



ELECTRIC SCHEDULE E-OBMC
OPTIONAL BINDING MANDATORY CURTAILMENT PLAN

Sheet 1

APPLICABILITY: An Optional Binding Mandatory Curtailment (OBMC) Plan may be an alternative to a rotating outage (RO) for certain customers. Under an OBMC Plan, PG&E may authorize a customer to reduce their demand to an agreed upon level in lieu of being included in PG&E's rotating outage (RO) block progression. This schedule is open to all PG&E customers who can meet the eligibility requirements. An eligible customer should submit its OBMC Plan to PG&E for review and acceptance. If the plan is approved by PG&E, PG&E will send such approval to the customer in writing. The written approval letter will specify the effective start date of the plan.

PROGRAM OPERATIONS: PG&E shall require a customer to operate its OBMC Plan upon each and every notice from the California Independent System Operator (CAISO) that a firm load curtailment is required within the PG&E service territory. Additionally, PG&E reserves the right to require a customer to operate its OBMC Plan when PG&E or the ISO has initiated or is planning to initiate firm load curtailments in a local geographic area within the PG&E service territory. OBMC Plan curtailments shall be required concurrent with each and every firm load curtailment.

Upon notification from PG&E of an OBMC curtailment, OBMC customers must immediately commence implementation of the load curtailment measures contained in their load reduction plan. Upon notice from PG&E, OBMC customers are required to reduce their load such that the load on their circuit or dedicated substation is at or below the Maximum Load Level (MLL) corresponding to the percent load reduction communicated in the notice.

The MLLs correspond to a reduction in a circuit's loading of between five (5) and fifteen (15) percent in five (5) percent increments. The CAISO may call for load reductions on a required MW level, but PG&E will require the OBMC customers to reduce their load to the next highest five (5) percent increment. For each operation, PG&E will notify the customer of the required percent reduction, along with the start and end times for the OBMC operation. PG&E may extend the end time or increase the percentage reduction of any ongoing OBMC operation as necessary to correspond with CAISO directives.

Maximum Load Levels (MLLs) shall be established by PG&E for the circuit or dedicated substation, which correspond to each of the 5, 10, and 15 percent load reduction levels. The following MLL calculation methodology shall apply for a) customers not participating in a capacity interruptible program, b) customers participating in a capacity interruptible program where the customer's baseline is less than the customer's capacity interruptible program firm service level (FSL), and c) customers participating in a capacity interruptible program where the customer has met their monthly or annual curtailment obligation. The MLL for the 5 percent load reduction is equal to the product of the baseline times 0.95. The MLL for the 10 percent load reduction is equal to the product of the baseline times 0.90. The MLL for the 15 percent load reduction is equal to the product of the baseline times 0.85.

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Sheet 2

PROGRAM
 OPERATIONS:
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The following MLL calculation methodology shall apply for customers participating in a capacity interruptible program where the customer has not met their monthly or annual curtailment obligation and the customer's FSL under that program is less than the customer's baseline. The MLL for the 5 percent load reduction is equal to the product of the FSL times 0.95. The MLL for the 10 percent load reduction is equal to the product of the FSL times 0.90. The MLL for the 15 percent load reduction is equal to the product of the FSL times 0.85. Customers participating in a capacity interruptible program who complete their monthly or annual capacity interruptible program curtailment obligation during a concurrent OBMC curtailment must continue to curtail from the lower of the FSL or OBMC baseline until the conclusion of the OBMC curtailment.

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The baseline for determining MLLs is equal to the average recorded hourly usage amount (if available) for the same hours as the OBMC operation hours on the immediate past 10 similar days, excluding days when the customer was paid to reduce load under PG&E's Demand Bidding Program and days when the OBMC program operated. For establishing similar days, if the OBMC event is called on a business day, then 10 prior business days are used; if the OBMC event is called on a weekend or holiday, then 10 prior weekend and holidays are used. The load measurements for the circuit shall be taken at PG&E's distribution substation.

Each calendar year an OBMC participant may exclude the following periods from the 10-day baseline: (a) a period of 15 calendar days designated in advance both for ramp-up and ramp-down of operations during which period the baseline will be the hourly average circuit load for the most recent prior day; (b) up to 10 days as determined by the customer and designated in advance to accommodate conditions in the customer's operations that affect the 10-day baseline; and (c) up to two days as determined by the customer where unplanned outages or other events cause the circuit load to deviate substantially from normal conditions. The customer shall provide a minimum of 10 calendar days prior notice to PG&E when exercising option (a); a minimum of 7 calendar days prior notice to PG&E when exercising option (b); and notice to PG&E within one calendar day after the outage or event when exercising option (c). Customer requests for the above exclusions must be received by PG&E in written or email format within the specified time frames or the requested exclusion will not be allowed. Customers requesting an operation ramp-up period under option (a) above must also specify a commensurate operation ramp-down period occurring within one year of the ramp-up period. The 10-day baseline following the ramp-down period must be reduced a minimum of 25% from the 10-day baseline immediately prior to the ramp-down period. Customers failing to achieve a 25% reduction in the 10-day baseline following a ramp-down period will not be allowed future operation ramp-up periods for two years following the ramp-up period.

Required load reductions must be achieved as quickly as possible but no later than 15 minutes after the primary customer receives notification from PG&E. OBMC customers who fail to curtail to or below the required MLL of their circuit within the specific amount of time or who fail to maintain the MLL for the entire duration of the OBMC operation shall be subject to the non-compliance penalties specified below.

An OBMC Plan is not a guarantee against a customer being subject to a RO, because daily and emergency circuit switching may cause the circuit to become subject to ROs.

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Sheet 4

**ELIGIBILITY
 REQUIREMENTS:**

Bundled service, Community Choice Aggregation service, and direct access service customers are eligible to file an OBMC Plan provided the customer can demonstrate to PG&E's satisfaction the following items:

1. The customer must be able to reduce its electric load such that the entire load on the PG&E circuit or dedicated substation that provides service to the customer is reduced to or below MLLs for the entire duration of each and every RO operation.
2. For the purpose of evaluating the ability of an OBMC plan to achieve a reduction in circuit load of fifteen (15) percent, the prior year average monthly peak circuit or dedicated substation demand, adjusted for major changes in facilities that resulted in permanent circuit load changes, will be used. Customers desiring adjustment to the prior year demands must submit a declaration signed and stamped by a California registered professional engineer attesting to the facility changes, providing detail of the source of kilowatt load changes, and the total permanent change in maximum demand. PG&E will, at the customer's expense, have the facility changes verified by an independent California registered professional engineer, unless otherwise waived by PG&E.
3. Customers must also be able to achieve a minimum of a 15% circuit load reduction from the established baseline upon notice to curtail. Customers submitting a declaration under Section 2 above for a reduction in prior year average monthly peak circuit or dedicated substation demand must be able to achieve a minimum of a 10% circuit load reduction from the established baseline upon notice to curtail. Customers participating in the California Solar Initiative (CSI) submitting a declaration under Section 2 above for a reduction in prior year average monthly peak circuit or dedicated substation demand must be able to achieve a minimum of a 5% circuit load reduction from the established baseline upon notice to curtail.
4. Customers participating in an OBMC plan who are the only customers on their circuit may participate in a PG&E operated capacity interruptible program provided the program requires the reduction of load to a pre-established firm service level. Customers participating in a demand bidding program shall not be paid for load reduction during OBMC operations. (T)
5. The customer must sign the Agreement For Optional Binding Mandatory Curtailment Plan (Form No. 79-966) whereby the customer agrees to all terms and conditions set forth in this tariff and in said Agreement.

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Sheet 5

PLAN COMPONENTS:

Every OBMC Plan shall have the following components:

1. Name of lead customer including PG&E account number, electric rate schedule, service address, mailing address, and contact information including alphanumeric pager and facsimile numbers and e-mail address.
2. List of all non-lead customers including PG&E account number, service address, mailing address, and contact information.
3. The lead customer shall be the primary contact for the OBMC Plan. The customer shall furnish and maintain internet access, an e-mail address, alpha-numeric pager and facsimile machine as required for customer notification. The primary contact shall be responsible for contacting all non-lead customers.
4. As an attachment the OBMC Plan shall include any and all agreements that are made between the lead customer and the non-lead customers.
5. A financial plan that clearly demonstrates that any and all non-compliance penalties associated with the OBMC plan will be secured by the lead customer and/or the non-lead customers.
6. A load reduction plan that shall indicate the specific quantifiable measures to be utilized by the customer(s) to reduce load to or below each MLL. The load reduction plan must include the load reduction measures to be utilized during different time periods of the year to achieve the required load reductions when seasonal load profile changes occur. The customer is responsible for preparing and maintaining the load reduction plan.
7. Identification of the measuring equipment and means to verify that during the entire duration of the OBMC operation that the load on the circuit or dedicated substation has been reduced to or below the applicable MLL that corresponds the required percent load reduction. This measuring equipment is further specified below.

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ELECTRIC SCHEDULE E-OBMC
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Sheet 6

MEASURING EQUIPMENT:

Where the OBMC customer is on a dedicated circuit or dedicated substation, compliance shall be determined from a telephone accessible electric revenue interval meter. Direct Access customers are required to allow PG&E telephone access to its electric revenue meter for the purposes of determining OBMC operation compliance. Where the existing meter is non-interval or is not compatible with PG&E's current telephone based meter reading systems, the customer is required to pay for the installation of an interval meter or other required equipment. For bundled service customers, Community Choice Aggregation service, or direct access customers who elect to have PG&E install the equipment, Electric Rule 2 shall apply. Where a meter is not currently being read via telephone, the customer shall coordinate and pay for the installation, and pay all ongoing costs of such necessary telephone equipment and service. The OBMC Plan shall not be approved by PG&E until such metering has been installed and the data is able to be collected via telephone or until PG&E is able to access the customer-owned meter.

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Where the OBMC customer is not on a dedicated circuit or if the OBMC Plan includes a group of customers, compliance for the circuit shall be determined from electronic recording equipment located in the PG&E substation. Where the circuit does not have electronic recording equipment to monitor its loads, the customer shall pay for the installation of the equipment as Special Facilities pursuant to Electric Rule 2. The OBMC Plan shall not be approved by PG&E until such electronic recording equipment has been installed and is operational.

PENALTIES:

Failure to meet the load relief criteria established by an OBMC Plan shall result in a non-compliance penalty for the OBMC customers. The non-compliance penalty shall be equal to \$6.00 per KWH times the average total load on the applicable circuit less the required MLL, as measured during each half-hour of the RO. Failure to pay these penalties may result in termination of electric service pursuant to Electric Rule 11.

PG&E will, without liability, terminate any OBMC Plan immediately for failure to reduce circuit load levels to within five (5) percent of the MLL for the entire duration of the RO for a second time during a twelve (12) month period. Such termination shall occur if the customer(s) bound by an OBMC Plan have not met or are unable to meet the load relief criteria specified therein. Customers terminated for non-compliance shall not be permitted to participate in an OBMC plan for a period of five (5) years from the date of termination.

Failure to maintain creditworthiness during the duration of the OBMC plan may result in immediate termination of the OBMC Plan.

TERM:

An OBMC Agreement has an initial term of one (1) year but may be extended from year to year, after operational review, with the written approval of PG&E. The annual term shall commence upon the date effective start date specified in the PG&E approval letter.

Except as specified above, the customer or PG&E may terminate the OBMC Plan upon thirty (30) days written notice prior to the end of an annual term. If a customer terminates the OBMC Plan, the customer shall not be party to a subsequent OBMC Plan for a period of at least twelve (12) months.

Upon termination, regardless of the cause, the circuit will be assigned a Rotating Outage Block (ROB) and that the ROB may or may not be the same as when the OBMC Plan was initiated.