

**PACIFIC GAS AND ELECTRIC COMPANY
LOW CARBON FUEL STANDARD CREDITS
SOLICITATION PROTOCOL**

Introduction

Pacific Gas and Electric Company (“PG&E”) conducts periodic solicitations for bids from Low Carbon Fuel Standard (LCFS) Credit buyers (“Bidders”) pursuant to which PG&E would enter into a Transaction¹ with winning Bidder(s) for the agreed upon price and the agreed upon number of LCFS credits, as described below.

Bidders must execute PG&E’s LEAP Master Agreement for Purchasing and Selling Low Carbon Fuel Standard Credits (LCFS Master) prior to participating in the Solicitation.

Bidders may submit bids for quantities greater than or equal to 1,000 LCFS credits. Only Bidders who have executed PG&E’s LCFS Master will be notified of the trade date.

To participate in PG&E’s solicitations, Bidders must complete the following actions:

- 1) Enter into an LCFS Master with PG&E by the date specified in PG&E’s email announcement of a given solicitation.
- 2) Submit by 10:00 a.m. PPT on the morning of the trade date a completed Bid Form Template and Contact Sheet by email to LCFSTransactions@pge.com indicating the bid quantities and prices for the LCFS credits.
- 3) Ensure that the individual authorized to confirm the Transaction by email on the trade date is available between 11:00 a.m. and 1:00 p.m. PPT.

Solicitation Details

PG&E conducts solicitations to sell a target quantity of LCFS credits as specified in email announcement of solicitations.

PG&E’s sale of LCFS credits is private and confidential. PG&E will, however, provide LCFS credit sales information to its regulatory bodies (i.e. CARB and the California Public Utilities Commission) as required by those entities, and otherwise as may be required by applicable law. PG&E will not post results of the solicitation publicly, nor will it disclose outcomes to LCFS credit market index providers or other third parties, other than as may be required by applicable law.

¹ As a requirement to participate in the solicitation, Bidders must execute PG&E’s Leadership for Energy Automated Processing (LEAP) Master Agreement for Purchasing and Selling Low Carbon Fuel Standard Credits (“LCFS Master”). Winning Bidders will execute a Transaction with PG&E under the terms and conditions of the LEAP Master.

The following requirements apply for all bids:

- Bidders are required to submit one or more individual bid pairs. Each bid pair constitutes an LCFS credit quantity and price.
- There is no limit to the number of bid pairs that may be submitted by a Bidder.
- The quantity of LCFS credits being bid in each bid pair must be greater than or equal to 1,000.
- The price difference between bid pairs must be a minimum of one cent (\$0.01).
- PG&E may award partial bid pair quantities.
- Bidders will pay as bid for cleared quantities. This will be completed as a single Transaction under terms of the LCFS Master. A single Transaction price will be calculated on the weighted average price of cleared bid quantities.

Non-conforming bids will not be considered.

Procedure for Solicitation

The solicitation schedule is subject to change at PG&E's sole discretion at any time. PG&E will endeavor to notify Bidders of any schedule change via email notification. Bidders must submit a request to LCFSTransactions@pge.com to be included on a distribution list for notification of any changes to the solicitation schedule; this request should include company name, contact name, contact title, contact phone number, and contact email address. PG&E is not liable to any participant for any costs or other damages to Bidders related to changes in the schedule or for failing to provide notice of any change.

Disclaimers for Rejecting Bids

PG&E's solicitations do not constitute a proposal to sell and create no obligation for PG&E to execute any Agreement or to enter into a transaction under an Agreement. PG&E shall retain the right at any time, at its sole discretion, to reject any bid for any reason, and reserves the right to request information from any Bidder regarding their bid(s) at any time during the solicitation process. PG&E also retains the discretion, in its sole judgment, to: (a) change the bid evaluation criteria for any reason; (b) terminate further participation in this process by any Bidder; (c) negotiate with any Bidder to maximize customer benefits and accept any definitive agreement; and (d) modify this solicitation including the forms of agreement as it deems appropriate. PG&E has the right to take the above-stated actions with respect to any bid or all bids, all without notice and without assigning any reasons and without liability to PG&E or anyone acting on PG&E's behalf. PG&E will not be liable in any way, by reason of such withdrawal, rejection, suspension, termination or any other action described in this paragraph to any Bidder, whether the Bidder submits a bid or not.