ELECTRIC SCHEDULE E-BIOMAT

BIOENERGY MARKET ADJUSTING TARIFF

1. APPLICABILITY: The Bioenergy Market Adjusting Tariff schedule (E-BioMAT or this Schedule) implements the renewable bioenergy resource feed-in tariff program pursuant to California Public Utilities Code (PUC) Section 399.20 and California Public Utilities Commission (CPUC) Decision (D.) 14-12-081, D.15-09-004 and D.16-10-025. The Schedule is available, on a first-come, first-served basis, to applicants (Applicants) that own or control a Facility (or Project), meet the eligibility criteria below, and submit a complete Program Participation Request (PPR).

The maximum combined Contract Capacities of participating Facilities under Pacific Gas and Electric Company’s (PG&E) E-BioMAT Schedule is 111 megawatts (MW) (Program Capacity), which represents PG&E’s allocated share of the total statewide program cap of 250 MW, as provided for in PUC Section 399.20 and CPUC D.14-12-081.

2. EFFECTIVE DATE: The Effective Date of E-BioMAT is November 18, 2015, as determined in CPUC D.15-09-004.

3. TERRITORY: PG&E’s electric service territory.

4. ELIGIBILITY: An Applicant for E-BioMAT (“BioMAT”) must own or control the Project and the Applicant’s proposed Project must meet the following eligibility criteria for BioMAT (Eligibility Criteria):

   1. **Territory:** The Project must be physically located within PG&E’s electric service territory and must be interconnected to PG&E’s electric system.

   2. **Eligible Renewable Energy Resource:** The Project must be an Eligible Renewable Energy Resource as defined in PUC Section 399.12.

   3. **Qualifying Facility:** The Project must be a Qualifying Facility (QF), as defined by the Federal Energy Regulatory Commission (FERC). See 16 U.S.C. § 824a-3(b); 18 C.F.R. § 292.304(a)(2).

   4. **Contract Capacity:** The Contract Capacity for the Project cannot exceed three (3.0) MW.

   5. **Nameplate Capacity:** The Nameplate Capacity cannot exceed five (5.0) MW.

(Continued)
4. ELIGIBILITY:
   (Cont’d.)

6. Interconnection Study/Strategically Located: An Applicant must have passed the Fast Track screens, passed Supplemental Review, completed a PG&E System Impact Study in the Independent Study Process, completed a PG&E Distribution Group Study Phase 1 Interconnection Study in the Distribution Group Study Process, or completed a PG&E Phase 1 Study in the Cluster Study Process for its Project, or completed a CAISO Cluster Study, Independent Study or Fast Track Study, or make use of an existing interconnection agreement to the extent permitted by PG&E’s or CAISO’s tariff (Interconnection Study).

   a. An Applicant’s Interconnection Study must have an active interconnection queue number in PG&E’s public wholesale distribution queue or the public CAISO interconnection queue (Active Interconnection Study) in order for the Applicant to be eligible to participate and remain in the BioMAT queue, with the exception of Applicants with Category 3 Projects. Provided all other requirements are met, Category 3 Projects that no longer have an Active Interconnection Study shall remain eligible to participate in the BioMAT queue, provided the Applicant has provided a cash deposit as described in Section 5.2(b) of this Schedule.

   b. The Project must be interconnected to PG&E’s electric system via a Distribution Line or an Existing PG&E Transmission Line, and the Project’s most recent Interconnection Study or Interconnection Agreement must affirmatively support the Project’s ability to interconnect within twenty-four (24) months of the execution of the BioMAT power purchase agreement (PPA) Form # 79-1172. Category 3 Projects that do not have an Active Interconnection Study at the time the BioMAT PPA is executed shall submit a new Interconnection Study application within 30 days of executing the BioMAT PPA. Such Projects must achieve a Commercial Operation Date (COD) within 24 months of the completion of the Interconnection Study that results from the new Interconnection Study application. To the extent the cost of transmission system Network Upgrades incurred in connection with the Project exceed $300,000, the Applicant will bear the actual costs in excess of $300,000 in accordance with the BioMAT PPA.

   c. If both PG&E’s Rule 21 and PG&E’s Wholesale Distribution Tariff (WDT) are applicable and available to a Project in a given situation, the Project can choose to pursue interconnection under either PG&E’s Rule 21, or PG&E’s WDT, until the CPUC makes a determination otherwise. After such a CPUC decision, Projects must interconnect as stipulated in that CPUC determination, except that those Projects that request interconnection pursuant to PG&E’s Rule 21 or PG&E’s WDT and have submitted a completed PPR under this Schedule prior to any final CPUC determination will not be required to switch interconnection tariffs and will continue to be eligible to participate under this Schedule, provided the Project is otherwise eligible.

(Continued)
ELECTRIC SCHEDULE E-BIOMAT

BIOENERGY MARKET ADJUSTING TARIFF

Sheet 3

(Continued)

4. ELIGIBILITY: (Cont’d.)

7. Site Control: The Applicant must provide to PG&E an attestation that it has 100% site control for the Project through: (a) direct ownership; (b) lease; or (c) an option to lease or purchase that may be exercised upon execution of the BioMAT PPA. The Applicant is required to submit a map showing the boundary of the Site for which the Applicant has control as part of the PPR. PG&E reserves the right to request additional information.

8. Developer Experience: The Applicant must provide to PG&E an attestation that at least one member of its development team has: (a) completed the development of at least one project of similar technology and capacity; or (b) begun construction of at least one other project of similar technology and capacity. A project less than one (1) MW will be deemed to be a project with similar capacity to a Project with a Contract Capacity of up to one (1) MW. A project between one (1) MW to three (3) MW will be deemed to be a project with similar capacity to a Project with a Contract Capacity of up to three (3) MW. For example, for a Project with a Contract Capacity of three (3) MW, a project of similar capacity cannot be smaller than 1 MW.

9. Daisy Chaining: The Applicant must provide to PG&E an attestation that either the Project is the only exporting project being developed or owned or controlled by the Applicant on any single or contiguous pieces of property or, if more than one exporting project is being developed or owned or controlled by the Applicant on any single or contiguous pieces of property, the total aggregated installed Contract Capacity of the projects does not exceed three (3) MW. PG&E may, in its sole discretion, determine that the Applicant does not satisfy this Eligibility Criteria if the Project appears to be part of an installation in the same general location that has been or is being developed by the Applicant or the Applicant’s Affiliates and the total aggregated installed Contract Capacity of the installation is greater than three (3) MW.

10. Other Incentives: A Project that previously received incentives under the Self-Generation Incentive Program (SGIP) is ineligible for BioMAT if the incentives were received within ten (10) years or less of the date that the Applicant submits a PPR for BioMAT for such Project. An Applicant for a Project that previously received incentive payments under SGIP must provide an attestation to PG&E stating that, as of the date the Applicant submits the PPR: (a) the Project has been operating for at least ten (10) years from the date the Applicant first received ratepayer-funded incentive payments under SGIP, for the Project; and (b) to the extent the CPUC requires reimbursement of any ratepayer-funded incentive, the Applicant can demonstrate that the Project’s owner has provided the applicable administrator with any required refunds of incentives.

11. Net Energy Metering: An Applicant that is a net energy metering (NEM) customer can only participate in BioMAT if the Applicant terminates its participation in the NEM program for the Project prior to the BioMAT PPA’s Execution Date.

(Continued)
4. ELIGIBILITY: (Cont’d.)

12. Renewable Market Adjusting Tariff: An Applicant may not submit a
PPR or maintain a position in the queue for the same Project in both
the Renewable Market Adjusting Tariff (ReMAT) program and the
BioMAT program. For the purposes of this Section 4.12 only, projects
that are eligible for ReMAT or BioMAT and that share, utilize, or are
based on the same interconnection request, study, or agreement will be
considered the same Project.

13. Fuel Resource Requirements: The Project’s fuel resource(s) must be
eligible for the Renewables Portfolio Standard (RPS) in accordance
with the California Energy Commission’s (CEC) RPS eligibility
requirements and must comply with the Fuel Resource Category
definitions provided in Section 14.3 of this Schedule. At the time of
PPR submittal, the Applicant must provide to PG&E an attestation that
specifies the Fuel Resource Category of fuel that the Applicant will use
for the Project. The Applicant may only select one (1) Fuel Resource
Category. For Category 2, Applicant must select either (i) Category 2
(Dairy), or (ii) Category 2 (Other Agriculture). The fuel requirements by
Fuel Resource Category are as follows:

a. Category 1: On an annual basis, at least 80% of the fuel
resource(s) used by the Project must be eligible for Fuel Resource
Category 1; the remaining 20% may be fuel resource(s) that are
eligible for Fuel Resource Categories 1, 2, and 3; or

b. Category 2:
   (1) Dairy: 100% of the fuel resource(s) used by the Project
       must be eligible for Fuel Resource Category 2 (Dairy); or
   (2) Other Agriculture: On an annual basis, at least 80% of the
       fuel resource(s) used by the Project must be eligible for
       Fuel Resource Category 2 (Other Agriculture); the
       remaining 20% may be fuel resource(s) that are eligible for
       Fuel Resource Categories 1, 2, and 3; or

c. Category 3: On an annual basis, at least 80% of the fuel
resource(s) used by the Project must be eligible for Fuel Resource
Category 3; the remaining 20% may be fuel resource(s) that are
eligible for Fuel Resource Categories 1, 2, and 3.
ELECTRIC SCHEDULE E-BIOMAT
BIOENERGY MARKET ADJUSTING TARIFF

4. ELIGIBILITY: (Cont’d.)

14. Commercial Operations: The Project must have commenced commercial operations on or after June 1, 2013, based on the definition of “commercial operations date” in the CEC’s Renewables Portfolio Standard Eligibility Guidebook.

5. QUEUE MANAGEMENT AND PROGRAM PARTICIPATION REQUEST (PPR):

The queue management process, PPR requirements, and PPR review process are described below.

1. As set forth in Section 8 of this Schedule, BioMAT Contract Prices are determined on a statewide basis among Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE), and San Diego Gas & Electric Company (SDG&E) (each, an investor owned utility (IOU), and collectively the IOUs); however, each IOU administers its own queues to award BioMAT PPAs in its service territory according to Section 9 of this Schedule. The Applicant will submit a PPR for a Project to the IOU in whose territory the Project is located, and execution of a BioMAT PPA will result in the Contract Capacity of that Project being attributed to the Contract Capacity target for the IOU with which the BioMAT PPA was executed, subject to Section 7.4 of this Schedule. Category 2 (Dairy) and Category 2 (Other Agriculture) are maintained in the same Category 2 queue. However, an Applicant with a Category 2 Project must indicate in its PPR whether its Project is (i) Category 2 (Dairy) or (ii) Category 2 (Other Agriculture), for the purposes of establishing a Contract Price as set forth in Section 8 of this Schedule and establishing the Project’s fuel resource requirements as set forth in the BioMAT PPA and Section 4.12 of this Schedule.

2. To be eligible for PG&E’s BioMAT program and obtain a position in the applicable Fuel Resource Category queue, an Applicant must submit a complete PPR to PG&E. Information on how to submit the PPR will be available on PG&E’s website and/or online platform. A PPR must include:

a. PPR Fee: Applicant must pay to PG&E a non-refundable application fee as part of each PPR submission calculated as follows: $2/kilowatt (kW) multiplied by the Project’s Contract Capacity. The PPR fee will not be applicable towards the Collateral Requirement under a BioMAT PPA. The manner and form of payment will be specified by PG&E on its website and/or online platform.

b. Category 3 Deposit: Applicants submitting PPRs that are either: (i) Category 3 Projects connected to a Distribution Line; or (ii) Category 3 Projects connected to an Existing PG&E Transmission Line and have passed the CAISO Fast Track screens, and without an Active Interconnection Study as described in Section 4.6(a), or those who subsequently withdraw their Active Interconnection Study from PG&E’s public wholesale distribution queue or the public CAISO Controlled Generation Queue after submitting a PPR, must pay a deposit equal to three times the System Impact Study’s Detailed Deposit amount as

(Continued)
5. QUEUE MANAGEMENT AND PROGRAM PARTICIPATION REQUEST (PPR): (Cont’d.)

b. described in PG&E’s Electric Rule No. 21 Tariff. Applicants submitting a PPR for transmission-interconnected projects that received an interconnection study pursuant to the CAISO’s Independent Study Process (“CAISO ISP”) or CAISO Cluster Study process must pay a deposit equal to the CAISO deposit amount for the CAISO ISP or CAISO Cluster Study process. In the event the Applicant’s PPR for projects connected to a Distribution Line is withdrawn or rejected, the deposit shall be refunded to the Applicant less an administrative fee of 10% of the System Impact Study’s Detailed Study Deposit amount as described in PG&E’s Electric Rule No. 21 Tariff. In the event the Applicant’s PPR for projects connected to an Existing PG&E Transmission Line is withdrawn or rejected, the deposit shall be refunded to the Applicant less an administrative fee of $1,000/MW of facility capacity. In the event the Applicant executes a PPA for the Project, the deposit shall be refunded in its entirety upon the execution of the BioMAT PPA.

c. PPR Form: Applicant must submit the PPR form to PG&E in a manner and form specified by PG&E.

d. Supporting Documentation: Supporting documentation, including but not limited to the items below, must be submitted to PG&E.

(1) Copy of the most recent Interconnection Study for the Project. Any new or amended Interconnection Study or Interconnection Agreement must be submitted to PG&E within five (5) business days of receipt of the study or agreement.

(2) A completed Cover Sheet for the BioMAT PPA, including (but not limited to) a description of the Project, a Facility drawing, a single line diagram and a site map clearly outlining the border of the Project site for which site control exists.

(3) An attestation that includes the percentage ownership that the Applicant and Applicant’s Affiliates have in each Project and/or Seller entity for which a BioMAT PPR has been submitted. The determination of the percentage of ownership that an Applicant holds in a Project will be made by the Applicant, based on accounting standards and/or project financing conventions. PG&E will not have an obligation to review materials or documents related to an Applicant’s ownership or financing of a Project and will not have an obligation to advise an Applicant on the percentage ownership that an Applicant has in a Project. PG&E shall have the right to request and review the Applicant’s ownership calculations and supporting documentation. The Applicant must submit an updated attestation within five (5) business days if changes occur.

(4) The attestations required in this Schedule.

(T) (T) (T) (T) (L)
5. QUEUE MANAGEMENT AND PROGRAM PARTICIPATION REQUEST (PPR):
(Cont’d.)

(5) A Geographic Information System file of the Project boundary information. (L)
(6) Such other information and documentation that PG&E may request to verify compliance with the Eligibility Criteria. (L)

e. Review Period and BioMAT Queue Number Assignment: Within twenty (20) business days of receiving a PPR, PG&E, in its sole discretion, will confirm whether the Applicant’s PPR is deemed complete and satisfies the Eligibility Criteria. Applicants will be assigned a program position (BioMAT Queue Number) once the PPR is deemed complete. If the PPR is deemed complete, the BioMAT Queue Number assignment will be based on the date and time that the PPR was received by PG&E. PPRs received on or before 5:00 PM Pacific Time (PT) on December 7, 2015 are deemed received at the same time and the sequence of BioMAT Queue Numbers for PPRs received during that period will be assigned by lottery or other randomized basis.

f. PPR Rejection: If an Applicant’s PPR is deemed incomplete, or the Applicant is otherwise ineligible for a BioMAT PPA, PG&E will notify the Applicant that the PPR has been rejected (i.e., the PPR is null and void). If rejected, the Applicant will be required to submit a new, correct and complete PPR demonstrating the Applicant’s eligibility. The Applicant’s BioMAT Queue Number will be based on the date and time of the re-submitted, correct and complete PPR.

g. Cure Period: PG&E, in its sole discretion, may permit the Applicant to cure minor deficiencies, as determined by PG&E, by re-submitting the PPR (or a subset thereof) within ten (10) business days of notice from PG&E of the deficiency. To be permitted to cure the deficiencies identified by PG&E, the Applicant’s original PPR must demonstrate that the Applicant’s Project was eligible at the time of submittal. Applicants whose PPRs contain material substantive issues with program eligibility will be deemed incomplete and rejected. PG&E will review a re-submitted PPR within twenty (20) business days of receipt of the re-submitted PPR. If the re-submitted PPR is deemed complete after the second review, the BioMAT Queue Number assignment will be based on the date that the PPR was initially received by PG&E. PPRs received on or before 5:00 PM PT on December 7, 2015 are deemed received at the same time and the sequence of BioMAT Queue Numbers for PPRs received during that period will be assigned by lottery or other randomized basis. Failure to re-submit the PPR within ten (10) business days of notice from PG&E to correct the minor deficiency shall result in the PPR being rejected, as described in Section 5.2.f of this Schedule.
5. QUEUE MANAGEMENT AND PROGRAM PARTICIPATION REQUEST (PPR): (Cont’d.)

h. Change in Eligibility: If an Applicant and/or Project previously deemed eligible to participate in BioMAT no longer meets the Eligibility Criteria, the Applicant must immediately notify PG&E and shall relinquish its BioMAT Queue Number for the applicable PPR. The PPR will be deemed to be rejected, as described in Section E.2.f of this Schedule.

3. Modification: Once an Applicant has a BioMAT Queue Number for its proposed Project, the information provided in the PPR regarding the Project may not be modified, unless permitted or approved by PG&E, and shall be used for the completion of the BioMAT PPA. PG&E will indicate what information, if any, in the PPR can be modified in its BioMAT program materials and/or online platform.

4. Eligibility Complaints: An Applicant may contest a determination of ineligibility through the CPUC’s standard complaint procedure set forth in Article 4, Complaints, of the CPUC’s Rules of Practice and Procedure.

6. DATES AND PROGRAM PERIODS:

1. Initial PPR Submission Date: Applicants will be able to submit a PPR for a Project beginning at 9:00 a.m. PT on December 1, 2015 (Initial PPR Submission Date).

2. Program Periods: The Program shall be divided into bi-monthly program periods (Periods). Period 1 will begin on February 1, 2016 (Period 1 Start Date). Each subsequent Period shall be numbered sequentially (e.g., Period 2, Period 3, etc.) and shall occur on the first business day of the second month following the beginning of the previous Period. Commencing on February 1, 2017, PG&E shall administer monthly Periods for Category 3 Projects. Category 3 Periods shall resume on a bi-monthly schedule that coincides with Category 1 and Category 2 Periods upon the earlier of (1) the Emergency Proclamation no longer being in effect, or (2) the Category 3 BioMAT price adjusting downward due to 100% subscription of the MW offered.
6. DATES AND PROGRAM PERIODS: (Cont’d.)

3. Final Period: The final Period (Final Period) is the Period which ends sixty (60) months after the Period 1 Start Date. At the close of the Final Period, this Schedule will close for all new Applicants. Any Projects remaining in a Fuel Resource Category queue will be permitted to execute a BioMAT PPA within the ninety (90) day period immediately following the close of the Final Period, subject to the following conditions:

a. The Contract Price for each Statewide Pricing Category will not adjust pursuant to Section 8.4 of this Schedule and will remain the same as in the Final Period. (T)

b. Any Projects remaining in a Fuel Resource Category queue will have ninety (90) days following the close of the Final Period to accept the applicable Contract Price as provided in Section 6.3.a of this Schedule. Following that ninety (90) day period, BioMAT PPAs will be awarded in BioMAT Queue Number order. (T)

c. For each Fuel Resource Category, PG&E’s obligation to accept BioMAT PPAs is only up to the lesser of: (i) PG&E’s total capacity remaining in the applicable Fuel Resource Category or (ii) twelve (12) MW. (D)

d. PG&E may, in its sole discretion, continue to offer the BioMAT to new Applicants after the Final Period. (D)
7. CAPACITY ALLOCATION:

BioMAT Program Capacity shall be allocated and disclosed as follows:

1. On the Effective Date of BioMAT, the following capacity information will be published on PG&E’s website and/or online platform:
   a. PG&E’s Total Program Capacity: 111 MW
   b. PG&E’s Capacity Allocation by Fuel Resource Category:
      (1) Category 1: 30.5 MW
      (2) Category 2: 33.5 MW
      (3) Category 3: 47 MW

2. The amount of capacity available (Available Allocation) for subscription for each Fuel Resource Category for any Period throughout the program will be 6 MW (unless the remaining capacity for such Fuel Resource Category is less than 6 MW, in which case the amount of capacity available for subscription for such Period shall be the total remaining capacity for such Fuel Resource Category, except as set forth in Section 6.3 of this Schedule). Category 2 (Dairy) and Category 2 (Other Agriculture) will have one Category 2 Available Allocation for any Period.

3. On the Effective Date of BioMAT, and by the first business day of each Period, the following capacity information will be posted on PG&E’s website and/or online platform:
   a. Available Allocation for each Fuel Resource Category
   b. Total remaining Program Capacity
   c. Total remaining capacity in each Fuel Resource Category

(Continued)
7. CAPACITY ALLOCATION:  
(Cont’d.)  
4. Any Contract Capacity associated with BioMAT PPAs that are terminated prior to the delivery of any electricity to PG&E will be allocated by PG&E to the Fuel Resource Category corresponding to the Fuel Resource Category of the terminated BioMAT PPA, and will not be attributed to the total capacity target for PG&E. Any Contract Capacity associated with BioMAT PPAs that are terminated after the delivery of any electricity to PG&E will not be re-allocated, and will result in the Contract Capacity of that project being attributed to the capacity target for PG&E.  

8. PRICE:  
The Contract Price for BioMAT PPAs will be determined as follows:

1. The IOUs will jointly administer a pricing mechanism to establish a statewide price for the four (4) following Statewide Pricing Categories: Category 1, Category 2 (Dairy), Category 2 (Other Agriculture) and Category 3.

2. The Contract Price for each Statewide Pricing Category will be published on PG&E’s website and/or online platform by the first business day of every Period.

3. The initial BioMAT Contract Price offered for each Statewide Pricing Category in Period 1 will equal $127.72/megawatt-hour (MWh), pre-time of delivery adjusted. See the BioMAT PPA for contractual terms related to Contract Price.
8. PRICE:
(Cont’d.)

4. After Period 1 (except as set forth in Section 8.4.a of this Schedule), the Contract Price for each Statewide Pricing Category may adjust independently in each subsequent Period. The conditions for a Contract Price adjustment will be based on the subscription rate in each Statewide Pricing Queue as follows:

a. Market Depth for Initial Contract Price Adjustment: Until at least one Project in a Statewide Pricing Queue accepts the Contract Price, a Contract Price adjustment may occur in a subsequent Period for that Statewide Pricing Category only if at the beginning of the prior Period there are at least three (3) eligible Projects from three (3) different Applicants (including Applicant’s Affiliates) with BioMAT Queue Numbers for the applicable Statewide Pricing Queue, in which case the Contract Price for that Statewide Pricing Category may increase or decrease in the next Period based on the criteria described below in Sections 8.4.d and 8.4.f of this Schedule. If an Applicant or its Affiliates have any ownership interest (based on the information provided by and attested to by the Applicant as described in Section 5.2.d.3 of this Schedule) in a Project, the Project will be attributed to the Applicant(s) for purposes of this provision. If there are fewer than three (3) eligible Projects from three (3) different Applicants in the applicable Statewide Pricing Queue at the beginning of any Period, then the Contract Price for that Statewide Pricing Category will remain the same in the next Period.

b. Market Depth for Subsequent Contract Price Adjustments: After at least one (1) Project in a Statewide Pricing Queue accepts the Contract Price, a Contract Price adjustment may occur in a subsequent Period for that Statewide Pricing Category only if at the beginning of the prior Period there are at least five (5) eligible Projects from five (5) different Applicants (including Applicant’s Affiliates) with BioMAT Queue Numbers for the applicable Statewide Pricing Queue, in which case the Contract Price for that Statewide Pricing Category may increase or decrease in the next Period based on the criteria described below in Sections 8.4.d and 8.4.f of this Schedule. If an Applicant or its Affiliates have any ownership interest (based on the information provided by and attested to by the Applicant as described in Section 5.2.d.3 of this Schedule) in a Project, the Project will be attributed to the Applicant(s) for purposes of this provision. If there are fewer than five (5) eligible Projects from five (5) different Applicants in the applicable Statewide Pricing Queue at the beginning of any Period, then the Contract Price for that Statewide Pricing Category will remain the same in the next Period.
8. PRICE:
(Cont’d.)

c. Category 2 Price Screen: Although each IOU will maintain one queue and capacity allocation for all Category 2 Projects, the Contract Prices for Category 2 (Dairy) and Category 2 (Other Agricultural) will adjust independently from each other as described herein according to Statewide Subscription from its respective Statewide Pricing Queues.

d. Price Increase: If the Statewide Subscription Rate for a Period is less than 20% for that Statewide Pricing Category, the Contract Price for that Statewide Pricing Category for the next Period will be increased by the following amounts as long as the criteria in Section 8.4.a or 8.4.b of this Schedule, as applicable, are satisfied, in an uninterrupted series of increases:

(1) First increase in a series: +$4/MWh

(2) Second increase in a series: +$8/MWh

(3) Third increase in a series: +$12/MWh

(4) All subsequent increases in a series: +$12/MWh.

(5) Increases that occur after a Period in which the Contract Price was unchanged or decreased will reset and begin at +$4/MWh and proceed as described above.

e. Price Unchanged: If the Statewide Subscription Rate for a Period is at least 20% for that Statewide Pricing Category, but the price decrease in Section 8.4.f below was not triggered, the Contract Price is unchanged in the next Period. The Contract Price will remain unchanged in any circumstance if the criteria in Section 8.4.a or 8.4.b of this Schedule, as applicable, are not satisfied.
8. PRICE: (Cont’d.)

f. **Price Decreases:** If the Statewide Subscription Rate for a Period is at least 100% for that Statewide Pricing Category, or it is Deemed Fully Subscribed on a statewide basis (as that term is defined in Section 9.3 of this Schedule), the Contract Price for that Statewide Pricing Category for the next Period will be decreased by the following amounts, as long as the criteria in Section 8.4.a or 8.4.b of this Schedule, as applicable, are satisfied, in an uninterrupted series of decreases:

1. First decrease in a series: -$4/MWh
2. Second decrease in a series: -$8/MWh
3. Third decrease in a series: -$12/MWh
4. All subsequent decreases in series: -$12/MWh.
5. Decreases that occur after a Period in which the Contract Price was unchanged or increased will reset and begin at -$4/MWh and proceed as described above.

5. **Payment Allocation Factors:** Contract Prices will be adjusted by the Payment Allocation Factors included in the BioMAT PPA in accordance with the terms in the BioMAT PPA. The Payment Allocation Factors are based on time-of-delivery periods and whether the Project is an energy-only facility or has Full Capacity Deliverability Status. The BioMAT PPA provides further detail regarding monthly payment calculations and the Payment Allocation Factors.

6. **Price Review:** The Director of the CPUC’s Energy Division (Energy Division) is required to initiate an investigation of the BioMAT program at any time when the Contract Price for a Statewide Pricing Category reaches or exceeds $197/MWh for two (2) consecutive Periods. Energy Division has the discretion to temporarily suspend the awarding of BioMAT PPAs for the relevant Statewide Pricing Category during its review period.

7. **Category 3 Contract Price Suspension:** The Contract Price for Category 3 will adjust pursuant to Section 8 of this Schedule however, pursuant to Section 8.6 of this Schedule and Energy Division’s letter from November 28, 2017 titled “Bioenergy Market Adjusting Tariff (BioMAT) Category 3 Temporary Partial Price Cap and Program Review”, the Contract Price for Category 3 is capped at $199.72/MWh for Projects that do not commit to the High Hazard Fuel Requirement.
9. SUBSCRIPTION:  

1. Within ten (10) business days after the first business day of each Period, Applicants must provide PG&E with notice indicating whether or not the Applicant is willing to execute a BioMAT PPA based on the applicable Contract Price (accept the Contract Price or reject the Contract Price). PG&E’s website, information technology systems, or materials shall specify how Applicant shall provide written notice to PG&E.  

2. Failure to provide PG&E with written notice by 5:00 p.m. PT on the tenth business day after the first business day of a Period will be deemed to be notice that the Applicant rejects the Contract Price for that Period.  

3. PG&E will award BioMAT PPAs to Applicants that meet the Eligibility Criteria in BioMAT Queue Number order until the Available Allocation for the Fuel Resource Category is met or Deemed Fully Subscribed. PG&E will input information from the PPR into the BioMAT PPA for execution. PG&E will provide written notice to Applicants that are awarded a BioMAT PPA within ten (10) business days following the deadline for Applicants to accept or reject the Contract Price. If the Contract Capacity of the next Project that has provided notice to PG&E within ten (10) business days after the first business day of a Period indicating a willingness to execute a BioMAT PPA, in BioMAT Queue Number order, for a Fuel Resource Category is larger than the remaining Available Allocation for that Fuel Resource Category, that next Applicant will not be awarded a BioMAT PPA and PG&E will deem the Available Allocation to be fully subscribed (Deemed Fully Subscribed). Any portion of the Available Allocation Deemed Fully Subscribed shall be counted toward the Statewide Subscription for that Period, but shall not be counted against either the total statewide program cap or PG&E’s allocated share of that cap, as provided in Section 1.
9. SUBSCRIPTION: (Cont’d.)

4. Applicants who reject or accept the Contract Price but are not awarded a BioMAT PPA will retain their BioMAT Queue Number, except as otherwise specified in this Schedule.

5. Applicants that are awarded a BioMAT PPA for a Period must submit an executed BioMAT PPA to PG&E within ten (10) business days of receiving an executable BioMAT PPA from PG&E. If the Applicant fails to return an executed BioMAT PPA to PG&E within ten (10) business days of receiving an executable BioMAT PPA from PG&E, the Applicant will be deemed to have rejected the BioMAT PPA and the Applicant’s BioMAT Queue Number will be revoked. The Contract Capacity associated with the Applicant’s Project will be allocated per Section 7.4 of this Schedule.

6. The Project may not have an existing PPA or other contract for energy and/or capacity deliveries to PG&E, or any other counterparty, from the same Project at the time of execution of the BioMAT PPA or, if allowed per the terms of the existing contract, the Seller must provide documentation demonstrating that the existing contract will be terminated on a date certain that is within the COD timing allowed in the BioMAT PPA prior to the execution of the BioMAT PPA. Notwithstanding the foregoing, to the extent Seller is seeking an Excess Sale BioMAT PPA for the Project, Seller is not required to terminate or demonstrate future termination of any applicable contractual arrangements with respect to serving any Site Host Load.

7. Within ten (10) business days of the execution of the BioMAT PPA by both the Applicant and PG&E, PG&E shall provide on its website information regarding the executed BioMAT PPA as required by the CPUC.
10. BIOMAT PPA: The BioMAT PPA will be completed by PG&E for execution by the Applicant and shall include the information submitted in the PPR, which includes, but is not limited to, the information listed below.

1. Seller Name: Must be a legal entity
2. Project Name
3. Facility Street Address (or nearest intersection) (or coordinates if no intersection or street address)
4. Type of Facility: Category 1, 2, or 3.
5. Fuel Resource Category (including proportions if using multiple fuel sources within the selected Fuel Resource Category)
6. Interconnection Queue Position
7. Interconnection Point
8. Service Voltage
9. Delivery Point
10. Expected COD: No later than twenty-four (24) months from execution date of the BioMAT PPA
11. Contract Capacity
12. Nameplate Capacity
13. Delivery Term: 10, 15, or 20 years
14. Transaction: Full Buy/Sell or Excess Sale
15. Contract Quantity: Provide estimates in MWh/year, net of Station Use and Site Host Load for each year of the Delivery Term
11. METERING: Projects must be electrically independent and separately metered. Metering requirements are described in the BioMAT PPA.

12. SPECIAL CONDITIONS: The following special conditions apply to BioMAT and the BioMAT program:

1. COD Extension Policy: The COD for the BioMAT PPA may only be extended pursuant to the terms in the BioMAT PPA. The BioMAT PPA requires that the Project achieve its COD within twenty-four (24) months after the Execution Date of the BioMAT PPA or within 24 months of the completion of the Interconnection Study for eligible Category 3 Projects, as described in Section 4.5.b of this Schedule, with the possibility of one six (6) month extension for Permitted Extensions as set forth in the BioMAT PPA.

2. Termination of Service: Unless terminated earlier pursuant to the BioMAT PPA, the BioMAT PPA automatically terminates immediately following the last day of the Delivery Term.

3. BioMAT Suspension: PG&E may file a motion with the CPUC to suspend BioMAT when evidence of market manipulation or malfunction exists. The motion must be filed on the applicable CPUC service list. The motion shall identify the portion of the program suspended, the specific behavior and reasons for the suspension, and PG&E’s proposal for resolving the problem. Any requested suspension will be implemented by PG&E immediately upon filing and shall not be modified or changed unless directed by the CPUC.

4. Other CPUC Programs: If a Project has a Nameplate Capacity greater than 3 MW, electricity generated in excess of the BioMAT program’s limits may be sold pursuant to other CPUC programs, consistent with all state and federal requirements.

13. DENIAL OF BIOMAT PROGRAM PARTICIPATION: PG&E may deny a request by an Applicant to submit a Project to the BioMAT program, upon written notice, under this Schedule if it makes any of the following findings:

1. The Project does not meet the requirements of PUC Section 399.20 or any applicable CPUC decision.

2. The transmission or distribution grid that would serve as the point of interconnection is inadequate.

3. The Project does not meet all applicable state and local laws and building standards, and utility interconnection requirements.
13. DENIAL OF BIOMAT PROGRAM PARTICIPATION:
   (Cont’d.)

4. The aggregate of all electric generation facilities on a distribution circuit would adversely impact utility operation and load restoration efforts of PG&E’s electric system.

5. The Project appears to be part of a larger overall installation by the same company or consortium in the same general location.

6. There exist any outstanding obligations owed to PG&E by the Applicant under a previously executed BioMAT PPA or other agreement related to the sale of energy, capacity, renewable energy credits, or other related products, in each case, that relates to either any portion of the site or the interconnection queue position to be utilized by the Project seeking BioMAT program participation.

7. The Applicant does not otherwise meet the requirements of this Schedule.

Upon receipt of notice of denial from PG&E, the Applicant may appeal the decision to the CPUC.

(Continued)
14. DEFINITIONS: Capitalized terms in this Schedule shall have the same meaning as the defined term in the BioMAT PPA (Form # 79-1172), unless the term is otherwise defined in this Schedule.

1. Available Allocation: PG&E's allocation of available Program Capacity for each Fuel Resource Category in each Period as described in Section 7.2 of this Schedule.

2. Emergency Proclamation: The Proclamation of a State of Emergency issued by Governor Edmund G. Brown, Jr. on October 30, 2015 to address the impacts of extensive tree mortality due to the extended drought in California and resulting epidemic infestation of mountain forests by bark beetles.

3. Fuel Resource Categories: The following categories and subcategories defined according to the bioenergy feedstock utilized at the Facility:
   a. Category 1: Biogas, including digester gas and any gas derived from a biomass feedstock eligible under the California RPS that is derived from one or more of the following sources:
      (1) Biogas that is derived from a wastewater treatment facility that is (1) owned by a state, local, or federal agency and used in the treatment or reclamation of sewage or industrial wastes; (2) privately owned and used in the treatment or reclamation of sewage or industrial wastes, and regulated by the CPUC pursuant to Sections 216 and 230.6 of, and Chapter 4. (commencing with Section 701) of Part 1 of Division 1 of, the PUC; or (3) privately owned and used primarily in the treatment or reclamation of sewage for which the state board or a regional board has issued waste discharge requirements ("wastewater treatment").
      (2) Biogas that is derived from a diversion of organic solid wastes, in accordance with all applicable federal, state and local requirements, from disposal at solid waste landfills or transformation facilities; and (1) where the organic solid wastes originated from living organisms and their metabolic waste products which contain naturally produced organic compounds, and which are biologically decomposable by microbial and fungal action into the constituent compounds of water, carbon dioxide, and other simpler organic compounds; and (2) where the organic solid wastes were generated by residential, commercial, and industrial sources, or were generated at construction and demolition sites, at food-processing facilities, or at treatment works for water and waste water, and which were collected and transported under the authorization of a jurisdiction or were self-hauled ("municipal organic waste diversion").
14. DEFINITIONS:
(Cont'd.)
a. Category 1 (Cont'd.): Biogas, including digester gas and any gas derived from a biomass feedstock eligible under the California RPS that is derived from one or more of the following sources:

(3) Biogas that is derived from waste, residue or by-products of food processing or manufacturing facilities, consistent with activities described as “food manufacturing” in Title 311 of the North American Industry Classification System (NAICS). Food processing and manufacturing includes, but is not limited to canning, cooking, roasting, chopping, slicing, cutting, peeling, juicing, milling, fermenting or other processing or manufacturing that changes the form of raw agricultural ingredients into food, or of food into other forms (“food processing”).

(4) Biogas that is derived from the anaerobic digestion of multiple biodegradable substrates or feedstocks, including but not limited to biosolids, wastewater, animal waste, food scraps, fats, oils, and grease (FOG) or any other suitable organic material (“codigestion”).

b. Category 2:

(1) Dairy: Biogas derived solely from the anaerobic digestion of dairy waste.

(2) Other Agriculture: Biogas or biomass derived from a facility that utilizes the waste, residue or by-products of growing crops, raising livestock or growing horticultural products. Agricultural wastes include, but are not limited to, agricultural crop residues; fruits and vegetables; orchard and vineyard removal; and crop tree and vineyard prunings. Agricultural waste also includes waste, residues and by-products from agricultural drying, hulling, shelling and ginning operations as well as fresh fruit and vegetable packing operations.
14. DEFINITIONS:
   (Cont’d.)

c. Category 3: Biogas or biomass that is derived from one or more of the following processes:

   (1) Biomass feedstock from fuel reduction activities identified in a fire plan approved by the California Department of Forestry and Fire Protection (CAL FIRE) or other appropriate state, local or federal agency and categorical exclusions on federal lands approved under 36 C.F.R. 220.6(e)(6)ii and (12) thru (14) (“fire threat reduction”).

   (2) Biomass feedstock from fuel reduction activities conducted to comply with Public Resources Code Sections 4290 and 4291. This would include biomass feedstocks from timber operations conducted in conformance with 14 CCR 1038(c) (150’ Fuel Reduction Exemption) as well as projects that fall under 14 CCR 1052.4 (Emergency for Fuel Hazard Reduction), 14 CCR 1051.3-1051.7 (Modified THP [timber harvest plan] for Fuel Hazard Reduction), and 14 CCR 1038(j) (Forest Fire Prevention Exemption), and categorical exclusions on federal lands approved under 36 CFR 220.6(e)(6)ii and (12)-(14) (“fire safe clearance activities”).

   (3) Biomass feedstock from (1) fuel reduction activities undertaken by or on behalf of a utility or local, state or federal agency for the purposes of protecting infrastructure, including but not limited to: power lines, poles, towers, substations, switch yards, material storage areas, construction camps, roads, railways; or (2) all utility right-of-way fuel reduction activities undertaken for the purpose of protecting infrastructure, including water conveyance systems (canals, penstocks, flumes, tunnels etc.), gas lines, and telecommunication lines (“infrastructure clearance projects”).

   (4) Biogas or biomass that is the byproduct of other sustainable forest management practices not covered in any of Section 14.3.c(1), (2), (3) or (5) of this Schedule, but which are considered “other sustainable forest management” fuel resources as indicated in a fully completed, executed and certified “Category 3 Other Sustainable Forest Management Eligibility Form” in the form of Appendix A to the PPR Fuel Resource Attestation Form (Form 79-1187), which must be submitted with the PPR (“other sustainable forest management”).

   (5) High Hazard Fuel.
ELECTRIC SCHEDULE E-BIOMAT
BIOENERGY MARKET ADJUSTING TARIFF

14. DEFINITIONS:
(Cont’d.)

4. Distribution Line: For the purposes of this Schedule and the BioMAT PPA, a distribution line is a non-CAISO controlled electric circuit within PG&E’s electric service territory, regardless of line voltage.

5. Existing PG&E Transmission Line: For the purposes of this Schedule and the BioMAT PPA, an existing transmission line must be a PG&E owned network circuit with a line voltage level of 60 kV – 500 kV, controlled by the CAISO, and must have been built and operational as of the submittal date of an applicant’s PPR.

6. High Hazard Fuel: Forest biomass sourced from within the geographic boundary of High Hazard Zones.

7. High Hazard Fuel Requirement: Has the meaning set forth in Section 4.4.2 of the BioMAT PPA.

8. High Hazard Zones: For the purposes of this Schedule, areas designated as Tier 1 or Tier 2 high hazard zones for wildfire and falling trees by the California Department of Forestry and Fire Protection, the California Natural Resources Agency, the California Department of Transportation, the California Energy Commission, or other designated agency as reflected in the Tree Mortality Viewer on the Cal Fire website (http://egis.fire.ca.gov/TreeMortalityViewer/).

9. Statewide Available Allocation: For determining Statewide Subscription Rate under this Schedule only, Statewide Available Allocation for each Statewide Pricing Category is defined as the cumulative total of each IOU’s Available Allocation for the applicable Period, except that the Statewide Available Allocation for Category 2 (Dairy) and Category 2 (Other Agriculture) are each defined as one-half of the cumulative total of each IOU’s Available Allocation for Category 2 for the applicable Period.

10. Statewide Pricing Category: Has the meaning set forth in Section 8.1 of this Schedule.

11. Statewide Pricing Queue: The cumulative queue from each IOU by Statewide Pricing Category.

12. Statewide Subscription: For the purposes of this Schedule, Statewide Subscription is defined as the total Contract Capacity of Projects for which Applicants accept the Contract Price in a Period for each applicable Statewide Pricing Queue.

13. Statewide Subscription Rate: For the purposes of this Schedule, the percentage as calculated in a given Period equal to the Statewide Subscription for the Statewide Pricing Category divided by the lesser of (i) the Statewide Available Allocation for that Statewide Pricing Category, or (ii) the total capacity in the Statewide Pricing Queue for that Statewide Pricing Category.