Pacific Gas and Electric Company

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July 3, 2014

Advice 4456-E
(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

Subject: **Revisions to Electric Schedules E-BIP (Base Interrutiple Program) and E-DBP (Demand Bidding Program) in Compliance With Decision 14-05-025**

Purpose

The purpose of this advice letter is to comply with Ordering Paragraphs (OPs) 6.b and 9 of California Public Utilities Commission (Commission or CPUC) Decision (D.) 14-05-025 authorizing Pacific Gas and Electric Company (PG&E) to revise Electric Schedules E-BIP (Base Interrutiple Program) and E-DBP (Demand Bidding Program) for the Demand Response Bridge funding years 2015-2016.

Background

On May 19, 2014, the CPUC issued D.14-05-025 approving bridge funding for PG&E's Demand Response programs for 2015-2016 and revisions to improve Schedules E-BIP and E-DBP. These approved revisions are noted on pages 26 and 27 of D.14-05-025 (Table 3):

- E-BIP: 1) clarify that the program can be dispatched by either PG&E or the CAISO;
  2) clarify that the performance penalties are calculated on a 15-minute interval; and
  3) standardize language to replace the word "penalty" with the words "excess energy charge."

- E-DBP: 1) clarify that the program can be dispatched by either the CAISO or PG&E based on pre-defined groups,
  2) clarify the number of test events;
  3) add the ability for PG&E to remove non-performing customers;
  4) clarify that PG&E can dispatch an event at its discretion;
  5) clarify dual enrollment order;
  6) expand the bidding window opening; and
  7) expand the dispatch window.

Protests

Anyone wishing to protest this filing may do so by letter sent via U.S. mail, facsimile or E-mail, no later than July 23, 2014, which is 20 days after the date of this filing. Protests must be submitted to:

CPUC Energy Division
ED Tariff Unit
505 Van Ness Avenue, 4th Floor
San Francisco, California 94102

Facsimile: (415) 703-2200
E-mail: EDTariffUnit@cpuc.ca.gov

Copies of protests also should be mailed to the attention of the Director, Energy Division, Room 4004, at the address shown above.

The protest shall also be sent to PG&E either via E-mail or U.S. mail (and by facsimile, if possible) at the address shown below on the same date it is mailed or delivered to the Commission:

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

Facsimile: (415) 973-7226
E-mail: PGETariffs@pge.com

Any person (including individuals, groups, or organizations) may protest or respond to an advice letter (General Order 96-B, Section 7.4). The protest shall contain the following information: specification of the advice letter protested; grounds for the protest; supporting factual information or legal argument; name, telephone number, postal address, and (where appropriate) e-mail address of the protestant; and statement that the protest was sent to the utility no later than the day on which the protest was submitted to the reviewing Industry Division (General Order 96-B, Section 3.11).

Effective Date

PG&E requests that this Tier 1 advice filing become effective upon date of filing, which is July 3, 2014.

Notice

In accordance with General Order 96-B, Section IV, a copy of this advice letter is being sent electronically and via U.S. mail to parties shown on the attached list and the service lists for A.11-03-001 and R.13-09-011. Address changes to the General Order 96-B service list should be directed to PG&E at email address PGETariffs@pge.com. For changes to any other service list, please contact the Commission's Process Office at (415) 703-2021 or at Process_Office@cpuc.ca.gov. Send all electronic approvals to PGETariffs@pge.com. Advice letter filings can also be accessed electronically at: http://www.pge.com/tariffs/.

Brian Cherry /KHC

Vice President, Regulatory Relations

Attachments

cc: Service Lists for A.11-03-001 and R.13-09-011

CALIFORNIA PUBLIC UTILITIES COMMISSION

ADVICE LETTER FILING SUMMARY
ENERGY UTILITY

MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No. **Pacific Gas and Electric Company (ID U39 E)**

Utility type:	Contact Person: Kingsley Cheng
☑ ELC ☐ GAS	Phone #: (415) 973-5265
☐ PLC ☐ HEAT ☐ WATER	E-mail: k2c0@pge.com and PGETariffs@pge.com

EXPLANATION OF UTILITY TYPE	(Date Filed/ Received Stamp by CPUC)
ELC = Electric GAS = Gas PLC = Pipeline HEAT = Heat WATER = Water	

Advice Letter (AL) #: **4456-E** **Tier: 1**

Subject of AL: **Revisions to Electric Schedules E-BIP (Base Interrutiple Program) and E-DBP (Demand Bidding Program) in Compliance With Decision 14-05-025**

Keywords (choose from CPUC listing): Compliance

AL filing type: ☐ Monthly ☐ Quarterly ☐ Annual ☑ One-Time ☐ Other ____________________________

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: D.14-05-025

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL: No

Summarize differences between the AL and the prior withdrawn or rejected AL: ____________________

Is AL requesting confidential treatment? If so, what information is the utility seeking confidential treatment for: No

Confidential information will be made available to those who have executed a nondisclosure agreement: N/A

Name(s) and contact information of the person(s) who will provide the nondisclosure agreement and access to the confidential information: ____

Resolution Required? ☐Yes ☑No

Requested effective date: **July 3, 2014** No. of tariff sheets: **21**

Estimated system annual revenue effect (%): N/A

Estimated system average rate effect (%): N/A

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).

Tariff schedules affected: Electric Rate Schedule E-BIP and Electric Rate Schedule E-DBP

Service affected and changes proposed: N/A

Pending advice letters that revise the same tariff sheets: N/A

Protests, dispositions, and all other correspondence regarding this AL are due no later than 20 days after the date of this filing, unless otherwise authorized by the Commission, and shall be sent to:

California Public Utilities Commission
Energy Division
EDTariffUnit
505 Van Ness Ave., 4th Flr.
San Francisco, CA 94102
E-mail: EDTariffUnit@cpuc.ca.gov

Pacific Gas and Electric Company
Attn: Brian K. Cherry
Vice President, Regulatory Relations
77 Beale Street, Mail Code B10C
P.O. Box 770000
San Francisco, CA 94177
E-mail: PGETariffs@pge.com

Cal P.U.C. Sheet No.	Title of Sheet	Cancelling Cal P.U.C. Sheet No.
34208-E	ELECTRIC SCHEDULE E-BIP BASE INTERRUPTIBLE PROGRAM Sheet 1	31524-E
34209-E	ELECTRIC SCHEDULE E-BIP BASE INTERRUPTIBLE PROGRAM Sheet 2	31525-E
34210-E	ELECTRIC SCHEDULE E-BIP BASE INTERRUPTIBLE PROGRAM Sheet 3	32784-E
34211-E	ELECTRIC SCHEDULE E-BIP BASE INTERRUPTIBLE PROGRAM Sheet 4	31527-E
34212-E	ELECTRIC SCHEDULE E-BIP BASE INTERRUPTIBLE PROGRAM Sheet 5	31528-E
34213-E	ELECTRIC SCHEDULE E-BIP BASE INTERRUPTIBLE PROGRAM Sheet 6	31529-E
34214-E	ELECTRIC SCHEDULE E-BIP BASE INTERRUPTIBLE PROGRAM Sheet 7	32822-E
34215-E	ELECTRIC SCHEDULE E-BIP BASE INTERRUPTIBLE PROGRAM Sheet 8	31531-E
34216-E	ELECTRIC SCHEDULE E-BIP BASE INTERRUPTIBLE PROGRAM Sheet 9	31532-E
34217-E	ELECTRIC SCHEDULE E-DBP DEMAND BIDDING PROGRAM Sheet 1	32471-E
34218-E	ELECTRIC SCHEDULE E-DBP DEMAND BIDDING PROGRAM Sheet 2	32792-E
34219-E	ELECTRIC SCHEDULE E-DBP DEMAND BIDDING PROGRAM Sheet 3	32473-E*

Cal P.U.C. Sheet No.	Title of Sheet	Cancelling Cal P.U.C. Sheet No.
34220-E	ELECTRIC SCHEDULE E-DBP DEMAND BIDDING PROGRAM Sheet 4	32474-E
34221-E	ELECTRIC SCHEDULE E-DBP DEMAND BIDDING PROGRAM Sheet 5	32475-E
34222-E	ELECTRIC SCHEDULE E-DBP DEMAND BIDDING PROGRAM Sheet 6	32476-E
34223-E	ELECTRIC SCHEDULE E-DBP DEMAND BIDDING PROGRAM Sheet 7	32793-E
34224-E	ELECTRIC SCHEDULE E-DBP DEMAND BIDDING PROGRAM Sheet 8	32478-E
34225-E	ELECTRIC SCHEDULE E-DBP DEMAND BIDDING PROGRAM Sheet 9	32479-E
34226-E	ELECTRIC SCHEDULE E-DBP DEMAND BIDDING PROGRAM Sheet 10	32794-E
34227-E	ELECTRIC TABLE OF CONTENTS Sheet 1	33941-E
34228-E	ELECTRIC TABLE OF CONTENTS RATE SCHEDULES Sheet 9	33274-E

ELECTRIC SCHEDULE E-BIP
BASE INTERRUPTIBLE PROGRAM

APPLICABILITY: This rate schedule is available until modified or terminated in the rate design phase of the next general rate case or in another proceeding. The E-BIP (Program) is intended to provide load reductions on PG&E's system. Customers enrolled in the Program will be required to reduce their load down to their Firm Service Level (FSL). (T) (T) (D)

Pursuant to Decision 10-06-034, which placed a MW cap on emergency demand response programs, the Program may be closed to new participants. (N) (N) (D)

TERRITORY: The Program is available throughout PG&E's electric service area. (T)

ELIGIBILITY: The Program is available to bundled-service, Community Choice Aggregation (CCA) Service, and Direct Access (DA) commercial, industrial, and agricultural customers. Each customer, both directly enrolled and those enrolled in an aggregator's portfolio, must take service under the provisions of a demand time-of-use rate schedule to participate in the Program and have at least an average monthly demand of 100 kilowatt (kW). Customers being served under Schedules AG-R or AG-V are not eligible for the Program. (T) (T) (D)

A customer may enroll directly with PG&E or with an aggregator. An aggregator is an entity, appointed by a customer, to act on behalf of said customer with respect to all aspects of the Program, including but not limited to: a) the receipt of notices from PG&E under this Program; b) the receipt of incentive payments from PG&E; and c) the payment of Excess Energy Charges to PG&E. (T)

Each customer, both directly enrolled and those in an aggregator's portfolio, must designate a FSL of kW to which it will reduce its load down to or below during a Program's curtailment event. The FSL must be no more than 85 percent of each customer's highest monthly maximum demand during the summer on–peak and winter partial-peak periods over the past 12 months with a minimum load reduction of 100kW. If load information is unavailable, customers must demonstrate to PG&E's satisfaction that they can meet these minimum requirements. (T)

Customers on this Program may not have, or obtain, any insurance for the purpose of paying Excess Energy Charges for willful failure to comply with requests for curtailments. Customers with such a policy will be terminated and required to pay back any incentives received for the period covered by the insurance. If the period cannot be determined, the recovery shall be for the entire period the customer was on the Program. (T) (T) (D)

Customers who are deemed essential under the Electric Emergency Plan as adopted in Decision 01-04-006 must acknowledge that they are voluntarily electing to participate in this Program for part or all their load based on adequate backup generation or other means to interrupt load upon request by PG&E, while continuing to meet its essential needs. In addition, an essential customer may commit no more than 50 percent of its average peak load to this Program. (T) (T)

(Continued)

ELECTRIC SCHEDULE E-BIP
BASE INTERRUPTIBLE PROGRAM

ENROLLMENT: Customer participating directly with PG&E must enroll using PG&E's demand response enrollment website at www.pge.com. Aggregators must submit a written Contract. (T)

Directly enrolled customers will be responsible for maintaining their notification contacts through PG&E's Inter-Act system. (N)

(L)

(L)

(Continued)

ELECTRIC SCHEDULE E-BIP
BASE INTERRUPTIBLE PROGRAM

METERING EQUIPMENT: Each SA must have an interval meter capable of recording usage in 15-minute intervals installed that can be read remotely by PG&E. A Meter Data Management Agent (MDMA) may also read the customer's meter on behalf of the customer's Electric Service Provider (ESP), if a customer is receiving DA Service. Metering equipment (including telephone line, cellular, or radio control communication device) must be in operation for at least 10 days prior to participating in the Program. If required, PG&E will provide and install the metering equipment at no cost to the bundled service or CCA Service customer. The installation of an interval meter for customers taking service under the provisions of DA is the responsibility of the customer's ESP, or Agent, and must be installed in accordance with Electric Rule 22. (T) (T) (T)

Customers receiving an interval meter at no charge from PG&E through this Program must remain enrolled for a minimum period of one year. Customers who received an interval meter through this Program but later elects to leave prior to the one-year anniversary date, or is terminated for cause, must reimburse PG&E for all expenses associated with the installation and maintenance of the meter. Such charges will be collected as a one-time payment pursuant to Electric Rule 2, Section I. Customers who leave the Program after one year may continue their use of the meter at no additional cost (T) I I (T) (N) (N)

Direct Access Service Customers – If PG&E is the MDMA, no additional fees will be required from the customer. If PG&E is not the MDMA, the customer will be responsible for any and all costs associated with providing the interval data into the PG&E system on a daily basis. This includes any additional metering or communication devices that may need to be installed and any additional fees assessed by the customer's ESP. Prior to customer's participation in the Program, the customer must be able to successfully transfer meter data within PG&E's specification on a daily basis for a period of no less than 10 days to establish its baseline. (T) (T) (T)

Until all necessary equipment is installed and all requirements have been met, new customers will not receive incentive payments or be assessed Excess Energy Charges or be obligated to participate in curtailment events. (N) I (N)

DEMAND RESPONSE OPERATIONS WEBSITE: PG&E's demand response operations website, located at https://inter-act.pge.com, will be used to communicate all curtailment events to the customer. (T) (T) (L)

NOTIFICATION EQUIPMENT: Directly-enrolled customers and aggregators, at their expense, must have access to the Internet and an e-mail address to receive notification via the Internet. In addition, they must have, at their expense, a cellular telephone that is capable of receiving a text message sent via the Internet. Customers cannot participate in the Program until all of these requirements have been satisfied. (T)

In the event of a Program curtailment, directly-enrolled customers and aggregators will be notified using one or more of the above-mentioned systems. Receipt of such notice is the responsibility of the directly-enrolled customer and aggregator. PG&E does not guarantee the reliability of the e-mail system or Internet site by which notification is received. (T) (T) (T)

(Continued)

ELECTRIC SCHEDULE E-BIP
BASE INTERRUPTIBLE PROGRAM

PROGRAM DETAILS:	PG&E will assign each customer, both directly enrolled and through an aggregator, to a load zone. The assigned load zone will be at PG&E's subsystem-level, which may change over time.	(N) I (N)
		(L)
	Customers will be given at least 30 minutes notice before each curtailment.	(T)
	A Program curtailment event will be limited to a maximum of one (1) event per day and four (4) hours per event. The Program will not exceed 10 events during a calendar month, or 180 hours per calendar year.	(T) (T)
	All customers will be placed on a calendar billing cycle and their regular electric service bills will continue to be calculated each month based on actual recorded monthly demands and energy usage.	(L) I I
	The Program will be operated throughout the year.	I I
	PG&E may terminate the Program, as directed by the Commission, upon 30 days written notice to all directly-enrolled customers and aggregators.	I I (L)
		(D)
PRE-ENROLLMENT:	PG&E may subject a new applicant to a pre-enrollment qualification process to demonstrate its ability to effectively and reliably participate in the Program. This pre-enrollment qualification process may require the applicant to perform the pre-enrollment load reduction in which the applicant demonstrates its ability to reduce its load down to or below its proposed FSL within the 30-minute response time and for the duration of four (4) hours. During this time, the applicant shall not be subject to any financial impact under this rate schedule.	(N) I I I I I I I
	As part of its application, each new applicant is required to submit a load reduction plan detailing specific actions taken to reduce its load down to or below the applicant's proposed FSL within the 30-minute response time and for the duration of four (4) hours.	I I I I I
	An applicant's effective start date shall be determined by PG&E. The effective start date shall be set after PG&E hasd determined the load reduction demonstration was successful and approved the applicant's load reduction plan.	I I (N)

(Continued)

ELECTRIC SCHEDULE E-BIP
BASE INTERRUPTIBLE PROGRAM

PROGRAM TESTING: PG&E may call two (2) test events per year at its discretion. These test events will be operated, paid, and counted as Program events. (T)

INCENTIVE PAYMENTS: Incentives will be paid on a monthly basis based on the directly enrolled customer's or aggregated portfolios' monthly Potential Load Reduction (PLR) amount: (N)

Potential Load Reduction	Incentive
1 kW to 500 kW	$8.00/kW
501 kW to 1,000 kW	$8.50/kW
1,001 kW and greater	$9.00/kW

The PLR (described below) will be multiplied by the appropriate incentive level to determine the monthly incentive payment.

Summer Season (May 1 through October 31): The difference of the directly enrolled customer's or aggregated portfolio's average monthly on-peak period demand (on-peak kWh divided by available on-peak hours), excluding days participating in a demand response program event, and its designated FSL.

Winter Season (November 1 through April 30): The difference of the directly enrolled customer's or aggregated portfolio's customer's average monthly partial-peak period demand (partial-peak kWh divided by available partial-peak hours), excluding days participating in a demand response program event, and its designated FSL.

The customer's actual energy usage is available at PG&E's demand response operations website. This data may not match billing quality data posted to PG&E's demand response operations website, but will be treated as final. All incentive payment calculations will be based on this data. (L)

(Continued)

ELECTRIC SCHEDULE E-BIP
BASE INTERRUPTIBLE PROGRAM

EXCESS ENERGY CHARGES:

Excess Energy is any energy (kWh) consumed during a curtailment event that is in excess of the customer's FSL. The energy usage is measured in 15-minute intervals. (N)

Customers will be assessed an Excess Energy Charge at $6.00 per kilowatt-hour (kWh) the customer's.

PG&E will evaluate and apply Excess Energy Charges for directly-enrolled customers and aggregators' portfolios no later than 90 days after each curtailment event. The incentive payments will be reflected on the directly-enrolled customers' regular monthly bills as an adjustment. PG&E will adjust aggregators' payments based on performance no later than 90 days after a curtailment event.

PG&E may elect to evaluate and assess the Excess Energy Charges associated with several curtailment events as a single adjustment. (N)

PROGRAM RETEST:

If a customer fails to reduce its load down to or below its FSL throughout the curtailment event, PG&E may require a re-test that will not count toward the Program event limits. The Excess Energy Charge will increase to $8.40 per kilowatt-hour (kWh) for the re-test and will continue at this level for the remainder of the calendar year. (T)

Following this initial re-test, the customer has the option to either: a) modify its FSL to an achievable level that meets Program requirements, b) de-enroll from the Program, or c) be re-tested at the current FSL. PG&E may require the customer be re-tested at the new FSL. (T)

If the customer does not modify its FSL, de-enroll from the Program, or successfully comply with the re-test, then PG&E will either: a) set the customer's FSL to the highest FSL that meets the Program requirements and require a re-test, b) re-test the customer at its current FSL, or c) terminate the customer's participation. (T)

There is no limit to the number of re-tests to which a customer is subject. The customer will be subject to an additional Excess Energy Charge for each failed re-test. (T)

For aggregators who fail to comply with a curtailment event, the methodology specified above will be applied at the portfolio level. (L)

(Continued)

ELECTRIC SCHEDULE E-BIP
BASE INTERRUPTIBLE PROGRAM

PROGRAM TRIGGERS: (L)

1) The CAISO may request PG&E to dispatch the Program as follows: (T)

   a) When the CAISO has publicly issued a Warning notice and has determined that a Stage 1 emergency is imminent;

   b) During a Stage 1, Stage 2 or Stage 3 emergency;

   c) Based on its forecasted system conditions and operating procedures, or

   d) In the event of a transmission system contingency.

2) PG&E may dispatch one or more customers to address transmission or distribution reliability needs. (T)

(L)

(L)

(Continued)

ELECTRIC SCHEDULE E-BIP
BASE INTERRUPTIBLE PROGRAM

CONTRACTS: Customers, both directly-enrolled and those in an aggregator's portfolio, may re-designate their FSL or discontinue participation in the Program once annually by providing a 30-day written notice during the month of November. Cancellation will be effective January of the following year. (L)

Aggregators must submit a signed Agreement For Aggregators Participating in the Base Interruptible Program (Form 79-1079).

AGGREGATOR'S PORTFOLIO: Aggregators must submit a Notice to Add or Delete Customers Participating in the Base Interruptible Program (Form 79-1080) signed by the aggregated customer to add or delete a customer from its portfolio. PG&E will review and approve each SA before enrollment under the aggregator's portfolio. Each SA may be included in only one portfolio at a time. (T)

PG&E will only add a new customer to an aggregator's portfolio after all necessary equipment is installed and all requirements have been met. Such requirements must be completed at least 5 calendar days prior to customer enrollment. (N)

The terms and conditions of the agreement governing the relationship between the aggregator and a customer, with respect to such customer's participation in the Program through such an aggregator, are independent of PG&E. Any disputes arising between aggregator and such customer shall be resolved by the parties. (N)

SPECIAL CONDITIONS FOR COMMUNITY CHOICE AGGREGATION SERVICE (CCA SERVICE) CUSTOMERS AND DIRECT ACCESS (DA) CUSTOMERS: DA/CCA Service customers enrolling directly with PG&E must make the necessary arrangements with their ESP/CCA before enrolling in this Program. (T)

Aggregators must make the necessary arrangements with the ESP and CCA before enrolling DA or CCA Service customers in this Program. Aggregators must notify the ESP/CCA of its DA/CCA Service customers. (T)

(L)

INTERACTION WITH CUSTOMER'S OTHER APPLICABLE PROGRAMS AND CHARGES: Customers who participate in a third party sponsored interruptible load program must immediately notify PG&E of such activity.

Customers enrolled in the Program may also participate in one of the following PG&E DR programs: Demand Bidding Program (Schedule E-DBP), the Scheduled Load Reduction Program (Schedule E-SLRP), or under the Peak Day Pricing (PDP) rate option. (L)

If a customer is enrolled in two programs with simultaneous or overlapping events, the customer will receive payment for the capacity program and not for the simultaneous hours of the energy program. (L)

(Continued)

ELECTRIC SCHEDULE E-BIP
BASE INTERRUPTIBLE PROGRAM

(L)
I
(L)

UNDER-FREQUENCY RELAY PROGRAM:

Only directly-enrolled customers may participate in PG&E's Underfrequency Relay (UFR) Program. The UFR Program is not available to customers enrolled through aggregators. Under the UFR Program, the customer agrees to be subject at all times to automatic interruptions of service caused by an underfrequency relay device that may be installed by PG&E. Please note that PG&E may require up to three years' written notice for termination of participation in the UFR Program. (L)

1) **Details on Automatic Interruptions:** If a customer is participating in the UFR Program, service to the customer will be automatically interrupted if the frequency on the PG&E system drops to 59.65 hertz for 20 cycles. PG&E will install and maintain a digital underfrequency relay and whatever associated equipment it believes is necessary to carry out such automatic interruption. Relays and other equipment will remain the property of PG&E. If more than one relay is required, PG&E will provide the additional relays as "special facilities," at customer's expense, in accordance with Section I of Rule 2.

   In addition to the underfrequency relay, PG&E may install equipment that would automatically interrupt service in case of voltage reductions or other operating conditions.

2) **Metering Requirements for UFR Program:** If a customer is participating in the UFR program in combination with firm or curtailable-only service, the customer will be required to have a separate meter for the UFR service. PG&E will provide the meter sets, but the customer will be responsible for arranging customer's wiring in such a way that the service for each service agreement can be provided and metered at a single point. NOTE: Any other additional facilities required for a combination of curtailable with firm service will be treated as "special facilities" in accordance with Section I of Rule 2.

3) **Communication Channel for UFR Service:** UFR Program customers are required to provide an exclusive communication channel from the PG&E-provided terminal block at the customer's facility to a PG&E-designated control center. The communication channel must meet PG&E's specifications, and must be provided at the customer's expense. PG&E shall have the right to inspect the communication circuit upon reasonable notice.

4) **Rate for UFR Service:** Customers participating in the UFR Program will receive a $0.67/kW demand credit on a monthly basis based on their average monthly on-peak period demand in the summer and the average monthly partial-peak demand in the winter. (L)

ELECTRIC SCHEDULE E-DBP
DEMAND BIDDING PROGRAM

Sheet 1

APPLICABILITY: The Demand Bidding Program (DBP or Program) offers customers incentives for reducing demand when requested by Pacific Gas and Electric Company (PG&E) to increase system reliability. This Program is optional for customers with billed maximum demand of 50 kilowatts (kW) or greater during any one of the past 12 billing months and who voluntarily commit to reduce a minimum of 10 kW for at least two consecutive hours during an event. Interval metering is required to participate in this Program. Customers must receive service on a demand Time-of-Use (TOU) electric rate schedule. Customers on Schedules AG-R, AG-V, NEMCCSF, or S are not eligible for this Program. This schedule is available until modified or cancelled by the California Public Utilities Commission (CPUC). (T) (T) (T)

TERRITORY: This Program is available throughout PG&E's electric service area. (T)

ELIGIBILITY: This Program is available to individual PG&E bundled-service customers, Community Choice Aggregation (CCA) Service customers, and Direct Access (DA) customers. (T)

Each customer must take service under the provisions of its otherwise-applicable rate schedule. Customers participating in the Program must be on an eligible rate schedule and able to reduce load by at least 10 kW during an event. (T) (T)

Customers who are "Essential Customers" under PG&E's Electric Emergency Plan and defined by the CPUC in Rulemaking 00-10-002, must submit to PG&E a written declaration that states that the customer is, to the best of that customer's understanding, an Essential Customer under the CPUC rules and exempt from rotating outages. The declaration must also state that the customer voluntarily elects to participate in this interruptible Program part or its entire load requested by PG&E under the terms of the Program, while continuing to adequately meet its essential needs with backup generation or other means. In addition, an Essential Customer may not commit more than 50 percent (50%) of its average peak load to all interruptible programs for each participating service agreement (SA). (T) (T) (T) I I (T)

(L)

ENROLLMENT: Customers must enroll using PG&E's demand response enrollment website, www.pge.com. (T) (T)

LOAD ZONES: PG&E will assign each customer to a Load Zone. As specified below, the assigned Load Zone will be either a PG&E system-level Load Zone or a PG&E subsystem-level Load Zone, which may change over time. (T) (T)

New and existing AutoDR and aggregated customers will be assigned to PG&E's system-level Load Zone. (T)

New and existing customers that are not AutoDR or part of an aggregated group will be assigned to a Load Zone. (T)

(D)

(Continued)

ELECTRIC SCHEDULE E-DBP
DEMAND BIDDING PROGRAM

METERING EQUIPMENT:

Each SA must have an interval meter or a SmartMeter™ capable of recording usage in 15-minute or shorter intervals and read remotely by PG&E. (T) (T)

The following options are available if a SA does not already have an approved interval meter or SmartMeter™: (T)

1) For Bundled Service and CCA Service SAs with a maximum demand of 200 kW or greater for at least one month in the past 12 billing months, PG&E will provide and install the metering and communication equipment at no cost to the customer.

2) For Bundled Service and CCA Service SAs whose maximum billed demand has not exceeded the level specified in item 1 above, the customer can elect one of the following:

   a. Pay the cost to have PG&E install a non-SmartMeter™ at the customer's expense pursuant to Electric Rule 2, Special Facilities, or (T)

   b. Wait until a PG&E SmartMeter™ is installed and remote-read enabled. (T)

3) For DA SAs where PG&E is the Meter Data Management Agent (MDMA), no incremental fees are required. Metering services shall be provided pursuant to Electric Rule 22. (T)

4) For DA SAs where PG&E is not the MDMA, the customer will be responsible for any and all costs associated with providing PG&E acceptable interval data on a daily basis, including any additional metering, communication equipment, and fees assessed by the customer's Electric Service Provider (ESP). Metering services shall be provided pursuant to Electric Rule 22. (T)

PG&E is not required to install an interval meter and communication equipment or SmartMeter™ to provide remote read capability if the installation is impractical or not economically feasible. (T)

A MDMA may also read the customer's meter on behalf of the customer's ESP if a customer is receiving Direct Access Service. Metering equipment (including telephone line, cellular, or radio control communication device) must be in operation for at least ten (10) days prior to participating in the Program to establish baseline.

Bundled Service and CCA Service customers with SAs participating prior to April 1, 2013, under the Aggregated Group will continue to receive an interval meter at no additional cost (see Aggregated Group Section). PG&E will continue to provide meter data retrieval at no cost to those Bundled Service and CCA Service customers receiving free meters through this tariff until otherwise directed by the CPUC.

ONGOING METER DATA ACCESS:

If the SA is receiving Bundled Service, CCA Service, or DA Service and PG&E is the MDMA, there are no additional costs to either the ESP or customer for ongoing meter data access. (T)

If the SA is receiving DA Service and PG&E is not the MDMA, then the customer will be responsible for any and all costs associated with providing PG&E acceptable interval meter data into the PG&E system on a daily basis.

(Continued)

ELECTRIC SCHEDULE E-DBP
DEMAND BIDDING PROGRAM

NOTIFICATION EQUIPMENT: To receive notification regarding Program operations, customers, at their expense, must have an e-mail address and cellular telephone that is capable of receiving a text message via the Internet. Customers, at their expense, must also have access to the Internet to submit bids. A customer cannot participate in the Program until all of these requirements have been satisfied. (T) (T)

If an E-DBP event occurs, customers will be notified using one or more of the above-mentioned systems. PG&E does not guarantee the reliability of the text message system, email system, telephone system, or Internet site by which the customer receives notification. It is the customer's responsibility to ensure receipt of event notification and check PG&E's website for curtailment notices. (L) I I I (L)

DEMAND RESPONSE OPERATIONS WEBSITE: Customers must use PG&E's demand response operations website located at https://inter-act.pge.com for load curtailment event notifications, bid submittal, energy usage, and communications. (T) I (T)

(L)

The customer's actual energy usage is available at PG&E's Demand Response operations website. This data may not match billing quality data and will be used to calculate all incentive payments.

EVENT NOTICE AND TRIGGER: DAY-AHEAD NOTIFICATION (T)

PG&E may dispatch at its discretion, to one or more customers in a Load Zone, a day-ahead event notification by 12:00 Noon, including, but not limited to, when one or more of the following conditions are met for the Load Zone: (T) (T)

1. The California Independent System Operator (CAISO)'s day-ahead load forecast exceeds 43,000 MW. (T)

2. The CAISO issues an Alert notice or is expected to issue a Warning or higher level notice for the following day.

3. The forecasted temperature for a Load Zone exceeds the temperature threshold for that Load Zone (see www.pge.com for the current thresholds).

4. PG&E forecasts that generation resources may not be adequate. (T)

5. A transmission or distribution reliability need as determined by either PG&E or the CAISO (N) (N)

PG&E reserves the right not to call an event when these conditions are reached when PG&E forecasts that resources will be adequate. (T)

An event will only be dispatched Monday through Friday, excluding PG&E holidays, between the hours of 6:00 a.m. and 10:00 p.m. PG&E will dispatch only one event per day for a minimum of two (2) hours and a maximum of eight (8) hours. (T) I (T)

Notices will be issued by 12:00 Noon on the business day prior to a PG&E holiday or weekend if an event is planned for the first business day following the PG&E holiday or weekend. (T) (T)

(Continued)

ELECTRIC SCHEDULE E-DBP
DEMAND BIDDING PROGRAM

ENERGY BID: Customers may elect to submit bids to the Program's website until 4:00 p.m. the day the event notice was issued. After 5:00 p.m. the day the event notice was issued, customers will receive confirmation of bid acceptance or rejection on the website. Unless a specific megawatt (MW) limit is requested, PG&E will accept all bids. In the event bids are restricted PG&E will accept bids on a first-come, first-served basis. If the customer's bid is accepted for a particular SA, then incentive payments will be determined separately for each SA and as specified in the Incentive Payments section. (T) (T)

Customers may submit only one bid for each notification and indicate the amount of kW it will reduce for each hour of the event. Each bid must be for a minimum of two (2) consecutive hours and meet the minimum energy reduction of 10 kW. The customer can elect the day-of adjustment for its baseline each time it submits a bid. Below is a description of the customer's baseline and how that day-of adjustment is calculated. (T) I I I (T)

(L)

The Customer Baseline (CB) on any given day during the Program is the average for each hour based on the immediate past ten (10) similar weekdays prior to an event with the option of a day-of adjustment. The load during each hour of the ten days will be averaged to calculate an hourly baseline for each hour. The past ten (10) similar days will include Monday through Friday, excluding PG&E holidays and event days prior to the event (including events of this Program, or any other interruptible or curtailment Programs enrolled in by the customer, or days when a rotating outage was called).

The day-of adjustment is the ratio of a) the average load of the first three of the four hours prior to the event to b) the average load of the corresponding hours from the past 10 similar weekdays, as discussed above. The day-of adjustment to the CB will be limited to +/- 20%, and will be based on the first three of the four hours prior to the start of the event. The day-of adjustment is applied by multiplying it by each hourly baseline value. Customers must elect or opt-in to receive this adjustment. The customer is responsible for determining the applicable baseline day-of adjustment amount at the time of an event. PG&E will only be responsible for determining the applicable baseline day-of adjustment following each event for the purpose of evaluating customer compliance. If more than one event (either within the same or across multiple programs) occurs on the same day, the day-of adjustment from the event with the earliest start time will be used for the events that day requiring a day-of adjustment.

Bids submitted via the DR operations website shall be for an event that takes place the next eligible weekday, excluding PG&E holidays. Notification of bid acceptances will be posted to PG&E's DR website. Posting of accepted bids may be delayed due to unforeseen problems in transmitting or receiving the bids. PG&E cannot guarantee the reliability of the Internet site by which customers submit bids and may use and accept alternate means of notification as necessary. (T)/(L) I I I I (T)/(L)

(Continued)

ELECTRIC SCHEDULE E-DBP
DEMAND BIDDING PROGRAM

(L)

INCENTIVE PAYMENTS: PG&E will evaluate and pay for load reductions based on the customer's actual performance. Payments will be calculated each hour and equal the product of the qualified kWh energy reduction of the customer's bid at the incentive price of $0.50/kWh. (T) (L) (L)

Customers must reduce their energy usage by at least 50 percent (50%) of the amount stated in their bid to qualify for any payment in any hour and will be paid up to a maximum of 150 percent (150%) of their bid (kW). No incentive will be paid for any event hour the customer does not meet these requirements. (T) I I (T)

PG&E will apply the incentive to the customer's regular monthly bill as an adjustment within ninety (90) days after each event, depending on where the event falls within the customer's actual billing cycle. Customers' regular electric service bills will continue to be calculated each month based on their actual recorded monthly demands and energy usage. (N) I I I I I

No evaluation will be performed or payment made for load reductions undertaken during an event without advance notification. No penalties will be assessed under this Program for a customer's failure to reduce energy during any or all hours of an event. I I I I

The customer's actual energy usage available on PG&E's demand response operations website may not match its billing data but will be used to calculate all incentive payments. I I (N)

(Continued)

ELECTRIC SCHEDULE E-DBP
DEMAND BIDDING PROGRAM

(L)

AGGREGATED GROUP:

The Aggregated Group option is closed to new SAs effective May 1, 2013. SAs participating in an Aggregated Group as of May 1, 2013, may continue to participate under this option. (T) (T)

Customers that have multiple SAs with demands less than 200 kW were eligible, prior to May 1, 2013, for the Aggregated Group provisions of the Program. The following conditions under the Aggregate Group option of this Program supersedes the individual participation conditions where applicable: (T)

1. Each individual SA must currently take service on an applicable PG&E rate schedule and have installed an interval meter or SmartMeter™. If a customer changes rate to an eligible TOU rate schedule, PG&E will install an interval meter at no cost for each individual Bundled Service or CCA SA. (T) (T)

   The customers participating under the provisions of an Aggregated Group whose maximum demand is greater than or equal to fifty (50) kW during any one of the past twelve (12) billing months, provided that the SA remains on the program for a minimum of 12 months. SA with an average demand that is less than fifty (50) kW must pay for the required Interval Meter prior to participation. The installation of interval meters for a Direct Access customer is the responsibility of their Electric Service Provider or their agent. Fees associated with a rate change will be the responsibility of the customer. (L)

(Continued)

ELECTRIC SCHEDULE E-DBP
DEMAND BIDDING PROGRAM

AGGREGATED GROUP: (Cont'd) (L) I (L)

2. The customer must have at least one SA with a maximum demand of 200 kW or greater for one or more of the past 12 billing months. The SA will be designated as the lead for the Aggregated Group and will oversee all activities of the group, including event notification and receipt of the incentive payment. It is up to the lead SA to determine the dispersal of the credit to the other SAs in the group. (T) I (T)

3. All SAs that are part of the Aggregated Group must take service from PG&E under the same federal tax identification number and be listed on the DBP application. Individual SAs, (excluding the lead SA), with less than 200 kW may participate in the Program as part of the Aggregated Group. (T) I (T)

4. SAs participating as an aggregated group will be exempt from the individual minimum load reduction amount. SAs in the aggregated group will have a Group Minimum Load requirement of 200 kW. The group's minimum load represents: (1) the group's minimum load to qualify for the Program; (2) the minimum bid amount the group can submit for an event; and (3) the group's minimum threshold it must achieve to earn an incentive during an event. (T) (T) (T) I (T)

5. New and existing aggregated and AutoDR customers will be assigned to PG&E's system-level Load Zone (N) (N)

6. Energy reduction during an event will be based on the performance of all the SAs within the aggregated group and calculated as follows: (T)/(L) (T)/(L)

(Continued)

ELECTRIC SCHEDULE E-DBP Sheet 8
DEMAND BIDDING PROGRAM

AGGREGATED GROUP: (Cont'd)

a. The Group's Energy Baseline (GEB) is used to determine the average energy usage prior to an event. The GEB is the sum of each individual SA's baseline in the group. The individual SA baseline is the average for each hour based on the immediate past ten (10) similar weekdays prior to an event with the option of a day-of adjustment. The load during each hour of the ten days will be averaged to calculate an hourly baseline. The past ten (10) similar days include Monday through Friday, excluding PG&E holidays and event days prior to the event (including events for this Program, or any other interruptible or curtailment programs enrolled in by the customer, or days when a rotating outage was called). (T)

The day-of adjustment is the ratio of a) the average load of the first three of the four hours prior to the event and b) the average load of the corresponding hours from the past 10 similar weekdays. The day-of adjustment will be limited to +/- 20% of each individual SA baseline in the group, and will be the first three of the four hours prior to the start of the event. The day-of adjustment is applied by multiplying it by each hourly baseline value. Customers may elect to opt in or out of this adjustment. The customer is responsible for determining the applicable baseline day-of adjustment amount at the time of an event. PG&E will only be responsible for determining the applicable baseline day-of adjustment following each event for the purpose of evaluating the customer's performance. If more than one event across multiple programs occurs on the same day, the day-of adjustment from the event with the earliest start time will be used for the individual SAs requiring a day-of adjustment. (T)

b. The group's energy usage is the total coincidental load of all the SAs measured during each hour of the event. (T)

c. Energy reduction during an event will be calculated as the difference between the GEB and the group's actual total usage during each hour of the event. (T)

7. Customers must submit a 30-day written notice to PG&E requesting removal of an SA from the aggregated group. Cancellation will become effective on the customer's first regular billing cycle following the 30 days' notice. (T)

8. If one or more of the SAs in the aggregated group, other than the lead SA, is removed, the remaining SAs in the group will be responsible for maintaining the 200 kW minimum load requirement. (T)

(Continued)

ELECTRIC SCHEDULE E-DBP Sheet 9
DEMAND BIDDING PROGRAM

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PROGRAM TESTING: PG&E may call two test (2) events per customer, per year. During the test event, the customer shall be responsible for curtailing load consistent with the terms of this rate schedule and will receive an incentive payment of $0.50/kWh for qualifying load reduction during each hour of the event. (N)

PROGRAM TERMS: Customers' participation in this Program will be in accordance with Electric Rule 12. Customers may terminate their participation by providing PG&E a minimum of 30 days written notice. Termination will become effective the first regular billing cycle after the 30-day notice period. (T)

PG&E reserves the right to remove non-performing or non-participating customers from the DBP program. PG&E may terminate a customer's participation, at any time, after providing it a thirty (30) day written notice. (T)

(Continued)

ELECTRIC SCHEDULE E-DBP
DEMAND BIDDING PROGRAM

INTERACTION WITH CUSTOMER'S OTHER APPLICABLE PROGRAMS AND CHARGES:	Customers enrolled in the Program may also participate in one of the following PG&E demand response programs: Base Interruptible Program (E-BIP), the Capacity Bidding Program (E-CBP) "Day Of" option, the Aggregator Managed Portfolio (AMP) "Day Of" product, or the Optional Binding Mandatory Curtailment Program (E-OBMC).	(T) I I (T)
	Customers enrolled in two programs with simultaneous or overlapping hours when an event is in progress, the other DR program will supersede the Demand Bidding event. No incentive payment will be applied for those overlapping event hours.	(T) I (T)
EMERGENCY STANDBY GENERATION:	Customers may achieve energy reductions by operating back-up or onsite generation. The customer will be solely responsible for meeting all environmental and other regulatory requirements for the operation of such generation.	
COMMUNITY CHOICE AGGREGATION SERVICE CUSTOMERS AND DIRECT ACCESS SERVICE CUSTOMERS	Customers participating in this Program and receiving service under CCA Service/DA must notify their Community Choice Aggregator/Electric Service Provider that they are participating in this Program and when they participate in a DBP event. Each event notification must include the amount of hourly bid for each accepted bid.	(T)
PROGRAM RESEARCH AND ANALYSIS:	Customers participating in this Program must agree to allow personnel from the California Energy Commission (CEC), or its contracting agent, to conduct a site visit for measurement and evaluation, access to customer's interval meter data, and agree to complete any surveys needed to enhance the Program.	(T)

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Anderson & Poole
BART
Barkovich & Yap, Inc.
Bartle Wells Associates
Braun Blaising McLaughlin, P.C.
CENERGY POWER
California Cotton Ginners & Growers Assn
California Energy Commission
California Public Utilities Commission
California State Association of Counties
Calpine
Casner, Steve
Center for Biological Diversity
City of Palo Alto
City of San Jose
Clean Power
Coast Economic Consulting
Commercial Energy
Cool Earth Solar, Inc.
County of Tehama - Department of Public Works
Crossborder Energy
Davis Wright Tremaine LLP
Day Carter Murphy
Defense Energy Support Center
Dept of General Services
Division of Ratepayer Advocates
Douglass & Liddell
Downey & Brand
Ellison Schneider & Harris LLP
G. A. Krause & Assoc.
GenOn Energy Inc.
GenOn Energy, Inc.
Goodin, MacBride, Squeri, Schlotz & Ritchie
Green Power Institute
Hanna & Morton
In House Energy
International Power Technology
Intestate Gas Services, Inc.
K&L Gates LLP
Kelly Group
Linde
Los Angeles County Integrated Waste Management Task Force
Los Angeles Dept of Water & Power
MRW & Associates
Manatt Phelps Phillips
Marin Energy Authority
McKenna Long & Aldridge LLP
McKenzie & Associates
Modesto Irrigation District
Morgan Stanley
NLine Energy, Inc.
NRG Solar
Nexant, Inc.
North America Power Partners
Occidental Energy Marketing, Inc.
OnGrid Solar
Pacific Gas and Electric Company
Praxair
Regulatory & Cogeneration Service, Inc.
SCD Energy Solutions
SCE
SDG&E and SoCalGas
SPURR
San Francisco Public Utilities Commission
Seattle City Light
Sempra Utilities
SoCalGas
Southern California Edison Company
Spark Energy
Sun Light & Power
Sunshine Design
Tecogen, Inc.
Tiger Natural Gas, Inc.
TransCanada
Utility Cost Management
Utility Power Solutions
Utility Specialists
Verizon
Water and Energy Consulting
Wellhead Electric Company
Western Manufactured Housing Communities Association (WMA)