



# Generator Interconnection Cost Envelope Option

## What is the Cost Envelope Option?

Under the Cost Envelope Option, Applicants can receive upfront assurance that the amount required to pay for their Interconnection Facilities or Distribution Upgrades will be limited to within a range of an initial PG&E Cost Envelope Estimate. When an Applicant applies to interconnect a Net Energy Metering or Rule 21 generating facility with PG&E, a Special Facilities Agreement is executed to pay for any required Interconnection Facility or Distribution Upgrade. Since these costs are not always fully known until later in the interconnection process, electing the Cost Envelope Option assists in restricting the final cost as described below.

Under this option if the final costs to interconnect are:

- Higher than PG&E's estimate, the customer pays actual costs, limited to no more than 25% above the estimate; or
- Lower than PG&E's estimate, the customer pays actual costs, limited to no less than 25% below the estimate.

## Who is eligible to participate?

All Rule 21 (including net energy metering) Fast Track or Independent Study Interconnection Requests

## What costs are excluded from the Cost Envelope Option?

Any and all costs for required Network Upgrades (as defined in Rule 21), interconnection facility upgrades, environmental studies, environmental mitigation permits and/or, easements are excluded from the Cost Envelope Option.

## How is the Cost Envelope Option chosen?

After PG&E conducts and completes an engineering review, the Cost Envelope Option will be offered to the customer in the form of a "Cost Envelope Option Fact Sheet", along with the final Study Report. If the customer would like to proceed with the Cost Envelope Option, they must submit (via email) the following four items with their Study Report response within the time specified in the table below:

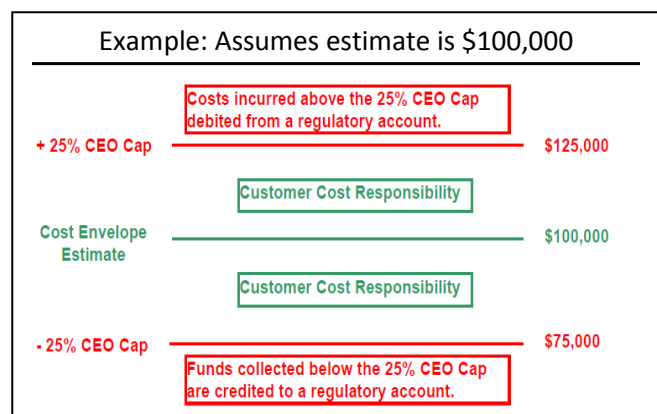
- 1) A complete **Cost Envelope Option Request**, Form 79-1182 (use for both NEM and non-NEM),
- 2) An applicable Cost Envelope Option **deposit** (see below for deposit descriptions),
- 3) A complete "**Technical Scope Package**" (as described in Form 79-1182), AND
- 4) A complete **Cost Envelope Option Agreement Appendix**, Form 79-1183 (use for both NEM and non-NEM)

Upon receipt of these, the Cost Envelope Option will be applied to the final actual costs of the Interconnection Facilities and/or Distribution Upgrades once Permission to Operate is issued by PG&E.

## Deposit Guidelines

Type of Project	Deposit	Time to Submit
<ul style="list-style-type: none"> <li>• Fast Track process projects</li> <li>• Solar or NEM projects evaluated to be &lt;= 1MW in size under the Independent Study Process</li> </ul>	\$2,500 refundable deposit	Within 10 Business Days of receiving PG&E's non-binding cost estimate
All other Generating Facilities evaluated under the Independent Study process	\$15,000 refundable deposit	Within 25 Business Days of receiving the final System Impact Study report

\*For more information, see Rule 21 Section F.7.



## Contact us

Please email the Electric Grid Interconnection (EGI) Department at [Rule21Gen@pge.com](mailto:Rule21Gen@pge.com)