processing charges associated with collecting any payment adjustments related to this Agreement.

12. Non-Refundable Amount.

Discount Option: Competitive Bidding - Installation by Applicant. In lieu of receiving refunds for the total refundable amount described in the Amount Subject to Refund section, Applicant may elect the Discount Option. Upon completion, acceptance and conveyance of the gas and electric facilities to PG&E, in accordance with the provisions of this Agreement, Applicant may elect to receive a lump sum payment of fifty percent (50%) of the refundable amount as shown in Exhibit A - Cost Summary.

Discount Option: Competitive Bidding - Installation by PG&E. In lieu of contributing the total refundable amount described in the Amount Subject to Refund section, Applicant has the option of contributing, on a non-refundable basis, fifty percent (50%) of the refundable amount as shown in Exhibit A - Cost Summary.

Excess Service. PG&E's estimated installed costs for Service Extensions in excess of the allowance, not subject to discount, as defined in PG&E's Gas and Electric Rule 16 as shown in Exhibit A - Cost Summary are non-refundable.

Other Non-refundable Amounts. Applicant shall pay to PG&E a fixed amount as a non-refundable payment, shown in Exhibit A, for the inspections by PG&E of Distribution System work performed by Applicant or Applicant's contractor, to the extent that such costs are not covered by allowances according to Provision 8 of this document, as well as other non-refundable costs which may include, but are not limited to:

- re-engineering fees,
- preparation fees for trench composite drawings,
- survey and land rights acquisition costs,
- any applicable taxes.

13. Non-Standard Equipment Installation and Removal.

When the situation requires the location, installation, maintenance, repair and replacement of specialized or non-standard utility-owned equipment (Equipment) necessary to provide utility service or perform utility work, Applicant agrees to pay the costs to install PG&E's equipment. Applicant further agrees that, should the Equipment need to be replaced for any reason, it shall be Applicant's responsibility to make arrangements and to pay the cost to have the equipment removed and replacement equipment installed. PG&E shall be responsible for furnishing and delivering any

replacement to the site. PG&E hereby agrees to the Equipment location on the following terms and conditions:

- Applicant shall furnish, install, own and maintain the Equipment area within or upon his building at his sole cost. The construction of the area shall comply with all applicable building code requirements. The site, access, location, and arrangement of the facilities shall be subject to PG&E's prior written approval, and any changes or additions thereto shall be made only after PG&E's prior written approval. Except for required area maintenance by Applicant, under PG&E's supervision, Applicant shall not have access to the Equipment area.

- Applicant shall make proper arrangements and pay all the costs associated with the initial and all subsequent installations and removals of PG&E's Equipment into the Equipment area.

- Applicant shall furnish, install, own and maintain all primary and secondary conduits within the property line at his sole cost. The plans for the installation of the secondary service facilities termination details, and other associated facilities installed by Applicant for PG&E use shall be subject to PG&E's prior written approval and shall comply with all applicable code requirements.

- Applicant accepts responsibility for any service interruption that may result from PG&E not having clear access to the Equipment area.

14. General Access.
Where it is necessary for PG&E to install facilities on Applicant's premises, Applicant hereby grants to PG&E: (a) the right to install, own and maintain such facilities on Applicant's premises together with sufficient legal clearance between all structures now or hereafter erected on Applicant's premises; (b) the right to enter and leave Applicant's premises for any purpose connected with the furnishing of gas and electric service (meter reading, inspection, testing, routine repairs, maintenance, replacement, emergency work, etc.) and the exercise of any and all rights secured to it by law, or under PG&E's tariff schedules.

15. Land Rights.
Where formal rights-of-way, easements, land leases, or permits are required by PG&E for the installation of the facilities on or over Applicant's property, or the property of others, Applicant understands and agrees that PG&E shall not be obligated to install the Facilities or accept the facilities installed by Applicant or the approved contractor unless and until any necessary permanent rights-of-way, easements, land leases, or permits, satisfactory to PG&E, are granted to or obtained for PG&E without cost to or condemnation by PG&E; however, if PG&E is unable to obtain such land rights, Applicant shall obtain them. Such easement shall include the right of access and right to trim trees as necessary to maintain required legal clearances from overhead wires.

16. Acceptance and Conveyance.
In accordance with the PG&E's General Terms and Conditions attached, and upon (a) PG&E's receipt of any required formal rights-of-way, easements, leases, and permits, and (b) PG&E's pressurization and energization of facilities installed by Applicant, Applicant hereby grants and conveys to PG&E, its successors and assigns, all rights, title and interest in and to all such work and facilities, free and clear of all liens and encumbrances.

17. Safety Precautions.
Applicant shall ascertain the location of all existing gas and electric facilities of PG&E within the scope of Applicant's construction area and inspect the area initially and periodically during construction to verify the location of all existing and new PG&E facilities. Applicant and PG&E shall perform all work in compliance with applicable federal, state, and local laws, rules and regulations. Applicant shall inform all persons doing work in proximity of the location of PG&E's facilities and ensure that all work of non-PG&E employees is planned and conducted in a manner to safeguard persons and property

from injury. Work performed in close proximity to PG&E's energized electric facilities and pressurized gas facilities also shall be performed in accordance with established Cal-OSHA safety rules and practices, and as may be directed by PG&E. Only personnel duly authorized by PG&E are allowed to connect or disconnect conductors from PG&E-owned Service Facilities, or perform any work upon PG&E-owned existing facilities.

18. Delays in Construction.

- **Force Majeure.** PG&E shall not be responsible for any delay in either the performance of Applicant's responsibilities under this Agreement, or the installation or completion of the facilities by PG&E resulting from shortage of labor or materials, strike, labor disturbance, war, riot, weather conditions, governmental rule, regulation or order, including orders or judgments of any court or commission, delay in obtaining necessary land rights, act of God, or any other cause or condition beyond the control of PG&E.

- **Resources.** PG&E shall have the right, in the event it is unable to obtain sufficient supplies, materials, or labor for all of its construction requirements, to allocate materials and labor to construction projects which it deems, in its sole discretion, most important to serve the needs of its customers. Any delay in construction hereunder resulting from such allocation shall be deemed to be cause beyond PG&E's control.

- **Inflation.** In the event that PG&E is prevented from commencing the installation of the facilities for reasons beyond its reasonable control within twelve months following the effective date of this Agreement, PG&E shall have the right to revise the cost figures to reflect any increases in costs since the original costs were determined. PG&E shall notify Applicant of such increased costs and give the option to either terminate this Agreement or pay PG&E the additional charges.

19. Change Orders and Relocations.

All standard design or construction changes made in the field, which impact the charges to Applicant, will be made using PG&E's Agreement Change Order. These field changes, including unforeseen field conditions which may result in additional work or costs by Applicant, the approved contractor or PG&E, may require sketch revisions of Exhibit B. Unforeseen field conditions include, but are not limited to, contaminated soil, obstructions, and weather conditions. The proper execution and attachment of the Agreement Change Order, and any necessary changes to supersede Exhibit A resulting from the change order, constitutes formal amendment to this Agreement. Applicant shall pay PG&E for any such changes in accordance with the appropriate tariff.

EXCEPTION: If the requested changes are in addition to or substitution for the standard Facilities that PG&E would normally install, then a Special Facilities Agreement shall be required under the provisions of Section I of Rule 2.

20. Termination of Agreement.

In the event Applicant has not fulfilled its obligations under this Agreement within twelve (12) months following the date of this Agreement, and PG&E is unable to proceed hereunder, PG&E shall have the right to terminate and/or supersede this Agreement upon thirty (30) days' written notice to Applicant. Upon such notice PG&E will calculate any refundable or additional non-refundable amounts that may be due based on that portion of the distribution system then completed, utilizing the estimated costs developed by PG&E for this Agreement.

The superseding Agreement, if any, shall be in the same form as this Agreement, shall be executed by the parties hereto and shall provide that costs be allocated to the portion of the Distribution System then completed, if any, consistent with those costs estimated by PG&E for this Agreement.

If this Agreement is terminated as set forth above, Applicant further agrees to forfeit that portion of the advance paid to PG&E for its expenses covering any engineering, surveying, right-of-way, removal, acquisition and other associated work incurred by PG&E. If such expenses are greater or less than the refundable and/or non-refundable payments, Applicant shall pay to PG&E, or PG&E shall refund the balance without interest, to Applicant, as the case may be.

21. Indemnification and Withholding.

INDEMNIFICATION: Applicant shall indemnify, defend and hold harmless PG&E, its officers, directors, agents, and employees, from and against all claims, demands, losses, damages, costs, expenses, and legal liability connected with or resulting from injury to or death of persons, including but not limited to employees of PG&E, Applicant, contractor or subcontractor; injury to property of PG&E, Applicant, or any third party, or to natural resources, or violation of any local, state or federal law or regulation, including but not limited to environmental laws or regulations, or strict liability imposed by any law or regulation; arising out of, related to, or in any way connected with Applicant's performance of this Agreement, however caused, regardless of any strict liability or negligence of PG&E, whether active or passive, excepting only such claims, demands, losses, damages, costs, expenses, liability or violation of law or regulation as may be caused by the active negligence or willful misconduct of PG&E, its officers, agents, or employees.

Applicant acknowledges that any claims, demands, losses, damages, costs, expenses, and legal liability that arise out of, result from, or are in any way connected with the release or spill of any legally designated hazardous material or waste as a result of the Work performed under this Agreement are expressly within the scope of this indemnity, and that the costs, expenses, and legal liability for environmental investigations, monitoring, containment, abatement, removal, repair, cleanup, restoration, remedial Work, penalties, and fines arising from the violation of any local, state, or federal law or regulation, attorney's fees, disbursements, and other response costs are expressly within the scope of this indemnity.

Applicant shall, on PG&E's request, defend any action, claim or suit asserting a claim covered by this indemnity. Applicant shall pay all costs that may be incurred by PG&E in enforcing this indemnity, including reasonable attorney's fees.

WITHHOLDING: In addition to any other right to withhold, PG&E may withhold from payments due Applicant hereunder such amounts as, in PG&E's opinion, are reasonably necessary to provide security against all loss, damage, expense, and liability covered by the foregoing indemnification provision.

22. Assignment of Contract.

Applicant may assign this Agreement, in whole or in part, only if PG&E consents in writing and the party to whom the Agreement is assigned (Assignee) agrees in writing, to perform the obligations of Applicant hereunder. Such assignment shall be made using PG&E's Assignment Agreement and shall be notarized. Assignment of this Agreement shall not release Applicant from any of the obligations under this Agreement unless otherwise provided therein, shall be deemed to include Applicant's right to any refunds then unpaid or which may thereafter become payable.

23. Joint and Several Liability.

Where two or more individuals or entities are joint applicants under this Agreement, PG&E shall direct all communications, charges and refunds to Applicant designated below, but all applicants shall be jointly and severally liable to comply with all terms and conditions herein.

24. Warranty.

As specified in PG&E's General Terms and Conditions, Applicant shall warrant that all materials and workmanship performed or otherwise provided by Applicant shall be free of all defects and fit for its intended purposes. The warranty begins with the date the facilities are energized or pressurized by

PG&E and extends past the date of final acceptance of the Distribution System by PG&E for: (a) one year covering equipment furnished and installed by Applicant or the approved contractor, and (b) two years plus, covering the trenching and backfilling. In the event Applicant's work or materials provided under this Agreement fails to conform to the warranty or are damaged as a result of any actions by a third party, Applicant shall reimburse PG&E its costs for the total cost of repair and/or replacement as deemed necessary by PG&E. Such reimbursements shall be non-refundable.

25. Effective Date and Term.

This Agreement shall be binding when (a) the Agreement is signed by Applicant and delivered together with payment required to PG&E within ninety (90) days of issuance, and (b) the Agreement is accepted and executed by PG&E. If Applicant is a corporation, partnership, joint venture or a group of individuals, the subscriber hereto represents that he or she has the authority to bind said corporation, partners, joint venture or individuals as the case may be.

The term of this Agreement shall commence on the date PG&E's facilities are first ready to supply and serve, as shown in PG&E's records, and shall then continue in force for a period of ten years, subject to the termination provision of this Agreement

26. Commission Jurisdiction.

This Agreement shall be subject to all of PG&E's applicable tariff schedules on file with and authorized by the Commission and shall at all times be subject to such changes or modifications as the Commission may direct from time to time in the exercise of its jurisdiction. These may include, but are not limited to changes or modifications to Monthly Cost-of-Ownership Charges (higher or lower percentage rates), extension rules, rate schedules, allowances and refund amounts.

PACIFIC GAS AND ELECTRIC COMPANY
GENERAL TERMS AND CONDITIONS
FOR GAS AND ELECTRIC EXTENSION
AND SERVICE CONSTRUCTION BY APPLICANT
FORM NO. 79-716 (REVISED 7/04)
(ATTACHED) (T)

REFERENCES:

SUBMITTED TO APPLICANT BY:

GENERAL TERMS AND CONDITIONS FOR GAS AND ELECTRIC EXTENSION AND SERVICE CONSTRUCTION BY APPLICANT

Form 79-716
Tariffs and Compliance
Advice 2458-G-A/2379-E-A
Effective: July 2004

GENERAL TERMS AND CONDITIONS
TABLE OF CONTENTS

PAGE

A. *APPLICABILITY* 3

B. *DEFINITIONS* 3

C. *RESPONSIBILITIES* 5

1. *PROJECT INITIATION AND ENGINEERING* 5

2. *MATERIALS* 6

3. *PAYMENTS* 8

4. *PERMITS, LICENSES* AND *SPECIAL INSPECTION* 8

5. *CONSTRUCTION* 9

6. *CHANGES AND EXTRA WORK* 11

7. *INSPECTION* 11

8. *DOCUMENTATION AND AS-BUILT DRAWINGS* 12

9. *FINAL ACCEPTANCE AND CONVEYANCE* 13

10. *PARTIAL USE OF FACILITIES* 13

D. *CONTRACTORS AND SUBCONTRACTORS* 14

E. *INSURANCE* 14

F. *INDEMNITY AND WITHHOLDING* 15

G. *GUARANTEES AND EQUIPMENT WARRANTY* 15

H. *INTERPRETATION OF THE AGREEMENT* 16

I. *CONFLICTS* 16

J. *CLAIMS SETTLEMENT, DISPUTES* 17

K. *LEGAL REQUIREMENTS* 17

L. *RIGHTS OF PG&E* 18

M. *RIGHT TO SUSPEND WORK* 18

N. *COMPLIANCE WITH LAWS AND REGULATIONS* 19

O. *FEDERAL EQUAL OPPORTUNITY LAWS* 19

GENERAL TERMS AND CONDITIONS
FOR GAS AND ELECTRIC EXTENSION AND SERVICE
CONSTRUCTION BY APPLICANT

A. APPLICABILITY

These general terms and conditions apply where the Applicant proposes to install new gas or electric facilities for new business utility service under the provisions of the Gas and Electric Rules as filed with the California Public Utilities Commission.

The attached specific terms and conditions and applicable Drawings shall supplement these general terms and conditions. The Applicant shall ensure that their selected Contractors and Subcontractors conform to all PG&E requirements as stated in the applicable rules, these general terms and conditions, the supplemental specific terms and conditions and all applicable Drawings.

B. DEFINITIONS

The following words and their definitions are provided for uniformity and clarity between PG&E, the Applicant and the Applicant's Contractor or Subcontractors.

1. Agreement: This term includes, but is not limited to, the project specific Agreement, these general terms and conditions, specific conditions, standard Drawings, construction Drawings, appendices and any associated bonds, together with any other written documentation between PG&E and the Applicant (including CPUC authorized tariffs specifically incorporated therein by direct reference or otherwise).

2. Applicant: The developer or party entering into an Agreement with PG&E for the installation of gas or electric facilities.

3. Applicant's Statement of Costs: Form # 79-1003. A statement of Applicant's anticipated refundable costs supplied by the Applicant and verified under penalty of perjury by Applicant. These costs shall be used by PG&E as the exclusive determinant of Applicant's refundable costs to determine the lower of PG&E's or Applicant's costs, which will be subject to the allowances and refund provisions of Gas and Electric Rules 15 & 16

4. As-Built: A required Drawing by Applicant clearly showing all installed facilities prepared upon completion of project. This may include, but is not limited to the distribution and service facilities installed.

5. Authorization Joint Trench Construction (Form B): A billing breakdown prepared at the Applicant's expense by either the Applicant or PG&E in conjunction with the Composite Drawings for the various trench occupants by footage. See Exhibit I for sample Form B.

6. Change Order: Authorization to add, delete or change Work. PG&E's Change Order form provides a description of additional Work and authorization to perform or delete such Work as agreed to by Applicant and PG&E. See Exhibit III for sample Change Order.

7. Composite: A Drawing prepared at Applicant's expense by either the Applicant or PG&E (if PG&E agrees and labor is available). This Drawing delineates by measurement, the trench route and location from adjacent property lines or fixed objects, the size for each trench section (width, depth and length), the location and size of all substructures and the various cross-sectional Trench Configurations, showing size and number of buried facilities for each trench occupant.

8. Contractor: The Applicant's agent who enters into a contractual agreement with the Applicant for the installation of the specified gas or electric facilities. All obligations of the Applicant as specified in this Agreement shall also apply to the Contractor.

9. Distribution Trench: A trench to be utilized for distribution and feeder facilities that is intended to serve more than one building, customer or parcel. Such a trench may also contain gas service pipes and conduits or conductors for serving a single customer or street lights. The term distribution trench shall also include those trenches designated by the telephone utility as "Common Service Connection Trenches." A distribution trench will normally be located in a (a) private utility right-of-way and easement, (b) dedicated public utility easement or (c) other thoroughfare under permit which will be superseded by the utility franchise right.

10. Drawings:

Standard Drawings

Drawings prepared by PG&E depicting PG&E requirements for design, construction, operation and maintenance of its operating facilities.

- PG&E electric standard Drawings
- PG&E gas standard Drawings
- PG&E electric design standard Drawings

Construction Drawings

A Drawing(s) depicting the site-specific requirements for a defined utility extension and service project.

- Composite Drawing
- Gas and electric site construction Drawings(s) that provide a layout of proposed Work in sufficient detail to allow the Applicant to plan and perform the Work.
- Gas Service Orders

11. Intent: Notice of Intention to Construct Underground Facilities (Form A): The Intent shall notify and advise other agencies that trench Work is proposed in a particular area, and provides an invitation to other potential occupants to share the benefits and costs of joint trench construction. See Exhibit II for sample Form A.

12. Land Rights: Any legal right of a person, corporation (utility) etc., to use another's land. Such Land Rights will usually be in the form of a: (a) private right-of-way and easement; (b) dedicated public utility easement; (c) franchise rights; or, (d) permit (license) and lease agreement.

13. Material Suppliers: Those vendors, suppliers and manufacturers who have been qualified by PG&E to supply material according to PG&E specifications.

14. PG&E: Pacific Gas & Electric Company acting through its authorized representative(s).

15. Permit: A written Agreement or license for Work, granted by the agency having authority.

16. Service Trench: A trench which extends from a distribution trench to an Applicant's building or service termination point. Such a trench may be designated as a "Separate Service Connection Trench" by telephone.

17. Subcontractor: The party or parties or another entering into a contractual agreement with the Applicant's Contractor or another Subcontractor for the installation of a portion of the specified gas or electric facilities. The obligations, where set forth in this Agreement, shall also apply to Subcontractors regardless of level or tier.

18. Superintendent: Applicant's field representative to whom PG&E and the Applicant make known decisions, instructions and interpretations. Notices given the Superintendent shall be deemed notices given to the Applicant.

19. Trench Configuration: The cross-sectional trench design specified to provide trench occupants with facility clearance and cover requirements.

20. Trench Layout: Preliminary design showing joint trench route submitted with an Intent.

21. Utilities: Agencies, public or private, which install, own, and operate utility facilities intended for general public, municipal or private use.

22. Work: All labor, materials, equipment and any other job requirements related to the attached specification and Drawings.

C. *RESPONSIBILITIES*

1. PROJECT INITIATION AND ENGINEERING	APPLICANT	PG&E
a. Applicant will submit gas and electric loads, plans and Drawings, Statement of Costs - Form # 79-1003, and other information as required by PG&E.	♦	
	♦	
b.. PG&E shall furnish to the Applicant, in a timely manner, the following (where applicable); 1. For underground facilities, separate preliminary gas and electric engineering sketches indicating the trench design and the approximate routing of facilities. These sketches are for design purposes only and are not intended to be used for construction. 2. For overhead facilities, site Construction Drawing(s) and specifications for the Work. The site Construction Drawings will augment the standard Drawings and specifications contained herein and are to be part of this Agreement.		♦
c. For underground facilities, the Applicant shall contact all other potential trench occupants (telephone, cable TV, and etc.) with an Intent (Form A), to use the proposed joint utility trench.[1] The Intent shall include, but is not limited to, a sketch and trench/excavation cost breakdown. Cost breakdowns shall be as required on the attached Form B	♦	
d. For overhead facilities, PG&E shall contact other Utilities for Intent to use the proposed overhead facilities.		♦
e. For underground facilities, the Applicant shall provide PG&E a Composite Drawing delineating the cross-sectional facility configuration of all trench occupants and the intended size of their facilities.[2]	♦	
1. PROJECT INITIATION AND ENGINEERING (Continued)	**APPLICANT**	**PG&E**
h. PG&E will review Applicant's Composite Drawings. Approval will be granted if the Composite Drawings meet all the necessary requirements.		♦
i. Upon receipt of the Applicant's approved Composite Drawings, PG&E shall prepare any site Construction Drawing(s) and specifications for the Work. The site Construction Drawings will augment the Standard Drawings and specifications contained herein and are to be part of this Agreement.		♦

[1] At Applicant's request and non-refundable expense, if PG&E has available estimating labor, PG&E may agree to prepare the Composite Drawing, coordinate the Intent process with other potential trench occupants and provide estimated trench/excavation cost breakdowns.

j. If the Applicant elects to perform the gas service installation, it shall be PG&E's responsibility to provide "gas service orders" to the Applicant. The service orders must be returned to PG&E with As-Built correction prior to acceptance and pressurization of the gas services.		♦

2. [2] MATERIALS	APPLICANT	PG&E
a. The Applicant shall determine the material requirements from the approved Drawings. Quantities for individual assemblies (e.g., pole structures, gas meter risers, and etc.) shall be determined from the applicable standard Drawings. The Applicant is responsible for the determination of accurate distance requirements resulting from terrain variations, electric cable slack requirements, gas line, cable termination requirements, and etc. PG&E assumes no responsibility for the stated distance quantities and will not honor claims arising from a difference between these quantities and what is required for the Work.	♦	
b. At Applicant's request and at PG&E's option, PG&E will provide a Material Summary sheet identifying the materials and quantities for the project. The material summary is intended to include most major materials and some minor materials for the job. The summary is furnished solely as a convenience for compiling a list of anticipated construction materials and does not necessarily include all materials which may ultimately be necessary for your job. Material codes, if identified, are PG&E's company assemblies that may be available from approved vendors only as individual components. **It is emphasized that applicants bear the ultimate responsibility to ensure that all materials necessary to construct their project are ordered using the APPROVED construction Drawing(s) and engineering standards furnished by PG&E.**		♦
c. PG&E shall provide the Applicant a list of approved Material Suppliers for the Applicant's procurement of material.		♦
d. The Applicant shall only solicit material bids from the list of approved Material Suppliers. Materials acquired from vendors who are not on the approved supplier list will not be accepted.	♦	

[2] Specific items of purchase may require in-plant inspections by PG&E prior to shipment to a job site. Any item designated within PG&E's specifications by brand name shall be as designated. Requests by the Applicant for an "approved equivalent" for such items shall be granted in writing by PG&E only if PG&E has determined that the specified material is not available. In any case, the decision of PG&E will be final. PG&E will not honor any claim arising from approvals or rejections of requests for "approved equivalent" items. Furnishing or installing, or both, of such an item shall be in accordance with the manufacturer's recommendations and specifications except as they may be modified by PG&E standards and specifications.

2. MATERIALS (Continued)	APPLICANT	PG&E
e. The Applicant shall be responsible for: (1) procurement of all materials in accordance with PG&E requirements from PG&E-approved Material Suppliers (2) material storage and security (3) disposal of excess materials (4) immediate removal from the job site of materials rejected by PG&E.	♦	
f. Prior to the installation of materials, the Applicant shall provide PG&E with supplier's certifications that all permanent materials to be used in the Work comply with the applicable PG&E specifications and Drawings. All material shall be new and in first class condition and shall comply with the requirements of this Agreement. If Applicant fails to provide materials in compliance with the specification and Drawings, PG&E reserves the right to reject the material. Any materials that are defective or in the opinion of PG&E show signs of deterioration shall be immediately removed from the job site and replaced by the Applicant.	♦	
g. The Applicant is responsible for furnishing all materials[3] and tools[4] for the Work. Storage and handling of all material shall be in accordance with the applicable PG&E standards or manufacturer recommendations. Storage areas shall be designated and access to these areas shall be limited to minimize damage to material. Some materials may require protected storage facilities to minimize deterioration from sunlight and weathering. Applicant shall ensure that material storage is in accordance with the above requirements. Furnishing protective storage facilities shall be the responsibility of the Applicant.	♦	
h. The Applicant shall ensure PG&E access to all material storage areas or facilities.	♦	

[3]PG&E will normally not sell materials to Applicants who chose to use their own Contractor. On rare occasions when a critical project will be delayed, PG&E may, at its option, sell material from PG&E stock to the Applicant (not to the Contractor) if **ALL** of the following criteria are met;

(1) the Applicant has demonstrated that they have placed timely and proper material orders and they cannot obtain the material on time.

(2) delayed delivery of the specific material will delay establishing service to PG&E customers;

(3) the materials in PG&E stock are not dedicated nor needed for other projects or Work;

(4) all payments including the appropriate taxes, overheads and any cost associated with the sale are collected up-front;

(5) if PG&E trades materials with the Applicant, all PG&E costs associated with the trade are collected in advance of construction.

All sales are final. Return of sold material is not permitted.

[4] Under no circumstance shall PG&E loan tools.

3. PAYMENTS	APPLICANT	PG&E
a. Applicant shall compensate PG&E for the cost of (1) Agreement and document preparation (2) Surveys (3) Land rights, preparation of land right documents, and associated permits acquired by PG&E. (4) Engineering and design specification documents including but not limited to site specific drawings, material specifications, and construction specifications documents (5) Construction and material inspections (6) PG&E administrative charges associated with the Work (7) Specific or special contractual requirements (E.g. Special facilities installations or engineering work to permit the Applicant to solicit competitive bids for the installation of the proposed gas, electric underground and electric overhead facilities. (8) PG&E's labor and material costs necessary to complete the installation. These costs shall be paid by the Applicant prior to construction. The refundable costs for Applicant installed work that is PG&E's responsibility will be based on the lower of the Applicant's anticipated refundable costs or PG&E's estimated refundable costs. All other refundable and non-refundable costs will be based on PG&E's estimated costs. .	♦	
b. PG&E refund and reimbursement payments for Work performed by the Applicant and accepted by PG&E are subject to the applicable extension and service rule allowances. Payments will be based on the lower of the Applicant's refundable costs or PG&E's estimated costs. PG&E will not refund or reimburse the Applicant for any special charges for non-standard activities performed or facilities installed.		♦

4. PERMITS, LICENSES AND SPECIAL INSPECTION	APPLICANT	PG&E
a. The Applicant is fully responsible for obtaining all necessary Permits and licenses for moving all construction equipment, tools, supplies, materials and people across railroads and highways, across public or private lands and along public and private roads. Applicant is responsible for obtaining such licenses and Permits as are necessary for it to operate and do business in any of the counties, towns, etc., in performance of the Work.	♦	
b. Applicant shall, without cost to PG&E, obtain all required Permits, serve notices, arrange for inspection and pay fees and deposits. Work shall comply with the applicable governmental rules, regulation and ordinances.	♦	
c. The Applicant shall be responsible for obtaining excavation Permits in accordance with Section 341 of Chapter 3.2, Group II, Title 8, California Administrative Code for "construction of trenches which are 5 feet deep or deeper and into which a person is required to descend."	♦	
d. Should special supervision or inspection of construction activities be required by any grantor or permittor, as a condition of the Permit or grant of occupation, Applicant shall be responsible to pay all costs of such supervision and inspection.	♦	

5. [5] CONSTRUCTION	APPLICANT	PG&E
a. The Applicant shall only solicit installation bids from qualified Contractor/ Subcontractors who shall: (1) Be licensed in California for the appropriate type of work (electrical, general, etc.) (2) Employ workers properly certified for specific skills, required (plastic fusion, welding, etc.). Electric workers shall be properly qualified (Qualified Electrical Worker, Qualified Person, etc.) as defined in State of California High Voltage Safety Orders (Title 8, Chapter 4, Subchapter 5, Group 2). (3) Comply with applicable laws (Equal Opportunity Regulations, OSHA, EPA, etc.). Further, an Applicant who intends to employ a Qualified Contractor/ Subcontractor should consider whether the Qualified Contractor/Subcontractor: (1) Is technically competent (2) Has access to proper equipment (3) Demonstrates financial responsibility commensurate with the scope of the contract. (4) Has adequate insurance coverage (Workers' Compensation and Employer Liability, Commercial General Liability, and Business Auto. (5) Is able to furnish surety bond for performance of the contract, if required.	♦	
b. Applicant and their Contractors and Subcontractors shall use only PG&E-approved construction Drawings for construction purposes. Construction from unauthorized or preliminary Drawings is not permitted. The Applicant shall assume full responsibility for errors, omissions or changes if the project is constructed from preliminary Drawings or from non-PG&E approved construction Drawings.	♦	
c. Applicant shall require the Superintendent to be in charge of the worksite, to supervise the Contractor and Subcontractor Work, to exercise control as may be require and to be available to PG&E at the time when Work is being performed.	♦	
d. Applicant shall prepare and update as necessary a construction schedule to specify the starting dates and duration of the trenching, installation, backfill and clean up Work anticipated for the new gas and electric facilities. The schedule for other occupants of a joint trench, if any, shall also be indicated.	♦	
e. The Applicant shall be responsible both for arrangement of a pre-construction meeting for all pole line or trench occupants and coordination of all field installation of other joint pole and joint trench occupant's facilities. The pre-construction meeting should be held a minimum of ten working days prior to commencement of Work.	♦	
f. Applicant is to coordinate the installation of other Utilities, e.g., telephone, cable TV, to minimize costs to each party.	♦	

[5] PG&E shall not honor any claims arising from the Applicant's required adherence to Work practices and safety precautions dictated by PG&E's established safety rules.

5. CONSTRUCTION (Continued)	APPLICANT	PG&E
g. The Applicant shall schedule the Work to avoid any standby of PG&E personnel. PG&E shall have the right to approve the schedule. If PG&E's Work becomes delayed after mobilization by PG&E, the Applicant shall be liable for the cost of such delays (e.g., "move on", "move off" or standby time).	♦	
h. On final walk-thru and before energization or pressurization, the Applicant shall tag the electrical distribution, electrical services and gas services with the letters "AIF" and the anticipated expiration date of the material warranty. Identification shall be by affixing an orange plastic tag to the electrical wire in each primary and secondary enclosure, to the wires in the electrical service panels and to the gas service risers.	♦	
i. Applicant shall plan and conduct the Work to safeguard persons and property from injury. Applicant shall direct the performance of the Work in compliance with reasonable Work practices and with applicable federal, state, and local laws, rules, and regulations, including but not limited to "Occupational Safety and Health Standards and Orders" promulgated by the US Secretary of Labor and the California Division of Occupational Safety and Health (Cal-OSHA). Work in areas adjacent to electrically energized facilities or operating natural gas facilities shall be performed in accordance with Cal-OSHA, established safety rules and as may be directed by PG&E. Before digging, Applicant shall contact, "Underground Service Alert" (USA), and abide by its rules and procedures. PG&E may require Applicant to observe reasonable safety precautions in addition to those in use or proposed by Applicant or other agencies. **Neither the giving of special instructions by PG&E nor the adherence thereto by Applicant shall relieve Applicant of the sole responsibility to maintain safe and efficient working conditions.**	♦	
j. PG&E shall perform all Work involving connecting the Applicant's installed utility system to PG&E's operating facilities.		♦
k. Applicant workmanship shall be of acceptable quality in every respect, plumb and true, and shall comply or exceed the requirements of the Specifications and Drawings. Workmanship shall be subject to inspection by PG&E. If workmanship does not comply with the Specifications and Drawings, PG&E reserves the right to not accept the Work or to suspend Work.	♦	

6. [6] CHANGES AND EXTRA WORK	APPLICANT	PG&E
a.. PG&E or the Applicant may require changes in the Work or in the provisions governing the Work. Increase in Work, decrease in Work or changes shall be performed only when authorized in writing by the Applicant and PG&E on PG&E's current filed and approved Change Order Form. No subsequent claim will be honored for intangible effects or time lost resulting from Work covered by a Change Order. Pricing shown in the Change Orders may be flat costs and shall include all indirect or intangible costs.	♦	♦
b. For a change in Work requested by PG&E, PG&E shall re-estimate the Work to determine the value of the incremental direct labor and material costs. This cost change will revise PG&E's prepared estimate used as the basis for payment (if any) to the Applicant in accordance with the extension and service allowances in the tariffs.		♦
c. PG&E and the Applicant shall mutually agree to the value of all incremental intangible costs associated with the implementation of this change in the Work. PG&E shall have the right to review, audit and approve all documentation that supports an Applicant's basis of determining intangible incremental costs. The Applicant will be fully reimbursed for the value of these agreed upon intangible costs in accordance with These General Terms and Conditions and as identified in the appropriate tariffs.	♦	♦
d. In the event the extra Work requires additional materials, PG&E has the right to furnish certain material items that PG&E determines are in its best interest to furnish. The material to be furnished will be documented on the Change Order Form.		♦
e. For a change in the Work requested by the Applicant and agreed to by PG&E on the Change Order Form, PG&E shall re-estimate the Work to determine the value of the incremental direct labor and material costs. This cost change will revise PG&E's refundable or non-refundable payments to or from the Applicant in accordance with these General Terms and Conditions and as identified in the appropriate tariffs. PG&E shall determine the value of additional engineering and specification preparation charges for changes in the Work. The Applicant shall be responsible for any increased costs.	♦	♦

7. INSPECTION	APPLICANT	PG&E
a. The Applicant agrees to a thorough and detailed inspection (100%) by PG&E of any activity undertaken by the Applicant in the performance of the obligations of this Agreement.	♦	
b. Applicant's contracts with Contractor(s) and Subcontractors will provide for PG&E's right to conduct the required inspections.	♦	
c. Applicant shall pay the cost of inspection, including PG&E administrative overheads and payroll additives, per diem, transportation, etc. in accordance with the provisions of Gas & Electric Rules 15 and 16.	♦	

[6] In the event the number of trench occupants changes from the number originally used to determine the costs, PG&E shall have the right to reallocate the costs in accordance with PG&E's established practices. Applicant may be billed for additional charges related to these changes. Failure or neglect of PG&E to condemn or reject inferior Work or material shall not be construed as acceptance of such Work or materials.

7. INSPECTION (Continued)	APPLICANT	PG&E
d. PG&E shall have free access to the Work at all times.		♦
e. PG&E has the right to make field and shop inspections and material tests. See material section for additional material inspection instructions.	♦	
f. The Applicant shall notify PG&E two working days in advance of commencing any related Work.	♦	
g. PG&E will assign a representative(s) to observe and approve all Work related to the attached specifications and Drawings. PG&E shall assign additional inspectors as it deems necessary to observe and approve specific items of Work that it deems to warrant additional inspection.		♦
h. PG&E may direct the Work in areas adjacent to electrically energized facilities or operating natural gas facilities as described in these General Terms and Conditions, Section 5f, Construction.		♦
i. Applicant agrees that no Work shall be performed unless PG&E is present or the Applicant has received prior written consent from PG&E to proceed.	♦	
j. The Applicant agrees that neither the making, nor the failure to make, inspections and tests nor the express or implied approval of the Work by PG&E shall relieve Applicant from the responsibility to complete and guarantee the Work as specified. Rejected Work shall be remedied at the Applicant's expense.	♦	
k. In the event that the Applicant fails to maintain the anticipated progress and the Work duration is extended beyond the original estimates, the Applicant will be liable for additional inspection and per diem costs. PG&E will not honor any claims arising from extended Work duration.	♦	

8. DOCUMENTATION AND AS-BUILT DRAWINGS	APPLICANT	PG&E
a. The Applicant shall provide documentation to warrant that the installed facilities meet or exceed the requirements of the Agreement and are installed in the proper location. In addition, the Applicant will provide two sets of separate gas and electric As-Built Drawings and marked up service orders (when applicable) marked in red and signed by Applicant prior to pressurization and energization.	♦	
b. The Applicant shall provide the following minimum gas As-Built Drawing requirements; (1) Corrected Construction Drawings marked in red and clearly showing all changes. (2) Marked up Drawings showing actual locations, footage's and dimensions of the installed distribution facilities. (3) Certified copies of PG&E's approved Qualification records for all welders/plastic joiners. (4) Testing documents including calibration documents for testing equipment.	♦	
c. Should the Applicant choose to perform the service completion Work PG&E will provide gas service orders of the facilities to be installed. It shall be the Applicant's responsibility to mark-up the service orders in red, so as to clearly identify all construction changes. These service orders must show actual locations, footage's and dimensions of the installed service facilities. The Applicant shall return all completed As-Built service orders to PG&E within ten (10) working days from completion of said service Work.	♦	♦

8. DOCUMENTATION AND AS-BUILT DRAWINGS (Continued)	APPLICANT	PG&E
d. The Applicant shall provide the following minimum electric As-Built Drawing requirements. The corrected Construction Drawings must be marked in red and clearly show changes. (1) Location, size, type and footage of installed conduit, cable and overhead conductor. (2) Location, size, type and dimensions of manholes, splice boxes and equipment enclosures (3) Location, size and type of poles and anchors (4) Location, type and manufacturer's nameplate data of equipment.	♦	
e. Applicant shall have all As-Built Drawings and marked up service orders verified and approved by PG&E prior to pressurization and energization.	♦	

9. [7] FINAL ACCEPTANCE AND CONVEYANCE	APPLICANT	PG&E
a. Upon satisfactory completion of the Work PG&E will pressurize or energize the distribution system making the distribution system operational. Pressurization or energization will serve as PG&E's final acceptance of the Work.		♦
b. Upon final acceptance, and upon PG&E's receipt of any required formal right-of-way(s), easements, leases and Permits, the Applicant shall convey to PG&E all rights, title and interest in and to all such Work and facilities in accordance with the terms and conditions of Agreement.	♦	
c. Guarantee and warranty periods shall commence on the date of final acceptance by PG&E.	♦	♦
d. Services not completed (tied-in) upon final acceptance of the distribution system shall not be accepted with the distribution system. These services shall be accepted on the date(s) the first meter is set on the service.	♦	♦
The risk of loss or damage to the Work and materials shall remain with Applicant, Contractor and Subcontractor, until the Work is completed and accepted by PG&E.	♦	

10. PARTIAL USE OF FACILITIES	APPLICANT	PG&E
a. To provide permanent service, the Applicant, with prior written authorization of PG&E, may convey to PG&E certain portions of the underground facilities which have been completed and installed hereunder. If PG&E elects to accept by conveyance of portions of these underground facilities, the following shall apply:	♦	♦
b. The Applicant shall ensure-that the utilization of such portions of the facilities will in no way delay completion of the entire system.	♦	
c. PG&E shall assume the responsibility for maintenance and operation of the portions of the facility conveyed.		♦
d. The conveyance of such sections shall in no way relieve the Applicant of liability due to use of defective materials or poor workmanship or damage by third parties.	♦	

[7] Failure or neglect of PG&E to condemn or reject inferior Work or material shall not be construed or imply an acceptance of such Work or materials.

10. PARTIAL USE OF FACILITIES (Continued)	APPLICANT	PG&E
e. Authorization by PG&E for the partial use of facilities shall only be granted for the convenience of PG&E.		♦
f. Applicant must complete enough of the permanent system to minimize future hot tie-ins and Work near energized or pressurized facilities. PG&E may require completion of system sections, as it deems acceptable.	♦	

D. CONTRACTORS AND SUBCONTRACTORS

1. Each Contractor and Subcontractor shall be covered by and comply with this Agreement and shall perform the Work for which it contracts in accordance therewith. A Contractor or Subcontractor shall be responsible to Applicant. However, PG&E will have the same privileges and rights with respect to the inspection of Work as are provided for under the contract documents governing the Work of Applicant.

2. A Contractor and Subcontractor shall provide insurance of the same type and limits as required of Applicant unless otherwise authorized in writing by PG&E. PG&E shall be indemnified by the Applicant against all actions, causes of action, claims and demands whatsoever, either in law or in equity arising from the acts or omissions of any Subcontractor within the same limits as those prescribed for Applicant.

3. No Contractor or Subcontractor, regardless of its approval by PG&E, shall bind or purport to bind PG&E.

E. INSURANCE

1. Applicant shall maintain the following insurance coverage.

   1.1 The Applicant is also responsible for its Contractor and Subcontractor maintaining sufficient limits of the same coverage. Documentation of same coverage by Contractor or Subcontractor shall be available from Applicant upon request.

2. **Worker's Compensation and Employers' Liability:** Worker's Compensation insurance or self insurance indicating compliance with any applicable labor codes, acts, laws, or statutes, whether Federal or State, where Applicant, Contractor and Subcontractor performs Work.

   2.1. Employers' Liability insurance shall not less than $ 1,000,000 for injury or death per accident.

3. **Commercial General Liability:** Coverage shall be at least as broad as the Insurance Services Office (ISO) Commercial General Liability Coverage "occurrence" form, with no coverage deletions.

   3.1 The limit shall not be less than $1,000,000 each occurrence for bodily injury, property damage and personal injury. If coverage is subject to a general aggregate limit, this aggregate limit shall be twice the occurrence limit.

   3.2. **Coverage shall:**
   a) be "Additional Insured" endorsement add, as insured PG&E, its directors, officers, agents and employees with respect to liability arising out of Work performed by or for the Contractor;
   b) be endorsed to specify that the Contractor's insurance is primary and that any insurance or self-insurance maintained by PG&E shall not contribute with it.

4. **Business Auto:** Coverage shall be at least as broad as the Insurance Services Office (ISO) Business Auto Coverage form covering Automobile Liability, code 1 "any auto."

   4.1. The limit shall not be less than $1,000,000 each accident for bodily injury and property damage.

5. **Additional Insurance Provisions:** Before commencing performance of Work, Applicant shall furnish PG&E with certificates of insurance and endorsements of all required insurance for Applicant.

5.1. The documentation shall state that coverage shall not be canceled except after thirty (30) days prior written notice has been given to PG&E.

5.2. The documentation must be signed by a person authorized by that insurer to bind coverage on its behalf and shall be submitted to:

Pacific Gas & Electric Company
Insurance Department - B24H
Post Office Box 770000
San Francisco, CA 94177

5.3. PG&E may inspect the original policies or require complete certified copies, at any time.

F. INDEMNITY AND WITHHOLDING

1. Applicant shall indemnify, defend and hold harmless PG&E, its officers, directors, agents, and employees, from and against all claims, demands, losses, damages, costs, expenses, and legal liability connected with or resulting from injury to or death of persons, including but not limited to employees of PG&E, Applicant, Contractor or Subcontractor; injury to property of PG&E, Applicant, Contractor, Subcontractor, or a third party, or to natural resources, or violation of any local, state or federal law or regulation, including but not limited to environmental laws or regulations, or strict liability imposed by any law or regulation; arising out of, related to, or in any way connected with Applicant performance of this Agreement, however caused, regardless of any strict liability or negligence of PG&E, whether active or passive, excepting only such claims, demands, losses, damages, costs, expenses, liability or violation of law or regulation as may be caused by the active negligence or willful misconduct of PG&E, its officers, agents, or employees.

2. Applicant acknowledges that any claims, demands, losses, damages, costs, expenses, and legal liability that arise out of, result from, or are in any way connected with the release or spill of any legally designated hazardous material or waste as a result of the Work performed under this Agreement are expressly within the scope of this indemnity, and that the costs, expenses, and legal liability for environmental investigations, monitoring, containment, abatement, removal, repair, cleanup, restoration, remedial Work, penalties, and fines arising from the violation of any local, state, or federal law or regulation, attorney's fees, disbursements, and other response costs are expressly within the scope of this indemnity.

3. Applicant shall, on PG&E's request, defend any action, claim or suit asserting a claim covered by this indemnity. Applicant shall pay all costs that may be incurred by PG&E in enforcing this indemnity, including reasonable attorney's fees.

G. GUARANTEES AND EQUIPMENT WARRANTY

1. **Guarantees**: In addition to the guarantees provided under this Agreement, or implied in fact or in law, Applicant shall leave the entire project in satisfactory working condition and shall be responsible for the repair or replacement at its expense of any part of the Work that develops defects due to faulty material, workmanship or within a period of one (1) year after the date of final acceptance by PG&E. Applicant shall, at its expense repair or replace other Work, equipment or property damaged as the result of the defects, or as a result of the repairing thereof, and hold PG&E harmless from PG&E repair expenses. The warranty period for a repaired or replaced part shall be one (1) year from the date of acceptance of the repaired or replaced part.

2. **Equipment Warranty (One (1) Year):** Applicant shall warrant that equipment furnished and installed by Applicant will be of the kind and quality described in this Agreement, free of defects in workmanship, and material, and unless otherwise specified, fit for its intended purpose. The warranty period for distribution and services accepted with the distribution system shall begin from the date the materials are accepted by PG&E and shall extend for one (1) year. The warranty period for all other services shall begin on the date the first meter is set and shall extend one (1) year. Should the equipment fail during that period, Applicant shall be liable for all cost associated with repair and replacement of the equipment in accordance with the guarantee above.

3. **Trench Guarantee (Two (2) Years Plus):** The Applicant shall also guarantee that all trench material and trench workmanship shall be satisfactory for a period of two (2) years or as specified in the permit, whichever is greater, from the date of final acceptance by PG&E. The guarantee period for services trenches not accepted with the final acceptance shall begin on the date the first meter is set and shall extend a minimum of two (2) years. During this guarantee period, the Applicant will be so notified should PG&E determine that defects in trench material or workmanship have developed.

   3.1. The Applicant shall pay the cost of the repair or replacement of any part of the Work hereunder which develops defects because of faulty material or workmanship on the part of the Applicant within the two (2) year period.

   3.2. Damage to any trench occupant's facilities or to third party property caused by operations of the Applicant shall be repaired or replaced by either the Applicant or PG&E at the Applicant's expense.

   3.3. Where PG&E determines that it is not practicable for the Applicant to make the necessary repairs (e.g. Energized or pressurized facilities). PG&E reserves the right to make repairs or replacements at the expense of the Applicant, preserving as far as possible the available evidence of the cause of failure, defect, or damage.

H. INTERPRETATION OF THE AGREEMENT

1. PG&E will decide upon the meaning and interpretation of the Agreement and this decision shall be binding to all parties to this Agreement.

2. It shall be the Applicant's responsibility to ensure that any proposal prepared or received by the Applicant is based on a full knowledge of all conditions that would affect the cost and conduct of the Work. The Applicant shall inform itself fully and convey to all potential Contractors the physical conditions at the Work site, including as applicable, subsurface geology, borrow pit conditions and spoil disposal areas; the availability, location and extent of construction and storage area and other facilities or structures above and below ground; necessary safety precautions and safeguards; dimensions not shown on the Drawings; the extent of established lines and levels; Work to be performed by PG&E or others; rules, regulations and requirements to be observed by the Applicant or its agents in the conduct of the Work.

I. CONFLICTS

1. Should any conflict exist between the General Terms and Conditions and the specific construction specifications, the terms of the General Conditions shall prevail. In the case of differences between the construction specifications and Drawings, the construction specifications shall prevail. In the case of differences between the Construction and Standard Drawings, the Applicant shall immediately so inform PG&E. PG&E shall determine which is the applicable Drawing or portion of a Drawing.

2. Should any conflict exist between the General Terms and Conditions and any applicable state or federal laws, rules, regulations, orders or codes, the state or federal laws, rules, regulations, orders or codes shall prevail. Varying degrees of stringency between the Drawings, specific construction specification, General Terms and Conditions and applicable state and federal laws. rules, regulation orders or codes are not to be deemed conflicts and the most stringent requirements shall control.

3. Applicant shall immediately report in writing to PG&E any discrepancies, errors, or inconsistencies in the Specifications, Drawings, Agreements or laws.

4. PG&E shall not honor any claim arising from the Applicant's resolution of conflicts not in accordance with these provisions.

J. CLAIMS SETTLEMENT, DISPUTES

1. It shall be Applicant's responsibility to inform PG&E, immediately following its occurrence or discovery, of any item or event which Applicant knows, or reasonably should know, that may result in a request for additional compensation under this Agreement. PG&E and Applicant shall endeavor to satisfactorily resolve the matter and should it not be disposed of to Applicant's satisfaction, Applicant shall, within 72 hours thereafter, deliver a written notice of claim to PG&E. Failure to so notify PG&E or failure to supply PG&E with information sufficient to evaluate Applicant's position, shall foreclose consideration of any Applicant's claim based on such item or event.

2. Upon receipt of the Applicant's notice of claim, PG&E will review it, taking into account all of the information submitted by the Applicant in substantiation of its claim, and will, within a period of thirty (30) days, prepare and furnish to the Applicant, a written determination and, if appropriate, an offer of settlement thereof.

3. If the Applicant rejects PG&E's determination, the Applicant may file a notice of appeal therefrom. Any such appeal shall be in writing, shall contain all specific and substantive reasons why the Applicant deems PG&E's written determination to be unsatisfactory, and shall be submitted as soon after receipt of PG&E's written determination as is practical, but in no event more than thirty (30) days thereafter.

4. In the event any dispute between PG&E and Applicant with respect to the interpretation or performance of this Agreement cannot be satisfactorily resolved, arbitration shall be resorted to, and the arbitration shall be conducted in San Francisco, California, by the American Arbitration Association before a single arbitrator in accordance with the rules of said association for the construction industry. In such proceedings, the parties shall have the right to utilize depositions as provided in Section 1283 and 1283.05 of California Code of Civil Procedure. The award of the sole arbitrator shall be conclusive and binding upon-the parties, subject to the provisions of the California Code of Civil Procedure relating to arbitration as the same now exists or as the same shall be amended during the term of this Agreement. In such award, the arbitrator shall include the fixing of the expense of the arbitration and the assessment of the same in the judgment of the arbitrator against either or both parties hereto. Each party shall bear its cost for legal fees, witnesses, depositions, etc.

K. LEGAL REQUIREMENTS

1. Applicant shall discharge at once, and hold PG&E harmless from any liens that may be filed in connection with the Work. PG&E may retain from payments due, sufficient funds to discharge delinquent accounts of Applicant for which liens on PG&E's property have been or can be filed, and PG&E may at any time pay therefrom, for Applicant's account, such amounts as are admittedly due thereon.

2. If required by PG&E, Applicant shall require the Contractor(s) or Subcontractor(s) to obtain, within 5 days of request, a payment and performance bond in the amount specified by PG&E up to 100% of the installation price in a form and with a surety acceptable to PG&E. PG&E will reimburse Applicant for the bond separately within 21 days of receipt from Applicant of the surety company's invoice.

3. Infringement Protection

3.1. **Royalties:** Royalties or other charges for patents for designs, machinery, equipment or materials furnished by Applicant for the Work, or for processes or arts employed by Applicant in performing the Work, shall not be included in the basis for cost reimbursement.

3. 2. **Indemnity:** Applicant shall indemnify PG&E, its officers, agents and employees against loss, damage, expense and liability arising out of the infringement or alleged infringement of patents. Applicant shall defend at its expense suits for infringement or alleged infringement which may be instituted against PG&E. If PG&E's use of the aforementioned items is determined to constitute infringement, Applicant shall, at its expense, either procure for PG&E the right to continue its use; replace the infringing item with non-infringing item satisfactory to PG&E; modify the item so it becomes non-infringing; or remove the item. PG&E will not honor any claims arising from the Applicant's indemnification of PG&E per this Agreement provision.

L. RIGHTS OF PG&E

The Applicant shall provide PG&E, as part of the Applicant's Contract with the Contractor(s), the necessary rights to enforce the applicable portion of these General Terms and Conditions and construction specifications. PG&E shall have the right to inspect and approve any aspect of the Work relating to the procurement and installation of gas and electric facilities which will become part of PG&E's operating system. The Applicant shall honor and enforce any reasonable request made by PG&E.

M. RIGHT TO SUSPEND WORK

1. In the event of the failure of the Applicant to carry on any part of the Work covered by this Agreement in an efficient, workmanlike, skillful and careful manner to the satisfaction of PG&E or in the event of the failure of the Applicant to comply with any of the requirements of the Agreement, PG&E may give written notice to Applicant stating the respect, or respects, in which the Applicant is failing to comply with the terms of the Agreement.

2. If Applicant does not remedy such failure within seven calendar days after such notice is given, PG&E may, at its option and regardless of the state of completion of the Work, require the Applicant to terminate the Work. In such event, the Applicant may award all the remaining Work to another Contractor(s), or the Applicant may proceed with any part of the Work and award the remaining Work to another Contractor. In such event, Applicant shall deed to PG&E, and PG&E shall accept, only that portion of the Work completed by Applicant of a quality satisfactory to PG&E. The Applicant shall be liable for any costs to PG&E arising from this termination of the Work by the Applicant at PG&E's request.

3. If (1) the Applicant seeks relief under applicable law for the benefits of any insolvent or is adjudged bankrupt or (2) a legal action is commenced against the Applicant which in PG&E's opinion, may interfere with the completion of the Work, PG&E may require the Applicant to suspend the Work in progress. Applicant shall be liable for additional costs to PG&E arising from termination.

4. If, (1) the Contractor seeks relief under applicable law for the benefit of an insolvent or is adjudged bankrupt, or (2) legal action is commenced against the Contractor which in PG&E's opinion may interfere with the completion of the Work, the Applicant will honor the demand of PG&E to terminate the contract between the Applicant and Contractor. If the contract between the Applicant and Contractor is terminated, the Contractor shall vacate the Work site. Termination: Applicant shall be liable for additional costs to PG&E arising from termination.

5. Labor Dispute: In the event of a labor dispute or strike by Applicant's, Contractor's, or Subcontractors' employees which threatens the progress of Work, or PG&E's labor relations, or which disrupts PG&E's operations, or results in a secondary boycott at PG&E's facilities, PG&E reserves the right to suspend or discontinue the Work of the

Applicant, Contractor or any Subcontractor for cause. This paragraph shall be applicable whether or not any Applicant, Contractor or Subcontractor is directly involved in a labor dispute.

N. COMPLIANCE WITH LAWS AND REGULATIONS

1. During the performance of the Work, Applicant, Contractor and its Subcontractors, agents and employees shall fully comply with all applicable state and federal laws and with any and all applicable bylaws, rules, regulations and orders made or promulgated by any government, government agency or department, municipality, board, commission or other regulatory body; and shall provide all certificates for compliance therewith as may be required by such applicable laws, bylaws, rules, regulations, orders, stipulations or plans.

2. Applicant shall assume full responsibility for the payment of all contributions and payroll taxes, whether Federal, state, municipal or otherwise as to its employees, servants or agents engaged in the performance of the Work. Applicant shall be responsible to pay all taxes applicable to its operations as imposed by any governing authority.

3. Applicant shall require any Contractor or Subcontractor to whom any portion of the Work to be performed hereunder may be contracted to comply with provisions of this paragraph, and agrees to save and hold PG&E harmless from any and all penalties, actions, causes of action, damages, claims and demands whatsoever arising out of or occasioned by failure of Applicant and Contractor or a Subcontractor to make full and proper compliance with said bylaws, rules, regulations, laws, orders, stipulations or plans.

4. This Agreement shall be deemed to be a contract made under laws of the State of California and for all purposes shall be construed in accordance with the laws of said state.

O. FEDERAL EQUAL OPPORTUNITY LAWS

Federal Regulations: During the performance of this Agreement and to the extent that Federal Equal Opportunity regulations may be applicable to this Agreement, the Applicant agrees to comply with all provisions of those orders and regulations included by summary or reference in the following:

1. **Equal Employment Opportunity:** Executive Order No. 11246, 3 CFR 339 (1065 (Contracts exceeding $10,000) Provides that Applicant will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin and further that Applicant shall take affirmative action to ensure that Applicant and employee are treated without regard to their race, color, religion, sex or national origin.

2. **Certification of Non-segregated Facilities:** 41 CFR 60-1.8: (Contracts exceeding $10,000) Applicant will not maintain or provide segregated facilities for its employees and will not permit its employees to perform their services at any location, under its control, where segregated facilities are maintained.

3. **Listing Employment Openings:** Executive Order 11701: (Contracts of $2,500 or more) Applicant will list employment openings with the Employment Development Department in accordance with the Veteran's Employment and Readjustment Act of 1972 and Executive Order 11701. The contract clause, set forth at 41 CFR 50-250.2, is incorporated herein by reference.

4. **Employment of the Handicapped:** Rehabilitation Act of 1973: 41 CFR 60-741.4: (Contracts exceeding $2,500) The affirmative action clause and the regulations contained in Part 41 CFR 60 - 741.4 are incorporated herein by reference.

5. **Utilization of Minority Enterprises**: Executive Order 11625: (Contracts exceeding $5,000) it is the Policy of the Government that Minority Business Enterprises shall have the maximum practicable opportunity to participate in the performance of Government contracts. The Applicant agrees to use its best efforts to carry out this policy in the award of its subcontracts to the fullest extent consistent with the efficient performance of this Agreement.

6. **Filing EEO-1 Forms and Preparing Affirmative Action Plans, Executive Order 11246 (Contracts of $50,000 or more):** If the value of this Agreement is $50,000 or more and the Contractor has 50 or more employees, the Applicant agrees to file appropriate EEO-1 forms in accordance with existing regulations and maintain a current written affirmative action compliance program at each establishment at which Applicant has 50 or more employees.

7. **Vietnam Era Veterans Readjustment Assistance:** Act of 1974, Title 41, Chapter 60, Part 250 (Contracts of $10,000 or more): The affirmative action clause and the regulations pertaining to the employment of disabled veterans and veterans of the Vietnam Era are incorporated herein by reference.

8. **Americans with Disabilities Act:** Applicant agrees that, to the extent it may be applicable to this Agreement, Applicant shall comply with the Americans with Disabilities Act (42 U.S.C., Section 1201, et seq.) and with the regulations promulgated pursuant thereto.

PACIFIC GAS AND ELECTRIC COMPANY (N)
APPLICANT'S COST VERIFICATION FORM— |
STATEMENT OF COSTS FOR APPLICANT |
INSTALLATION OF PG&E'S DISTRIBUTION |
AND SERVICE FACILITIES |
FORM NO. 79-1003 (7/04) |
(ATTACHED) (N)

APPLICANT'S STATEMENT OF COSTS FOR APPLICANT INSTALLATION OF PG&E'S DISTRIBUTION AND SERVICE FACILITIES

Project Name: _____

Project Location: _____

Notification Number: _____

PM Number(s): (Gas) _____ **(Electric)** _____

APPLICANT COSTS

The following statement must only include the contracted anticipated installed costs of facilities installed by the Applicant that are refundable and that are PG&E's responsibility under its tariffs.

The costs provided by the Applicant must be taken from the Applicant's contract with its contractor. If the Applicant will be performing the work itself, it must provide a statement of its expected costs.

The Applicant's statement of costs will be compared with PG&E's estimated installed costs of the same facilities, the lower of which will be used to determine the amount subject to allowances and refunds in accordance with the provisions of PG&E's Gas and Electric Rules 15 and 16.

If the Applicant chooses not to provide its costs, it must complete the last section of this form. Until the Applicant either provides the refundable cost from its contract with its contractor (or its own cost, if applicable), or returns this form indicating that it will not do so, PG&E will not proceed with any work on the Applicant's project.

GAS	ELECTRIC
Residential Service Facilities: $ _____	**Residential Service Facilities: $** _____

Number of gas services: _____ **stubs:** _____ **Number of electric services:** _____

- Applicant's statement of costs include: overhead or underground service conductors, poles, service transformers, connection fittings, service pipe, valves, service connections, and other PG&E-owned service related equipment, as detailed in Gas and Electric Rule 16.
- Applicant's statement of costs DOES NOT include: inspection fees, nonresidential service related costs, regulators, or PG&E-owned metering equipment.

APPLICANT'S STATEMENT OF COSTS FOR APPLICANT INSTALLATION OF PG&E'S DISTRIBUTION AND SERVICE FACILITIES

Distribution Facilities: $ _____ **Distribution Facilities: $** _____

- Applicant's statement of costs include: cables, switches, transformers, distribution main, valves, regulators, gas trenching, nonresidential service related costs, and other distribution facilities required to complete the distribution line extension, as detailed in Gas and Electric Rule 15 as PG&E's responsibility.
- Applicant's statement of costs DOES NOT include: inspection fees, tie-in of system by PG&E, distribution substructures, electric trench, conduits, feeder conduits, or protective structures, as detailed in Gas and Electric Rule 15.

GAS	ELECTRIC
Total: $ _____	**Total: $** _____

I declare under penalty of perjury that the foregoing is true and correct.

Executed on _____ at _____, California.
(Date) (City)

By:

Print Applicant Name: _____

Signed: _____

Title: _____

APPLICANT'S ELECTION NOT TO PROVIDE COSTS:

I choose not to provide to the utility my refundable costs for this project as taken from my contract with my contractor, or as performed by myself, and acknowledge that PG&E will use its estimate of the refundable costs for this project in the contract between it and me.

Executed on _____ at _____, California
(Date) (City)

By:
Print Applicant Name: _____
Signed: _____
Title: _____

PACIFIC GAS AND ELECTRIC COMPANY (N)
DISTRIBUTION AND SERVICE EXTENSION AGREEMENT |
EXHIBIT A COST SUMMARY |
FORM NO. 79-1004 (7/04) |
(ATTACHED) (N)

Pacific Gas and Electric Company
DISTRIBUTION AND SERVICE EXTENSION AGREEMENT
EXHIBIT A - COST SUMMARY

REFERENCES:
E-PM # _____
G-PM # _____
Notification # _____
MLX # _____

Applicant: _____

Project Location/Name: _____

SUMMARY OF PAYMENTS

The total cash payment you need to make depends upon your selection of the 10 Year Refundable Advance Option or the Non-Refundable Discount Option for your gas and/or electric extension under Rule 15. Since you may elect one option for the gas extension and a different option for the electric extension, several different cash payments are available. Each payment option is summarized below. These payments include all billing under this Agreement including payments subject to refund, and non-refundable payments. To determine what is refundable or non-refundable, or to see full detailed billing information, please see the attached cost summaries. Even if you have no payment due for your gas and/or electric extension (Rule 15), you must still elect the 10 Year Refundable or Non-Refundable Discount Option for each extension on the second page of the Declarations.

10 Year Refundable Advance Option - Gas & Electric [1] $ _____ - [2]

-- OR --

Non-Refundable Discount Option - Gas & Electric[1] $ _____ - [3]

-- OR --

10 Year Refundable Advance Option - Gas / [1]
Non-Refundable Discount Option - Electric $ _____ - [2]

-- OR --

10 Year Refundable Advance Option - Electric / [1]
Non-Refundable Discount Option - Gas $ _____ - [2]

[1] Amounts shown do not include reimbursements for facilities that are normally the responsibility of PG&E per our tariffs. See the Reimbursement Summary for a total of all Reimbursements to be paid upon acceptance of facilities.

[2] The payment amount shown on this line includes both refundable payments under Rule 15 for the gas and/or electric extension, plus other non-refundable payments. The total payment is not subject to refund. Please see the attached detailed Cost Summaries to determine the portion of this payment that may be subject to refund.

[3] The payment amount shown on this line includes only non-refundable payments under Rule 15 for the gas and/or electric extension, plus other non-refundable payments. None of the payment shown is subject to refund.

Pacific Gas and Electric Company
DISTRIBUTION AND SERVICE EXTENSION AGREEMENT
EXHIBIT A - COST SUMMARY
OPTION # #

REFERENCES:
E-PM # _____
G-PM # _____
Notification # _____
MLX # _____

Applicant: _____

Project Location/Name: _____

GAS DISTRIBUTION AND SERVICE EXTENSION COST SUMMARY

Cost of Ownership charges as described in the rules and in the Unsupported Extension Cost section of the Provisions of this Agreement: **N/A**

Total number of residential lots/units for this project: _____
Total number of non-residential lots/units for this project: _____

Calculations to determine excess residential service allowance to be applied to distribution refundable amount on a per lot/unit basis:

Estimated Cost of Services:

Engineering & Administrative Costs		$ -
Value of Applicant Design Work	(+)	$ -
Service Tie-In Cost (pressurized) by PG&E	(+)	$ -
Gas Metering & Regulation	(+)	$ -
Other Charges: N/A	(+)	$ -
Inspection by PG&E	(+)	$ -
Service Cost - PG&E # Services	(+)	$ -
Service Cost - Applicant # Services	(+)	$ -
Total Estimated Cost of Service Subject to Allowance	(=)	$ -

Cost of Service Within Allowance:

Residential Service Allowance

Water Heaters:	$ 310.00	x	0	units		$ -
Space Heaters:	$ 323.00	x	0	units	(+)	$ -
Oven/Range:	$ 69.00	x	0	units	(+)	$ -
Dryer Stub:	$ 60.00	x	0	units	(+)	$ -
Total Residential Service Allowance					(=)	$ - (1)
Excess Service Cost (Total Cost less Allowance)					(=)	$ -
Estimated Service Cost Within Allowance (Total less Excess)					(=)	$ -

Average Cost per Lot or Unit Within Allowance

$ - / 0 = $ -

Excess Service Allowance Applied to Distribution Refundable Amount per Lot or Unit:

$ - (Allowance) - $ - (Ave. Cost / Unit) = $ - **

Allowances

Residential:	$ 310.00	x	0	=		$ -
	Water Heater Allowance		Units/Meters			
	$ 323.00	x	0	=		$ -
	Space Heater Allowance		Units/Meters			
	$ 69.00	x	0	=		$ -
	Oven/Range Allowance		Units/Meters			
	$ 60.00	x	0	=		$ -
	Dryer Stub Allowance		Units/Meters			
SUB TOTAL Residential Allowances				=		$ -
plus ITCC @ XX%					(+)	$ -
TOTAL Residential Allowance					(=)	$ -
Non-Residential:	N/A	/	0.1812	=		$ -
	Net Annual Revenue		Cost-of-Service-Factor			
plus ITCC @ XX%					(+)	$ -
TOTAL Non-Residential Allowances					(=)	$ -
less Residential Service Allowance:						
(0	x $ -) +	XX%	=		(-)	$ -
Lots/Units	Ave. Cost / Unit	ITCC				
Total Distribution Extension Allowance					(=)	$ -

Amount Subject to Refund

Engineering & Administrative Costs		$ -
Value of Applicant Design Work	(+)	$ -
Tie-In of Distribution by PG&E	(+)	$ -
Gas Metering & Regulation (Non-Residential Projects)	(+)	$ -
Other Charges N/A	(+)	$ -
Inspection Fees	(+)	$ -
Value of Distribution System Including Non-Residential Services	(+)	$ -
Value of Distribution Main Trench	(+)	$ -
SUB TOTAL	(=)	$ -
plus ITCC @ XX%	(+)	$ -
Total Refundable Amount	(=)	$ -
less Total Allowances (not to exceed Total Refundable Amount)	(-)	$ -
Balance: Net Refundable Amount	(=)	$ -

10 Year Refundable Advance Option

Balance: Net Refundable Amount		$ -
less Credit for Value of Applicant Design Work	(-)	$ -
less Distribution System Installed by Applicant	(-)	$ -
less Distribution Trench by Applicant	(-)	$ -
Net 10 Year Refundable Advance Option Payment	(=)	$ - (2)

Non-Refundable Discount Option

Balance: Net Refundable Amount						$ -
less Discount:	$ -	x	50%	=	(-)	$ -
	Balance		Discount Rate			
less Credit for Value of Applicant Design Work					(-)	$ -
less Distribution System Installed by Applicant					(-)	$ -
less Distribution Trench by Applicant					(-)	$ -
Net Non-Refundable Discount Option Payment					(=)	$ - (2)

Non-Refundable Payments

Rule 16 Non-Refundable Payments

Excess Service Costs		$ -	
Service Costs Beyond Preferred Service Location	(+)	$ -	
Value of Rule 16 Land Rights Costs	(+)	$ -	
Value of Gas Service Trench in the Franchise Area or on 3rd Party Property	(+)	$ -	
Inspection Fees	(+)	$ -	
Rule 16 Trench Permits Obtained by PG&E	(+)	$ -	
Other Charges N/A	(+)	$ -	
Cost of Additional Rule 16 Applicant Design Plan Checks	(+)	$ -	
Sub Total	(=)	$ -	
plus ITCC @ XX%	(+)	$ -	
plus Non-Taxable Other Charges	(+)	$ -	
Inspection Fees (not subject to ITCC)	(+)	$ -	
plus Gas Service Trench installed by PG&E on Private Property	(+)	$ -	
less Excess Service Facilities Installed by Applicant	(-)	$ -	
less Service Costs Beyond Preferred Location by Applicant	(-)	$ -	
less Value of Gas Service Trench in the Franchise Area or on 3rd Party Property installed by Applicant	(-)	$ -	
less Rule 16 Applicant Design Work Associated with Excess	(-)	$ -	
Total Rule 16 Non-Refundable Payment			(=) $ -

Rule 15 Non-Refundable Payments

Inspection Fees		$ -	
Re-engineering / Composite Fees	(+)	$ -	
Cost of Additional Applicant Design Plan Checks	(+)	$ -	
Value of Distribution Substructures	(+)	$ -	
PG&E Land Rights Costs	(+)	$ -	
Rule 15 Trench Permits Obtained by PG&E	(+)	$ -	
Other Charges N/A	(+)	$ -	
SUB TOTAL	(=)	$ -	
plus ITCC @ XX%	(+)	$ -	
less Distribution Substructures Installed by Applicant	(-)	$ -	
Total Non-Refundable Gas Rule 15 Payment			(=) $ -

Relocation / Rearrangement of PG&E Facilities

Value of Relocation/Rearrangement System		$ -
Value of Relocation/Rearrangement Substructures	(+)	$ -
Value of Relocation/Rearrangement Trench & Excavation	(+)	$ -
Engineering & Administrative Costs	(+)	$ -
Value of Relocation Applicant Design Work	(+)	$ -
Cost of Additional Applicant Design Plan Checks	(+)	$ -
Tie-In of Relocation/Rearrangement by PG&E	(+)	$ -
Relocation/Rearrangement Trench Permits Obtained by PG&E	(+)	$ -
Relocation/Rearrangement Land Rights	(+)	$ -
Relocation/Rearrangement Inspection Fees	(+)	$ -
SUB TOTAL	(=)	$ -

plus ITCC @ XX%	(+) $ -	
plus Relocation/Rearrangement Non Taxable	(+) $ -	
less Relocation/Rearrangement System Installed by Applicant	(-) $ -	
less Substructures Installed by Applicant	(-) $ -	
less Trench & Excavation Provided by Applicant	(-) $ -	
less Value of Relocation Applicant Design Work	(-) $ -	
Total Relocation/Rearrangement of PG&E Facilities Payment		(=) $ -

Total Payment for Gas Distribution and Service Extension

Cash Payment - 10-Year Refundable Advance Option

Rule 15 Refundable Advance Payment	$ - (3)	
Rule 16 Non-Refundable Payment	(+) $ -	
Rule 15 Non-Refundable Payment	(+) $ -	
Relocation/Rearrangement of PG&E Facilities Payment	(+) $ -	
Total		(=) $ -

-- OR --

Cash Payment - Non-Refundable Discount Option

Rule 15 Non-Refundable Discount Option Payment	$ - (3)	
Rule 16 Non-Refundable Payment (Not Subject to Discount)	(+) $ -	
Rule 15 Non-Refundable Payment (Not Subject to Discount)	(+) $ -	
Relocation/Rearrangement of PG&E Facilities Payment	(+) $ -	
Total		(=) $ -

Value of Gas Facility Reinforcements by PG&E: N/A **based upon Applicant's estimated gas load of:** N/A **Mcfh**
(Reference: Payment Adjustments. Excess Facilities section of the Provisions)

---

(1) Total Service Allowance not to exceed the Cost of Service

(2) 10 Year Refundable and Discount Option credit amounts will be paid upon acceptance of facilities. Credit amounts are subject to future deficiency billing in accordance with the tariff.

(3) 10 Year Refundable and Discount Option credit amounts do not offset Other Non-Refundable or Relocation Fees. See Reimbursement Summary for a total of Reimbursements and Credits to be paid upon acceptance of facilities.

** **MLX USE ONLY**

Excess service allowance applied to distribution refundable amount per lot/unit:

$ -	+	$ -	=	$ -
Allowance		XX% ITCC		Refund Per Residential Lot/Unit

Pacific Gas and Electric Company
DISTRIBUTION AND SERVICE EXTENSION AGREEMENT
EXHIBIT A - COST SUMMARY
OPTION # #

REFERENCES:
E-PM # _____
G-PM # _____
Notification # _____
MLX # _____

Applicant: _____

Project Location/Name: _____

ELECTRIC DISTRIBUTION AND SERVICE EXTENSION COST SUMMARY

Cost of Ownership charges as described in the rules and in the Unsupported Extension Cost section of the Provisions of this Agreement: N/A

Total number of residential lots/units for this project: _____
Total number of non-residential lots/units for this project: _____

Calculations to determine excess residential service allowance to be applied to distribution refundable amount on a per lot/unit basis:

Estimated Cost of Services:

Engineering & Administrative Costs			$ -
Value of Applicant Design Work		(+)	$ -
Service Tie-In Cost (Energized) by PG&E		(+)	$ -
Electric Metering		(+)	$ -
Other Charges: N/A		(+)	$ -
Inspection by PG&E		(+)	$ -
Service Cost - PG&E	# Services	(+)	$ -
Service Cost - Applicant	# Services	(+)	$ -
Total Estimated Cost of Service Subject to Allowance		(=)	$ -

Cost of Service Within Allowance:

less Total Residential Service Allowance

$ 1,313.00 x 0 = (-) $ - (1)

Excess Service Cost (=) $ -

Estimated Service Cost Within Allowance (Total less Excess) (=) $ -

Average Cost per Lot or Unit Within Allowance

$ - / 0 = $ -

Excess Service Allowance Applied to Distribution Refundable Amount per Lot or Unit:

$ 1,313.00 (Allowance) - $ - (Ave. Cost / Unit) = $ - **

Allowances

Residential: $ - (Allowance) x N/A (Lots/Units) = $ -

plus ITCC @ XX% Residential Allowances (+) $ -

SUB TOTAL Residential Allowances (=) $ -

Non-Residential: N/A / 0.1596 = $ -
Net Annual Revenue / Cost-of-Service-Factor

plus ITCC @ XX% Non-Residential Allowances (+) $ -

SUB TOTAL Non-Residential Allowances (=) $ -

less Residential Service Allowance:

(N/A x $ -) + XX% = (-) $ -
Lots/Units / Ave. Cost / Unit / ITCC

Total Distribution Extension Allowance (=) $ -

Amount Subject to Refund

Engineering & Administrative Costs		$ -
Value of Applicant Design Work	(+)	$ -
Tie-In of Distribution by PG&E	(+)	$ -
Electric Metering (Non-residential Projects)	(+)	$ -
Other Charges: N/A	(+)	$ -
Inspection Fees	(+)	$ -
Value of Distribution System Including Non-Residential Services	(+)	$ -
Value of Distribution Substructures	(+)	$ -
SUB TOTAL	(=)	$ -
plus ITCC @ XX%	(+)	$ -
Total Refundable Amount	(=)	$ -
less Total Allowances (not to exceed Total Refundable Amount)	(-)	$ -
Balance: Net Refundable Amount	(=)	$ -

10 Year Refundable Advance Option

Balance: Net Refundable Amount		$ -
less Credit for Value of Applicant Design Work	(-)	$ -
Less Distribution System Installed by Applicant	(-)	$ -
less Distribution Substructures by Applicant	(-)	$ -
Net 10 Year Refundable Advance Option Payment	(=)	$ - (2)

Non-Refundable Discount Option

Balance: Net Refundable Amount $ -

less Discount: $ - x 50% = (-) $ -
Balance / Discount Rate

less Credit for Value of Applicant Design Work	(-)	$ -
Less Distribution System Installed by Applicant	(-)	$ -
less Distribution Substructures by Applicant	(-)	$ -
Net Non-Refundable Discount Option Payment	(=)	$ - (2)

Non-Refundable Payments

Rule 16 Non-Refundable Payments

Excess Service Costs		$ -
Service Costs Beyond Preferred Service Location	(+)	$ -
Service Risers	(+)	$ -
Value of Rule 16 Land Rights Costs	(+)	$ -
Value of Service Trench, Conduits & Substructures in the Franchise Area or on 3rd Party Property	(+)	$ -
Inspection Fees	(+)	$ -
Rule 16 Trench Permits Obtained by PG&E	(+)	$ -
Other Charges: N/A	(+)	$ -
Cost of Additional Rule 16 Applicant Design Plan Checks	(+)	$ -
Sub Total	(=)	$ -

plus ITCC @ XX%	(+)	$ -	
plus Non-Taxable Other Charges	(+)	$ -	
Inspection Fees (not subject to ITCC)	(+)	$ -	
plus Service Trench, Conduits, & Substructures installed by PG&E on Private Property	(+)	$ -	
less Excess Service Facilities Installed by Applicant	(-)	$ -	
less Service Costs Beyond Preferred Location by Applicant	(-)	$ -	
less Service Riser Installed by Applicant	(-)	$ -	
less Service Trench, Conduits, & Substructures in the Franchise Area & 3rd Party Property installed by Applicant	(-)	$ -	
less Rule 16 Applicant Design Work Associated with Excess	(-)	$ -	
Total Rule 16 Non-Refundable Payment			(=) $ -

Rule 15 Non-Refundable Payments

Inspection Fees		$ -	
Re-engineering / Composite Fees	(+)	$ -	
Cost of Additional Applicant Design Plan Checks	(+)	$ -	
Value of Distribution Conduits	(+)	$ -	
Distribution Risers Installed by PG&E	(+)	$ -	
Value of Distribution Trench	(+)	$ -	
PG&E Land Rights Costs	(+)	$ -	
Rule 15 Trench Permits Obtained by PG&E	(+)	$ -	
Other Charges: N/A	(+)	$ -	
SUB TOTAL	(=)	$ -	
plus ITCC @ XX%	(+)	$ -	
less Distribution Conduits Installed by Applicant	(-)	$ -	
less Distribution Trench Provided by Applicant	(-)	$ -	
Total Non-Refundable Electric Rule 15 Payment			(=) $ -

Relocation / Rearrangement of PG&E Facilities

Value of Relocation/Rearrangement Facilities		$ -	
Value of Relocation/Rearrangement Conduits & Substructures	(+)	$ -	
Value of Relocation/Rearrangement Trench & Excavation	(+)	$ -	
Engineering & Administrative Costs	(+)	$ -	
Value of Relocation Applicant Design Work	(+)	$ -	
Cost of Additional Applicant Design Plan Checks	(+)	$ -	
Tie-In of Relocation/Rearrangement by PG&E	(+)	$ -	
Relocation/Rearrangement Trench Permits Obtained by PG&E	(+)	$ -	
Relocation/Rearrangement Land Rights	(+)	$ -	
Relocation/Rearrangement Inspection Fees	(+)	$ -	
SUB TOTAL	(=)	$ -	
plus ITCC @ XX%	(+)	$ -	
plus Relocation/Rearrangement - Non Taxable	(+)	$ -	
less Relocation/Rearrangement Facilities Installed by Applicant	(-)	$ -	
less Conduits & Substructures Installed by Applicant	(-)	$ -	
less Trench & Excavation Provided by Applicant	(-)	$ -	
less Value of Relocation Applicant Design Work	(-)	$ -	
less Relocation/Rearrangement Salvage	(-)	$ -	
Total Relocation/Rearrangement of PG&E Facilities Payment			(=) $ -

Total Payment for Electric Distribution and Service Extension

Cash Payment - 10-Year Refundable Advance Option

Rule 15 Refundable Advance Payment		$ - (3)	
Rule 16 Non-Refundable Payment	(+)	$ -	
Rule 15 Non-Refundable Payment	(+)	$ -	
Relocation/Rearrangement of PG&E Facilities Payment	(+)	$ -	
Total			(=) $ -

-- OR --

Cash Payment - Non-Refundable Discount Option

Rule 15 Non-Refundable Discount Option Payment		$ - (3)	
Rule 16 Non-Refundable Payment (Not Subject to Discount)	(+)	$ -	
Rule 15 Non-Refundable Payment (Not Subject to Discount)	(+)	$ -	
Relocation/Rearrangement of PG&E Facilities Payment	(+)	$ -	
Total			(=) $ -

Value of Electric Facility Reinforcements by PG&E: N/A **based upon Applicant's estimated demand of:** N/A **kVa**

(Reference: Payment Adjustments. Excess Facilities section of the Provisions)

---

(1) Total Service Allowance not to exceed the Cost of Service

(2) 10 Year Refundable and Discount Option credit amounts will be paid upon acceptance of facilities. Credit amounts are subject to future deficiency billing in accordance with the tariff.

(3) 10 Year Refundable and Discount Option credit amounts do not offset Other Non-Refundable or Relocation Fees. See Reimbursement Summary for a total of Reimbursements and Credits to be paid upon acceptance of facilities.

** **MLX USE ONLY**

Excess service allowance applied to distribution refundable amount per lot/unit:

$ -	+	$ -	=	$ -
Allowance		XX% ITCC		Refund Per Residential Lot/Unit

Pacific Gas and Electric Company
DISTRIBUTION AND SERVICE EXTENSION AGREEMENT
EXHIBIT A - COST SUMMARY
OPTION # #

REFERENCES:
E-PM # _____
G-PM # _____
Notification # _____
MLX # _____

Applicant: _____

Project Location/Name: _____

THIRD PARTY TRENCH COSTS

Non-Refundable Payments

Telephone Trench & Excavation		$ -	
Telephone Conduits & Substructures	(+)	$ -	
CATV Trench	(+)	$ -	
CATV Conduits & Substructures	(+)	$ -	
Other Trench	(+)	$ -	
Other Conduits & Substructures	(+)	$ -	
Total Non-Refundable Payment			(=) $ -

Third Party Trench Cash Payment

Total Non-Refundable Payment $ -

Pacific Gas and Electric Company
DISTRIBUTION AND SERVICE EXTENSION AGREEMENT
EXHIBIT A - COST SUMMARY
OPTION # #

REFERENCES:
E-PM # _____
G-PM # _____
Notification # _____
MLX # _____

Applicant: _____

Project Location/Name: _____

ELECTRIC RULE 20B

Non-Refundable Payments

Engineering & Administrative Costs		$ -	
Value of Applicant Design Work	(+)	$ -	
Cost of Additional Applicant Design Plan Checks	(+)	$ -	
Value of 20B Underground System	(+)	$ -	
Tie-In of 20B by PG&E	(+)	$ -	
PG&E Land Rights Costs	(+)	$ -	
Inspection Fees	(+)	$ -	
Value of 20B Trench & Excavation	(+)	$ -	
Value of 20B Conduits & Substructures	(+)	$ -	
Rule 20B Trench Permits Obtained by PG&E	(+)	$ -	
less Cost of Equivalent Overhead System	(-)	$ -	
SUB TOTAL	(=)	$ -	
plus ITCC @ XX%	(+)	$ -	
plus Cost to Remove Overhead Line by PG&E	(+)	$ -	
less 20B Underground System Installed by Applicant	(-)	$ -	
less 20B Trench & Excavation Provided by Applicant	(-)	$ -	
less 20B Conduits & Substructures Installed by Applicant	(-)	$ -	
less Value of Applicant Design Work	(-)	$ -	
Total Rule 20B Non-Refundable Payment			(=) $ - [1]

Electric Rule 20B Cash Payment

Total Rule 20B Non-Refundable Payment $ - [1]

[1] For Contractor Installed Projects (Option 2A), credit amounts will be reimbursed upon acceptance of facilities. See Reimbursement Summary for a total of Reimbursements and Credits to be paid upon acceptance of facilities.

Pacific Gas and Electric Company
DISTRIBUTION AND SERVICE EXTENSION AGREEMENT
EXHIBIT A - COST SUMMARY
OPTION # #

REFERENCES:
E-PM # _____
G-PM # _____
Notification # _____
MLX # _____

Applicant: _____

Project Location/Name: _____

ELECTRIC RULE 20C

Non-Refundable Payments

Engineering & Administrative Costs		$ -	
Value of Applicant Design Work	(+)	$ -	
Cost of Additional Applicant Design Plan Checks	(+)	$ -	
Value of 20C Underground System	(+)	$ -	
Tie-In of 20C by PG&E	(+)	$ -	
PG&E Land Rights Costs	(+)	$ -	
Inspection Fees	(+)	$ -	
Value of 20C Trench & Excavation	(+)	$ -	
Value of 20C Conduits & Substructures	(+)	$ -	
Rule 20C Trench Permits Obtained by PG&E	(+)	$ -	
less Salvage & Depreciation for Overhead Facilities	(-)	$ -	
SUB TOTAL	(=)	$ -	
plus ITCC @ XX%	(+)	$ -	
plus Cost to Remove Overhead Line by PG&E	(+)	$ -	
less 20C Underground System Installed by Applicant	(-)	$ -	
less 20C Trench & Excavation Provided by Applicant	(-)	$ -	
less 20C Conduits & Substructures Installed by Applicant	(-)	$ -	
less Value of Applicant Design Work	(-)	$ -	
Total Rule 20C Non-Refundable Payment			(=) $ - [1]

Electric Rule 20C Cash Payment

Total Rule 20C Non-Refundable Payment $ - [1]

[1] For Contractor Installed Projects (Option 2A), credit amounts will be reimbursed upon acceptance of facilities. See Reimbursement Summary for a total of Reimbursements and Credits to be paid upon acceptance of facilities.

Pacific Gas and Electric Company
DISTRIBUTION AND SERVICE EXTENSION AGREEMENT
EXHIBIT A - COST SUMMARY
OPTION # #

REFERENCES:
E-PM # _____
G-PM # _____
Notification # _____
MLX # _____

Applicant: _____

Project Location/Name: _____

STREETLIGHTS

LS ## Non-Refundable Payments

Installed Cost of Non-Standard Luminaires		$ -	
Installed Cost of Standard Poles, Posts & Arms	(+)	$ -	(1)
Additional Cost of Non-Standard Poles, Posts & Arms	(+)	$ -	(1)
Installed Cost of Foundations/Protective Tubes	(+)	$ -	(1)
Excess Conductor	(+)	$ -	
Applicable Engineering & Administrative Costs	(+)	$ -	
Streetlight-Only Trench & Excavation	(+)	$ -	
Streetlight Conduit & Substructures	(+)	$ -	
Streetlight Risers Installed by PG&E	(+)	$ -	
Inspection Fees	(+)	$ -	
plus ITCC @ XX%	(+)	$ -	
SUB TOTAL	(=)	$ -	
less Credit for Facilities Installed by Applicant	(-)	$ -	
Total LS-1 Non-Refundable Payment			(=) $ -

LS ## Non-Refundable Payments

Installed Cost of Streetlight System by PG&E		$ -	(2)
Streetlight Conduits & Substructures by PG&E	(+)	$ -	(2)
Streetlight Trench & Excavation by PG&E	(+)	$ -	(2)
Connection Fee	(+)	$ -	
SUB TOTAL	(=)	$ -	
less Credit for Connections made by Applicant	(-)	$ -	
Total LS-2 Non-Refundable Payment			(=) $ -

Streetlight Cash Payment

Total Streetlight Non-Refundable Payment $ - (3)

(1) ITCC not applicable for LS-1C installations.

(2) ITCC not applicable for LS-2 installations.

(3) See Reimbursement Summary for a total of Reimbursements to be paid upon acceptance of facilities.

Pacific Gas and Electric Company
DISTRIBUTION AND SERVICE EXTENSION AGREEMENT
EXHIBIT A - COST SUMMARY

REFERENCES:
E-PM # _____
G-PM # _____
Notification # _____
MLX # _____

Applicant: _____

Project Location/Name: _____

REIMBURSEMENT SUMMARY

Reimbursements are provided for facilities that are installed by the Applicant which are normally the responsibility of PG&E per our tariffs. Reimbursements will be made after the facilities are accepted by PG&E, operational and ready to supply service. Reimburseable payments made for services will be reimbursed at the average rate shown as each service is connected. All reimbursements will be based upon PG&E's estimated costs.

Electric Rule 15

10 Year Refundable Advance Credit Amount	$ - (1)		
- or -			
Non-Refundable Discount Option Credit Amount	$ - (1)		
Joint Pole Credits	(+) $ -		
PG&E Betterments	(+) $ -		
SUB TOTAL: w/ 10 Year Refundable Advance Credit Amount		(=) $ -	
- or -			
w/ Non-Refundable Discount Credit Amount		(=) $ -	

Electric Rule 16

Joint Pole Credits	$ -	
Applicant Design Work within the Allowance	$ -	
SUB TOTAL		(=) $ -

Reimbursement per Service Completion - Electric

Option # #	Energized System	$ - /service (2)	
- or -			
	Non-energized System	$ - /service (2)	
Option # #			

Electric Rule 20B

Joint Pole Credits	$ -	
Rule 20B Payment Credit	(+) $ -	
SUB TOTAL		(=) $ -

Electric Rule 20C

Joint Pole Credits	(+) $ -	
Rule 20C Payment Credit	(+) $ -	
SUB TOTAL		(=) $ -

Streetlights

LS-1

Standard Luminaires		$ -	
Standard Poles & Arms	(+)	$ -	
Protective Tubes	(+)	$ -	
Internal Wiring	(+)	$ -	
Overhead Conductor	(+)	$ -	
Underground Conductor	(+)	$ -	
Connections	(+)	$ -	

LS-2

Connections	(+)	$ -	
SUB TOTAL			(=) $ -

Gas Rule 15

10 Year Refundable Advance Credit Amount		$ - (1)	
		- or -	
Non-Refundable Discount Option Credit Amount		$ - (1)	
PG&E Betterments	(+)	$ -	
SUB TOTAL: w/ 10 Year Refundable Advance Credit Amount			(=) $ -
			- or -
w/ Non-Refundable Discount Credit Amount			(=) $ -

Gas Rule 16

Stubs Services	$ -	
Applicant Design Work within the Allowance	$ -	
SUB TOTAL		(=) $ -

Reimbursement per Service Completion - Gas

Option # #	Pressurized System	$ - /service (2)	
		- or -	
	Non-pressurized System	$ - /service (2)	
Option # #			

Total Reimbursement

10 Year Refundable Advance Option - Gas & Electric	$ - (3)
-- OR --	
Non-Refundable Discount Option - Gas & Electric	$ - (3)
-- OR --	
10 Year Refundable Advance Option - Gas / Non-Refundable Discount Option - Electric	$ - (3)
-- OR --	
10 Year Refundable Advance Option - Electric / Non-Refundable Discount Option - Gas	$ - (3)

(1) 10 Year Refundable and Discount Option credit amounts will be paid upon acceptance of facilities. Credit amounts are subject to future deficiency billing in accordance with the tariff.

(2) This Reimbursement will be paid on a per service basis as each service is completed.

(3) Excludes service completion reimbursements made under Rule 16. Service completion reimbursements will be made as each service is connected, on a per service basis.

TABLE OF CONTENTS—SAMPLE FORMS
(Continued)

FORM NO.	DATE SHOWN ON FORM	AGREEMENT/CONTRACT TITLE	CPUC SHEET NO.	
		RULE 2 DESCRIPTION OF SERVICE		
79-255	4/82	Agreement for Installation or Allocation of Special Facilities	11041-G	
		RULES 3 APPLICATION FOR SERVICE		
01-8670	REV 12/95	Credit Application	17658-G	
02-2590	REV 10/00	Interim Service Agreement	20147-G	
62-0683	08/02	Application for Service—Residential Service	21168-G	
62-0684	08/02	Application for Service—Residential Subdivision/Development	21169-G	
62-0685	08/02	Application for Service—Commercial/Industrial Development	21170-G	
62-0686	08/02	Application for Service—Agricultural Service	21171-G	
62-0687	08/02	Application for Relocation/Rearrangement	21172-G	
		RULE 13 TEMPORARY SERVICE		
79-875		Rule 13 Temporary Service Agreement	20657-G	
		RULES 15 AND 16 GAS MAIN AND SERVICE EXTENSIONS		
62-0980	REV 6/01	Distribution Service and Extension Agreement	20525-G	
62-0981	REV 5/98	Distribution Service and Extension Agreement Option 1—Shared Construction	18829-G	
62-0982	REV 7/04	Distribution Service and Extension Agreement Option 2—Competitive Bidding	22111-G	(T)
62-5653	3/95	Installation Service Option	17081-G	
79-716	REV 7/04	General Terms and Conditions for Gas and Electric Extension and Service Construction by Applicant	22112-G	(T)
79-1003	7/04	Applicant's Cost Verification Form—Statement of Costs for Applicant Installation of PG&E's Distribution and Service Facilities	22113-G	(N)
79-1004	7/04	Distribution and Service Extension Agreement Exhibit A Cost Summary	22114-G	(N)
		RULE 19 MEDICAL BASELINE QUANTITIES		
61-3481	REV 7/02	Medical Baseline Allowance Self-Certification	21123-G	
62-3481	REV 7/02	Medical Baseline Allowance Application	21122-G	
		RULES 19.1, 19.2, AND 19.3 CALIFORNIA ALTERNATE RATES FOR ENERGY		
01-9077	REV 7/01	Application for Residential Single-Family Customers	21137-G	
01-9285	REV 7/01	Application for Tenants of Sub-Metered Facilities	21138-G	
62-0156	REV 7/01	Application for Qualified Nonprofit Group-Living Facilities	20602-G	
62-1198	REV 7/01	Application for Qualified Agricultural Employee Housing Facilities	20603-G	
62-1477	REV 7/01	Income Guidelines	21139-G	

TABLE OF CONTENTS
(Continued)

RULES

RULE	TITLE OF SHEET	CAL P.U.C. SHEET NO.
1	Definitions	18195 to 18202,21536,18204 to 18207,19429-G
2	Description of Service	13299 to 13302,14903,17521-G
3	Application for Service	13842,21118-G
4	Contracts	17051-G
5	Special Information Required on Forms	17641,13348,13349-G
6	Establishment and Reestablishment of Credit	18871,18872,18873-G
7	Deposits	18212,18213-G
8	Notices	17579,17580,15726,17581,15728-G
9	Rendering and Payment of Bills	19353,18712,21294,21295,17780,17781-G
10	Disputed Bills	18214 to 18216-G
11	Discontinuance and Restoration of Service	18217 to 18228,19710-G
12	Rates and Optional Rates	18229,18996,21207,21208,21209-G
13	Temporary Service	21542,18800-G
14	Capacity Allocation and Constraint of Natural Gas Service	18231 to 18236, 21891,22072,22073,22074,22075,22076,22077,18244,22078,22079,22080,22081-G
15	Gas Main Extensions	21543,18802, 18803,19888,20350,22100,22101,22102,22103,21544,21545,22104,22105,22106, (T) 22107,22108,22109,22110-G (T)
16	Gas Service Extensions	21546,18816,17728,17161,18817 to 18825,17737,18826,18827-G
17	Meter Tests and Adjustment of Bills for Meter Error	14450 to 14456-G
17.1	Adjustment of Bills for Billing Error	14457,14458-G
17.2	Adjustment of Bills for Unauthorized Use	14459 to 14461-G
18	Supply to Separate Premises and Submetering of Gas	13399,17796,13401-G
19	Medical Baseline Quantities	21119,21120,21121-G
19.1	California Alternate Rates for Energy for Individual Customers and Submetered Tenants of Master-Metered Customers	19370,21637,19372,19373-G
19.2	California Alternate Rates for Energy for Nonprofit Group-Living Facilities	17132,21638,17035,17134,17037-G
19.3	California Alternate Rates for Energy for Qualified Agricultural Employee Housing Facilities	17305,21639,17307,17308-G
21	Transportation of Natural Gas	22082,22083,22084, 19089,18912 18913,22085,18915,18916,22086,22087, 18256 to 18258-G
21.1	Use of PG&E's Firm Interstate Rights	20461,18260,18261-G
23	Gas Aggregation Service for Core Transport Customers	20072,18263 to 18267,20073,18269 to 18272-G
25	Gas Services-Customer Creditworthiness and Payment Terms	21409 to 21418-G
26	Standards of Conduct and Procedures Related to Transactions with Intracompany Departments, Reports of Negotiated Transactions, and Complaint Procedures	18284,18285,18633,20462-G

(Continued)

TABLE OF CONTENTS
(Continued)

PRELIMINARY STATEMENTS

SCHEDULE	TITLE OF SHEET	CAL P.U.C. SHEET NO.
Part A	Description of Service Area & General Requirements	14615 to 14623,18797-G
Part B	Default Tariff Rate Components	21796,21797,21798,21799,21800,21714,20715,20716, 20889,21692,21693,21789,21390,21391,21695,21696,21697,21018,20842-G
Part C	Gas Accounting Terms and Definitions	18965,21601,20844,21698,18047,20845,21395,20443,20027,18314,18315,18316-G
Part D	Purchased Gas Account	20847,20445,20848-G
Part E	Not Being Used	
Part F	Core Fixed Cost Account	20849,20850-G
Part G	Not Being Used	
Part H	Not Being Used	
Part I	Noncore Brokerage Fee Balancing Account	18061-G
Part J	Noncore Customer Class Charge Account	20851,20852,20853-G
Part K	Enhanced Oil Recovery Account	17360-G
Part L	Balancing Charge Account	20854,20030-G
Part M	Core Subscription Phase-Out Account	18456-G
Part N	Not Being Used	
Part O	CPUC Reimbursement Fee	21360-G
Part P	Income Tax Component of Contributions Provision	21054,13501-G
Part Q	Affiliate Transfer Fees Account	19459-G
Part R	Not Being Used	
Part S	Interest	12773-G
Part T	Tax Reform Act of 1986	12775-G
Part U	Core Brokerage Fee Balancing Account	18065-G
Part V	California Alternate Rates For Energy Account	20794-G
Part W	Cogeneration Distribution Shortfall Account	19203-G
Part X	Natural Gas Vehicle Balancing Account	20952,20953-G
Part Y	Customer Energy Efficiency Adjustment	18551,18552,18553-G
Part Z	Energy Efficiency California Energy Commission Memorandum Account	20797-G
Part AA	Not Being Used	
Part AB	Not Being Used	
Part AC	Catastrophic Event Memorandum Account	14178,14179-G
Part AD	Not Being Used	
Part AE	Core Pipeline Demand Charge Account	21361,20447,21362-G
Part AF	Not Being Used	
Part AG	Core Firm Storage Account	20031-G
Part AH	Air Quality Adjustment Clause	14928 to 14930-G
Part AI	Not Being Used	(D)
Part AJ	Not Being Used	(D)
Part AK	Low Income Energy Efficiency Memorandum Account	21244-G
Part AL	Not Being Used	
Part AM	Not Being Used	

(Continued)

TABLE OF CONTENTS

	CAL P.U.C. SHEET NO.	
Title Page	11271-G	
Table of Contents:		
Rate Schedules	22118,22092-G	(T)
Preliminary Statements	22117,21381-G	I
Rules	22116-G	(T)
Maps, Contracts and Deviations	20922-G	
Sample Forms	22115,21180,21538,22089,21292-G	(T)

RATE SCHEDULES

RESIDENTIAL

SCHEDULE	TITLE OF SHEET	CAL P.U.C. SHEET NO.
G-1	Residential Service	21998,18597-G
GM	Master-Metered Multifamily Service	21999,21028,18599-G
GS	Multifamily Service	22000,21030,18601-G
GT	Mobilehome Park Service	22001,21032-G
G-10	Service to Company Employees	11318-G
GL-1	Residential CARE Program Service	22002,18603-G
GML	Master-Metered Multifamily CARE Program Service	22003,21035,18605-G
GSL	Multifamily CARE Program Service	22004,21037,18607-G
GTL	Mobilehome Park CARE Program Service	22005,22006,18608-G
G-MHPS	Master-Metered Mobilehome Park Safety Surcharge	22034-G

NONRESIDENTIAL

G-NR1	Gas Service to Small Commercial Customers	22007,18980-G
G-NR2	Gas Service to Large Commercial Customers	22008,18981-G
G-CP	Gas Procurement Service to Core End-Use Customers	22009-G
G-NT	Gas Transportation Service to Noncore End-Use Customers	22035,22036,22037,22038-G
G-COG	Gas Transportation Service to Cogeneration Facilities	22039,20857,18114,18985-G
G-EG	Gas Transportation Service to Electric Generation	22040,22041-G
G-30	Public Outdoor Lighting Service	22042,17050-G
G-WSL	Gas Transportation Service to Wholesale/Resale Customers	22043,22044,22045-G
G-BAL	Gas Balancing Service for Intrastate Transportation Customers	22046,21549,20034,22047,22048,22037,20038, 20039,22049,22050,20042,20043,20044,20051-G

ELECTRIC RULE 15—DISTRIBUTION LINE EXTENSIONS
(Continued)

B. INSTALLATION RESPONSIBILITIES (Cont'd.)

3. INSTALLATION OPTIONS

a. PG&E-PERFORMED WORK. Where requested by Applicant and mutually agreed upon, PG&E may perform that portion of the new Distribution Line Extension work normally installed by Applicant according to Section B.1.a., provided Applicant pays PG&E its total estimated installed cost.

b. APPLICANT-PERFORMED WORK. Applicant may elect to install that portion of the new Distribution Line Extension normally installed by PG&E, in accordance with PG&E's design and specifications, using qualified contractors. (See Section G, Applicant-Installation Options). (T)

C. DISTRIBUTION LINE EXTENSION ALLOWANCES

1. GENERAL. PG&E will complete a Distribution Line Extension without charge provided PG&E's total estimated installed costs do not exceed the allowances from permanent, bona-fide loads to be served by the Distribution Line Extension within a reasonable time, as determined by PG&E. The allowance will first be applied to the Residential Service Facilities, in accordance with Rule 16. Any excess allowance will be applied to the Distribution Line Extension to which the Service Extension is connected. The allowance for non-residential applicants will be applied to the combined refundable cost of the Distribution and Service Extensions.

2. BASIS OF ALLOWANCES. Allowances shall be granted to an Applicant for Permanent Service, or to an Applicant for a subdivision or development under the following conditions:

a. PG&E is provided evidence that construction will proceed promptly and financing is adequate, and

b. Applicant has submitted evidence of building permit(s) or fully-executed home purchase contract(s) or lease agreement(s), or

c. Where there is equivalent evidence of occupancy or electric usage satisfactory to PG&E.

The allowances in Sections C.3 and C.4 are based on a revenue-supported methodology using the following formula:

$$\text{Allowance} = \frac{\text{Net Revenue}}{\text{Cost-of Service Factor}}$$

(Continued)

ELECTRIC RULE 15—DISTRIBUTION LINE EXTENSIONS
(Continued)

D. CONTRIBUTIONS OR ADVANCES BY APPLICANT (Cont'd.)

4. TAX. All contributions and advances by Applicant are taxable and shall include an Income Tax Component of Contribution (ITCC) at the rate provided in PG&E's Preliminary Statement. ITCC will be either refundable or non-refundable in accordance with the corresponding contribution.

5. REFUNDABLE AND NON-REFUNDABLE AMOUNTS. Applicant shall contribute or advance, before the start of PG&E's construction, the following:

a. UNDERGROUND REFUNDABLE AMOUNT. (1) When PG&E performs the work, Applicant's Refundable Amount is the portion of the PG&E's total estimated installed cost, including ITCC, to complete the underground Distribution Line Extension (including distribution transformers, and any non-residential service facilities, and excluding Betterments) that exceeds the amount of Distribution Line Extension allowance determined in Section C; or (N)
(2) When the Applicant performs the work, the Applicant's Refundable Amount is the lower of PG&E's Estimated Refundable Costs or the Applicant's Actual Refundable Costs for: (N)

1) CABLING. The estimated installed cost of any necessary Cabling (including distribution transformers and any non-residential service facilities) installed by PG&E to complete the underground Distribution Line Extension. This includes the cost of conversion of existing single-phase lines to three-phase lines, if required; plus

2) SUBSTRUCTURES. PG&E's estimated value of Substructures installed by Applicant and deeded to PG&E as required.

(L)
(L)

(Continued)

ELECTRIC RULE 15—DISTRIBUTION LINE EXTENSIONS
(Continued)

D. CONTRIBUTIONS OR ADVANCES BY APPLICANT (Cont'd.) (L)

5. REFUNDABLE AND NON-REFUNDABLE AMOUNTS (Cont'd.)

b. OVERHEAD REFUNDABLE AMOUNT. When PG&E performs the work, Applicant's Refundable Amount is the portion of the PG&E's total estimated installed cost, including ITCC, to complete the overhead Distribution Line Extension (including distribution transformers, and any non-residential service facilities, and excluding Betterments) that exceeds the amount of Distribution Line Extension allowance determined in Section C. When the Applicant performs the work, the Applicant's Refundable Amount is the lower of PG&E's Estimated Refundable Costs or the Applicant's Actual Refundable Costs for: (T) (T) (T) (T) (T)

1) POLE LINE. All necessary facilities required for an overhead Distribution Pole Line Extension and, if required, the conversion of existing single-phase lines to three-phase lines; plus

2) TRANSMISSION UNDERBUILDS. PG&E's total estimated installed cost of the underbuild, where all or a portion of an overhead Distribution Line Extension is to be constructed on existing transmission poles of PG&E.

c. NON-REFUNDABLE DISCOUNT OPTION. In lieu of contributing the refundable amount determined in Section D.5.a or D.5.b, Applicant has the option of contributing, on a non-refundable basis, fifty percent (50%) of such refundable amount; plus (T)

d. OTHER NON-REFUNDABLE AMOUNTS. Applicant's Non-Refundable Amount is PG&E's estimated value of Excavation, Conduits, Protective Structures required by PG&E for the Distribution Line Extension under Section B.1.a. The Non-Refundable Amounts also include the cost of PG&E's inspections of Applicant's work to the extent that such costs are not covered by an otherwise-available allowance as provided in Section G.1.e. (T) (T) (T)

6. JOINT APPLICANTS. The total contribution or advance from a group of Applicants will be apportioned among the members of the group in such manner as they may mutually agree. (L)

(Continued)

ELECTRIC RULE 15—DISTRIBUTION LINE EXTENSIONS
(Continued)

D. CONTRIBUTIONS OR ADVANCES BY APPLICANT (Cont'd.) (L)

7. PAYMENT ADJUSTMENTS

a. CONTRACT COMPLIANCE. If, after six (6) months following the date PG&E is first ready to serve residential loads for which allowances were granted, one (1) year for non-residential loads, Applicant fails to take service, or fails to use the service contracted for, Applicant shall pay to PG&E an additional contribution or Advance, based on the allowances for the revenue actually generated.

b. EXCESS FACILITIES. If the loads provided by Applicant(s) result in PG&E having installed facilities which are in excess of those needed to serve the actual loads, and PG&E elects to reduce such excess facilities, Applicant shall pay PG&E its estimated total costs to remove, abandon, or replace the excess facilities, less the estimated salvage of any removed facilities.

E. REFUNDS

1. GENERAL. Refunds are based on the allowances and conditions in effect at the time the contract is signed. Residential Allowances: the allowance in excess of that needed for the Residential Service Extension in accordance with Rule 16 will be applied to the Distribution Line Extension to which the Service Extension is connected. Non-Residential Allowances: the allowances for non-residential applicants will be applied to the combined refundable cost of the Distribution and Service Extension.

2. TOTAL REFUNDABLE AMOUNT. The total amount subject to refund is the Applicant's Refundable Amount as set forth in Section D.5. (T) (T)

(Continued)

ELECTRIC RULE 15—DISTRIBUTION LINE EXTENSIONS
(Continued)

E. REFUNDS (Cont'd.)

3. REFUND PERIOD. The total refundable amount is subject to refund for a period of ten (10) years after the Distribution Line Extension is first ready for service.

4. RESIDENTIAL. Refunds will be made on the basis of a new customer's Permanent Load which produces additional revenues to PG&E. The refund will be deducted from the total refundable amount, and the remaining amount subject to refund represents that portion of the Distribution Line Extension cost not supported by revenues. (See Section E.11 for series refunding provisions.)

5. NON-RESIDENTIAL. PG&E shall be responsible to review Applicant's actual base annual revenue for the first three years from the date PG&E is first ready to serve. Applicant shall be responsible for notifying PG&E if new, permanent load is added the fourth through tenth year from the date PG&E is first ready to serve. Such review shall determine if additional revenue supports any refunds to Applicant. (See Section E.11 for series refunding provisions.)

6. UNSUPPORTED DISTRIBUTION LINE EXTENSION COST. When any portion of a refundable amount has not qualified for a refund at the end of twelve (12) months from the date PG&E is first ready to serve, Applicant will pay to PG&E an ownership charge on the remaining refundable balance. Monthly ownership costs are in addition to the refundable amount and will normally be accumulated and deducted from refunds due to Applicant. This provision does not apply to individual residential Applicants.

7. REFUND TIMING. Refunds will be made without interest within ninety (90) days after the date of first service to new permanent loads, except that refunds may be accumulated to fifty-dollars ($50) minimum or the total refundable balance, if less than fifty-dollars ($50).

8. MAXIMUM REFUND. No refund shall be made in excess of the applicable Refundable Amount under Section D.5 nor after a period of ten (10) years from the date PG&E is first ready to serve. Any unrefunded amount remaining at the end of the ten(10)-year period shall become property of PG&E. (T) (T)

(Continued)

ELECTRIC RULE 15—DISTRIBUTION LINE EXTENSIONS
(Continued)

F. APPLICANT DESIGN OPTION FOR NEW RESIDENTIAL INSTALLATIONS (Cont'd.)

1. COMPETITIVE BIDDING (Cont'd.)

d. Applicant designers shall obtain PG&E's design and construction standards and specifications prior to performing applicant design. PG&E may charge for any of these services.

e. PG&E will perform one plan check on each applicant design project at no expense to Applicant. All subsequent plan checks will be at Applicant's expense.

f. For designs performed by a non-utility designer, PG&E will credit Applicant with the amount of PG&E's design bid less appropriate charges such as for plan checking, changes, or revisions.

g. In the case of Applicant designed projects requiring an advance, PG&E will deduct the design credit from Applicant's advance.

h. If no advance is required, will reimburse/refund the Applicant for the cost of the design after the Distribution Line Extension is first ready to serve.

i. PG&E shall perform all project accounting and cost estimating.

j. The applicant design option for new non-residential installations will be available as an option to Applicants no later than July 1, 2001.

G. APPLICANT INSTALLATION OPTIONS

1. COMPETITIVE BIDDING. When Applicant selects competitive bidding, the extension may be installed by Applicant's qualified contractor or sub-contractor in accordance with PG&E's design and specifications. Under this option, the following applies:

(D)

(Continued)

ELECTRIC RULE 15—DISTRIBUTION LINE EXTENSIONS
(Continued)

G. APPLICANT INSTALLATION OPTIONS (Cont'd.)

1. COMPETITIVE BIDDING (Cont'd.)

a. Upon completion of Applicant's installation and acceptance by PG&E, ownership of all such facilities will transfer to PG&E. (T)

b. Applicant shall provide to PG&E, prior to PG&E preparing the line extension contract, the Applicant's contract anticipated costs subject to refund to perform the work normally provided by PG&E. The Applicant shall submit, on a form provided by PG&E, a verified statement of such costs. If the Applicant elects not to provide such costs to PG&E, the Applicant shall acknowledge its election on the form and PG&E will use its estimate. (N)

c. Applicant shall pay to PG&E, subject to refund, PG&E's estimated cost of work performed by PG&E for the extension, including the estimated costs of design, administration, and installation of any additional facilities. (T)

d. The lower of PG&E's refundable costs, or Applicant's contract anticipated costs, as reported in G.1.b., for the work normally performed by PG&E, shall be subject to the refund and allowance provisions of Rules 15 and 16. (N)

e. Applicant shall pay to PG&E the estimated cost of PG&E inspection, which shall be a fixed amount not subject to reconciliation. Such inspection costs may be subject to otherwise available allowances up to the difference between the Applicant's contract anticipated cost as reported in G.1.b. and PG&E's estimated costs for performing the same work, but not to exceed PG&E's estimated costs. (N)

f. Only duly authorized employees of PG&E are allowed to connect to, disconnect from, or perform any work upon PG&E's facilities. (L)

(L)

(Continued)

ELECTRIC RULE 15—DISTRIBUTION LINE EXTENSIONS
(Continued)

G. APPLICANT INSTALLATION OPTIONS (Cont'd.)

2. MINIMUM CONTRACTOR QUALIFICATIONS. Applicant's contractor or subcontractor (QC/S) shall: (L)

   a. Be licensed in California for the appropriate type of work (electrical and general, etc.).

   b. Employ workmen properly qualified for specific skills required (Qualified Electrical Worker, Qualified Person, etc.) as defined in State of California High Voltage Safety Orders (Title 8, Chapter 4, Subchapter 5, Group 2).

   c. Comply with applicable laws (Equal Opportunity Regulations, OSHA, EPA, etc.)

3. OTHER CONTRACTOR QUALIFICATIONS. An Applicant for service who intends to employ a QC/S also should consider whether the QC/S:

   a. Is technically competent.

   b. Has access to proper equipment. (L)

   c. Demonstrates financial responsibility commensurate with the scope of the contract.

   d. Has adequate insurance coverage (worker's compensation, liability, property damage).

   e. Is able to furnish a surety bond for performance of the contract, if required.

(Continued)

ELECTRIC RULE 15—DISTRIBUTION LINE EXTENSIONS
(Continued)

J. DEFINITIONS FOR RULE 15

ADVANCE: Cash payments made to PG&E prior to the initiation of any work done by PG&E which is not covered by allowances.

APPLICANT: A person or agency requesting PG&E to supply electric service.

APPLICANT'S ACTUAL COSTS: The cost incurred by an Applicant for performing work under this Rule as determined by an oral or written contract for performance of the work, or by a statement of costs supplied by the Applicant if it will perform the work itself, rather than using a third party. Such costs shall be set forth on a Cost Verification form determined by PG&E and shall be verified under penalty of perjury by Applicant. (N)

APPLICANT'S ACTUAL REFUNDABLE COSTS: The portion of Applicant's Actual Costs incurred for refundable items as defined under this Rule and as shown by Applicant on the Cost Verification form. (N)

BETTERMENT: Facilities installed by Applicant at the request of PG&E in addition to those required under Section B.1.a.

CABLING: Conductors (including cable-in-conduit, if used), connectors, switches, as required by PG&E for primary, secondary, and service installations.

COMMERCIAL DEVELOPMENT: Two (2) or more enterprises engaged in trade or the furnishing of services, (e.g., shopping centers, sales enterprises, business offices, professional offices, and educational or governmental complexes) and located on a single parcel or on two (2) or more contiguous parcels of land.

CONDUIT: Ducts, pipes, or tubes of certain metals, plastics or other materials acceptable to PG&E (including pull wires and concrete encasement where required) for the installation and protection of electric wires and cables. (L) (L)

(Continued)

ELECTRIC RULE 15—DISTRIBUTION LINE EXTENSIONS
(Continued)

J. DEFINITIONS FOR RULE 15 (Cont'd.)

CONTRIBUTION: In-kind services and the value of all property conveyed to PG&E at any time during PG&E's work on an extension which is part of PG&E's total estimated installed cost of its facilities, or cash payments not covered by Applicant's allowances. (L)

COST OF SERVICE FACTOR: The factor as stated in Rule 2 that includes taxes, return and depreciation that is applied to the Net Revenue to determine PG&E's investment in distribution facilities.

DISTRIBUTION LINE EXTENSION: New distribution facilities of PG&E that is a continuation of, or branch from, the nearest available existing permanent Distribution Line (including any facility rearrangements and relocations necessary to accommodate the extension) to the point of connection of the last service. PG&E's Line Extension includes transmission underbuilds and converting an existing single-phase line to three-phase in order to furnish three-phase service to an Applicant, but excludes transformers, meters and services.

DISTRIBUTION LINES: PG&E's overhead and underground lines which are operated at distribution voltages and which are designed to supply two or more services.

DISTRIBUTION TRENCH FOOTAGE: The total trench footage used for calculating cabling costs. It is determined by adding the total length of all new and existing trench for the installation of underground primary and secondary Distribution Lines designed to supply two (2) or more services (excluding service trench footage under Rule 16). (L)

ESTIMATED REFUNDABLE COSTS: PG&E's project-specific estimate of the installed costs for refundable items of work as defined under this Rule. (N)

ESTIMATED NON-REFUNDABLE COST: PG&E's project-specific estimate of the installed costs for non-refundable items of work as defined under this Rule. (N)

(Continued)

ELECTRIC RULE 15—DISTRIBUTION LINE EXTENSIONS
(Continued)

J. DEFINITIONS FOR RULE 15 (Cont'd.) (L)

EXCAVATION: All necessary trenching, backfilling, and other digging as required to install Distribution Line Extension facilities including furnishing of any imported backfill material, and disposal of spoil as required, surface repair and replacement, landscape repair and replacement.

FEEDER CONDUIT: Conduit for such uses as part of a backbone system to provide for future anticipated load growth outside the subdivision involved, to provide for future anticipated load growth in the existing subdivision and the existing subdivisions in close proximity, to balance loads between substations, to interconnect the service to the subdivision with service to subsequent developments outside the subdivision, and to provide the flexibility and versatility of modifying or supplying emergency backup power to the area involved.

FRANCHISE AREA: Public streets, roads, highways and other public ways and places where PG&E has a legal right to occupy under Franchise Agreements with governmental bodies having jurisdiction.

INDUSTRIAL DEVELOPMENT: Two (2) or more enterprises engaged in a process which creates a product or changes material into another form or product and located on a single parcel or on two (2) or more contiguous parcels of land.

INSIGNIFICANT LOADS: Small operating loads such as gate openers, valve controls, clocks, timing devices, fire protection equipment, alarm devices, etc.

INTERMITTENT LOADS: Loads which, in the opinion of PG&E, are subject to discontinuance for a time or at intervals.

(Continued)

ELECTRIC RULE 15—DISTRIBUTION LINE EXTENSIONS
(Continued)

J. DEFINITIONS FOR RULE 15 (Cont'd.)

NET REVENUE: That portion of the total rate revenues that supports PG&E's Distribution Line and Service Extension costs and excludes such items as energy, transmission, Competition Transition Charge (CTC), public purpose programs, revenue cycle services revenues, and other revenues that do not support the Distribution Line and Service Extension costs.

NON-REFUNDABLE AMOUNT: The amount determined under the provisions of Section D.5.d. (N) (N)

NON-RESIDENTIAL ALLOWANCES NET REVENUE MULTIPLIER: This is a revenue-supported factor determined by PG&E that is applied to the net revenues expected from non-residential loads to determine non-residential allowances.

OWNERSHIP CHARGE: Monthly charges as a percentage rate applied against the outstanding unrefunded refundable balance after twelve (12) months from the date PG&E is first ready to serve. Serves to recover the cost of operating and maintaining customer-financed facilities that are not fully utilized.

PERMANENT SERVICE: Service which, in the opinion of PG&E, is of a permanent and established character. This may be continuous, intermittent, or seasonal in nature.

POLE LINE: Poles, cross-arms, insulators, conductors, switches, guy-wires, and other related equipment used in the construction of an electric overhead line.

PROTECTIVE STRUCTURES: Fences, retaining walls (in lieu of grading), sound barriers, posts, or barricades and other structures as required by PG&E to protect distribution equipment.

REFUNDABLE AMOUNT: The amount determined under the provision of Section D.5. (N) (N)

RESIDENTIAL DEVELOPMENT: Five (5) or more dwelling units in two (2) or more buildings located on a single parcel of land.

RESIDENTIAL SUBDIVISION: An area of five (5) or more lots for residential dwelling units which may be identified by filed subdivision plans or an area in which a group of dwellings may be constructed about the same time, either by a builder or several builders working on a coordinated basis.

(Continued)

PACIFIC GAS AND ELECTRIC COMPANY
DISTRIBUTION AND SERVICE EXTENSION AGREEMENT
OPTION 2—COMPETITIVE BIDDING
FORM NO. 62-0982 (REVISED 7/04) (T)
(ATTACHED)

Pacific Gas and Electric Company
DISTRIBUTION AND SERVICE EXTENSION AGREEMENT
OPTION 2 - COMPETITIVE BIDDING
PROVISIONS

1. As indicated in the Declarations, Applicant has elected to have competitive bidding and has awarded a qualified Contractor or PG&E the responsibility of installing gas and electric service, as applicable, to the locations described in Exhibit B. These services shall be installed in accordance with the provisions of PG&E's Rules 2, 15 and 16, General Terms and Conditions, project specific terms and conditions, design, specifications, and the requirements of this Agreement.

2. **Construction Responsibilities of Applicant.**
Applicant shall perform or arrange for the performance of the following work required for this project:

Electric Extensions:
- Route clearing, tree trimming, trenching, excavating, backfilling, and compacting;
- Furnishing of imported backfill material as required and disposal of trench spoil as required;
- Performing necessary surface repair and boring as required;
- Furnishing, installing, and transferring ownership to PG&E of any substructures, conduits, and protective structures required other than the conduit portion of cable-in-conduit (Rule 15 only);
- Obtaining any necessary construction permits for all work performed by Applicant under this Agreement.

Electric Underground Extensions:
- Installing primary and secondary distribution conductors, poles, pole risers, switches, transformers, and other distribution facilities required to complete the extension.

Electric Overhead Extensions:
- Installing all facilities required for the pole line extension, including poles, conductors, transformers, switches, and other devices as might be required.

Gas Extensions:
- Installing gas distribution main pipe, valves, and other related distribution equipment, as specified by PG&E, required to complete the extension including all necessary trenching, backfilling, and other digging as required.

- Furnishing, installing and upon acceptance by PG&E, conveying to PG&E the ownership of all necessary installed substructures and protective structures necessary to contain or support PG&E's gas facilities.

Applicant agrees to secure and pay for all required permits and licenses which may be required to fulfill the construction responsibilities from the governmental authority having jurisdiction.

Applicant shall provide to PG&E, prior to PG&E preparing the line extension contract, the Applicant's anticipated refundable costs to perform the work normally provided by PG&E. The Applicant shall submit, on a form provided by PG&E, a verified statement of such costs. If the Applicant elects not to provide such costs to PG&E, the Applicant shall acknowledge its election on the form and PG&E will use its estimate.

Form 62-0982
Tariffs and Compliance
Advice 2458-G-A/2379-E-A
Effective Date: July 1, 2004

If Applicant elects to have PG&E perform this work, Applicant shall pay to PG&E, as specified herein and before the start of construction, PG&E's estimated-installed costs thereof.

Applicant shall also pay to PG&E the costs for substructures and conduits which PG&E had previously installed at its own expense in anticipation of the current extension. Any necessary riser conduit, conduit covering, and miscellaneous riser material required for the line extension shall be paid for by Applicant and shall be installed by PG&E on PG&E owned and maintained facilities.

Upon completion of construction by Applicant and inspection and acceptance by PG&E, title and ownership for the gas and electric facilities installed under this Agreement shall vest in PG&E in accordance with the Acceptance and Conveyance section of this Agreement and as specified in the respective rule.

3. **Construction Responsibilities of PG&E.**
Except as otherwise provided in the rules, PG&E shall be responsible for:
   - Providing inspection service to verify Applicant's performance under this Agreement, as determined by PG&E; and
   - Connecting the applicant-installed facilities to PG&E's energized and pressurized supply system (system tie-in work), as applicable.

   PG&E will perform its construction responsibilities for the installation of only those facilities that, in PG&E's judgment, will be used within a reasonable time to serve permanent loads.

4. **Power Quality and Voltage Stability.**
Under normal load conditions, PG&E will deliver sustained voltage as close to the nominal service voltages that are economically practical. Any deviations from the normal voltage levels will be no greater than the service voltage ranges specified in PG&E's Electric Rule 2. Exceptions to voltage limits are specified in PG&E's Electric Rule 2. Applicant is responsible for planning, designing, operating and protecting equipment beyond PG&E's delivery point.

5. **Rule 16 Service Extensions.** Service Extensions will be installed in accordance with PG&E's Gas and Electric Rule 16. Applicant shall be responsible for all service trenching.

6. **Street Lighting Facilities.** If any street lighting facilities are to be installed, the installation shall be made in accordance with PG&E's applicable street and highway lighting schedule(s).

7. **Overhead to Underground Conversions.** In the event there is replacement of existing overhead electric facilities with underground facilities in conjunction with this project, the conversion shall be made in accordance with the applicable provisions of PG&E's Electric Rule 20.

   In the event that there is an Electric Rule 20.B or 20.C conversion in conjunction with this project, Applicant shall, at its expense, provide any necessary changes to the existing facilities so as to receive underground electric service at the points specified by PG&E. Underground electric service will not be energized until all affected premises are equipped to receive service in accordance with specifications and inspection has been received from the governing jurisdiction.

   Applicant shall not work on facilities owned by PG&E.

8. Allowances and Payments.

Applicant shall pay to PG&E on demand and in advance of any construction, a refundable payment, shown in Exhibit A, less any allowances shown therein, for any PG&E costs associated with the extension for the estimated costs of design, administration and the installation of any additional facilities necessary to complete the extension, including, but not limited to:

- engineering and administrative costs,
- system tie-in work,
- any applicable taxes.

INSPECTION FEES: A payment for PG&E's estimated cost for the inspections by PG&E of work performed by Applicant or Applicant's contractor, shown in Exhibit A, which shall be a fixed amount, not subject to reconciliation. Such inspection costs may be subject to otherwise available allowances up to the difference between the Applicant's contract anticipated refundable cost estimate and PG&E's estimate for performing the same work. Inspections costs are otherwise non-refundable. The total amount subject to refund shall not exceed PG&E's refundable cost estimate.

NON-REFUNDABLE: A non-refundable payment, shown in Exhibit A, for costs which may include, but are not limited to:

- re-engineering fees,
- preparation fees for trench composite drawings,
- survey and land rights acquisition costs,
- any applicable taxes.

ALLOWANCES: Allowances for permanent residential and non-residential service are provided in accordance with Gas and Electric Rule 15 and are included in Exhibit A, as applicable.

ITCC: All contributions and advances by Applicant are taxable and shall include an Income Tax Component of Contributions (ITCC) at the rate provided in PG&E's Preliminary Statement. ITCC will be either refundable or non-refundable in accordance with the corresponding contribution.

GROUP OF APPLICANTS. The total contribution or advance from a group of applicants will be apportioned among the members of the group in such manner as they mutually agree.

9. Amount Subject to Refund.

The total refundable amount set forth in Exhibit A - Cost Summary shall be subject to refund, without interest, on the basis of a new customer's permanent load connected to the line extension that produces additional revenue to PG&E in accordance with the following provisions:

Refunds will be made within ninety (90) days after the date Applicant becomes eligible for a refund except that refunds may be accumulated to a $50 minimum, or the total refundable balance remaining is less than $50.

Residential: The refund will be deducted from the total refundable amount. The remaining amount subject to refund represents that portion of the extension cost not supported by revenues.

Non-residential: PG&E shall review Applicant's actual base annual revenue each year for the first three years from the date PG&E is first ready to provide service. Applicant shall be responsible for notifying PG&E if new, permanent load is added the fourth through tenth year from the date PG&E is first ready to provide service. Such review shall determine if additional revenue supports any refunds to Applicant.

Refund Period: The total refundable amount is subject to refund for a period of ten (10) years after PG&E is first ready to provide service. No refund shall be made in excess of the refundable amount nor after a period of (10) years after the date PG&E is first ready to provide service. Any unrefunded amount remaining at the end of the ten-year period shall become the property of PG&E.

Refunds in Series: When there is a series of extensions, beginning with an extension having an outstanding amount subject to refund, and each extension is dependent on the previous extension as a direct source of supply, a series of refunds will be made as follows:

1. Additional service connections supplied from an extension on which there is a refundable amount will provide refunds first to the extensions to which they are connected; and,

2. When the amount subject to refund on an extension in a series is fully refunded, the excess refundable amount will provide refunds to the extension having the oldest outstanding amount subject to refund in the series.

Gas-only Trenching: If Applicant chooses to perform trenching for PG&E's gas facilities, and qualifies for a gas extension allowance, PG&E will provide Applicant with a reimbursement or credit for the lower of PG&E's project-specific estimated costs or Applicant's costs, as reported on Applicant's verified statement, upon completion and acceptance by PG&E.

Outstanding Payments: Applicant or subsequent assignees of this Agreement shall not be eligible for refunds if there are any outstanding payments due PG&E.

10. Unsupported Extension Cost.

When any portion of the refundable amount has not qualified for a refund at the end of twelve (12) months for electric service or thirty-six (36) months for gas service from the date PG&E is first ready to provide service, Applicant will pay to PG&E a cost-of-ownership charge on the remaining refundable balance. Monthly ownership charges are in addition to the refundable amount, and will normally be accumulated and deducted from refunds due to Applicant.

Payment of such cost-of-ownership charges will normally be made by deduction from the payments to be refunded as described in the Amount Subject to Refund section of this Agreement, but such deduction will not thereafter reduce the amount on which the cost-of-ownership charges are determined. If the amount remaining in the original refundable payment is insufficient to offset the cost-of-ownership charge within the 10-year refund period (described in the Amount Subject to Refund section of this Agreement) PG&E shall have the right to separately bill Applicant for this deficiency for the remaining duration of the 10-year refund period. However, the amount subject to cost-of-ownership charges will continue to be reduced by additional connected loads as defined in the Amount Subject to Refund section of this Agreement. Such ownership charges shall initially be determined from the applicable percentage rate established in the Special Facilities section(s) of PG&E's Gas or Electric Rule 2.

The monthly cost-of-ownership charges herein shall automatically increase or decrease without formal amendment to this Agreement if the Commission should subsequently authorize a higher or lower percentage rate for the monthly cost-of-ownership, effective on the date of such authorization.

This provision does not apply to individual residential applicants.

11. Payment Adjustments.

Contract Compliance. If after six (6) months following the date PG&E is first ready to serve residential loads for which allowances were granted, one (1) year for non-residential loads, Applicant fails to take service, or fails to use the service contracted for, Applicant shall pay to PG&E an additional contribution.

Excess Facilities: If the loads provided by Applicant(s) results in Applicant, the approved contractor or PG&E having installed facilities which are in excess of those needed to serve the actual loads, PG&E may elect to do the following: (1) Applicant shall pay PG&E its estimated cost to remove, abandon, alter, or replace the excess facilities, including those facilities that PG&E reinforced, enlarged, or replaced in anticipation of Applicant's proposed load, less the estimated salvage for any removed facilities, or (2) Applicant shall pay PG&E any Special Facilities charges in accordance with PG&E's Rule 2 for those facilities, including those facilities that PG&E reinforced, enlarged, or replaced in anticipation of Applicant's proposed load, which are in excess of those facilities needed to serve Applicant's actual load. The total cost of the facilities PG&E reinforced, enlarged, or replaced are shown in Exhibit A.

Deficiency Charges for Non-Payment: Applicant shall pay PG&E for any administrative and processing charges associated with collecting any payment adjustments related to this Agreement.

12. Non-Refundable Amount.

Discount Option: Competitive Bidding - Installation by Applicant. In lieu of receiving refunds for the total refundable amount described in the Amount Subject to Refund section, Applicant may elect the Discount Option. Upon completion, acceptance and conveyance of the gas and electric facilities to PG&E, in accordance with the provisions of this Agreement, Applicant may elect to receive a lump sum payment of fifty percent (50%) of the refundable amount as shown in Exhibit A - Cost Summary.

Discount Option: Competitive Bidding - Installation by PG&E. In lieu of contributing the total refundable amount described in the Amount Subject to Refund section, Applicant has the option of contributing, on a non-refundable basis, fifty percent (50%) of the refundable amount as shown in Exhibit A - Cost Summary.

Excess Service. PG&E's estimated installed costs for Service Extensions in excess of the allowance, not subject to discount, as defined in PG&E's Gas and Electric Rule 16 as shown in Exhibit A - Cost Summary are non-refundable.

Other Non-refundable Amounts. Applicant shall pay to PG&E a fixed amount as a non-refundable payment, shown in Exhibit A, for the inspections by PG&E of Distribution System work performed by Applicant or Applicant's contractor, to the extent that such costs are not covered by allowances according to Provision 8 of this document, as well as other non-refundable costs which may include, but are not limited to:

- re-engineering fees,
- preparation fees for trench composite drawings,
- survey and land rights acquisition costs,
- any applicable taxes.

13. Non-Standard Equipment Installation and Removal.

When the situation requires the location, installation, maintenance, repair and replacement of specialized or non-standard utility-owned equipment (Equipment) necessary to provide utility service or perform utility work, Applicant agrees to pay the costs to install PG&E's equipment. Applicant further agrees that, should the Equipment need to be replaced for any reason, it shall be Applicant's responsibility to make arrangements and to pay the cost to have the equipment removed and replacement equipment installed. PG&E shall be responsible for furnishing and delivering any

replacement to the site. PG&E hereby agrees to the Equipment location on the following terms and conditions:

- Applicant shall furnish, install, own and maintain the Equipment area within or upon his building at his sole cost. The construction of the area shall comply with all applicable building code requirements. The site, access, location, and arrangement of the facilities shall be subject to PG&E's prior written approval, and any changes or additions thereto shall be made only after PG&E's prior written approval. Except for required area maintenance by Applicant, under PG&E's supervision, Applicant shall not have access to the Equipment area.

- Applicant shall make proper arrangements and pay all the costs associated with the initial and all subsequent installations and removals of PG&E's Equipment into the Equipment area.

- Applicant shall furnish, install, own and maintain all primary and secondary conduits within the property line at his sole cost. The plans for the installation of the secondary service facilities termination details, and other associated facilities installed by Applicant for PG&E use shall be subject to PG&E's prior written approval and shall comply with all applicable code requirements.

- Applicant accepts responsibility for any service interruption that may result from PG&E not having clear access to the Equipment area.

14. General Access.
Where it is necessary for PG&E to install facilities on Applicant's premises, Applicant hereby grants to PG&E: (a) the right to install, own and maintain such facilities on Applicant's premises together with sufficient legal clearance between all structures now or hereafter erected on Applicant's premises; (b) the right to enter and leave Applicant's premises for any purpose connected with the furnishing of gas and electric service (meter reading, inspection, testing, routine repairs, maintenance, replacement, emergency work, etc.) and the exercise of any and all rights secured to it by law, or under PG&E's tariff schedules.

15. Land Rights.
Where formal rights-of-way, easements, land leases, or permits are required by PG&E for the installation of the facilities on or over Applicant's property, or the property of others, Applicant understands and agrees that PG&E shall not be obligated to install the Facilities or accept the facilities installed by Applicant or the approved contractor unless and until any necessary permanent rights-of-way, easements, land leases, or permits, satisfactory to PG&E, are granted to or obtained for PG&E without cost to or condemnation by PG&E; however, if PG&E is unable to obtain such land rights, Applicant shall obtain them. Such easement shall include the right of access and right to trim trees as necessary to maintain required legal clearances from overhead wires.

16. Acceptance and Conveyance.
In accordance with the PG&E's General Terms and Conditions attached, and upon (a) PG&E's receipt of any required formal rights-of-way, easements, leases, and permits, and (b) PG&E's pressurization and energization of facilities installed by Applicant, Applicant hereby grants and conveys to PG&E, its successors and assigns, all rights, title and interest in and to all such work and facilities, free and clear of all liens and encumbrances.

17. Safety Precautions.
Applicant shall ascertain the location of all existing gas and electric facilities of PG&E within the scope of Applicant's construction area and inspect the area initially and periodically during construction to verify the location of all existing and new PG&E facilities. Applicant and PG&E shall perform all work in compliance with applicable federal, state, and local laws, rules and regulations. Applicant shall inform all persons doing work in proximity of the location of PG&E's facilities and ensure that all work of non-PG&E employees is planned and conducted in a manner to safeguard persons and property

from injury. Work performed in close proximity to PG&E's energized electric facilities and pressurized gas facilities also shall be performed in accordance with established Cal-OSHA safety rules and practices, and as may be directed by PG&E. Only personnel duly authorized by PG&E are allowed to connect or disconnect conductors from PG&E-owned Service Facilities, or perform any work upon PG&E-owned existing facilities.

18. Delays in Construction.

- **Force Majeure.** PG&E shall not be responsible for any delay in either the performance of Applicant's responsibilities under this Agreement, or the installation or completion of the facilities by PG&E resulting from shortage of labor or materials, strike, labor disturbance, war, riot, weather conditions, governmental rule, regulation or order, including orders or judgments of any court or commission, delay in obtaining necessary land rights, act of God, or any other cause or condition beyond the control of PG&E.

- **Resources.** PG&E shall have the right, in the event it is unable to obtain sufficient supplies, materials, or labor for all of its construction requirements, to allocate materials and labor to construction projects which it deems, in its sole discretion, most important to serve the needs of its customers. Any delay in construction hereunder resulting from such allocation shall be deemed to be cause beyond PG&E's control.

- **Inflation.** In the event that PG&E is prevented from commencing the installation of the facilities for reasons beyond its reasonable control within twelve months following the effective date of this Agreement, PG&E shall have the right to revise the cost figures to reflect any increases in costs since the original costs were determined. PG&E shall notify Applicant of such increased costs and give the option to either terminate this Agreement or pay PG&E the additional charges.

19. Change Orders and Relocations.

All standard design or construction changes made in the field, which impact the charges to Applicant, will be made using PG&E's Agreement Change Order. These field changes, including unforeseen field conditions which may result in additional work or costs by Applicant, the approved contractor or PG&E, may require sketch revisions of Exhibit B. Unforeseen field conditions include, but are not limited to, contaminated soil, obstructions, and weather conditions. The proper execution and attachment of the Agreement Change Order, and any necessary changes to supersede Exhibit A resulting from the change order, constitutes formal amendment to this Agreement. Applicant shall pay PG&E for any such changes in accordance with the appropriate tariff.

EXCEPTION: If the requested changes are in addition to or substitution for the standard Facilities that PG&E would normally install, then a Special Facilities Agreement shall be required under the provisions of Section I of Rule 2.

20. Termination of Agreement.

In the event Applicant has not fulfilled its obligations under this Agreement within twelve (12) months following the date of this Agreement, and PG&E is unable to proceed hereunder, PG&E shall have the right to terminate and/or supersede this Agreement upon thirty (30) days' written notice to Applicant. Upon such notice PG&E will calculate any refundable or additional non-refundable amounts that may be due based on that portion of the distribution system then completed, utilizing the estimated costs developed by PG&E for this Agreement.

The superseding Agreement, if any, shall be in the same form as this Agreement, shall be executed by the parties hereto and shall provide that costs be allocated to the portion of the Distribution System then completed, if any, consistent with those costs estimated by PG&E for this Agreement.

If this Agreement is terminated as set forth above, Applicant further agrees to forfeit that portion of the advance paid to PG&E for its expenses covering any engineering, surveying, right-of-way, removal, acquisition and other associated work incurred by PG&E. If such expenses are greater or less than the refundable and/or non-refundable payments, Applicant shall pay to PG&E, or PG&E shall refund the balance without interest, to Applicant, as the case may be.

21. Indemnification and Withholding.

INDEMNIFICATION: Applicant shall indemnify, defend and hold harmless PG&E, its officers, directors, agents, and employees, from and against all claims, demands, losses, damages, costs, expenses, and legal liability connected with or resulting from injury to or death of persons, including but not limited to employees of PG&E, Applicant, contractor or subcontractor; injury to property of PG&E, Applicant, or any third party, or to natural resources, or violation of any local, state or federal law or regulation, including but not limited to environmental laws or regulations, or strict liability imposed by any law or regulation; arising out of, related to, or in any way connected with Applicant's performance of this Agreement, however caused, regardless of any strict liability or negligence of PG&E, whether active or passive, excepting only such claims, demands, losses, damages, costs, expenses, liability or violation of law or regulation as may be caused by the active negligence or willful misconduct of PG&E, its officers, agents, or employees.

Applicant acknowledges that any claims, demands, losses, damages, costs, expenses, and legal liability that arise out of, result from, or are in any way connected with the release or spill of any legally designated hazardous material or waste as a result of the Work performed under this Agreement are expressly within the scope of this indemnity, and that the costs, expenses, and legal liability for environmental investigations, monitoring, containment, abatement, removal, repair, cleanup, restoration, remedial Work, penalties, and fines arising from the violation of any local, state, or federal law or regulation, attorney's fees, disbursements, and other response costs are expressly within the scope of this indemnity.

Applicant shall, on PG&E's request, defend any action, claim or suit asserting a claim covered by this indemnity. Applicant shall pay all costs that may be incurred by PG&E in enforcing this indemnity, including reasonable attorney's fees.

WITHHOLDING: In addition to any other right to withhold, PG&E may withhold from payments due Applicant hereunder such amounts as, in PG&E's opinion, are reasonably necessary to provide security against all loss, damage, expense, and liability covered by the foregoing indemnification provision.

22. Assignment of Contract.

Applicant may assign this Agreement, in whole or in part, only if PG&E consents in writing and the party to whom the Agreement is assigned (Assignee) agrees in writing, to perform the obligations of Applicant hereunder. Such assignment shall be made using PG&E's Assignment Agreement and shall be notarized. Assignment of this Agreement shall not release Applicant from any of the obligations under this Agreement unless otherwise provided therein, shall be deemed to include Applicant's right to any refunds then unpaid or which may thereafter become payable.

23. Joint and Several Liability.

Where two or more individuals or entities are joint applicants under this Agreement, PG&E shall direct all communications, charges and refunds to Applicant designated below, but all applicants shall be jointly and severally liable to comply with all terms and conditions herein.

24. Warranty.

As specified in PG&E's General Terms and Conditions, Applicant shall warrant that all materials and workmanship performed or otherwise provided by Applicant shall be free of all defects and fit for its intended purposes. The warranty begins with the date the facilities are energized or pressurized by

PG&E and extends past the date of final acceptance of the Distribution System by PG&E for: (a) one year covering equipment furnished and installed by Applicant or the approved contractor, and (b) two years plus, covering the trenching and backfilling. In the event Applicant's work or materials provided under this Agreement fails to conform to the warranty or are damaged as a result of any actions by a third party, Applicant shall reimburse PG&E its costs for the total cost of repair and/or replacement as deemed necessary by PG&E. Such reimbursements shall be non-refundable.

25. Effective Date and Term.

This Agreement shall be binding when (a) the Agreement is signed by Applicant and delivered together with payment required to PG&E within ninety (90) days of issuance, and (b) the Agreement is accepted and executed by PG&E. If Applicant is a corporation, partnership, joint venture or a group of individuals, the subscriber hereto represents that he or she has the authority to bind said corporation, partners, joint venture or individuals as the case may be.

The term of this Agreement shall commence on the date PG&E's facilities are first ready to supply and serve, as shown in PG&E's records, and shall then continue in force for a period of ten years, subject to the termination provision of this Agreement

26. Commission Jurisdiction.

This Agreement shall be subject to all of PG&E's applicable tariff schedules on file with and authorized by the Commission and shall at all times be subject to such changes or modifications as the Commission may direct from time to time in the exercise of its jurisdiction. These may include, but are not limited to changes or modifications to Monthly Cost-of-Ownership Charges (higher or lower percentage rates), extension rules, rate schedules, allowances and refund amounts.

PACIFIC GAS AND ELECTRIC COMPANY
GENERAL TERMS AND CONDITIONS
FOR GAS AND ELECTRIC EXTENSION
AND SERVICE CONSTRUCTION BY APPLICANT
FORM NO. 79-716 (REVISED 7/04) (T)
(ATTACHED)

REFERENCES:

SUBMITTED TO APPLICANT BY:

GENERAL TERMS AND CONDITIONS FOR GAS AND ELECTRIC EXTENSION AND SERVICE CONSTRUCTION BY APPLICANT

Form 79-716
Tariffs and Compliance
Advice 2458-G-A/2379-E-A
Effective: July 2004

GENERAL TERMS AND CONDITIONS
TABLE OF CONTENTS

PAGE

A. *APPLICABILITY* 3

B. *DEFINITIONS* 3

C. *RESPONSIBILITIES* 5

1. *PROJECT INITIATION AND ENGINEERING* 5

2. *MATERIALS* 6

3. *PAYMENTS* 8

4. *PERMITS, LICENSES* AND *SPECIAL INSPECTION* 8

5. *CONSTRUCTION* 9

6. *CHANGES AND EXTRA WORK* 11

7. *INSPECTION* 11

8. *DOCUMENTATION AND AS-BUILT DRAWINGS* 12

9. *FINAL ACCEPTANCE AND CONVEYANCE* 13

10. *PARTIAL USE OF FACILITIES* 13

D. *CONTRACTORS AND SUBCONTRACTORS* 14

E. *INSURANCE* 14

F. *INDEMNITY AND WITHHOLDING* 15

G. *GUARANTEES AND EQUIPMENT WARRANTY* 15

H. *INTERPRETATION OF THE AGREEMENT* 16

I. *CONFLICTS* 16

J. *CLAIMS SETTLEMENT, DISPUTES* 17

K. *LEGAL REQUIREMENTS* 17

L. *RIGHTS OF PG&E* 18

M. *RIGHT TO SUSPEND WORK* 18

N. *COMPLIANCE WITH LAWS AND REGULATIONS* 19

O. *FEDERAL EQUAL OPPORTUNITY LAWS* 19

GENERAL TERMS AND CONDITIONS
FOR GAS AND ELECTRIC EXTENSION AND SERVICE
CONSTRUCTION BY APPLICANT

A. APPLICABILITY

These general terms and conditions apply where the Applicant proposes to install new gas or electric facilities for new business utility service under the provisions of the Gas and Electric Rules as filed with the California Public Utilities Commission.

The attached specific terms and conditions and applicable Drawings shall supplement these general terms and conditions. The Applicant shall ensure that their selected Contractors and Subcontractors conform to all PG&E requirements as stated in the applicable rules, these general terms and conditions, the supplemental specific terms and conditions and all applicable Drawings.

B. DEFINITIONS

The following words and their definitions are provided for uniformity and clarity between PG&E, the Applicant and the Applicant's Contractor or Subcontractors.

1. Agreement: This term includes, but is not limited to, the project specific Agreement, these general terms and conditions, specific conditions, standard Drawings, construction Drawings, appendices and any associated bonds, together with any other written documentation between PG&E and the Applicant (including CPUC authorized tariffs specifically incorporated therein by direct reference or otherwise).

2. Applicant: The developer or party entering into an Agreement with PG&E for the installation of gas or electric facilities.

3. Applicant's Statement of Costs: Form # 79-1003. A statement of Applicant's anticipated refundable costs supplied by the Applicant and verified under penalty of perjury by Applicant. These costs shall be used by PG&E as the exclusive determinant of Applicant's refundable costs to determine the lower of PG&E's or Applicant's costs, which will be subject to the allowances and refund provisions of Gas and Electric Rules 15 & 16

4. As-Built: A required Drawing by Applicant clearly showing all installed facilities prepared upon completion of project. This may include, but is not limited to the distribution and service facilities installed.

5. Authorization Joint Trench Construction (Form B): A billing breakdown prepared at the Applicant's expense by either the Applicant or PG&E in conjunction with the Composite Drawings for the various trench occupants by footage. See Exhibit I for sample Form B.

6. Change Order: Authorization to add, delete or change Work. PG&E's Change Order form provides a description of additional Work and authorization to perform or delete such Work as agreed to by Applicant and PG&E. See Exhibit III for sample Change Order.

7. Composite: A Drawing prepared at Applicant's expense by either the Applicant or PG&E (if PG&E agrees and labor is available). This Drawing delineates by measurement, the trench route and location from adjacent property lines or fixed objects, the size for each trench section (width, depth and length), the location and size of all substructures and the various cross-sectional Trench Configurations, showing size and number of buried facilities for each trench occupant.

8. Contractor: The Applicant's agent who enters into a contractual agreement with the Applicant for the installation of the specified gas or electric facilities. All obligations of the Applicant as specified in this Agreement shall also apply to the Contractor.

9. Distribution Trench: A trench to be utilized for distribution and feeder facilities that is intended to serve more than one building, customer or parcel. Such a trench may also contain gas service pipes and conduits or conductors for serving a single customer or street lights. The term distribution trench shall also include those trenches designated by the telephone utility as "Common Service Connection Trenches." A distribution trench will normally be located in a (a) private utility right-of-way and easement, (b) dedicated public utility easement or (c) other thoroughfare under permit which will be superseded by the utility franchise right.

10. Drawings:

Standard Drawings

Drawings prepared by PG&E depicting PG&E requirements for design, construction, operation and maintenance of its operating facilities.

- PG&E electric standard Drawings
- PG&E gas standard Drawings
- PG&E electric design standard Drawings

Construction Drawings

A Drawing(s) depicting the site-specific requirements for a defined utility extension and service project.

- Composite Drawing
- Gas and electric site construction Drawings(s) that provide a layout of proposed Work in sufficient detail to allow the Applicant to plan and perform the Work.
- Gas Service Orders

11. Intent: Notice of Intention to Construct Underground Facilities (Form A): The Intent shall notify and advise other agencies that trench Work is proposed in a particular area, and provides an invitation to other potential occupants to share the benefits and costs of joint trench construction. See Exhibit II for sample Form A.

12. Land Rights: Any legal right of a person, corporation (utility) etc., to use another's land. Such Land Rights will usually be in the form of a: (a) private right-of-way and easement; (b) dedicated public utility easement; (c) franchise rights; or, (d) permit (license) and lease agreement.

13. Material Suppliers: Those vendors, suppliers and manufacturers who have been qualified by PG&E to supply material according to PG&E specifications.

14. PG&E: Pacific Gas & Electric Company acting through its authorized representative(s).

15. Permit: A written Agreement or license for Work, granted by the agency having authority.

16. Service Trench: A trench which extends from a distribution trench to an Applicant's building or service termination point. Such a trench may be designated as a "Separate Service Connection Trench" by telephone.

17. Subcontractor: The party or parties or another entering into a contractual agreement with the Applicant's Contractor or another Subcontractor for the installation of a portion of the specified gas or electric facilities. The obligations, where set forth in this Agreement, shall also apply to Subcontractors regardless of level or tier.

18. Superintendent: Applicant's field representative to whom PG&E and the Applicant make known decisions, instructions and interpretations. Notices given the Superintendent shall be deemed notices given to the Applicant.

19. Trench Configuration: The cross-sectional trench design specified to provide trench occupants with facility clearance and cover requirements.

20. Trench Layout: Preliminary design showing joint trench route submitted with an Intent.

21. Utilities: Agencies, public or private, which install, own, and operate utility facilities intended for general public, municipal or private use.

22. Work: All labor, materials, equipment and any other job requirements related to the attached specification and Drawings.

C. *RESPONSIBILITIES*

1. PROJECT INITIATION AND ENGINEERING	APPLICANT	PG&E
a. Applicant will submit gas and electric loads, plans and Drawings, Statement of Costs - Form # 79-1003, and other information as required by PG&E.	♦	
	♦	
b.. PG&E shall furnish to the Applicant, in a timely manner, the following (where applicable); 1. For underground facilities, separate preliminary gas and electric engineering sketches indicating the trench design and the approximate routing of facilities. These sketches are for design purposes only and are not intended to be used for construction. 2. For overhead facilities, site Construction Drawing(s) and specifications for the Work. The site Construction Drawings will augment the standard Drawings and specifications contained herein and are to be part of this Agreement.		♦
c. For underground facilities, the Applicant shall contact all other potential trench occupants (telephone, cable TV, and etc.) with an Intent (Form A), to use the proposed joint utility trench.[1] The Intent shall include, but is not limited to, a sketch and trench/excavation cost breakdown. Cost breakdowns shall be as required on the attached Form B	♦	
d. For overhead facilities, PG&E shall contact other Utilities for Intent to use the proposed overhead facilities.		♦
e. For underground facilities, the Applicant shall provide PG&E a Composite Drawing delineating the cross-sectional facility configuration of all trench occupants and the intended size of their facilities.[2]	♦	
1. PROJECT INITIATION AND ENGINEERING (Continued)	**APPLICANT**	**PG&E**
h. PG&E will review Applicant's Composite Drawings. Approval will be granted if the Composite Drawings meet all the necessary requirements.		♦
i. Upon receipt of the Applicant's approved Composite Drawings, PG&E shall prepare any site Construction Drawing(s) and specifications for the Work. The site Construction Drawings will augment the Standard Drawings and specifications contained herein and are to be part of this Agreement.		♦

[1] At Applicant's request and non-refundable expense, if PG&E has available estimating labor, PG&E may agree to prepare the Composite Drawing, coordinate the Intent process with other potential trench occupants and provide estimated trench/excavation cost breakdowns.

j. If the Applicant elects to perform the gas service installation, it shall be PG&E's responsibility to provide "gas service orders" to the Applicant. The service orders must be returned to PG&E with As-Built correction prior to acceptance and pressurization of the gas services.		♦

2. [2] MATERIALS	APPLICANT	PG&E
a. The Applicant shall determine the material requirements from the approved Drawings. Quantities for individual assemblies (e.g., pole structures, gas meter risers, and etc.) shall be determined from the applicable standard Drawings. The Applicant is responsible for the determination of accurate distance requirements resulting from terrain variations, electric cable slack requirements, gas line, cable termination requirements, and etc. PG&E assumes no responsibility for the stated distance quantities and will not honor claims arising from a difference between these quantities and what is required for the Work.	♦	
b. At Applicant's request and at PG&E's option, PG&E will provide a Material Summary sheet identifying the materials and quantities for the project. The material summary is intended to include most major materials and some minor materials for the job. The summary is furnished solely as a convenience for compiling a list of anticipated construction materials and does not necessarily include all materials which may ultimately be necessary for your job. Material codes, if identified, are PG&E's company assemblies that may be available from approved vendors only as individual components. **It is emphasized that applicants bear the ultimate responsibility to ensure that all materials necessary to construct their project are ordered using the APPROVED construction Drawing(s) and engineering standards furnished by PG&E.**		♦
c. PG&E shall provide the Applicant a list of approved Material Suppliers for the Applicant's procurement of material.		♦
d. The Applicant shall only solicit material bids from the list of approved Material Suppliers. Materials acquired from vendors who are not on the approved supplier list will not be accepted.	♦	

[2] Specific items of purchase may require in-plant inspections by PG&E prior to shipment to a job site. Any item designated within PG&E's specifications by brand name shall be as designated. Requests by the Applicant for an "approved equivalent" for such items shall be granted in writing by PG&E only if PG&E has determined that the specified material is not available. In any case, the decision of PG&E will be final. PG&E will not honor any claim arising from approvals or rejections of requests for "approved equivalent" items. Furnishing or installing, or both, of such an item shall be in accordance with the manufacturer's recommendations and specifications except as they may be modified by PG&E standards and specifications.

2. MATERIALS (Continued)	APPLICANT	PG&E
e. The Applicant shall be responsible for: (1) procurement of all materials in accordance with PG&E requirements from PG&E-approved Material Suppliers (2) material storage and security (3) disposal of excess materials (4) immediate removal from the job site of materials rejected by PG&E.	♦	
f. Prior to the installation of materials, the Applicant shall provide PG&E with supplier's certifications that all permanent materials to be used in the Work comply with the applicable PG&E specifications and Drawings. All material shall be new and in first class condition and shall comply with the requirements of this Agreement. If Applicant fails to provide materials in compliance with the specification and Drawings, PG&E reserves the right to reject the material. Any materials that are defective or in the opinion of PG&E show signs of deterioration shall be immediately removed from the job site and replaced by the Applicant.	♦	
g. The Applicant is responsible for furnishing all materials[3] and tools[4] for the Work. Storage and handling of all material shall be in accordance with the applicable PG&E standards or manufacturer recommendations. Storage areas shall be designated and access to these areas shall be limited to minimize damage to material. Some materials may require protected storage facilities to minimize deterioration from sunlight and weathering. Applicant shall ensure that material storage is in accordance with the above requirements. Furnishing protective storage facilities shall be the responsibility of the Applicant.	♦	
h. The Applicant shall ensure PG&E access to all material storage areas or facilities.	♦	

[3]PG&E will normally not sell materials to Applicants who chose to use their own Contractor. On rare occasions when a critical project will be delayed, PG&E may, at its option, sell material from PG&E stock to the Applicant (not to the Contractor) if **ALL** of the following criteria are met;

(1) the Applicant has demonstrated that they have placed timely and proper material orders and they cannot obtain the material on time.

(2) delayed delivery of the specific material will delay establishing service to PG&E customers;

(3) the materials in PG&E stock are not dedicated nor needed for other projects or Work;

(4) all payments including the appropriate taxes, overheads and any cost associated with the sale are collected up-front;

(5) if PG&E trades materials with the Applicant, all PG&E costs associated with the trade are collected in advance of construction.

All sales are final. Return of sold material is not permitted.

[4] Under no circumstance shall PG&E loan tools.

3. PAYMENTS	APPLICANT	PG&E
a. Applicant shall compensate PG&E for the cost of (1) Agreement and document preparation (2) Surveys (3) Land rights, preparation of land right documents, and associated permits acquired by PG&E. (4) Engineering and design specification documents including but not limited to site specific drawings, material specifications, and construction specifications documents (5) Construction and material inspections (6) PG&E administrative charges associated with the Work (7) Specific or special contractual requirements (E.g. Special facilities installations or engineering work to permit the Applicant to solicit competitive bids for the installation of the proposed gas, electric underground and electric overhead facilities. (8) PG&E's labor and material costs necessary to complete the installation. These costs shall be paid by the Applicant prior to construction. The refundable costs for Applicant installed work that is PG&E's responsibility will be based on the lower of the Applicant's anticipated refundable costs or PG&E's estimated refundable costs. All other refundable and non-refundable costs will be based on PG&E's estimated costs. .	♦	
b. PG&E refund and reimbursement payments for Work performed by the Applicant and accepted by PG&E are subject to the applicable extension and service rule allowances. Payments will be based on the lower of the Applicant's refundable costs <u>or</u> PG&E's estimated costs. PG&E will not refund or reimburse the Applicant for any special charges for non-standard activities performed or facilities installed.		♦

4. PERMITS, LICENSES AND SPECIAL INSPECTION	APPLICANT	PG&E
a. The Applicant is fully responsible for obtaining all necessary Permits and licenses for moving all construction equipment, tools, supplies, materials and people across railroads and highways, across public or private lands and along public and private roads. Applicant is responsible for obtaining such licenses and Permits as are necessary for it to operate and do business in any of the counties, towns, etc., in performance of the Work.	♦	
b. Applicant shall, without cost to PG&E, obtain all required Permits, serve notices, arrange for inspection and pay fees and deposits. Work shall comply with the applicable governmental rules, regulation and ordinances.	♦	
c. The Applicant shall be responsible for obtaining excavation Permits in accordance with Section 341 of Chapter 3.2, Group II, Title 8, California Administrative Code for "construction of trenches which are 5 feet deep or deeper and into which a person is required to descend."	♦	
d. Should special supervision or inspection of construction activities be required by any grantor or permittor, as a condition of the Permit or grant of occupation, Applicant shall be responsible to pay all costs of such supervision and inspection.	♦	

5.[5] CONSTRUCTION	APPLICANT	PG&E
a. The Applicant shall only solicit installation bids from qualified Contractor/ Subcontractors who shall: (1) Be licensed in California for the appropriate type of work (electrical, general, etc.) (2) Employ workers properly certified for specific skills, required (plastic fusion, welding, etc.). Electric workers shall be properly qualified (Qualified Electrical Worker, Qualified Person, etc.) as defined in State of California High Voltage Safety Orders (Title 8, Chapter 4, Subchapter 5, Group 2). (3) Comply with applicable laws (Equal Opportunity Regulations, OSHA, EPA, etc.). Further, an Applicant who intends to employ a Qualified Contractor/ Subcontractor should consider whether the Qualified Contractor/Subcontractor: (1) Is technically competent (2) Has access to proper equipment (3) Demonstrates financial responsibility commensurate with the scope of the contract. (4) Has adequate insurance coverage (Workers' Compensation and Employer Liability, Commercial General Liability, and Business Auto. (5) Is able to furnish surety bond for performance of the contract, if required.	♦	
b. Applicant and their Contractors and Subcontractors shall use only PG&E-approved construction Drawings for construction purposes. Construction from unauthorized or preliminary Drawings is not permitted. The Applicant shall assume full responsibility for errors, omissions or changes if the project is constructed from preliminary Drawings or from non-PG&E approved construction Drawings.	♦	
c. Applicant shall require the Superintendent to be in charge of the worksite, to supervise the Contractor and Subcontractor Work, to exercise control as may be require and to be available to PG&E at the time when Work is being performed.	♦	
d. Applicant shall prepare and update as necessary a construction schedule to specify the starting dates and duration of the trenching, installation, backfill and clean up Work anticipated for the new gas and electric facilities. The schedule for other occupants of a joint trench, if any, shall also be indicated.	♦	
e. The Applicant shall be responsible both for arrangement of a pre-construction meeting for all pole line or trench occupants and coordination of all field installation of other joint pole and joint trench occupant's facilities. The pre-construction meeting should be held a minimum of ten working days prior to commencement of Work.	♦	
f. Applicant is to coordinate the installation of other Utilities, e.g., telephone, cable TV, to minimize costs to each party.	♦	

[5] PG&E shall not honor any claims arising from the Applicant's required adherence to Work practices and safety precautions dictated by PG&E's established safety rules.

5. CONSTRUCTION (Continued)	APPLICANT	PG&E
g. The Applicant shall schedule the Work to avoid any standby of PG&E personnel. PG&E shall have the right to approve the schedule. If PG&E's Work becomes delayed after mobilization by PG&E, the Applicant shall be liable for the cost of such delays (e.g., "move on", "move off" or standby time).	♦	
h. On final walk-thru and before energization or pressurization, the Applicant shall tag the electrical distribution, electrical services and gas services with the letters "AIF" and the anticipated expiration date of the material warranty. Identification shall be by affixing an orange plastic tag to the electrical wire in each primary and secondary enclosure, to the wires in the electrical service panels and to the gas service risers.	♦	
i. Applicant shall plan and conduct the Work to safeguard persons and property from injury. Applicant shall direct the performance of the Work in compliance with reasonable Work practices and with applicable federal, state, and local laws, rules, and regulations, including but not limited to "Occupational Safety and Health Standards and Orders" promulgated by the US Secretary of Labor and the California Division of Occupational Safety and Health (Cal-OSHA). Work in areas adjacent to electrically energized facilities or operating natural gas facilities shall be performed in accordance with Cal-OSHA, established safety rules and as may be directed by PG&E. Before digging, Applicant shall contact, "Underground Service Alert" (USA), and abide by its rules and procedures. PG&E may require Applicant to observe reasonable safety precautions in addition to those in use or proposed by Applicant or other agencies. **Neither the giving of special instructions by PG&E nor the adherence thereto by Applicant shall relieve Applicant of the sole responsibility to maintain safe and efficient working conditions.**	♦	
j. PG&E shall perform all Work involving connecting the Applicant's installed utility system to PG&E's operating facilities.		♦
k. Applicant workmanship shall be of acceptable quality in every respect, plumb and true, and shall comply or exceed the requirements of the Specifications and Drawings. Workmanship shall be subject to inspection by PG&E. If workmanship does not comply with the Specifications and Drawings, PG&E reserves the right to not accept the Work or to suspend Work.	♦	

6. [6] CHANGES AND EXTRA WORK	APPLICANT	PG&E
a.. PG&E or the Applicant may require changes in the Work or in the provisions governing the Work. Increase in Work, decrease in Work or changes shall be performed only when authorized in writing by the Applicant and PG&E on PG&E's current filed and approved Change Order Form. No subsequent claim will be honored for intangible effects or time lost resulting from Work covered by a Change Order. Pricing shown in the Change Orders may be flat costs and shall include all indirect or intangible costs.	♦	♦
b. For a change in Work requested by PG&E, PG&E shall re-estimate the Work to determine the value of the incremental direct labor and material costs. This cost change will revise PG&E's prepared estimate used as the basis for payment (if any) to the Applicant in accordance with the extension and service allowances in the tariffs.		♦
c. PG&E and the Applicant shall mutually agree to the value of all incremental intangible costs associated with the implementation of this change in the Work. PG&E shall have the right to review, audit and approve all documentation that supports an Applicant's basis of determining intangible incremental costs. The Applicant will be fully reimbursed for the value of these agreed upon intangible costs in accordance with These General Terms and Conditions and as identified in the appropriate tariffs.	♦	♦
d. In the event the extra Work requires additional materials, PG&E has the right to furnish certain material items that PG&E determines are in its best interest to furnish. The material to be furnished will be documented on the Change Order Form.		♦
e. For a change in the Work requested by the Applicant and agreed to by PG&E on the Change Order Form, PG&E shall re-estimate the Work to determine the value of the incremental direct labor and material costs. This cost change will revise PG&E's refundable or non-refundable payments to or from the Applicant in accordance with these General Terms and Conditions and as identified in the appropriate tariffs. PG&E shall determine the value of additional engineering and specification preparation charges for changes in the Work. The Applicant shall be responsible for any increased costs.	♦	♦

7. INSPECTION	APPLICANT	PG&E
a. The Applicant agrees to a thorough and detailed inspection (100%) by PG&E of any activity undertaken by the Applicant in the performance of the obligations of this Agreement.	♦	
b. Applicant's contracts with Contractor(s) and Subcontractors will provide for PG&E's right to conduct the required inspections.	♦	
c. Applicant shall pay the cost of inspection, including PG&E administrative overheads and payroll additives, per diem, transportation, etc. in accordance with the provisions of Gas & Electric Rules 15 and 16.	♦	

[6] In the event the number of trench occupants changes from the number originally used to determine the costs, PG&E shall have the right to reallocate the costs in accordance with PG&E's established practices. Applicant may be billed for additional charges related to these changes. Failure or neglect of PG&E to condemn or reject inferior Work or material shall not be construed as acceptance of such Work or materials.

7. INSPECTION (Continued)	APPLICANT	PG&E
d. PG&E shall have free access to the Work at all times.		♦
e. PG&E has the right to make field and shop inspections and material tests. See material section for additional material inspection instructions.	♦	
f. The Applicant shall notify PG&E two working days in advance of commencing any related Work.	♦	
g. PG&E will assign a representative(s) to observe and approve all Work related to the attached specifications and Drawings. PG&E shall assign additional inspectors as it deems necessary to observe and approve specific items of Work that it deems to warrant additional inspection.		♦
h. PG&E may direct the Work in areas adjacent to electrically energized facilities or operating natural gas facilities as described in these General Terms and Conditions, Section 5f, Construction.		♦
i. Applicant agrees that no Work shall be performed unless PG&E is present or the Applicant has received prior written consent from PG&E to proceed.	♦	
j. The Applicant agrees that neither the making, nor the failure to make, inspections and tests nor the express or implied approval of the Work by PG&E shall relieve Applicant from the responsibility to complete and guarantee the Work as specified. Rejected Work shall be remedied at the Applicant's expense.	♦	
k. In the event that the Applicant fails to maintain the anticipated progress and the Work duration is extended beyond the original estimates, the Applicant will be liable for additional inspection and per diem costs. PG&E will not honor any claims arising from extended Work duration.	♦	

8. DOCUMENTATION AND AS-BUILT DRAWINGS	APPLICANT	PG&E
a. The Applicant shall provide documentation to warrant that the installed facilities meet or exceed the requirements of the Agreement and are installed in the proper location. In addition, the Applicant will provide two sets of separate gas and electric As-Built Drawings and marked up service orders (when applicable) marked in red and signed by Applicant prior to pressurization and energization.	♦	
b. The Applicant shall provide the following minimum gas As-Built Drawing requirements; (1) Corrected Construction Drawings marked in red and clearly showing all changes. (2) Marked up Drawings showing actual locations, footage's and dimensions of the installed distribution facilities. (3) Certified copies of PG&E's approved Qualification records for all welders/plastic joiners. (4) Testing documents including calibration documents for testing equipment.	♦	
c. Should the Applicant choose to perform the service completion Work PG&E will provide gas service orders of the facilities to be installed. It shall be the Applicant's responsibility to mark-up the service orders in red, so as to clearly identify all construction changes. These service orders must show actual locations, footage's and dimensions of the installed service facilities. The Applicant shall return all completed As-Built service orders to PG&E within ten (10) working days from completion of said service Work.	♦	♦

8. DOCUMENTATION AND AS-BUILT DRAWINGS (Continued)	APPLICANT	PG&E
d. The Applicant shall provide the following minimum electric As-Built Drawing requirements. The corrected Construction Drawings must be marked in red and clearly show changes. (1) Location, size, type and footage of installed conduit, cable and overhead conductor. (2) Location, size, type and dimensions of manholes, splice boxes and equipment enclosures (3) Location, size and type of poles and anchors (4) Location, type and manufacturer's nameplate data of equipment.	♦	
e. Applicant shall have all As-Built Drawings and marked up service orders verified and approved by PG&E prior to pressurization and energization.	♦	

9. [7] FINAL ACCEPTANCE AND CONVEYANCE	APPLICANT	PG&E
a. Upon satisfactory completion of the Work PG&E will pressurize or energize the distribution system making the distribution system operational. Pressurization or energization will serve as PG&E's final acceptance of the Work.		♦
b. Upon final acceptance, and upon PG&E's receipt of any required formal right-of-way(s), easements, leases and Permits, the Applicant shall convey to PG&E all rights, title and interest in and to all such Work and facilities in accordance with the terms and conditions of Agreement.	♦	
c. Guarantee and warranty periods shall commence on the date of final acceptance by PG&E.	♦	♦
d. Services not completed (tied-in) upon final acceptance of the distribution system shall not be accepted with the distribution system. These services shall be accepted on the date(s) the first meter is set on the service.	♦	♦
The risk of loss or damage to the Work and materials shall remain with Applicant, Contractor and Subcontractor, until the Work is completed and accepted by PG&E.	♦	

10. PARTIAL USE OF FACILITIES	APPLICANT	PG&E
a. To provide permanent service, the Applicant, with prior written authorization of PG&E, may convey to PG&E certain portions of the underground facilities which have been completed and installed hereunder. If PG&E elects to accept by conveyance of portions of these underground facilities, the following shall apply:	♦	♦
b. The Applicant shall ensure that the utilization of such portions of the facilities will in no way delay completion of the entire system.	♦	
c. PG&E shall assume the responsibility for maintenance and operation of the portions of the facility conveyed.		♦
d. The conveyance of such sections shall in no way relieve the Applicant of liability due to use of defective materials or poor workmanship or damage by third parties.	♦	

[7] Failure or neglect of PG&E to condemn or reject inferior Work or material shall not be construed or imply an acceptance of such Work or materials.

10. PARTIAL USE OF FACILITIES (Continued)	APPLICANT	PG&E
e. Authorization by PG&E for the partial use of facilities shall only be granted for the convenience of PG&E.		♦
f. Applicant must complete enough of the permanent system to minimize future hot tie-ins and Work near energized or pressurized facilities. PG&E may require completion of system sections, as it deems acceptable.	♦	

D. CONTRACTORS AND SUBCONTRACTORS

1. Each Contractor and Subcontractor shall be covered by and comply with this Agreement and shall perform the Work for which it contracts in accordance therewith. A Contractor or Subcontractor shall be responsible to Applicant. However, PG&E will have the same privileges and rights with respect to the inspection of Work as are provided for under the contract documents governing the Work of Applicant.

2. A Contractor and Subcontractor shall provide insurance of the same type and limits as required of Applicant unless otherwise authorized in writing by PG&E. PG&E shall be indemnified by the Applicant against all actions, causes of action, claims and demands whatsoever, either in law or in equity arising from the acts or omissions of any Subcontractor within the same limits as those prescribed for Applicant.

3. No Contractor or Subcontractor, regardless of its approval by PG&E, shall bind or purport to bind PG&E.

E. INSURANCE

1. Applicant shall maintain the following insurance coverage.

   1.1 The Applicant is also responsible for its Contractor and Subcontractor maintaining sufficient limits of the same coverage. Documentation of same coverage by Contractor or Subcontractor shall be available from Applicant upon request.

2. **Worker's Compensation and Employers' Liability:** Worker's Compensation insurance or self insurance indicating compliance with any applicable labor codes, acts, laws, or statutes, whether Federal or State, where Applicant, Contractor and Subcontractor performs Work.

   2.1. Employers' Liability insurance shall not less than $ 1,000,000 for injury or death per accident.

3. **Commercial General Liability:** Coverage shall be at least as broad as the Insurance Services Office (ISO) Commercial General Liability Coverage "occurrence" form, with no coverage deletions.

   3.1 The limit shall not be less than $1,000,000 each occurrence for bodily injury, property damage and personal injury. If coverage is subject to a general aggregate limit, this aggregate limit shall be twice the occurrence limit.

   3.2. **Coverage shall:**
   a) be "Additional Insured" endorsement add, as insured PG&E, its directors, officers, agents and employees with respect to liability arising out of Work performed by or for the Contractor;
   b) be endorsed to specify that the Contractor's insurance is primary and that any insurance or self-insurance maintained by PG&E shall not contribute with it.

4. **Business Auto:** Coverage shall be at least as broad as the Insurance Services Office (ISO) Business Auto Coverage form covering Automobile Liability, code 1 "any auto."

   4.1. The limit shall not be less than $1,000,000 each accident for bodily injury and property damage.

5. **Additional Insurance Provisions:** Before commencing performance of Work, Applicant shall furnish PG&E with certificates of insurance and endorsements of all required insurance for Applicant.

5.1. The documentation shall state that coverage shall not be canceled except after thirty (30) days prior written notice has been given to PG&E.

5.2. The documentation must be signed by a person authorized by that insurer to bind coverage on its behalf and shall be submitted to:

Pacific Gas & Electric Company
Insurance Department - B24H
Post Office Box 770000
San Francisco, CA 94177

5.3. PG&E may inspect the original policies or require complete certified copies, at any time.

F. INDEMNITY AND WITHHOLDING

1. Applicant shall indemnify, defend and hold harmless PG&E, its officers, directors, agents, and employees, from and against all claims, demands, losses, damages, costs, expenses, and legal liability connected with or resulting from injury to or death of persons, including but not limited to employees of PG&E, Applicant, Contractor or Subcontractor; injury to property of PG&E, Applicant, Contractor, Subcontractor, or a third party, or to natural resources, or violation of any local, state or federal law or regulation, including but not limited to environmental laws or regulations, or strict liability imposed by any law or regulation; arising out of, related to, or in any way connected with Applicant performance of this Agreement, however caused, regardless of any strict liability or negligence of PG&E, whether active or passive, excepting only such claims, demands, losses, damages, costs, expenses, liability or violation of law or regulation as may be caused by the active negligence or willful misconduct of PG&E, its officers, agents, or employees.

2. Applicant acknowledges that any claims, demands, losses, damages, costs, expenses, and legal liability that arise out of, result from, or are in any way connected with the release or spill of any legally designated hazardous material or waste as a result of the Work performed under this Agreement are expressly within the scope of this indemnity, and that the costs, expenses, and legal liability for environmental investigations, monitoring, containment, abatement, removal, repair, cleanup, restoration, remedial Work, penalties, and fines arising from the violation of any local, state, or federal law or regulation, attorney's fees, disbursements, and other response costs are expressly within the scope of this indemnity.

3. Applicant shall, on PG&E's request, defend any action, claim or suit asserting a claim covered by this indemnity. Applicant shall pay all costs that may be incurred by PG&E in enforcing this indemnity, including reasonable attorney's fees.

G. GUARANTEES AND EQUIPMENT WARRANTY

1. **Guarantees**: In addition to the guarantees provided under this Agreement, or implied in fact or in law, Applicant shall leave the entire project in satisfactory working condition and shall be responsible for the repair or replacement at its expense of any part of the Work that develops defects due to faulty material, workmanship or within a period of one (1) year after the date of final acceptance by PG&E. Applicant shall, at its expense repair or replace other Work, equipment or property damaged as the result of the defects, or as a result of the repairing thereof, and hold PG&E harmless from PG&E repair expenses. The warranty period for a repaired or replaced part shall be one (1) year from the date of acceptance of the repaired or replaced part.

2. **Equipment Warranty (One (1) Year)**: Applicant shall warrant that equipment furnished and installed by Applicant will be of the kind and quality described in this Agreement, free of defects in workmanship, and material, and unless otherwise specified, fit for its intended purpose. The warranty period for distribution and services accepted with the distribution system shall begin from the date the materials are accepted by PG&E and shall extend for one (1) year. The warranty period for all other services shall begin on the date the first meter is set and shall extend one (1) year. Should the equipment fail during that period, Applicant shall be liable for all cost associated with repair and replacement of the equipment in accordance with the guarantee above.

3. **Trench Guarantee (Two (2) Years Plus):** The Applicant shall also guarantee that all trench material and trench workmanship shall be satisfactory for a period of two (2) years or as specified in the permit, whichever is greater, from the date of final acceptance by PG&E. The guarantee period for services trenches not accepted with the final acceptance shall begin on the date the first meter is set and shall extend a minimum of two (2) years. During this guarantee period, the Applicant will be so notified should PG&E determine that defects in trench material or workmanship have developed.

   3.1. The Applicant shall pay the cost of the repair or replacement of any part of the Work hereunder which develops defects because of faulty material or workmanship on the part of the Applicant within the two (2) year period.

   3.2. Damage to any trench occupant's facilities or to third party property caused by operations of the Applicant shall be repaired or replaced by either the Applicant or PG&E at the Applicant's expense.

   3.3. Where PG&E determines that it is not practicable for the Applicant to make the necessary repairs (e.g. Energized or pressurized facilities). PG&E reserves the right to make repairs or replacements at the expense of the Applicant, preserving as far as possible the available evidence of the cause of failure, defect, or damage.

H. INTERPRETATION OF THE AGREEMENT

1. PG&E will decide upon the meaning and interpretation of the Agreement and this decision shall be binding to all parties to this Agreement.

2. It shall be the Applicant's responsibility to ensure that any proposal prepared or received by the Applicant is based on a full knowledge of all conditions that would affect the cost and conduct of the Work. The Applicant shall inform itself fully and convey to all potential Contractors the physical conditions at the Work site, including as applicable, subsurface geology, borrow pit conditions and spoil disposal areas; the availability, location and extent of construction and storage area and other facilities or structures above and below ground; necessary safety precautions and safeguards; dimensions not shown on the Drawings; the extent of established lines and levels; Work to be performed by PG&E or others; rules, regulations and requirements to be observed by the Applicant or its agents in the conduct of the Work.

I. CONFLICTS

1. Should any conflict exist between the General Terms and Conditions and the specific construction specifications, the terms of the General Conditions shall prevail. In the case of differences between the construction specifications and Drawings, the construction specifications shall prevail. In the case of differences between the Construction and Standard Drawings, the Applicant shall immediately so inform PG&E. PG&E shall determine which is the applicable Drawing or portion of a Drawing.

2. Should any conflict exist between the General Terms and Conditions and any applicable state or federal laws, rules, regulations, orders or codes, the state or federal laws, rules, regulations, orders or codes shall prevail. Varying degrees of stringency between the Drawings, specific construction specification, General Terms and Conditions and applicable state and federal laws. rules, regulation orders or codes are not to be deemed conflicts and the most stringent requirements shall control.

3. Applicant shall immediately report in writing to PG&E any discrepancies, errors, or inconsistencies in the Specifications, Drawings, Agreements or laws.

4. PG&E shall not honor any claim arising from the Applicant's resolution of conflicts not in accordance with these provisions.

J. CLAIMS SETTLEMENT, DISPUTES

1. It shall be Applicant's responsibility to inform PG&E, immediately following its occurrence or discovery, of any item or event which Applicant knows, or reasonably should know, that may result in a request for additional compensation under this Agreement. PG&E and Applicant shall endeavor to satisfactorily resolve the matter and should it not be disposed of to Applicant's satisfaction, Applicant shall, within 72 hours thereafter, deliver a written notice of claim to PG&E. Failure to so notify PG&E or failure to supply PG&E with information sufficient to evaluate Applicant's position, shall foreclose consideration of any Applicant's claim based on such item or event.

2. Upon receipt of the Applicant's notice of claim, PG&E will review it, taking into account all of the information submitted by the Applicant in substantiation of its claim, and will, within a period of thirty (30) days, prepare and furnish to the Applicant, a written determination and, if appropriate, an offer of settlement thereof.

3. If the Applicant rejects PG&E's determination, the Applicant may file a notice of appeal therefrom. Any such appeal shall be in writing, shall contain all specific and substantive reasons why the Applicant deems PG&E's written determination to be unsatisfactory, and shall be submitted as soon after receipt of PG&E's written determination as is practical, but in no event more than thirty (30) days thereafter.

4. In the event any dispute between PG&E and Applicant with respect to the interpretation or performance of this Agreement cannot be satisfactorily resolved, arbitration shall be resorted to, and the arbitration shall be conducted in San Francisco, California, by the American Arbitration Association before a single arbitrator in accordance with the rules of said association for the construction industry. In such proceedings, the parties shall have the right to utilize depositions as provided in Section 1283 and 1283.05 of California Code of Civil Procedure. The award of the sole arbitrator shall be conclusive and binding upon-the parties, subject to the provisions of the California Code of Civil Procedure relating to arbitration as the same now exists or as the same shall be amended during the term of this Agreement. In such award, the arbitrator shall include the fixing of the expense of the arbitration and the assessment of the same in the judgment of the arbitrator against either or both parties hereto. Each party shall bear its cost for legal fees, witnesses, depositions, etc.

K. LEGAL REQUIREMENTS

1. Applicant shall discharge at once, and hold PG&E harmless from any liens that may be filed in connection with the Work. PG&E may retain from payments due, sufficient funds to discharge delinquent accounts of Applicant for which liens on PG&E's property have been or can be filed, and PG&E may at any time pay therefrom, for Applicant's account, such amounts as are admittedly due thereon.

2. If required by PG&E, Applicant shall require the Contractor(s) or Subcontractor(s) to obtain, within 5 days of request, a payment and performance bond in the amount specified by PG&E up to 100% of the installation price in a form and with a surety acceptable to PG&E. PG&E will reimburse Applicant for the bond separately within 21 days of receipt from Applicant of the surety company's invoice.

3. Infringement Protection

3.1. **Royalties:** Royalties or other charges for patents for designs, machinery, equipment or materials furnished by Applicant for the Work, or for processes or arts employed by Applicant in performing the Work, shall not be included in the basis for cost reimbursement.

3. 2. **Indemnity:** Applicant shall indemnify PG&E, its officers, agents and employees against loss, damage, expense and liability arising out of the infringement or alleged infringement of patents. Applicant shall defend at its expense suits for infringement or alleged infringement which may be instituted against PG&E. If PG&E's use of the aforementioned items is determined to constitute infringement, Applicant shall, at its expense, either procure for PG&E the right to continue its use; replace the infringing item with non-infringing item satisfactory to PG&E; modify the item so it becomes non-infringing; or remove the item. PG&E will not honor any claims arising from the Applicant's indemnification of PG&E per this Agreement provision.

L. RIGHTS OF PG&E

The Applicant shall provide PG&E, as part of the Applicant's Contract with the Contractor(s), the necessary rights to enforce the applicable portion of these General Terms and Conditions and construction specifications. PG&E shall have the right to inspect and approve any aspect of the Work relating to the procurement and installation of gas and electric facilities which will become part of PG&E's operating system. The Applicant shall honor and enforce any reasonable request made by PG&E.

M. RIGHT TO SUSPEND WORK

1. In the event of the failure of the Applicant to carry on any part of the Work covered by this Agreement in an efficient, workmanlike, skillful and careful manner to the satisfaction of PG&E or in the event of the failure of the Applicant to comply with any of the requirements of the Agreement, PG&E may give written notice to Applicant stating the respect, or respects, in which the Applicant is failing to comply with the terms of the Agreement.

2. If Applicant does not remedy such failure within seven calendar days after such notice is given, PG&E may, at its option and regardless of the state of completion of the Work, require the Applicant to terminate the Work. In such event, the Applicant may award all the remaining Work to another Contractor(s), or the Applicant may proceed with any part of the Work and award the remaining Work to another Contractor. In such event, Applicant shall deed to PG&E, and PG&E shall accept, only that portion of the Work completed by Applicant of a quality satisfactory to PG&E. The Applicant shall be liable for any costs to PG&E arising from this termination of the Work by the Applicant at PG&E's request.

3. If (1) the Applicant seeks relief under applicable law for the benefits of any insolvent or is adjudged bankrupt or (2) a legal action is commenced against the Applicant which in PG&E's opinion, may interfere with the completion of the Work, PG&E may require the Applicant to suspend the Work in progress. Applicant shall be liable for additional costs to PG&E arising from termination.

4. If, (1) the Contractor seeks relief under applicable law for the benefit of an insolvent or is adjudged bankrupt, or (2) legal action is commenced against the Contractor which in PG&E's opinion may interfere with the completion of the Work, the Applicant will honor the demand of PG&E to terminate the contract between the Applicant and Contractor. If the contract between the Applicant and Contractor is terminated, the Contractor shall vacate the Work site. Termination: Applicant shall be liable for additional costs to PG&E arising from termination.

5. Labor Dispute: In the event of a labor dispute or strike by Applicant's, Contractor's, or Subcontractors' employees which threatens the progress of Work, or PG&E's labor relations, or which disrupts PG&E's operations, or results in a secondary boycott at PG&E's facilities, PG&E reserves the right to suspend or discontinue the Work of the

Applicant, Contractor or any Subcontractor for cause. This paragraph shall be applicable whether or not any Applicant, Contractor or Subcontractor is directly involved in a labor dispute.

N. COMPLIANCE WITH LAWS AND REGULATIONS

1. During the performance of the Work, Applicant, Contractor and its Subcontractors, agents and employees shall fully comply with all applicable state and federal laws and with any and all applicable bylaws, rules, regulations and orders made or promulgated by any government, government agency or department, municipality, board, commission or other regulatory body; and shall provide all certificates for compliance therewith as may be required by such applicable laws, bylaws, rules, regulations, orders, stipulations or plans.

2. Applicant shall assume full responsibility for the payment of all contributions and payroll taxes, whether Federal, state, municipal or otherwise as to its employees, servants or agents engaged in the performance of the Work. Applicant shall be responsible to pay all taxes applicable to its operations as imposed by any governing authority.

3. Applicant shall require any Contractor or Subcontractor to whom any portion of the Work to be performed hereunder may be contracted to comply with provisions of this paragraph, and agrees to save and hold PG&E harmless from any and all penalties, actions, causes of action, damages, claims and demands whatsoever arising out of or occasioned by failure of Applicant and Contractor or a Subcontractor to make full and proper compliance with said bylaws, rules, regulations, laws, orders, stipulations or plans.

4. This Agreement shall be deemed to be a contract made under laws of the State of California and for all purposes shall be construed in accordance with the laws of said state.

O. FEDERAL EQUAL OPPORTUNITY LAWS

Federal Regulations: During the performance of this Agreement and to the extent that Federal Equal Opportunity regulations may be applicable to this Agreement, the Applicant agrees to comply with all provisions of those orders and regulations included by summary or reference in the following:

1. **Equal Employment Opportunity:** Executive Order No. 11246, 3 CFR 339 (1065 (Contracts exceeding $10,000) Provides that Applicant will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin and further that Applicant shall take affirmative action to ensure that Applicant and employee are treated without regard to their race, color, religion, sex or national origin.

2. **Certification of Non-segregated Facilities:** 41 CFR 60-1.8: (Contracts exceeding $10,000) Applicant will not maintain or provide segregated facilities for its employees and will not permit its employees to perform their services at any location, under its control, where segregated facilities are maintained.

3. **Listing Employment Openings:** Executive Order 11701: (Contracts of $2,500 or more) Applicant will list employment openings with the Employment Development Department in accordance with the Veteran's Employment and Readjustment Act of 1972 and Executive Order 11701. The contract clause, set forth at 41 CFR 50-250.2, is incorporated herein by reference.

4. **Employment of the Handicapped:** Rehabilitation Act of 1973: 41 CFR 60-741.4: (Contracts exceeding $2,500) The affirmative action clause and the regulations contained in Part 41 CFR 60 - 741.4 are incorporated herein by reference.

5. **Utilization of Minority Enterprises**: Executive Order 11625: (Contracts exceeding $5,000) it is the Policy of the Government that Minority Business Enterprises shall have the maximum practicable opportunity to participate in the performance of Government contracts. The Applicant agrees to use its best efforts to carry out this policy in the award of its subcontracts to the fullest extent consistent with the efficient performance of this Agreement.

6. **Filing EEO-1 Forms and Preparing Affirmative Action Plans, Executive Order 11246 (Contracts of $50,000 or more):** If the value of this Agreement is $50,000 or more and the Contractor has 50 or more employees, the Applicant agrees to file appropriate EEO-1 forms in accordance with existing regulations and maintain a current written affirmative action compliance program at each establishment at which Applicant has 50 or more employees.

7. **Vietnam Era Veterans Readjustment Assistance:** Act of 1974, Title 41, Chapter 60, Part 250 (Contracts of $10,000 or more): The affirmative action clause and the regulations pertaining to the employment of disabled veterans and veterans of the Vietnam Era are incorporated herein by reference.

8. **Americans with Disabilities Act:** Applicant agrees that, to the extent it may be applicable to this Agreement, Applicant shall comply with the Americans with Disabilities Act (42 U.S.C., Section 1201, et seq.) and with the regulations promulgated pursuant thereto.

PACIFIC GAS AND ELECTRIC COMPANY (N)
APPLICANT'S COST VERIFICATION FORM—
STATEMENT OF COSTS FOR APPLICANT
INSTALLATION OF PG&E'S DISTRIBUTION
AND SERVICE FACILITIES
FORM NO. 79-1003 (7/04)
(ATTACHED) (N)

APPLICANT'S STATEMENT OF COSTS FOR APPLICANT INSTALLATION OF PG&E'S DISTRIBUTION AND SERVICE FACILITIES

Project Name: _____

Project Location: _____

Notification Number: _____

PM Number(s): (Gas) _____ **(Electric)** _____

APPLICANT COSTS

The following statement must only include the contracted anticipated installed costs of facilities installed by the Applicant that are refundable and that are PG&E's responsibility under its tariffs.

The costs provided by the Applicant must be taken from the Applicant's contract with its contractor. If the Applicant will be performing the work itself, it must provide a statement of its expected costs.

The Applicant's statement of costs will be compared with PG&E's estimated installed costs of the same facilities, the lower of which will be used to determine the amount subject to allowances and refunds in accordance with the provisions of PG&E's Gas and Electric Rules 15 and 16.

If the Applicant chooses not to provide its costs, it must complete the last section of this form. Until the Applicant either provides the refundable cost from its contract with its contractor (or its own cost, if applicable), or returns this form indicating that it will not do so, PG&E will not proceed with any work on the Applicant's project.

GAS	ELECTRIC
Residential Service Facilities: $ _____	**Residential Service Facilities: $** _____

Number of gas services: _____ **stubs:** _____ **Number of electric services:** _____

- Applicant's statement of costs include: overhead or underground service conductors, poles, service transformers, connection fittings, service pipe, valves, service connections, and other PG&E-owned service related equipment, as detailed in Gas and Electric Rule 16.
- Applicant's statement of costs DOES NOT include: inspection fees, nonresidential service related costs, regulators, or PG&E-owned metering equipment.

APPLICANT'S STATEMENT OF COSTS FOR APPLICANT INSTALLATION OF PG&E'S DISTRIBUTION AND SERVICE FACILITIES

Distribution Facilities: $ _____ **Distribution Facilities: $** _____

- Applicant's statement of costs include: cables, switches, transformers, distribution main, valves, regulators, gas trenching, nonresidential service related costs, and other distribution facilities required to complete the distribution line extension, as detailed in Gas and Electric Rule 15 as PG&E's responsibility.
- Applicant's statement of costs DOES NOT include: inspection fees, tie-in of system by PG&E, distribution substructures, electric trench, conduits, feeder conduits, or protective structures, as detailed in Gas and Electric Rule 15.

GAS	ELECTRIC
Total: $ _____	**Total: $** _____

I declare under penalty of perjury that the foregoing is true and correct.

Executed on _____ at _____, California.
(Date) (City)

By:

Print Applicant Name: _____

Signed: _____

Title: _____

APPLICANT'S ELECTION NOT TO PROVIDE COSTS:

I choose not to provide to the utility my refundable costs for this project as taken from my contract with my contractor, or as performed by myself, and acknowledge that PG&E will use its estimate of the refundable costs for this project in the contract between it and me.

Executed on _____ at _____, California
(Date) (City)

By:

Print Applicant Name: _____

Signed: _____

Title: _____

PACIFIC GAS AND ELECTRIC COMPANY (N)
DISTRIBUTION AND SERVICE EXTENSION AGREEMENT— |
EXHIBIT A COST SUMMARY |
FORM NO. 79-1004 (7/04) |
(ATTACHED) (N)

Pacific Gas and Electric Company
DISTRIBUTION AND SERVICE EXTENSION AGREEMENT
EXHIBIT A - COST SUMMARY

REFERENCES:
E-PM # _____
G-PM # _____
Notification # _____
MLX # _____

Applicant: _____

Project Location/Name: _____

SUMMARY OF PAYMENTS

The total cash payment you need to make depends upon your selection of the 10 Year Refundable Advance Option or the Non-Refundable Discount Option for your gas and/or electric extension under Rule 15. Since you may elect one option for the gas extension and a different option for the electric extension, several different cash payments are available. Each payment option is summarized below. These payments include all billing under this Agreement including payments subject to refund, and non-refundable payments. To determine what is refundable or non-refundable, or to see full detailed billing information, please see the attached cost summaries. Even if you have no payment due for your gas and/or electric extension (Rule 15), you must still elect the 10 Year Refundable or Non-Refundable Discount Option for each extension on the second page of the Declarations.

10 Year Refundable Advance Option - Gas & Electric [1] $ _____ - [2]

-- OR --

Non-Refundable Discount Option - Gas & Electric[1] $ _____ - [3]

-- OR --

10 Year Refundable Advance Option - Gas / [1] $ _____ - [2]
Non-Refundable Discount Option - Electric

-- OR --

10 Year Refundable Advance Option - Electric / [1] $ _____ - [2]
Non-Refundable Discount Option - Gas

[1] Amounts shown do not include reimbursements for facilities that are normally the responsibility of PG&E per our tariffs. See the Reimbursement Summary for a total of all Reimbursements to be paid upon acceptance of facilities.

[2] The payment amount shown on this line includes both refundable payments under Rule 15 for the gas and/or electric extension, plus other non-refundable payments. The total payment is not subject to refund. Please see the attached detailed Cost Summaries to determine the portion of this payment that may be subject to refund.

[3] The payment amount shown on this line includes only non-refundable payments under Rule 15 for the gas and/or electric extension, plus other non-refundable payments. None of the payment shown is subject to refund.

Pacific Gas and Electric Company
DISTRIBUTION AND SERVICE EXTENSION AGREEMENT
EXHIBIT A - COST SUMMARY
OPTION # #

REFERENCES:
E-PM # _____
G-PM # _____
Notification # _____
MLX # _____

Applicant: _____

Project Location/Name: _____

GAS DISTRIBUTION AND SERVICE EXTENSION COST SUMMARY

Cost of Ownership charges as described in the rules and in the Unsupported Extension Cost section of the Provisions of this Agreement: **N/A**

Total number of residential lots/units for this project: _____
Total number of non-residential lots/units for this project: _____

Calculations to determine excess residential service allowance to be applied to distribution refundable amount on a per lot/unit basis:

Estimated Cost of Services:

Engineering & Administrative Costs		$ -
Value of Applicant Design Work		(+) $ -
Service Tie-In Cost (pressurized) by PG&E		(+) $ -
Gas Metering & Regulation		(+) $ -
Other Charges: N/A		(+) $ -
Inspection by PG&E		(+) $ -
Service Cost - PG&E	# Services	(+) $ -
Service Cost - Applicant	# Services	(+) $ -
Total Estimated Cost of Service Subject to Allowance		(=) $ -

Cost of Service Within Allowance:

Residential Service Allowance

Water Heaters:	$ 310.00	x	0 units		$ -
Space Heaters:	$ 323.00	x	0 units	(+)	$ -
Oven/Range:	$ 69.00	x	0 units	(+)	$ -
Dryer Stub:	$ 60.00	x	0 units	(+)	$ -
Total Residential Service Allowance				(=)	$ - (1)
Excess Service Cost (Total Cost less Allowance)				(=)	$ -
Estimated Service Cost Within Allowance (Total less Excess)				(=)	$ -

Average Cost per Lot or Unit Within Allowance

$ - / 0 = $ -

Excess Service Allowance Applied to Distribution Refundable Amount per Lot or Unit:

$ - (Allowance) - $ - (Ave. Cost / Unit) = $ - **

Allowances

Residential:	$ 310.00 (Water Heater Allowance)	x	0 (Units/Meters)	=	$ -
	$ 323.00 (Space Heater Allowance)	x	0 (Units/Meters)	=	$ -
	$ 69.00 (Oven/Range Allowance)	x	0 (Units/Meters)	=	$ -
	$ 60.00 (Dryer Stub Allowance)	x	0 (Units/Meters)	=	$ -

SUB TOTAL Residential Allowances	=	$ -
plus ITCC @ XX%	(+)	$ -
TOTAL Residential Allowance	(=)	$ -
Non-Residential: N/A (Net Annual Revenue) / 0.1812 (Cost-of-Service-Factor) =		$ -
plus ITCC @ XX%	(+)	$ -
TOTAL Non-Residential Allowances	(=)	$ -
less Residential Service Allowance:		
(0 (Lots/Units) x $ - (Ave. Cost / Unit)) + XX% (ITCC) =	(-)	$ -
Total Distribution Extension Allowance	(=)	$ -

Amount Subject to Refund

Engineering & Administrative Costs		$ -
Value of Applicant Design Work	(+)	$ -
Tie-In of Distribution by PG&E	(+)	$ -
Gas Metering & Regulation (Non-Residential Projects)	(+)	$ -
Other Charges N/A	(+)	$ -
Inspection Fees	(+)	$ -
Value of Distribution System Including Non-Residential Services	(+)	$ -
Value of Distribution Main Trench	(+)	$ -
SUB TOTAL	(=)	$ -
plus ITCC @ XX%	(+)	$ -
Total Refundable Amount	(=)	$ -
less Total Allowances (not to exceed Total Refundable Amount)	(-)	$ -
Balance: Net Refundable Amount	(=)	$ -

10 Year Refundable Advance Option

Balance: Net Refundable Amount		$ -
less Credit for Value of Applicant Design Work	(-)	$ -
less Distribution System Installed by Applicant	(-)	$ -
less Distribution Trench by Applicant	(-)	$ -
Net 10 Year Refundable Advance Option Payment	(=)	$ - (2)

Non-Refundable Discount Option

Balance: Net Refundable Amount		$ -
less Discount: $ - (Balance) x 50% (Discount Rate) =	(-)	$ -
less Credit for Value of Applicant Design Work	(-)	$ -
less Distribution System Installed by Applicant	(-)	$ -
less Distribution Trench by Applicant	(-)	$ -
Net Non-Refundable Discount Option Payment	(=)	$ - (2)

Non-Refundable Payments

Rule 16 Non-Refundable Payments

Excess Service Costs		$ -	
Service Costs Beyond Preferred Service Location	(+)	$ -	
Value of Rule 16 Land Rights Costs	(+)	$ -	
Value of Gas Service Trench in the Franchise Area or on 3rd Party Property	(+)	$ -	
Inspection Fees	(+)	$ -	
Rule 16 Trench Permits Obtained by PG&E	(+)	$ -	
Other Charges N/A	(+)	$ -	
Cost of Additional Rule 16 Applicant Design Plan Checks	(+)	$ -	
Sub Total	(=)	$ -	
plus ITCC @ XX%	(+)	$ -	
plus Non-Taxable Other Charges	(+)	$ -	
Inspection Fees (not subject to ITCC)	(+)	$ -	
plus Gas Service Trench installed by PG&E on Private Property	(+)	$ -	
less Excess Service Facilities Installed by Applicant	(-)	$ -	
less Service Costs Beyond Preferred Location by Applicant	(-)	$ -	
less Value of Gas Service Trench in the Franchise Area or on 3rd Party Property installed by Applicant	(-)	$ -	
less Rule 16 Applicant Design Work Associated with Excess	(-)	$ -	
Total Rule 16 Non-Refundable Payment			(=) $ -

Rule 15 Non-Refundable Payments

Inspection Fees		$ -	
Re-engineering / Composite Fees	(+)	$ -	
Cost of Additional Applicant Design Plan Checks	(+)	$ -	
Value of Distribution Substructures	(+)	$ -	
PG&E Land Rights Costs	(+)	$ -	
Rule 15 Trench Permits Obtained by PG&E	(+)	$ -	
Other Charges N/A	(+)	$ -	
SUB TOTAL	(=)	$ -	
plus ITCC @ XX%	(+)	$ -	
less Distribution Substructures Installed by Applicant	(-)	$ -	
Total Non-Refundable Gas Rule 15 Payment			(=) $ -

Relocation / Rearrangement of PG&E Facilities

Value of Relocation/Rearrangement System		$ -
Value of Relocation/Rearrangement Substructures	(+)	$ -
Value of Relocation/Rearrangement Trench & Excavation	(+)	$ -
Engineering & Administrative Costs	(+)	$ -
Value of Relocation Applicant Design Work	(+)	$ -
Cost of Additional Applicant Design Plan Checks	(+)	$ -
Tie-In of Relocation/Rearrangement by PG&E	(+)	$ -
Relocation/Rearrangement Trench Permits Obtained by PG&E	(+)	$ -
Relocation/Rearrangement Land Rights	(+)	$ -
Relocation/Rearrangement Inspection Fees	(+)	$ -
SUB TOTAL	(=)	$ -

plus ITCC @ XX%	(+) $ -		
plus Relocation/Rearrangement Non Taxable	(+) $ -		
less Relocation/Rearrangement System Installed by Applicant	(-) $ -		
less Substructures Installed by Applicant	(-) $ -		
less Trench & Excavation Provided by Applicant	(-) $ -		
less Value of Relocation Applicant Design Work	(-) $ -		
Total Relocation/Rearrangement of PG&E Facilities Payment		(=) $ -	

Total Payment for Gas Distribution and Service Extension

Cash Payment - 10-Year Refundable Advance Option

Rule 15 Refundable Advance Payment	$ -	(3)	
Rule 16 Non-Refundable Payment	(+) $ -		
Rule 15 Non-Refundable Payment	(+) $ -		
Relocation/Rearrangement of PG&E Facilities Payment	(+) $ -		
Total		(=) $ -	

-- OR --

Cash Payment - Non-Refundable Discount Option

Rule 15 Non-Refundable Discount Option Payment	$ -	(3)	
Rule 16 Non-Refundable Payment (Not Subject to Discount)	(+) $ -		
Rule 15 Non-Refundable Payment (Not Subject to Discount)	(+) $ -		
Relocation/Rearrangement of PG&E Facilities Payment	(+) $ -		
Total		(=) $ -	

Value of Gas Facility Reinforcements by PG&E: N/A **based upon Applicant's estimated gas load of:** N/A **Mcfh**
(Reference: Payment Adjustments. Excess Facilities section of the Provisions)

(1) Total Service Allowance not to exceed the Cost of Service
(2) 10 Year Refundable and Discount Option credit amounts will be paid upon acceptance of facilities. Credit amounts are subject to future deficiency billing in accordance with the tariff.
(3) 10 Year Refundable and Discount Option credit amounts do not offset Other Non-Refundable or Relocation Fees. See Reimbursement Summary for a total of Reimbursements and Credits to be paid upon acceptance of facilities.

** **MLX USE ONLY**

Excess service allowance applied to distribution refundable amount per lot/unit:

$ -	+	$ -	=	$ -
Allowance		XX% ITCC		Refund Per Residential Lot/Unit

Pacific Gas and Electric Company
DISTRIBUTION AND SERVICE EXTENSION AGREEMENT
EXHIBIT A - COST SUMMARY
OPTION # #

REFERENCES:
E-PM # _____
G-PM # _____
Notification # _____
MLX # _____

Applicant: _____

Project Location/Name: _____

ELECTRIC DISTRIBUTION AND SERVICE EXTENSION COST SUMMARY

Cost of Ownership charges as described in the rules and in the Unsupported Extension Cost section of the Provisions of this Agreement: **N/A**

Total number of residential lots/units for this project: _____
Total number of non-residential lots/units for this project: _____

Calculations to determine excess residential service allowance to be applied to distribution refundable amount on a per lot/unit basis:

Estimated Cost of Services:

Engineering & Administrative Costs		$ -
Value of Applicant Design Work	(+)	$ -
Service Tie-In Cost (Energized) by PG&E	(+)	$ -
Electric Metering	(+)	$ -
Other Charges: N/A	(+)	$ -
Inspection by PG&E	(+)	$ -
Service Cost - PG&E # Services	(+)	$ -
Service Cost - Applicant # Services	(+)	$ -
Total Estimated Cost of Service Subject to Allowance	(=)	$ -

Cost of Service Within Allowance:

less Total Residential Service Allowance

$ 1,313.00 x 0 = (-) $ - (1)

Excess Service Cost	(=)	$ -
Estimated Service Cost Within Allowance (Total less Excess)	(=)	$ -

Average Cost per Lot or Unit Within Allowance

$ - / 0 = $ -

Excess Service Allowance Applied to Distribution Refundable Amount per Lot or Unit:

$ 1,313.00 (Allowance) - $ - (Ave. Cost / Unit) = $ - **

Allowances

Residential: $ - (Allowance) x N/A (Lots/Units) = $ -

plus ITCC @ XX% Residential Allowances (+) $ -

SUB TOTAL Residential Allowances (=) $ -

Non-Residential: N/A (Net Annual Revenue) / 0.1596 (Cost-of-Service-Factor) = $ -

plus ITCC @ XX% Non-Residential Allowances (+) $ -

SUB TOTAL Non-Residential Allowances (=) $ -

less Residential Service Allowance:

(N/A (Lots/Units) x $ - (Ave. Cost / Unit)) + XX% (ITCC) = (-) $ -

Total Distribution Extension Allowance (=) $ -

Amount Subject to Refund

Engineering & Administrative Costs		$ -
Value of Applicant Design Work	(+)	$ -
Tie-In of Distribution by PG&E	(+)	$ -
Electric Metering (Non-residential Projects)	(+)	$ -
Other Charges: N/A	(+)	$ -
Inspection Fees	(+)	$ -
Value of Distribution System Including Non-Residential Services	(+)	$ -
Value of Distribution Substructures	(+)	$ -
SUB TOTAL	(=)	$ -
plus ITCC @ XX%	(+)	$ -
Total Refundable Amount	(=)	$ -
less Total Allowances (not to exceed Total Refundable Amount)	(-)	$ -
Balance: Net Refundable Amount	(=)	$ -

10 Year Refundable Advance Option

Balance: Net Refundable Amount		$ -
less Credit for Value of Applicant Design Work	(-)	$ -
Less Distribution System Installed by Applicant	(-)	$ -
less Distribution Substructures by Applicant	(-)	$ -
Net 10 Year Refundable Advance Option Payment	(=)	$ - (2)

Non-Refundable Discount Option

Balance: Net Refundable Amount		$ -
less Discount: $ - (Balance) x 50% (Discount Rate) =	(-)	$ -
less Credit for Value of Applicant Design Work	(-)	$ -
Less Distribution System Installed by Applicant	(-)	$ -
less Distribution Substructures by Applicant	(-)	$ -
Net Non-Refundable Discount Option Payment	(=)	$ - (2)

Non-Refundable Payments

Rule 16 Non-Refundable Payments

Excess Service Costs		$ -
Service Costs Beyond Preferred Service Location	(+)	$ -
Service Risers	(+)	$ -
Value of Rule 16 Land Rights Costs	(+)	$ -
Value of Service Trench, Conduits & Substructures in the Franchise Area or on 3rd Party Property	(+)	$ -
Inspection Fees	(+)	$ -
Rule 16 Trench Permits Obtained by PG&E	(+)	$ -
Other Charges: N/A	(+)	$ -
Cost of Additional Rule 16 Applicant Design Plan Checks	(+)	$ -
Sub Total	(=)	$ -

plus ITCC @ XX%	(+)	$ -	
plus Non-Taxable Other Charges	(+)	$ -	
Inspection Fees (not subject to ITCC)	(+)	$ -	
plus Service Trench, Conduits, & Substructures installed by PG&E on Private Property	(+)	$ -	
less Excess Service Facilities Installed by Applicant	(-)	$ -	
less Service Costs Beyond Preferred Location by Applicant	(-)	$ -	
less Service Riser Installed by Applicant	(-)	$ -	
less Service Trench, Conduits, & Substructures in the Franchise Area & 3rd Party Property installed by Applicant	(-)	$ -	
less Rule 16 Applicant Design Work Associated with Excess	(-)	$ -	
Total Rule 16 Non-Refundable Payment			(=) $ -

Rule 15 Non-Refundable Payments

Inspection Fees		$ -	
Re-engineering / Composite Fees	(+)	$ -	
Cost of Additional Applicant Design Plan Checks	(+)	$ -	
Value of Distribution Conduits	(+)	$ -	
Distribution Risers Installed by PG&E	(+)	$ -	
Value of Distribution Trench	(+)	$ -	
PG&E Land Rights Costs	(+)	$ -	
Rule 15 Trench Permits Obtained by PG&E	(+)	$ -	
Other Charges: N/A	(+)	$ -	
SUB TOTAL	(=)	$ -	
plus ITCC @ XX%	(+)	$ -	
less Distribution Conduits Installed by Applicant	(-)	$ -	
less Distribution Trench Provided by Applicant	(-)	$ -	
Total Non-Refundable Electric Rule 15 Payment			(=) $ -

Relocation / Rearrangement of PG&E Facilities

Value of Relocation/Rearrangement Facilities		$ -	
Value of Relocation/Rearrangement Conduits & Substructures	(+)	$ -	
Value of Relocation/Rearrangement Trench & Excavation	(+)	$ -	
Engineering & Administrative Costs	(+)	$ -	
Value of Relocation Applicant Design Work	(+)	$ -	
Cost of Additional Applicant Design Plan Checks	(+)	$ -	
Tie-In of Relocation/Rearrangement by PG&E	(+)	$ -	
Relocation/Rearrangement Trench Permits Obtained by PG&E	(+)	$ -	
Relocation/Rearrangement Land Rights	(+)	$ -	
Relocation/Rearrangement Inspection Fees	(+)	$ -	
SUB TOTAL	(=)	$ -	
plus ITCC @ XX%	(+)	$ -	
plus Relocation/Rearrangement - Non Taxable	(+)	$ -	
less Relocation/Rearrangement Facilities Installed by Applicant	(-)	$ -	
less Conduits & Substructures Installed by Applicant	(-)	$ -	
less Trench & Excavation Provided by Applicant	(-)	$ -	
less Value of Relocation Applicant Design Work	(-)	$ -	
less Relocation/Rearrangement Salvage	(-)	$ -	
Total Relocation/Rearrangement of PG&E Facilities Payment			(=) $ -

Total Payment for Electric Distribution and Service Extension

Cash Payment - 10-Year Refundable Advance Option

Rule 15 Refundable Advance Payment		$ - [3]	
Rule 16 Non-Refundable Payment	(+)	$ -	
Rule 15 Non-Refundable Payment	(+)	$ -	
Relocation/Rearrangement of PG&E Facilities Payment	(+)	$ -	
Total			(=) $ -

-- OR --

Cash Payment - Non-Refundable Discount Option

Rule 15 Non-Refundable Discount Option Payment		$ - [3]	
Rule 16 Non-Refundable Payment (Not Subject to Discount)	(+)	$ -	
Rule 15 Non-Refundable Payment (Not Subject to Discount)	(+)	$ -	
Relocation/Rearrangement of PG&E Facilities Payment	(+)	$ -	
Total			(=) $ -

Value of Electric Facility Reinforcements by PG&E: N/A ***based upon Applicant's estimated demand of:*** N/A **kVa**

(Reference: Payment Adjustments. Excess Facilities section of the Provisions)

[1] Total Service Allowance not to exceed the Cost of Service

[2] 10 Year Refundable and Discount Option credit amounts will be paid upon acceptance of facilities. Credit amounts are subject to future deficiency billing in accordance with the tariff.

[3] 10 Year Refundable and Discount Option credit amounts do not offset Other Non-Refundable or Relocation Fees. See Reimbursement Summary for a total of Reimbursements and Credits to be paid upon acceptance of facilities.

** **MLX USE ONLY**

Excess service allowance applied to distribution refundable amount per lot/unit:

$ -	+	$ -	=	$ -
Allowance		XX% ITCC		Refund Per Residential Lot/Unit

Pacific Gas and Electric Company
DISTRIBUTION AND SERVICE EXTENSION AGREEMENT
EXHIBIT A - COST SUMMARY
OPTION # #

REFERENCES:
E-PM # _____
G-PM # _____
Notification # _____
MLX # _____

Applicant: _____

Project Location/Name: _____

THIRD PARTY TRENCH COSTS

Non-Refundable Payments

Telephone Trench & Excavation		$ -
Telephone Conduits & Substructures	(+)	$ -
CATV Trench	(+)	$ -
CATV Conduits & Substructures	(+)	$ -
Other Trench	(+)	$ -
Other Conduits & Substructures	(+)	$ -
Total Non-Refundable Payment	(=)	$ -

Third Party Trench Cash Payment

Total Non-Refundable Payment	$ -

Pacific Gas and Electric Company
DISTRIBUTION AND SERVICE EXTENSION AGREEMENT
EXHIBIT A - COST SUMMARY
OPTION # #

REFERENCES:
E-PM # _____
G-PM # _____
Notification # _____
MLX # _____

Applicant: _____

Project Location/Name: _____

ELECTRIC RULE 20B

Non-Refundable Payments

Engineering & Administrative Costs		$ -	
Value of Applicant Design Work	(+)	$ -	
Cost of Additional Applicant Design Plan Checks	(+)	$ -	
Value of 20B Underground System	(+)	$ -	
Tie-In of 20B by PG&E	(+)	$ -	
PG&E Land Rights Costs	(+)	$ -	
Inspection Fees	(+)	$ -	
Value of 20B Trench & Excavation	(+)	$ -	
Value of 20B Conduits & Substructures	(+)	$ -	
Rule 20B Trench Permits Obtained by PG&E	(+)	$ -	
less Cost of Equivalent Overhead System	(-)	$ -	
SUB TOTAL	(=)	$ -	
plus ITCC @ XX%	(+)	$ -	
plus Cost to Remove Overhead Line by PG&E	(+)	$ -	
less 20B Underground System Installed by Applicant	(-)	$ -	
less 20B Trench & Excavation Provided by Applicant	(-)	$ -	
less 20B Conduits & Substructures Installed by Applicant	(-)	$ -	
less Value of Applicant Design Work	(-)	$ -	
Total Rule 20B Non-Refundable Payment			(=) $ - [1]

Electric Rule 20B Cash Payment

Total Rule 20B Non-Refundable Payment $ - [1]

[1] For Contractor Installed Projects (Option 2A), credit amounts will be reimbursed upon acceptance of facilities. See Reimbursement Summary for a total of Reimbursements and Credits to be paid upon acceptance of facilities.

Pacific Gas and Electric Company
DISTRIBUTION AND SERVICE EXTENSION AGREEMENT
EXHIBIT A - COST SUMMARY
OPTION # #

REFERENCES:
E-PM # _____
G-PM # _____
Notification # _____
MLX # _____

Applicant: _____

Project Location/Name: _____

ELECTRIC RULE 20C

Non-Refundable Payments

Engineering & Administrative Costs		$ -	
Value of Applicant Design Work	(+)	$ -	
Cost of Additional Applicant Design Plan Checks	(+)	$ -	
Value of 20C Underground System	(+)	$ -	
Tie-In of 20C by PG&E	(+)	$ -	
PG&E Land Rights Costs	(+)	$ -	
Inspection Fees	(+)	$ -	
Value of 20C Trench & Excavation	(+)	$ -	
Value of 20C Conduits & Substructures	(+)	$ -	
Rule 20C Trench Permits Obtained by PG&E	(+)	$ -	
less Salvage & Depreciation for Overhead Facilities	(-)	$ -	
SUB TOTAL	(=)	$ -	
plus ITCC @ XX%	(+)	$ -	
plus Cost to Remove Overhead Line by PG&E	(+)	$ -	
less 20C Underground System Installed by Applicant	(-)	$ -	
less 20C Trench & Excavation Provided by Applicant	(-)	$ -	
less 20C Conduits & Substructures Installed by Applicant	(-)	$ -	
less Value of Applicant Design Work	(-)	$ -	
Total Rule 20C Non-Refundable Payment			(=) $ - [1]

Electric Rule 20C Cash Payment

Total Rule 20C Non-Refundable Payment $ - [1]

[1] For Contractor Installed Projects (Option 2A), credit amounts will be reimbursed upon acceptance of facilities. See Reimbursement Summary for a total of Reimbursements and Credits to be paid upon acceptance of facilities.

Pacific Gas and Electric Company
DISTRIBUTION AND SERVICE EXTENSION AGREEMENT
EXHIBIT A - COST SUMMARY
OPTION # #

REFERENCES:
E-PM # _____
G-PM # _____
Notification # _____
MLX # _____

Applicant: _____

Project Location/Name: _____

STREETLIGHTS

LS ## Non-Refundable Payments

Installed Cost of Non-Standard Luminaires		$ -	
Installed Cost of Standard Poles, Posts & Arms	(+)	$ -	(1)
Additional Cost of Non-Standard Poles, Posts & Arms	(+)	$ -	(1)
Installed Cost of Foundations/Protective Tubes	(+)	$ -	(1)
Excess Conductor	(+)	$ -	
Applicable Engineering & Administrative Costs	(+)	$ -	
Streetlight-Only Trench & Excavation	(+)	$ -	
Streetlight Conduit & Substructures	(+)	$ -	
Streetlight Risers Installed by PG&E	(+)	$ -	
Inspection Fees	(+)	$ -	
plus ITCC @ XX%	(+)	$ -	
SUB TOTAL	(=)	$ -	
less Credit for Facilities Installed by Applicant	(-)	$ -	
Total LS-1 Non-Refundable Payment			(=) $ -

LS ## Non-Refundable Payments

Installed Cost of Streetlight System by PG&E		$ -	(2)
Streetlight Conduits & Substructures by PG&E	(+)	$ -	(2)
Streetlight Trench & Excavation by PG&E	(+)	$ -	(2)
Connection Fee	(+)	$ -	
SUB TOTAL	(=)	$ -	
less Credit for Connections made by Applicant	(-)	$ -	
Total LS-2 Non-Refundable Payment			(=) $ -

Streetlight Cash Payment

Total Streetlight Non-Refundable Payment $ - (3)

(1) ITCC not applicable for LS-1C installations.

(2) ITCC not applicable for LS-2 installations.

(3) See Reimbursement Summary for a total of Reimbursements to be paid upon acceptance of facilities.

Pacific Gas and Electric Company
DISTRIBUTION AND SERVICE EXTENSION AGREEMENT
EXHIBIT A - COST SUMMARY

REFERENCES:
E-PM # _____
G-PM # _____
Notification # _____
MLX # _____

Applicant: _____

Project Location/Name: _____

REIMBURSEMENT SUMMARY

Reimbursements are provided for facilities that are installed by the Applicant which are normally the responsibility of PG&E per our tariffs. Reimbursements will be made after the facilities are accepted by PG&E, operational and ready to supply service. Reimburseable payments made for services will be reimbursed at the average rate shown as each service is connected. All reimbursements will be based upon PG&E's estimated costs.

Electric Rule 15

10 Year Refundable Advance Credit Amount	$ - (1)		
- or -			
Non-Refundable Discount Option Credit Amount	$ - (1)		
Joint Pole Credits	(+) $ -		
PG&E Betterments	(+) $ -		
SUB TOTAL: w/ 10 Year Refundable Advance Credit Amount		(=) $ -	
- or -			
w/ Non-Refundable Discount Credit Amount		(=) $ -	

Electric Rule 16

Joint Pole Credits	$ -	
Applicant Design Work within the Allowance	$ -	
SUB TOTAL		(=) $ -

Reimbursement per Service Completion - Electric

Option # #	Energized System	$ - /service (2)	
	- or -		
	Non-energized System	$ - /service (2)	
Option # #			

Electric Rule 20B

Joint Pole Credits	$ -	
Rule 20B Payment Credit	(+) $ -	
SUB TOTAL		(=) $ -

Electric Rule 20C

Joint Pole Credits	(+) $ -	
Rule 20C Payment Credit	(+) $ -	
SUB TOTAL		(=) $ -

Streetlights

LS-1

Standard Luminaires		$ -	
Standard Poles & Arms	(+)	$ -	
Protective Tubes	(+)	$ -	
Internal Wiring	(+)	$ -	
Overhead Conductor	(+)	$ -	
Underground Conductor	(+)	$ -	
Connections	(+)	$ -	

LS-2

Connections	(+)	$ -	
SUB TOTAL			(=) $ -

Gas Rule 15

10 Year Refundable Advance Credit Amount		$ - (1)	
- or -			
Non-Refundable Discount Option Credit Amount		$ - (1)	
PG&E Betterments	(+)	$ -	
SUB TOTAL: w/ 10 Year Refundable Advance Credit Amount			(=) $ -
- or -			
w/ Non-Refundable Discount Credit Amount			(=) $ -

Gas Rule 16

Stubs Services	$ -	
Applicant Design Work within the Allowance	$ -	
SUB TOTAL		(=) $ -

Reimbursement per Service Completion - Gas

Option # #	Pressurized System	$ - /service (2)	
	- or -		
	Non-pressurized System	$ - /service (2)	
Option # #			

Total Reimbursement

10 Year Refundable Advance Option - Gas & Electric	$ - (3)
-- OR --	
Non-Refundable Discount Option - Gas & Electric	$ - (3)
-- OR --	
10 Year Refundable Advance Option - Gas / Non-Refundable Discount Option - Electric	$ - (3)
-- OR --	
10 Year Refundable Advance Option - Electric / Non-Refundable Discount Option - Gas	$ - (3)

(1) 10 Year Refundable and Discount Option credit amounts will be paid upon acceptance of facilities. Credit amounts are subject to future deficiency billing in accordance with the tariff.

(2) This Reimbursement will be paid on a per service basis as each service is completed.

(3) Excludes service completion reimbursements made under Rule 16. Service completion reimbursements will be made as each service is connected, on a per service basis.

TABLE OF CONTENTS—SAMPLE FORMS
(Continued)

FORM NO.	DATE SHOWN ON FORM	AGREEMENT/CONTRACT TITLE	CPUC SHEET NO.	
		RULE 2 DESCRIPTION OF SERVICE		
79-255	4/82	Agreement for Installation or Allocation of Special Facilities	7689-E	
		RULE 3 APPLICATION FOR SERVICE		
01-8670	REV 12/95	Credit Application	14197-E	
02-2590	REV 10/00	Interim Service Agreement	17250-E	
62-0683	11/01	Application for Service—Residential Service	19023-E	
62-0684	11/01	Application for Service—Residential Subdivision/Development	19024-E	
62-0685	11/01	Application for Service—Commercial/Industrial Development	19025-E	
62-0686	11/01	Application for Service—Agricultural Service	19026-E	
69-0687	08/02	Application for Relocation/Rearrangement	19027-E	
79-972	REV 5/03	Agreement for Unmetered Electrical Service	19879-E	
		RULE 13 TEMPORARY SERVICE		
79-875	REV 07/01	Rule 13 Temporary Service Agreement	18506-E	
		RULES 15 AND 16 DISTRIBUTION LINE AND SERVICE EXTENSIONS		
62-0980	REV 5/98	Distribution and Service Extension Agreement	15612-E	
62-0981	REV 5/98	Distribution and Service Extension Agreement Option 1–Shared Construction	15613-E	
62-0982	REV 7/04	Distribution and Service Extension Agreement Option 2–Competitive Bidding	21142-E	(T)
62-5653	3/95	Installation Service Option	13651-E	
79-716	REV 7/04	General Terms and Condistions for Gas and Electric Extension and Service Construction by Applicant	21143-E	(T)
79-1003	7/04	Applicant's Cost Verification Form—Statement of Costs for Applicant Installation of PG&E's Distribution and Service Facilities	21144-E	(N)
79-1004	7/04	Distribution and Service Extension Agreement—Exhibit A Cost Summary	21145-E	(N)

(Continued)

TABLE OF CONTENTS
(Continued)
RULES

RULE	TITLE OF SHEET	CAL P.U.C. SHEET NO.
1	Definitions	14855,16368,14857 to 14861,19095,14863 to 14865,19403,14867 to14871, 15564,14873,14874-E
2	Description of Service	11257,11896,11611, 14079,11261 to 11264,11498,11266,11267,11499,11269 to 11278,14055,11280 to 11283-E
3	Application for Service	11714,14875-E
4	Contracts	13612-E
5	Special Information Required on Forms	11287,14192,11289-E
6	Establishment and Re-establishment of Credit	20229,20230-E
7	Deposits	11300,11301-E
8	Notices	14144,14145,13137,14146,13139-E
9	Rendering and Payment of Bills	16369,14877,14878,13986,14317,14318-E
10	Disputed Bills	11308 to 11310-E
11	Discontinuance and Restoration of Service	13140 to 13150,14080,13152-E
12	Rates and Optional Rates	16872,16873,16874-E
13	Temporary Service	20092,15574-E
14	Shortage of Supply and Interruption of Delivery	15526,15527-E
15	Distribution Line Extensions	20093,20094,15577,20209,17850,21130,21131,21132,21133, (T) 21134,15583,20095,21135,21136,21137,15588,17856,21138,21139,21140,21141,15593-E (T)
16	Service Extensions	20096, 15595,14880,14881,15596 to 15598,16987,15600 to 15608,14254,13775,15609,15610-E
17	Meter Tests and Adjustment of Bills for Meter Error	14885,12050 to 12052-E
17.1	Adjustment of Bills for Billing Error	14886,12054-E
17.2	Adjustment of Bills for Unauthorized Use	14887,12056 to 12058-E
18	Supply to Separate Premises and Submetering of Electric Energy	14329,14330,13396,13276-E
19	Medical Baseline Quantities	14346,13839,13518-E
19.1	California Alternate Rates for Energy for Individual Customers and Submetered Tenants of Master-Metered Customers	16391,18922,16393,16394-E
19.2	California Alternate Rates for Energy for Nonprofit Group-Living Facilities	13728,18923,13589,13730,13591-E
19.3	California Alternate Rates for Energy for Qualified Agricultural Employee Housing Facilities	13899,18924,13901,13902-E
20	Replacement of Overhead with Underground Electric Facilities	19012,11240,11241,19013,16665,15611,19014-E
21	Generating Facility Interconnections	19404 to 19453-E
22	Direct Access Service	14888,14889, 15565,14891 to 14901,16448,14903,14904,16449,16235 to 16243,14913,16244,16245, 16384,14917,15833 to 15836,14920,14921,15568,14923,15569,14925,14926,15190, 14929,14930,16385,16386,14933,16387,14935,14936,15192,14938 to 14946,16388-E
22.1	Direct Access Service—Switching Exemption Rules	20996 to 21003-E

(Continued)

TABLE OF CONTENTS
(Continued)

PRELIMINARY STATEMENTS

SCHEDULE	TITLE OF SHEET	CAL P.U.C. SHEET NO.
Part AL	Not Being Used	
Part AM	Emergency Procurement Surcharge Memorandum Account	19378-E
Part AN	Diablo Canyon Property Tax Balancing Account	14432-E
Part AO	Not Being Used	
Part AP	Not Being Used	
Part AQ	Reduced Return on Equity Memorandum Account	14449-E
Part AR	1997 Rate Design Window Shareholder Participation Memorandum Account	14723-E
Part AS	Fixed Transition Amount Charge	14794,19365-E
Part AT	Rate Reduction Bond Memorandum Account	14796,14797-E
Part AU	Direct Access Discretionary Cost/Revenue Memorandum Account	14837-E
Part AV	Transition Cost Balancing Account	14983 to 14990,16177, 16178,16618,16619,16620,14995,15723,15724,15725,14998 to 15001,16621,16622,16623-E
Part AW	Rate Group Transition Cost Obligation Memorandum Account	16635,15005,18715,18716-E
Part AX	Must-Run Fossil Plant Memorandum Account	15726,15009-E
Part AY	Non-Must-Run Fossil Plant Memorandum Account	15727,15011-E
Part AZ	Non-Must-Run Hydroelectric/Geothermal Memorandum Account	15728,16804,16805-E
Part BA	Not Being Used	
Part BB	Competition Transition Charge Responsibility for All Customers and CTC Procedure for Departing Loads	16399,19906,19007,16400,14960, 14961,16229,16230,16231,14963,14964,14965,14966,14967,14968,14969,16401,16402-E
Part BC	Restructuring Implementation Tracking Account	16520,16521-E
Part BD	Renewable Program Costs Tracking Account	15018-E
Part BE	Must-Run Hydroelectric/Geothermal Plant Memorandum Account	16510,16181,16806,16807-E
Part BF	Streamlining Residual Account	15101-E
Part BG	Generation Facility Operations and Maintenance Account	16225,16226-E
Part BH	Not Being Used	
Part BI	Not Being Used	
Part BK	Transmission Revenue Requirement Reclassification Memorandum Account	16761-E
Part BL	Not Being Used	
Part BM	Not Being Used	(D)
Part BN	Vegetation Management Quality Assurance Balancing Account	16979-E
Part BO	Real Property Gain/Loss on Sale Memorandum Account	16651-E
Part BP	PX Credit Audit Memorandum Account	16647-E
Part BQ	Interim PX-Based Price Tracking Account	16695-E
Part BR	Not Being Used	(D)
Part BS	Schedule E-BID Memorandum Account	16991,16992-E
Part BT	Electric Supply Cost Memorandum Account	16813-E
Part BU	Vegetation Management Balancing Account	16887-E
Part BV	Allocation of Residual Costs Memorandum Account	17003,17004-E
Part BW	Power Exchange Bilateral Option Memorandum Account	17843-E
Part BX	Interruptible Load Programs Memorandum Account	18902,18855-E
Part BY	Self-Generation Program Memorandum Account	18777-E
Part BZ	Demand-Responsiveness Program Memorandum Account	18778-E

(Continued)

TABLE OF CONTENTS

	CAL P.U.C. SHEET NO.	
Title Page	8285-E	
Table of Contents:		
Rate Schedules	21149,20982,20981-E	(T)
Preliminary Statements	21126,21148,21128-E	
Rules, Maps, Contracts and Deviations	21147-E	(T)
Sample Forms	21146,20377,20196,20979,18911,20980,19308-E	(T)

RATE SCHEDULES

SCHEDULE	TITLE OF SHEET	CAL P.U.C. SHEET NO.
	RESIDENTIAL RATES	
E-1	Residential Service	20865,20635,19910,20866,20867-E
E-2	Experimental Residential Time-of-Use Service	19882,20638,20639,20235,19886,19887,20868,20869-E
E-3	Experimental Residential Critical Peak Pricing Service	19890,20642,20643,20240,19894,19895,19896,20870,20871-E
EE	Service to Company Employees	20872-E
EM	Master-Metered Multifamily Service	20873,20647,20648,20874,20875-E
ES	Multifamily Service	20876,20652,19920,20877,20878-E
ESR	Residential RV Park and Residential Marina Service	20879,20656,20657,20880,20881-E
ET	Mobilehome Park Service	20882,20661,19930,20883,20884-E
E-7	Residential Time-of-Use Service	20885,20664,20665,20666,20886-E
E-A7	Experimental Residential Alternate Peak Time-of-Use Service	20887,20668,20669,20670,20888-E
E-8	Residential Seasonal Service Option	20889,20673,20890-E
E-9	Experimental Residential Time-of-Use Service for Low Emission Vehicle Customers	20891,20675,20676,20679,20680,20892, 20893-E
EL-1	Residential CARE Program Service	20894,19951,20683,20895-E
EML	Master-Metered Multifamily CARE Program Service	20896,19955,20686,20897-E
ESL	Multifamily CARE Program Service	20898,19959,20689,20899, 20900-E
ESRL	Residential RV Park and Residential Marina CARE Program Service	20901,19963,20692,20902,20903-E
ETL	Mobilehome Park CARE Program Service	20904,19967,20695,20905,20906-E
EL-7	Residential CARE Program Time-of-Use Service	20907,20698,19781,20908, 20909-E
EL-A7	Experimental Residential CARE Program Alternate Peak Time-of-Use Service	20910,20700,19783,20911, 20912-E
EL-8	Residential Seasonal CARE Program Service Option	20913,20703,20914-E
	COMMERCIAL/INDUSTRIAL	
A-1	Small General Service	20915,20707,20916,20917-E
A-6	Small General Time-of-Use Service	20918,20919,19791,20711,20920-E
A-10	Medium General Demand-Metered Service	20921,20922,20923,20924,20715,20925,20926, 20927-E
A-T	Nondomestic Interruptible Service	
A-15	Direct-Current General Service	20717,20718-E
E-19	Medium General Demand-Metered Time-of-Use Service	20928,17092, 17093,20929,20930, 20931,19997,20932,20723,18037,18864,18039,20933,18865,17900,16414,15330,20512, 20724,20725,20726,20003,20004,20934,20935,20728,20729,19805,20730,20936-E
E-20	Service to Customers with Maximum Demands of 1,000 Kilowatts or More	20937,20938,20939, 20940,20941,20010,20735,19314,20736,18866,18044,20942,18867,15356,16430,15358, 20513,20737,20738,20739,20943,20944,17101,20945,20946-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
Cellnet 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
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
Downey, Brand, Seymour & Rohwer
Duke Energy
Duke Energy North America
Duncan, Virgil E.
Dutcher, John
Dynegy Inc.
Ellison Schneider
Energy Law Group LLP
Enron Energy Services
Exelon Energy Ohio, Inc
Exeter Associates
Foster Farms
Foster, Wheeler, Martinez
Franciscan Mobilehome
Future Resources Associates, Inc
G. A. Krause & Assoc
GLJ Energy Publications
Goodin, MacBride, Squeri, Schlotz &
Grueneich Resource Advocates
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.
Meyer, Joseph
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
Provost Pritchard
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
U S Borax, Inc
United Cogen Inc.
URM Groups
Utility Cost Management LLC
Utility Resource Network
Wellhead Electric Company
Western Hub Properties, LLC
White & Case
WMA