

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



November 6, 2024

Advice Letters 7042-E, 7042-E-A and 7042-E-B

Mr. Sidney Bob Dietz II
c/o Megan Lawson
Director, Regulatory Relations
Pacific Gas and Electric Company
300 Lakeside Drive
Oakland, CA 94612
E-mail: PGETariffs@pge.com

SUBJECT: Pacific Gas and Electric Company's Modifications to the Community Microgrid Enablement Tariff and Pro Forma of Microgrid Operating Agreement

Dear Mr. Dietz,

This disposition letter approves, effective November 10, 2023 Pacific Gas and Electric Company (PG&E) Advice Letter (AL) 7042-E, as supplemented by AL 7042-E-A and AL 7042-E-B.

AL 7042-E was not protested. On January 16, 2024, The Green Power Institute (GPI) submitted a timely protest to AL 7042-E-A. On August 23, 2024, GPI submitted a late protest to AL 7042-E-B, which Energy Division accepted pursuant to General Order 96-B section 7.4.4.

Attachment A contains background on the advice letters, supplemental advice letters, protests, replies, and Energy Division's determination.

Please contact Taaru Chawla at Energy Division at taaru.chawla@cpuc.ca.gov if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "L. Tesfai", followed by the word "FOR" in a bold, sans-serif font.

Leuwam Tesfai
Deputy Executive Director for Energy and Climate Policy/
Director, Energy Division
California Public Utilities Commission

cc: Service List for R.19-09-009
Jason Ortego, Energy Division
Tam Hunt, tam@communityrenewables.biz
Kimberly Loo, Pacific Gas and Electric Company, KELM@pge.com

Attachment A

Background

Decision (D.) 20-06-017 Ordering Paragraph (OP) 17 approved the PG&E proposed Community Microgrid Enablement Program (CMEP) and ordered PG&E to submit a Tier 2 AL with implementation details for CMEP. In compliance with D.20-06-017, PG&E submitted AL 5918-E with PG&E'S CMEP implementation plan and a Community Microgrids Enablement Tariff (CMET). Resolution E-5127 approved PG&E AL 5918-E. OPS 2 and 3 of Resolution E-5127 required PG&E to submit a Tier 1 AL with the final form of CMET and with a pro forma Microgrid Operating Agreement (MOA). In compliance with Resolution E-5127, PG&E submitted AL 6168-E with its MOA and the final form of CMET. PG&E AL 6168-E was approved by Disposition Letter effective July 12, 2021.

D. 21-01-018 directed PG&E, San Diego Gas & Electric Company, and Southern California Edison Company (collectively, IOUs) to develop and administer an incentive program for clean energy community microgrids to support the critical needs of vulnerable populations most likely to be impacted by grid outages. D.21-01-018 approved a \$200 million budget for the incentive program, set some framework requirements for the incentive program (e.g., only front-of-meter generation or storage resources are eligible for funding), directed the IOUs to convene stakeholder working groups and/or meetings to solicit a range of positions on the program elements to form a full program implementation plan (OP 5), and directed the IOUs to jointly file an implementation plan, within 120 days upon the issuance of the decision, that comprehensively discusses the implementation details of the incentive program (OP 6).

In compliance with D.21-01-018 OP 5, the IOUs held six workshops to solicit public input to inform the development of the IOUs' proposed program implementation plan.¹ On December 3, 2021, in compliance with D.21-01-018 OP 6, the IOUs jointly filed their Microgrid Incentive Program (MIP) Implementation Plan (MIPIP). The MIPIP included details on proposed program requirements, including, but not limited to:

- Community outreach to be conducted by the IOUs prior to opening of applications for the MIP;
- Community and technical eligibility requirements;
- Initial and technical consultation available from the IOUs for potential applicants;
- Application evaluation and scoring;
- Maximum per project amounts for incentives and allowances, and description of eligible costs for each;
- Required interconnection and microgrid islanding technical studies;
- Project development stages, including project milestones and milestone payments;
- Project commissioning and operations; and
- Program administer reporting requirements.

¹ D.23-04-034 at 8.

D.23-04-034 approved, with modifications, the IOUs' MIP. OP 4 required each IOU to make available, on its website and within 180 days of the issuance of the Decision, a MIP Handbook with additional program details. OP 5 required each IOU to submit a Tier 2 AL, within 180 days of the issuance of the Decision, with its final, pro forma Microgrid Operating Agreement (MOA). Each IOU complied with OPs 4 and 5.

Summary of AL 7042-E

On October 11, 2023, PG&E timely submitted AL 7042-E with modifications to its CMET to ensure alignment with the MIP and with modifications to its existing pro forma MOA. On October 19, 2023, PG&E submitted substitute sheets for AL 7042-E to correct a typographical error in Attachment B.

PG&E acknowledged the Commission's intention to develop a Multi-Property Microgrid Tariff in Track 5 of R.19-09-009, but until that tariff is adopted, PG&E sought changes to its CMET to allow the CMET to be used as part of MIP implementation. The proposed CMET revisions in AL 7042-E are substantively identical to the proposed Multi-Property Microgrid Tariff that PG&E submitted separately via a joint IOU filing in R.19-09-009 on October 9, 2023, except for CMET continuing to be referred to as an experimental tariff in AL 7042-E.

PG&E's existing MOA is applicable to all non-utility, multi-property (aka community) microgrids in PG&E's service territory. The MOA sets forth terms for PG&E's and the Community Microgrid Aggregator's (CMG Aggregator's) procedures and responsibilities for the development, operation, and maintenance of a Community Microgrid (CMG), including, but not limited to:

- The conditions under which the agreement can be terminated.
- The conditions under which contractual default is deemed to have occurred.
- How potential changes to PG&E's electric system or to the CMG will be addressed.
- Terms addressing liability, indemnity, and insurance requirements.
- Provisions governing confidentiality and a dispute resolution process.

In AL 7042-E, PG&E proposed modifications to its existing pro forma MOA, including, but not limited to:

- Incorporate, into the pro forma MOA, improvements based on PG&E's first executed MOA with the Redwood Coast Energy Authority for the Redwood Coast Airport Microgrid.
- Rearrange MOA appendices to align with Development and Operational Terms.
- Expand MOA appendices to include among others, additional information on the required Microgrid Islanding Study (MIS), an updated Non-Disclosure Agreement, and a MIP-specific Microgrid Special Facility Agreement for projects that may receive MIP cost offsets.
- Increase transparency related to cost responsibility if changes to a CMG require completion of a new MIS.
- Incorporate, into the pro forma MOA, MIP specific provisions that will allow the MOA to be used for all projects utilizing CMET, including projects that receive CMEP or MIP incentives.

In AL 7042-E, PG&E stated its intent to supplement AL 7042-E with a Microgrid Incentive Program Grant Agreement, applicable only to community microgrids that participate in the MIP, by December 29, 2023. PG&E AL 7042-E was not protested.

Summary of AL 7042-E-A

On December 26, 2023, PG&E submitted supplemental AL 7042-E-A, with its proposed MIP Grant Agreement. Energy Division re-opened the protest period for AL 7042-E-A as authorized by General Order 96-B section 7.5.1. Per section 7.5.1, “any new protest shall be limited to the substance of the supplement or additional information.” PG&E’s proposed MIP Grant Agreement includes, but is not limited to:

- Terms and conditions of the various financial transactions between PG&E and the Grant Agreement countersigner (Awardee);
- Requirement that the Awardee be a California tribal government or a local government (city, county, special district, or regional governmental entity that may include but is not limited to school districts and redevelopment agencies);
- Requirement that Awardee’s contracts or subcontracts related to the development of a MIP Project include performance bonding provisions for Awardee’s contractors and CMG Aggregator for 100 percent of the dollar amount of each contract more than \$100,000;
- Terms and conditions under which PG&E will pay the Awardee the ratepayer funded MIP Application Development Grant, the MIP Application Incentive Request, the MIP Interconnection Allowance, and the Microgrid Special Facilities Allowance;
- Schedule for incentive milestone payments from PG&E to Awardee;
- Cross default provisions with the MOA because the Grant Agreement (with Awardee as countersigner) is in effect during the MIP project development term and the MOA (with CMG Aggregator as countersigner) is in effect during the MIP project operational term;
- Provisions so that if a MIP project defaults during the development term and if Awardee recovers monies from CMG Aggregator, any recovered amounts associated with MIP Incentive Award funds are returned to PG&E so that PG&E may return them to its ratepayers; and
- Requirements for the Awardee to cooperate in providing PG&E with data and information necessary for PG&E to meet its reporting obligations to the Commission under the MIP.

PG&E AL 7042-E-A proposes additional changes to its MOA submitted in AL 7042-E to incorporate terms specific for MIP projects, including, but not limited to:

- Requirement for the CMG Aggregator to provide performance assurance in the amount or \$1 million or 20 percent of the Application Incentive Request, whichever is less, for the initial 10-year operating term of a MIP project; and
- A limited waiver of sovereign immunity for tribal government countersigners to ensure the MOA is enforceable in state court.

Protest of AL 7042-E-A

On January 16, 2024, GPI timely protested supplemental AL 7042-E-A. In its protest, GPI:

- States that GPI generally opposes utility control of new DER programs, and in particular the funding attached to such programs, because of highly misaligned incentives;
- Asserts that PG&E's proposed limitation of MIP applicants and recipients of MIP grants to being a tribal government or local government contradict directives already litigated in D.23-04-034;
- Asserts that PG&E's proposed limitation of MIP applicants and recipients of MIP grants to being a tribal government or local government conflicts with page 3 of PG&E's MIP Handbook,² which states that community-based organizations that are eligible for the MIP have the opportunity to request funding;
- Asserts that an AL is procedurally inappropriate for PG&E's proposed limitation of MIP applicants and recipients of MIP grants to being a tribal government or local government and that the proposed limitation should be made in a petition for modification of D.23-04-034;
- Asserts that PG&E's proposed limitation of MIP applicants and recipients of MIP grants to being a tribal government or local government is severe, unwarranted, and not supported by fact or logic;
- Asserts that while support by and coordination with local governments for MIP projects is preferred, it is not strictly necessary and must not be required;
- Asserts that MIP applicant performance requirements and assurances are not currently warranted;
- Asserts community-based organization and project developers would also have transparency and fiduciary requirements to their MIP Project customers which will also help mitigate performance risks;
- Asserts it is redundant to require duplicate bonds (i.e., performance assurance) for both the Awardee and for any contractor or subcontractor;
- Asserts that requiring completion of success-based milestones prior to disbursement of incentive payments was not contemplated by D.23-04-034, is not currently warranted, and will result in significant carrying costs associated with completion of a milestone;
- Requests a phased disbursement of incentives based on milestones, with payment of the incentive occurring before each milestone to fund the work for completing the milestone and to lower the carrying cost associated with completion of a milestone;
- Asserts the proposed cross default provisions between the MIP Grant Agreement and the MOA are unfair because the countersigners of the MOA and Grant Agreement could be different entities, and a default by one could be due to no fault of the other, and the non-defaulting entity would have no opportunity to cure the default; and
- Asserts that PG&E's proposed limited waiver of sovereign immunity for tribal MIP applicants should be rejected because it would make tribes reticent to participate in the MIP.

² Available at <https://www.pge.com/MIP>.

PG&E Reply to Protest of AL 7042-E-A

On January 23, 2024, PG&E timely replied to GPI's protest. On January 26, 2024, PG&E resubmitted its reply to correct a typographical error. In its reply, PG&E:

- States GPI's assertions that PG&E has misaligned incentives relative to community microgrids are unsupported;
- States PG&E's initiation of the CMEP and CMET are examples of PG&E's efforts to support community microgrids and that PG&E's interests are fully aligned with the success community microgrids projects;
- Clarifies community-based organizations that are designated representatives of a tribal government or local government may be the MIP applicant and this is not affected by the provision to limit the Awardee to being a governmental entity;
- Asserts limiting the Awardee to being a governmental entity is warranted because a governmental entity can provide input from the duly elected representatives of the community and participation by a governmental entity reduces potential utility customer financial risk exposure;
- Disagrees with GPI's assertions that community-based organization and project developers have transparency and fiduciary requirements;
- States that tribal governments and local governments have statutory procurement procedures and rules requiring performance bonding for their contractors;
- States that PG&E is not aware of similar statutory requirements for performance bonding for community-based organization or project developers;
- Disagrees with GPI's assertion that PG&E's AL goes beyond what the Commission can approve through an informal process and asserts GPI has not identified any proposal or relief requested by PG&E that conflicts with or requires modification of D.23-04-034;
- Disagrees with GPI's assertion that PG&E's proposed MIP Grant Agreement would require duplicative performance assurance and clarifies that its proposed MIP Grant Agreement does not have a requirement for separate development term performance assurance;
- Explains that PG&E's proposed limiting of the Awardee to being a governmental entity would ensure the Awardee's contractors and subcontractors are required to provide performance assurance because of existing statutory bonding requirements applicable to governmental entities;
- Asserts the proposed structure of MIP incentive payments occurring at the completion of milestones is clearly established in the Joint IOUs' MIP Implementation Plan approved by the Commission in D.23-04-34;
- Asserts PG&E's proposed cross default provisions are necessary to maintain the flexibility allowing the Grant Agreement and the MOA to be signed by different entities and that the proposed cross default provisions are necessary to avoid "wasting" ratepayer funds if there is a MIP project failure during the development term;
- Reiterates that PG&E's proposed MIP Participation Grant would require tribal governments to complete only a limited waiver of sovereign immunity; and
- States that PG&E's proposed requirement for a limited waiver of sovereign immunity is included by PG&E and that the State of California, the CPUC, and many other entities typically require tribal governments that enter contracts to agree to limited waivers sovereign immunity.

Summary of AL 7042-E-B

PG&E informed Energy Division that PG&E would be submitting a second supplemental AL for its MIP Participation Agreement, and that PG&E would be removing the proposal to limit the Awardee to being a tribal government or local government. Because the proposal to limit the Awardee to being a governmental entity was concomitantly serving to provide performance assurance during the MIP Project development term, PG&E informed Energy Division that it would now be proposing a development term performance assurance requirement in AL 7042-E-B, in contrast to AL 7042-E-A, which did not have a development term performance assurance requirement. Energy Division requested that PG&E carefully consider the balancing of the costs of performance assurance, assuming ratepayers would pay for it through the MIP incentive, and the amount of MIP funding that would be returned to the ratepayer from performance assurance for a MIP project failure.

On July 23, 2024, PG&E submitted supplemental AL 7042-E-B with modifications to its revised proposed MIP Grant Agreement. AL 7042-E-B did not replace AL 7042-E or AL 7042-E-A. Energy Division re-opened the protest period for AL 7042-E-B as authorized by General Order 96-B section 7.5.1. Per section 7.5.1, “any new protest shall be limited to the substance of the supplement or additional information.” PG&E stated that supplemental AL 7042-E-B included additional modifications and clarifications to its MIP Grant Agreement MOA to address concerns raised in protests regarding eligible counterparties to the MIP Grant Agreement and related updates to the performance assurance requirements within the MIP Grant Agreement and MOA.

Revisions to PG&E’s proposed MIP Grant Agreement and MOA include, but are not limited to:

- Removal of the proposed limitation of the Awardee to being a tribal government or local government and instead proposing that the Awardee can be any entity or individual formally recognized as a representative for a tribal government or local government;
- Adding a requirement for Development Term Performance Assurance equal to 100 percent of the MIP Incentive Award for each Incentive Milestone to minimize financial risk for utility customers paying the MIP incentive;
- Clarified in the MIP Grant Agreement that a default under the MOA will cause a cross-default under the Grant Agreement;
- Modifying the Operating Term Performance Assurance requirements to be:
 - 35 percent of the total MIP Incentive Award for years one and two of the operating term;
 - 25 percent of the total MIP Incentive Award for years three and four of the operating term;
 - Ten percent of the total MIP Incentive Award for years five and six of the operating term;
 - Five percent of the total MIP Incentive Award for years seven and eight of the operating term; and
 - None for years nine and ten of the operating term; and
- Adding costs related to providing a Letter of Credit as Development Term Performance Assurance to the list of project costs eligible for inclusion in the MIP Application Incentive Request with the provision that such costs may not exceed five percent of the total incentive request.

Because MIP Applications for PG&E's first application window were due prior to disposition of this supplemental AL and finalization of the performance assurance requirements, PG&E states it will give MIP Applicants in the first application window an opportunity to increase their Application Incentive Request amounts, if the supplemental AL is approved.

Protest of AL 7042-E-B

On August 12, 2024, GPI submitted a protest of PG&E's supplemental AL 7042-E-B to the Energy Division's Tariff Unit; however, GPI did not serve its protest on PG&E. On August 23, 2024, GPI submitted a late protest to AL 7042-E-B and served the protest on PG&E. On August 26, 2024, pursuant to General Order 96-B section 7.4.4, Energy Division provided notice that it would accept GPI's late-submitted protest and directed PG&E to submit a reply by September 3, 2024. In its protest, GPI requested that PG&E:

- Consider reducing the newly proposed Development Term Performance Assurance;
- Provide alternatives or exceptions to the Development Term Performance Assurance for certain MIP applicants;
- Shorten the Operating Term Performance Assurance schedule to five years and implement a more gradual reduction in the Operating Term Performance Assurance;
- Explore alternative mechanisms to the Operating Term Performance assurance requirements to reduce the financial burden on participants;
- Bear the cost of the Microgrid Islanding Study in most cases;
- Provide explicit clarification that Community Choice Aggregators, other types of community-based organizations, or local government entities that may serve as MIP applicants and CMG Aggregators;
- Allow for partial milestone payments based on progress rather than strict completion;
- Implement an upfront funding option for a portion of the total grant amount to cover initial development costs;
- Create a revolving fund or line of credit mechanism that applicants can draw from as needed;
- Expand technical assistance offerings to help applicants navigate the complex application and development process;
- Establish a regular stakeholder feedback process to continually refine and improve the MIP, including quarterly stakeholder meetings, an annual review process to assess the program's effectiveness, formation of a diverse advisory committee, and development of a transparent reporting mechanism;
- Simplify and expedite the application and approval process to reduce administrative burdens on applicants;
- Strengthen provisions to ensure that disadvantaged and vulnerable communities can effectively participate in and benefit from the MIP;
- Ensure the MIP is well coordinated with other relevant programs and initiatives; and
- Develop strategies to ensure the long-term sustainability and potential scaling of the MIP.

PG&E Reply to Protest of AL 7042-E-B

On September 3, 2024, PG&E, as directed by Energy Division, replied to GPI's late submitted protest. In its reply, PG&E:

- Opposes GPI's request to reduce the amount of the Development Term Performance Assurance and to provide alternatives or exceptions to the Development Term Performance Assurance, because Development Term Performance Assurance equal to 100 percent of the awarded incentive ensures that the community microgrid either becomes functional or that ratepayer funds provided for MIP project development are returned to ratepayers;
- Reiterates that the MIP Grant Agreement will allow an Awardee to add the actual costs associated with posting a letter of credit to meet performance assurance requirements to the Awardee's Application Incentive Request, provided that the letter of credit costs do not exceed five percent of the original incentive request;
- Reiterates that MIP applicants who have already submitted an Application Incentive Request may revise the request and seek additional incentive funding to cover the cost of the Development Term Performance Assurance.
- States that GPI offers no analysis or factual basis to assert that an alternate approach to Operating Term Performance Assurance would better balance the competing priorities PG&E is charged with balancing, specifically promoting successful project development, incenting projects to continue to perform over time, incenting projects to deliver promised benefits to the targeted communities, and ensuring that ratepayer funds that enable the MIP are entrusted to parties with the capability to deliver over the expected lifetime of the project;
- Asserts GPI's protest regarding cost responsibility for the Microgrid Islanding Study goes beyond the scope of the changes proposed in AL 7042-E-B and should not be considered by Energy Division;
- Clarifies that in AL 7042-E-B, PG&E has proposed to allow **any** (emphasis in original) entity recognized as a representative for a tribal government or local government to be eligible to participate in the MIP and act as a counterparty to the MIP Grant Agreement; and
- Asserts that the remaining issues raised in GPI's protest go beyond the scope of the changes proposed in AL 7042-E-B and should not be considered by Energy Division.

Discussion

In AL 7042-E, PG&E proposed a MOA with terms, conditions, procedures, responsibilities, and requirements for the development, operation, and maintenance applicable to all non-utility, community microgrids in PG&E's service territory. In AL 7042-E, proposed revisions to CMET that are substantively identical to the proposed Multi-Property Microgrid Tariff that PG&E submitted separately via a joint IOU filing in R.19-09-009 on October 9, 2023. PG&E states the revisions to CMET in AL 7042-E are necessary to allow the CMET to be used as part of MIP implementation until the Commission adopts a Multi-Property Microgrid Tariff in Track 5 of R.19-09-009. AL 7042-E was not protested. Energy Division did not identify any concerns with PG&E's proposed MOA, the MOA's appendices, or the revisions to CMET.

In AL 7042-E-A, PG&E proposed a MIP Grant Agreement with additional terms, conditions, procedures, responsibilities, and requirements applicable only to non-utility, community microgrids in PG&E's service territory that participate in the MIP.

PG&E proposed to limit the Awardee to being a tribal government or local government, which obviated the need for the MIP Grant Agreement to require separate performance assurance during the

development term of a MIP Project because governmental entities are subject to statutory procurement provisions that obligate the governmental entity to require performance assurance in its contracts. Due to PG&E's proposed cross default provisions between the MIP Participation Agreement and the MOA, the governmental entity would remain a contractually bound project partner throughout the operating term of a MIP project, even in scenarios where a non-governmental entity was the developer or operator of the community microgrid. Having the governmental entity as a contractually bound project partner increased PG&E's confidence that a MIP project would successfully operate, or if a failure were to occur it would be cured, for the initial ten-year operating period. This understanding led PG&E to require \$1 million of performance assurance (or 20 percent of the total incentive amount, whichever was lower) annually for the initial ten-year operating term. GPI protested the proposed limitation of the Awardee to being a governmental entity and asserted it was a re-litigation of issues already decided in D.23-04-034. In supplemental AL 7042-E-B, PG&E removed the proposed limitation on the entities that could be the Awardee and proposed that any entity or individual formally recognized as a representative of a tribal government or local government could be the Awardee. Energy Division finds that no additional changes in these areas are necessary. The effects on performance assurance requirements from allowing any entity to be the Awardee are discussed further below.

GPI's protest of AL 7042-E-A seemingly disagrees with PG&E being a program administrator of the MIP; however, the Commission-approved Joint IOUs' MIPIP clearly positions the IOUs as the MIP program administrators. GPI's protests assert PG&E's requirement for completion of success-based milestones prior to disbursement of MIP incentive payments should be modified to allow for upfront payments before a milestone or for partial progress toward a milestone; however, the Commission-approved Joint IOUs' MIPIP clearly requires completion of a Milestone prior to an IOU making a Milestone Payment. Energy Division finds that no additional changes in these areas are justified.

GPI requests that PG&E bear the cost of the Microgrid Islanding Study in most cases. The MIP provides a Microgrid Special Facility Allowance of up to \$3 million and the costs of completing the Microgrid Islanding Study are eligible to be covered by the allowance. Section 4.1 of PG&E's proposed MOA delineates cost responsibility if an additional Microgrid Islanding Study, after the original, must be completed. Energy Division finds that no additional changes in these areas are justified.

GPI suggested that PG&E's proposed requirement that tribal MIP applicants agree to a limited waiver of sovereign immunity for tribal MIP applicants will result in tribes being reticent to participate in the MIP. Energy Division finds that PG&E adequately justified that requiring a limited waiver of sovereign immunity is a common contractual term when a tribal entity enters a contract with PG&E, the State of California, the CPUC, and many other entities. Energy Division finds that no additional changes in these areas are justified.

GPI asserted that PG&E's proposed cross default provisions between the MIP Grant Agreement and the MOA are unfair. However, because the MIP Applicant, Awardee, and CMG Aggregator are not necessarily the same entity, the cross default provisions proposed by PG&E are necessary to ensure that all of the entities with some portion of responsibility for MIP project development and operation have an ongoing contractual interest in the success of the MIP project. Energy Division finds that the

cross default provisions proposed by PG&E help to reduce the financial risk exposure of ratepayers, who are providing MIP funding, if a MIP project does not reach commercial operation or does not operate for an initial ten-year period.

GPI's January 16, 2024, protest to AL 7042-E-A asserted that performance requirements and assurances are not currently warranted. Energy Division finds that performance assurance for MIP projects is warranted and that its purpose is to reduce the financial risk exposure of ratepayers, who are funding the MIP, if a MIP project does not reach commercial operation or does not operate for an initial ten-year period. When, in AL 7042-E-B, PG&E removed its proposal to restrict the Awardee to being a governmental entity, which was concomitantly serving to provide performance assurance during the MIP Project development term, there would have been no performance assurance requirement during the development term of the MIP project, and there would have been an Operating Term Performance Assurance requirement of \$1 million annually. Therefore, in AL 7042-E-B, PG&E added a requirement for Development Term Performance Assurance equal to 100 percent of the MIP Incentive Award for each Incentive Milestone and increased the initial amount of Operating Term Performance Assurance to 35 percent of the total MIP Incentive Award. PG&E, at the request of Energy Division, structured the Operating Term Performance Assurance requirements to decline relatively rapidly as the number of years the community microgrid completed successful operation increased. PG&E's proposed Development Term Performance Insurance and Operating Term Performance Insurance align with much, but not all, of the risk of a MIP project failure occurring in the development term of the community microgrid. Energy Division finds that PG&E's proposed performance assurance requirements effectively balance the costs of performance assurance, assuming ratepayers would pay for it through the MIP incentive, and the amount of MIP funding that would be returned to the ratepayer from performance assurance for a MIP project failure.

In its August 23, 2024, protest to AL 7042-E-B, GPI requested the Development Term Performance Assurance be reduced, presumably to lessen the costs of providing the performance assurance. In its August 23, 2024, protest to AL 7042-E-B, GPI requested that the Operating Term Performance Assurance schedule be shortened from eight years to five years and that the schedule implement a more gradual reduction in the Operating Term Performance Assurance. GPI did not propose a specific alternative amount of Development Term Performance Assurance or Operating Term Performance Assurance; did not provide an analysis to explain why GPI believed PG&E's approach to performance assurance to be problematic; and did not acknowledge PG&E's proposed allowance of the actual costs of providing performance assurance to be included in a MIP Application Incentive Request, as long as those costs do not exceed five percent of the total incentive request. Allowing the actual costs of providing performance assurance to be included in a MIP Application Incentive Request reduces much of the financial impact on the counterparty of the MIP Grant Agreement for providing performance assurance. As noted above, Energy Division finds that PG&E's approach to performance assurance strikes an appropriate balance between the costs of performance assurance, which could be borne by ratepayers, with the reduction in financial risk exposure that ratepayers could receive from the performance assurance. If PG&E were to implement a more gradual reduction in the Operating Term Performance Assurance, as requested by GPI, the cost of providing performance assurance would be increased. Energy Division finds that no additional changes to PG&E's approach to performance assurance are justified.

The remaining issues raised in GPI's protest of AL 7042-E-B are beyond the scope of the changes proposed by PG&E in AL 7042-E-B. Energy Division finds that no additional changes are justified for GPI's requests to:

- Provide alternatives or exceptions to Development Term Performance Assurance for certain MIP applicants;
- Explore alternative mechanisms to the Operating Term Performance assurance requirements to reduce the financial burden on participants;
- Create a revolving fund or line of credit mechanism that applicants can draw from as needed;
- Expand technical assistance offerings to help applicants navigate the complex application and development process;
- Establish a regular stakeholder feedback process to continually refine and improve the MIP, including quarterly stakeholder meetings, an annual review process to assess the program's effectiveness, formation of a diverse advisory committee, and development of a transparent reporting mechanism;
- Simplify and expedite the application and approval process to reduce administrative burdens on applicants;
- Strengthen provisions to ensure that disadvantaged and vulnerable communities can effectively participate in and benefit from the MIP;
- Ensure the MIP is well coordinated with other relevant programs and initiatives; and
- Develop strategies to ensure the long-term sustainability and potential scaling of the MIP.

Therefore, the GPI protests are rejected.

Disposition

Energy Division finds that PG&E AL 7042-E, as supplemented by AL 7042-E-A and AL 7042-E-B, meets the requirements established in D.23-04-034 Ordering Paragraph 5 and approves them effective November 10, 2023.

October 11, 2023

Advice 7042-E

(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

Subject: Submission of Modifications to the Community Microgrid Enablement Tariff and Pro Forma of Microgrid Operating Agreement

Purpose

Pursuant to Ordering Paragraph (OP) 7 of Resolution E-5127, Pacific Gas and Electric Company (PG&E) hereby seeks modifications to the Community Microgrid Enablement Tariff (CMET) to ensure seamless alignment with the Microgrid Incentive Program (MIP) recently approved in Decision (D.) 23-04-034.¹ Additionally, PG&E seeks modifications to its Pro Forma Microgrid Operating Agreement (MOA) and is submitting a revised pro forma MOA pursuant to OP 5 of D.23-04-034.

Background

The Commission initiated Rulemaking (R.) 19-09-009 (Microgrid OIR) to develop a policy framework surrounding the commercialization of microgrids and related resiliency strategies and to implement Senate Bill (SB) 1339 (Stern, 2018).

On January 21, 2020, PG&E filed a Proposal in Track 1 of Rulemaking (R.)19-09-009^{1,2} which included a request for approval of a Community Microgrid Enablement Program (CMEP) for the years 2020 through 2022. The program provides incremental technical and financial support on a prioritized basis for community requested microgrids for Public Safety Power Shutoff mitigation purposes. On June 11, 2020, the Commission adopted D.20-06-017, which approves PG&E's CMEP subject to certain requirements and directed that PG&E submit a Tier 2 Advice Letter containing CMEP implementation details.³ PG&E submitted Advice Letter 5918-E on August 17, 2020, in conformance with that Decision, and included a pro forma CMET as Appendix 4 to that filing. On March 18, 2021, the Commission issued Resolution E-5127, which adopted with modification

¹ This CMET is identical to the one filed on October 9, 2023 as directed by Commissioner Shiroma in the July 18, 2023 [Amended Scoping Memo and Ruling](#), with the exception that this tariff maintains language identifying it as an experimental tariff; whereas that reference was removed in the October 9 filing.

² Order Instituting Rulemaking Regarding Microgrids Pursuant to Senate Bill 1339 and Resiliency Strategies

³ D.20-06-017, Ordering Paragraph 17.

PG&E's implementation plan for the CMEP, and approved PG&E's pro forma CMET "for use on an experimental basis."⁴ OP 7 of Resolution E-5127 provides that "PG&E may seek modifications to the CMEP, including the Community Microgrid Enablement Tariff, through a subsequent Tier 2 Advice Letter on its own motion or in response to direction from the Commission." PG&E previously submitted Advice Letters seeking certain modifications to the CMET.⁵ This Advice Letter seeks further modifications to align with MIP as more fully detailed below.

In addition, Resolution E-5127 directed PG&E to submit a Tier 1 AL⁶ in compliance with OPs 2 and 3 outlining the operating protocols and responsibilities between the microgrid aggregator and PG&E via a Pro Forma MOA for use within the CMEP.

On December 17, 2021, a Scoping Memo and Ruling for Track 4 and 5 of the Microgrids proceeding was issued to continue to set parameters for implementing SB 1339 microgrid programs, including the implementation of the Joint IOU MIP, an IOU Multi-Property Microgrid Tariff, and the value of resiliency. On December 3, 2021, pursuant to OP 6 of D.21-01-018, PG&E, SDG&E, and SCE (collectively, Joint IOUs) submitted their Joint IOU MIP Implementation Plan (MIPIP), and on April 14, 2023 D.23-04-034 was issued adopting implementation rules for the MIP. Pursuant to OP 5 of D.23-04-034, PG&E is required to submit a final, Pro Forma MOA via a Tier 2 AL to the Commissioner's Energy Division within 180 days upon issuance of the Decision. The MOA is an umbrella agreement which incorporates, by reference and addendum, all other contracts and agreements that are required to develop and operate the MIP Project. The details of PG&E's Pro Forma MOA are included below.

PG&E recognizes that the Commission has the intention of developing a Multi-Property Microgrid Tariff in Track 5 of R.19-09-009. However, until that tariff is adopted, PG&E is seeking conforming changes to its CMET to allow the CMET to be used as part of MIP implementation. **The revised CMET, as submitted here, is substantively identical to the proposed Multi-Property Microgrid Tariff that PG&E submitted separately via a joint IOU filing in R.19-09-009 on October 9, 2023. The only distinction is the CMET filed herewith on October 11 is referred to as an experimental tariff whereas that reference was removed for the CMET filed on October 9.** As noted in the proposed

⁴ Resolution E-5127, Ordering Paragraph 2. See also id., p. 7 ("While the Commission grants conditional approval of the CMET using the proposed tariff language as a starting point, it will be important to remain open to change so this experimental tariff evolves with experience. There may be a legitimate concern if the CMET is overly restrictive or inappropriately limiting participation in a contract or agreement.")

⁵ On August 5, 2021, PG&E submitted Advice Letter 6283-E seeking modifications to the CMET to distinguish eligibility for the CMET from eligibility for the CMEP by removing certain CMET eligibility restrictions. That AL was approved by Disposition Letter on October 5, 2021. Additionally, PG&E submitted further modifications via AL 6730-E which was approved by Disposition Letter on November 7, 2022.

⁶ On April 19, 2021, PG&E submitted Advice Letter 6168-E which was approved by Disposition Letter effective July 12, 2021.

Multi-Property Microgrid Tariff, that tariff, if approved by the Commission, would become the CMET and supersede prior versions of the CMET going forward.

General Description of CMET Revisions

In this section, PG&E provides a general description by category of the changes it proposes to the CMET. Each of the proposed changes to the CMET is identified and summarized in Attachment A to this Advice Letter, and all changes are presented in redline form to the tariff in Attachment B. The clean revised version of CMET is shown in Attachment C.

A. Align Definitions for the Microgrid Incentive Program

PG&E proposes several edits to the defined terms section to provide clarity and to align definitions with the MOA. Updates are based on learnings from collaboration with Southern California Edison Company (SCE) and San Diego Gas & Electric Company (SDG&E) on the development of the Joint IOU MIPIP, development of the MIP Handbook, as well as modifications to the MOA for PG&E's first community microgrid project, the Redwood Coast Airport Microgrid. The updated definitions in the tariff now also align with the definitions in the Pro Forma MOA and many⁷ of the definitions used in the MIP Handbook. Some improvements to definitions also resulted in the need to add new defined terms such as Grid-Forming Project Resource(s) and Non-Project Resource(s).

B. Integrate MIP-Specific Update

With the implementation of MIP, PG&E proposes one MIP-specific update to the CMET in Section 8.1 – CMET Services and Fees. In Section 8.2 PG&E notes that CMEP may cover eligible Microgrid Islanding Study fees and Microgrid Special Facility costs. For consistency in Section 8.1, PG&E recommends pointing out that MIP may cover eligible interconnection study fees and subsequent interconnection upgrade costs.

C. Reflect Updated Processes

Two proposed updates were made to address changes to PG&E's processes and requirements for community microgrid applicants. First, the Pre-Application Study and Pre-Application Report are no longer a requirement prior to submitting an application. In practice, PG&E found that this process, adapted from the Rule 21 interconnection process, was not always necessary depending on the specifics of the project involved and could introduce unnecessary delays. Therefore, PG&E has made Section 3.4 optional and removed reference to the Microgrid Pre-Application Study under Section 8.2. Second, PG&E modified the last sentence of Section 6.2 to inform that PG&E has

⁷ Where possible, PG&E adopted definitions from the MIPIP, however some definitions in the MIPIP were broadly written to apply to all of the IOUs (SCE, SDG&E, and PG&E), whereas the definitions in the Pro Forma MOA and CMET are PG&E-specific.

published a list of microgrid equipment in PG&E's Microgrid Technical Best Practices Guide and has an established process for vendors to seek acceptance of microgrid equipment.

D. Improve Clarity, Readability, and Accuracy of CMET

PG&E proposes several minor edits throughout the CMET for clarity, grammatical corrections, correction of inadvertent errors, and clarification of defined terms. As an example, in Section 6.1 the previous language was unintentionally written in a way that could be interpreted to mean the Microgrid Islanding Study is optional. This has been updated to clarify the MIS is a required study.

General Description of Pro Forma MOA Revisions

In this section, PG&E provides a general overview of the changes it has made to the Pro Forma MOA originally submitted to the Commission in AL 6168-E on April 19, 2021. All changes made between that original version of the MOA and the current proposed version are presented in redline form in Attachment D. The clean revised version of the MOA is provided in Attachment E.

A. Integrate Improvements from RCAM MOA

Many of the changes PG&E proposes to make to the pro forma MOA are based on relevant revisions that were made to the Redwood Coast Airport Microgrid (RCAM) MOA. PG&E submitted its original Pro Forma MOA to the Commission prior to executing its first MOA with Redwood Coast Energy Authority (RCEA). The Pro Forma MOA needed to be adapted for the RCAM project given it was the first community microgrid project with a unique development process. During the updating process, general improvements were made to the terms and provisions in the original Pro Forma MOA that should be integrated into the current Pro Forma MOA.

Many of the modifications adapted from the RCAM MOA are overall improvements for clarity, correction of unintentional errors, and the addition of new and useful information. For example, clarity was made to sections regarding roles and responsibilities for each party and when collaboration between parties is necessary. Furthermore, many corrections were made to the MOA, such as adding missing defined terms to Appendix I-B that were capitalized throughout the MOA, capitalizing terms that were lowercase but were defined, alphabetizing the defined terms, improving definitions for clarity, and correcting for mis-referenced appendices or sections throughout. RCEA also provided suggestions such as adding new appendices, including a list of acronyms (Appendix I-A) and a list of the CMET Project Resources and the CMET Project Balance of System facilities (Appendix V). Furthermore, Appendix III-A, CMET Project Development Milestones, was further fleshed out and improved since PG&E was able to apply the development milestones to a specific microgrid project. Next, PG&E determined that

Appendix IX-A, CMET Project Safety Plan and Supporting Documentation, needed to be expanded to include a Hazardous Materials Business Plan, and the new Appendix IX-B, CMET Project Emergency Plan needed to be added. Finally, PG&E changed the defined term “Commercial Online Date (COD)” to “Islanding Operation Date (IOD)” to avoid confusion between the use of COD to describe the online date of Project Resources as a result of the standard grid interconnection process and the likely different date on which the microgrid becomes capable of islanding.⁸

PG&E also made improvements to the community microgrid process that were integrated into the RCAM MOA and should be included in the updated Pro Forma MOA. For example, PG&E integrated an optional MIS Results Review meeting into its process after a MIS is completed (see Sections 4.2 and 4.3). This is similar to the Results Review meeting PG&E offers after the Technical Study in the Rule 21 and Wholesale Distribution Tariff (WDT) Interconnection Process. The MIS Results Review meeting would offer the Community Microgrid (CMG) Aggregator an opportunity to understand the MIS results and provide an opportunity for the CMG Aggregator to work with PG&E to identify potential solutions. Also, PG&E adjusted the frequency of the Performance Test from annual to biennial (every two years), but with the option for PG&E to require testing sooner if necessary or remove the need if unnecessary. This reduces unnecessary burden on both PG&E and the CMG Aggregator.

Finally, new details were added to Section 4 (i.e., System Changes), for clarity regarding who bears cost responsibility and what assumptions are made with a system change. Previously, it was unclear that when the results of a MIS conclude the CMET Project requires upgrades due to changes or the addition of a generating resource, the CMG Aggregator is not responsible for costs associated with a third-party generator’s Interconnection Agreement. That cost should be the responsibility of the party who owns that generating resource. Also in Section 4, clarity was made to explain that when new load and generation is integrated into the CMG project, PG&E will assume the new load will be integrated into the community microgrid, but new generation will be assumed to be a non-participating resource unless the CMG Aggregator specifically notifies PG&E.

B. Organized Appendices based on Development Term and Operational Term and Integrated New Content

PG&E’s current Pro Forma MOA proposes to rearrange and expand on many of the appendices in the MOA. First, PG&E would like to rearrange the appendices to align with the Development and Operational Terms. PG&E requires multiple appendices to the MOA to be complete before the CMG Aggregator signs the MOA, which initiates the start of the Development Term. During the Development Term, the CMG Aggregator and PG&E will develop the remaining set of appendices to the MOA that will need to be completed before the Operational Term begins. PG&E proposes to rearrange the appendices so that those

⁸ PG&E notes in this regard that it interprets the Commission’s requirement that MIP projects achieve “commercial operation” within 24 months of the execution of the MOA as a requirement that they achieve the IOD as defined in the MOA. See D.23-04-034, p. 46.

appendices that are required before the Development Term are listed first (Appendix I-A through Appendix VIII-A) and the appendices that are required to be complete before the Operational Term follow (Appendix VIII-B through Appendix XII).

New information has been added to many of the appendices in the MOA to help the CMG Aggregator understand what information is required in the appendix. For Appendix III, the Microgrid Islanding Study, PG&E has listed the expected outputs from the MIS that will be part of the final MIS report and ultimately attached to the MOA. In Appendix XII, Operating Performance Requirements, Procedures and Protocols, PG&E lists the four required parts that will be required for this appendix. PG&E also updated the form Non-Disclosure Agreement (NDA) with the version that will be used throughout the life of a community microgrid project. The previous NDA was applicable to the development and operational terms of the MOA, and the updated NDA can be used at the start of the technical consultation in Stage 1 through the Operational Term. Along with this update, PG&E also removed obsolete sections of Article 12 that are now embedded in the NDA. Finally, a MIP-specific form of a Microgrid Special Facility Agreement adapted from Electric Rule 2, is now included as part of Appendix IV-B for projects that receive cost-offsets.⁹

C. Modified System Change Associated Cost Responsibility

In Article 4, System Changes, PG&E: (1) added a table summarizing cost responsibility for different system change scenarios in order to increase transparency; (2) incorporated two missing system change scenarios to Section 4.3; and (3) made changes to the cost responsibility of the MIS for three system change scenarios.

The addition of the table is to help clarify the cost responsibility for different parties depending on the system change scenario. When developing the table, it became apparent there were two missing system change scenarios that needed to be added to Section 4.3. The first such scenario is where a customer outside the microgrid is requesting to be added to the microgrid. The second scenario is when a customer within the microgrid requests to be removed from the microgrid. PG&E proposes that the CMG Aggregator should bear the cost of the MIS and work with PG&E to make the appropriate upgrades to the microgrid project. The CMG Aggregator may separately seek reimbursement from the customer if they are amenable to the arrangement.

PG&E also proposes to modify who is responsible for the cost of a new MIS when one of the following scenarios occurs: (1) a customer within the microgrid seeks to increase their demand in a way that may have a material impact to the microgrid; (2) a new customer seeks to initiate service at a location within the microgrid boundary and that new service may have a material impact to the microgrid; or (3) a Non-Project Resource is added within the microgrid that may have a material impact to the microgrid. PG&E proposes that the CMG Aggregator should take responsibility for the MIS costs for these types of

⁹ For projects that do not receive cost-offsets, the existing Electric Rule-2 Special Facility Agreement can be used.

system changes, given this type of cost is part of the general maintenance required for a community microgrid to ensure safety. However, in order to limit the uncertainty and risk of this type of ongoing costs for the CMG Aggregator, PG&E proposes to limit the CMG Aggregator's responsibility for the MIS cost in these specific scenarios to only when the MIS results in necessary microgrid upgrades, otherwise PG&E will bear the cost of the MIS.

D. Integrate MIP Specific Project Considerations

PG&E proposes relatively minor edits to the Pro Forma MOA for purposes of incorporating MIP-related requirements. PG&E's general approach is to reflect MIP specifics in the MOA. This allows the Pro Forma MOA to continue to be used for any CMET project, including those that receive CMEP and/or MIP incentives. Specifically, in Appendix XII (i.e., Operating Performance Requirements, Procedures and Protocols), PG&E added a Part 2 where CMET Project performance requirements will be specified based on the type of project. In the case of MIP projects, which are financed to a significant degree by ratepayer-funded incentives, the additional programmatic requirements related to a minimum of 24-hour islanding capability, and other performance requirements, will be identified. Additionally, PG&E has determined a new type of agreement, the MIP Grant Agreement, is necessary for MIP funded projects. While the MOA governs the development and operation of each project, PG&E's MIP Grant Agreement will cover all financial terms and conditions regarding the MIP incentive and the allowances for interconnection and microgrid specific facilities. This includes financial recourse for not meeting development milestones or performance requirements. As such, the Grant Agreement will be expressly linked with development and operational performance terms under the MOA. Correspondingly, a new MOA Appendix IV-C, Other Interrelated CMET Project Agreements, is used as a placeholder to attach the MIP Grant Agreement and other relevant agreements.

PG&E is continuing to work on a form MIP Grant Agreement, separate from the MOA, to address both the payment of MIP incentives to eligible projects and the MIP-specific remedies that will apply in the event that a MIP project fails to meet performance requirements. Although not required to meet OP 5 of D.23-04-034, for increased transparency in advance of the first MIP application window opening, PG&E intends to supplement this Advice Letter with the form of the MIP Grant Agreement on or before December 29, 2023, assuming this Advice Letter remains pending at that time.

Attachments

This Advice Letter has the Attachments shown in the following Table.

| Attachments | Description |
|--------------------|---|
| A | Summary of Proposed Changes to the Community Microgrid Enablement Tariff (CMET) |
| B | Redline comparing the Proposed CMET to the CMET Currently in Effect (as most recently modified by AL 6730-E) |
| C | Clean Sheets of the Proposed CMET |
| D | Redline comparing the Proposed Pro Forma MOA to the Pro Forma MOA originally submitted to the Commission in AL 6168-E on April 19, 2021 |
| E | Clean Sheets of Proposed Pro Forma MOA |

The submittal would not increase any current rate or charge, cause the withdrawal of service, or conflict with any rate schedule or rule.

Protests

Anyone wishing to protest this submittal may do so by letter sent electronically via E-mail, no later than October 31, 2023, which is 20 days after the date of this submittal. Protests must be submitted to:

CPUC Energy Division
ED Tariff Unit
E-mail: EDTariffUnit@cpuc.ca.gov

The protest shall also be electronically sent to PG&E via E-mail at the address shown below on the same date it is electronically delivered to the Commission:

Sidney Bob Dietz II
Director, Regulatory Relations
c/o Megan Lawson
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 and 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

Pursuant to OP 5 of D.23-04-034 and OP 7 of Resolution E-5127, PG&E requests that this Tier 2 advice submittal become effective on regular notice, November 10, 2023, which is 30 calendar days after the date of submittal.

Notice

In accordance with General Order 96-B, Section IV, a copy of this advice letter is being sent electronically to parties shown on the attached list and the parties on the service list for R.19-09-009. 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 submittals can also be accessed electronically at: <http://www.pge.com/tariffs/>.

/S/

Sidney Bob Dietz II
Director, Regulatory Relations
CPUC Communications

Attachments

cc: Service List for R.19-09-009
Jessica.Tse@cpuc.ca.gov
Patrick.Saxton@cpuc.ca.gov
Jason.Ortego@cpuc.ca.gov



ADVICE LETTER 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:

- ELC GAS WATER
 PLC HEAT

Contact Person: Kimberly Loo

Phone #: (279)789-6209

E-mail: PGETariffs@pge.com

E-mail Disposition Notice to: KELM@pge.com

EXPLANATION OF UTILITY TYPE

ELC = Electric GAS = Gas WATER = Water
 PLC = Pipeline HEAT = Heat

(Date Submitted / Received Stamp by CPUC)

Advice Letter (AL) #: 7042-E

Tier Designation: 2

Subject of AL: Submission of Modifications to the Community Microgrid Enablement Tariff and Pro Forma of Microgrid Operating Agreement

Keywords (choose from CPUC listing): Compliance

AL Type: Monthly Quarterly Annual One-Time Other:

If AL submitted in compliance with a Commission order, indicate relevant Decision/Resolution #: D.23-04-034, Resolution E-5127

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:

Confidential treatment requested? Yes No

If yes, specification of confidential information:

Confidential information will be made available to appropriate parties who execute a nondisclosure agreement. Name and contact information to request nondisclosure agreement/ access to confidential information:

Resolution required? Yes No

Requested effective date: 11/10/23

No. of tariff sheets: 16

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: See Attachment C

Service affected and changes proposed¹: N/A

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

¹Discuss in AL if more space is needed.

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

California Public Utilities Commission
Energy Division Tariff Unit Email:
EDTariffUnit@cpuc.ca.gov

Contact Name: Sidnev Bob Dietz II. c/o Megan Lawson
Title: Director, Regulatory Relations
Utility/Entity Name: Pacific Gas and Electric Company

Telephone (xxx) xxx-xxxx:
Facsimile (xxx) xxx-xxxx:
Email: PGETariffs@pge.com

Contact Name:
Title:
Utility/Entity Name:

Telephone (xxx) xxx-xxxx:
Facsimile (xxx) xxx-xxxx:
Email:

CPUC
Energy Division Tariff Unit
505 Van Ness Avenue
San Francisco, CA 94102

Clear Form

Attachment A

Summary of Proposed Changes to the Community Microgrid Enablement Tariff (CMET)

| Key | |
|------------|---------------------------------------|
| CGI | Clarity, Grammar or Inadvertent Error |
| DT | Defined Term/Not Defined Term |
| O | Other |

PG&E's Summary of Changes to Community Microgrid Enablement Tariff (CMET)

| Section | Change | Justification | Category |
|---------|--|--|------------|
| 3.1 | Capitalize "Distribution Customers" | Added Distribution Customer as a defined term | DT |
| 3.3 | Remove "exporting energy producing resources" | Only the Grid-Forming Project Resource needs to be an exporting energy producing resource which is specified in the definition | O |
| 3.3 | Add "including a Grid-Forming Project Resource" | Clarifying that a Grid Forming Project is required | CGI |
| 3.4 | Make Pre-Application Report optional | PG&E no longer sees a need to require a Pre-Application Report. This is optional for applicants | O |
| 3.5 | Modify for clarity | CMET Aggregator is not a defined term and the was made to sound different from the CMG Aggregator which was unintended | CGI |
| 3.5 | Remove "applicable Interconnection Agreement(s) Rule 24" | Removing inapplicable language | O |
| 5.2 | Add "each of" | Clarifying that each Project Resource needs a separate Interconnection Study Application | CGI |
| 6.1 | Add "begin the mandatory" | Clarifying the MIS is mandatory | CGI |
| 6.2 | Remove unnecessary part of MIS description | Removed unnecessary language to align with MIS definition in the definitions sections | DT |
| 6.2 | Modify to reflect process updates | Updated last sentence in the paragraph to reflect where PG&E has published list of Microgrid equipment | O |
| 7.1(c) | Replace "A third party aggregator" with "The entity" | Updated for clarity since it previously read as though the third party aggregator was different from the CMG Aggregator | CGI |
| 7.1(c) | Remove "and any demand side management resources" | This sentence made it sound like demand side resources are not part of the Project Resource definition | CGI |
| 7.2 | Replace "Project" with "Microgrid" | Updated for clarity; "Microgrid SFA" is a defined term | DT |
| 7.2 | Add "Microgrid" | "Microgrid Special Facilities Agreements" is the correct defined term | DT |
| 7.2(a) | Add "Microgrid" | "Microgrid Special Facilities Agreements" is the correct defined term | DT |

| Key | |
|------------|---------------------------------------|
| CGI | Clarity, Grammar or Inadvertent Error |
| DT | Defined Term/Not Defined Term |
| O | Other |

| | | | |
|---------------------------|---|---|------------|
| 7.2(a) | Replace "CMET" with "CMG" | "CMG Aggregator" is the correct defined term | DT |
| 8.1 | Remove 8.1 term | Superfluous and unclear term | O |
| 8.2 (previously 8.3) | Remove "Pre-Application Study" | PG&E no longer sees a need to require a Pre-Application Study. This is optional for applicants | O |
| 8.2 (previously 8.3) | Add that interconnection study fees may be covered by MIP | Add that interconnection study fees may be eligible under MIP | O |
| 8.2 (previously 8.3) | Add "Microgrid" | "Microgrid Special Facilities" is the correct defined term | DT |
| 9.1 | Remove "Bundled" | Clarifying that billing for PG&E Customers remains unchanged under CMET and allows different rates for non-PG&E customers (e.g., wholesale customers) | CGI |
| 10.1 | Modify 10.1 to reference 9.3 | Added to clarify that Section 10.1 is not meant to override Section 9.3 | |
| 10.1 | Add "may be" and "but are not required to" | Clarifying Project Resources are not required to participate in the CAISO market | CGI |
| 12.2 | Add "or as otherwise provided under this Schedule" | Clarifying PG&E has a right to terminate under Section 7.2.b if PG&E and CMG Aggregator can't reach agreement on the MOA | CGI |
| 13.1 | Replace "CMET" with "CMG" | "CMG Aggregator" is the correct defined term | DT |
| Definitions | | | |
| 14.4 | CMET Project | Aligning with MIP MOA | O |
| 14.6 | Modify "Community Microgrid Aggregator" definition | The definition now points to Section 7.1.c to harmonize the definition. | O |
| 14.7 | Add "Community Microgrid Balance of System" | Community Microgrid Balance of System was added as a new capitalized term | O |
| Removed # Previously 14.8 | Remove "Critical Facility" definition | Term is not used in the tariff | DT |
| 14.9 | Add "Distribution Customer" definition | Distribution Customer was added as new capitalized term | O |
| 14.10 | Modify "Distribution Provider" definition | Aligning with MIP MOA | O |
| 14.11 | Modify "Distribution Service" definition | Aligning with MIP MOA | O |
| 14.12 | Modify "Distribution System" definition | Aligning with MIP MOA | O |

| Key | |
|------------|---------------------------------------|
| CGI | Clarity, Grammar or Inadvertent Error |
| DT | Defined Term/Not Defined Term |
| O | Other |

| | | | |
|----------------------------------|---|--|------------|
| 14.14 | Capitalize "Scheduled Island Mode Operation" | Scheduled Island Mode Operation is a defined term | DT |
| 14.15 | Modify "Distribution System" definition | Remove "May also be referred to as a Project Resource" since the definition for Project Resource is broader than a Generating Facility | O |
| 14.16 | Add "Grid-Forming Project Resource(s)" definition | Added new definition based on modifications to the term Project Resource | DT |
| Removed # Previously 14.15 | Remove "High Fire Threat District" definition | Term is not used in the tariff | DT |
| 14.17 | Modify "Interconnection Agreement" definition | Aligning with MIP MOA | O |
| 14.19 | Modify "Island Mode" definition | Aligning with MIP MOA | O |
| 14.20 | Replace "electrical boundary" with "Microgrid Boundary" | Microgrid Boundary is a capitalized term | DT |
| 14.20 | Add "Blue Sky Mode" | Aligning with MOA; Add clarity that "run in parallel" means Blue Sky Mode | CGI |
| 14.22 | Modify "Microgrid Islanding Point" definition | Aligning with MIP MOA | O |
| 14.23 | Modify "Microgrid Island Study" definition | "distribution facilities" is not a capitalized term; capitalized "Island Mode" since it is a defined term | DT |
| 14.24 | Modify "Microgrid Operating Agreement" definition | The definition now points to Section 7.2 to harmonize the definition. | DT |
| 14.25 | Modify "Microgrid Pre-Application Study" Definition | Specifying the Microgrid Pre-Application Study is optional | O |
| 14.26 | Modify "Microgrid Special Facilities" definition | Aligning with MIP MOA | O |
| Removed # Previously 14.27 | Remove "Outage Prone Area" definition | Term is not used in the tariff | DT |
| 14.28 | Add "Non-Project Resource(s)" definition | New term to distinguish from resources that are not Project Resources | DT |
| Removed # Previously 14.28 | Remove "PG&E Bundled Customer" | Term is not used in the tariff | DT |
| 14.29 | Modify "Project Resource(s)" definition | Aligning with MIP MOA | O |

| Key | |
|------------|---------------------------------------|
| CGI | Clarity, Grammar or Inadvertent Error |
| DT | Defined Term/Not Defined Term |
| O | Other |

| | | | |
|----------------------------------|---|---|-----------|
| Removed # Previously 14.31 | Remove "Service Facilities" definition | Term is not used in the tariff | DT |
| Removed # Previously 14.33 | Remove "Special Facilities Agreement" definition | Term is not used in the tariff | DT |
| 14.32 | Modify "System Change" definition | Capitalize "Non-Project Resources" since it is a capitalized term | DT |
| Removed # Previously 14.35 | Remove "Unscheduled Island Mode Operation" definition | Term is not used in the tariff | DT |

Attachment B

**Redline comparing the Proposed CMET to the CMET
Currently in Effect
(as most recently modified by AL 6730-E)**



ELECTRIC SCHEDULE E-CMET
COMMUNITY MICROGRID ENABLEMENT TARIFF

Sheet 1

1. **APPLICABILITY:** The Community Microgrid Enablement Tariff (CMET) schedule (Schedule CMET or this Schedule) implements, in part, on an experimental basis the Community Microgrid Enablement Program (CMEP) pursuant to Public Utilities Commission (CPUC) Decision (D.) D.20-06-017 and CPUC Resolution E-5127. This CMET governs the eligibility, engineering studies, development, and island and transitional operation of Community Microgrids, as defined herein. As an experimental tariff this Schedule is available, on a first-come, first-served basis, to applicants (CMET Applicants) who (i) meet the CMET Eligibility Criteria in Section 3, and (ii) submit a complete CMET Application (Application). This Schedule will close to CMET Applicants on the date set forth in Section 4, below. Capitalized terms specific to this tariff are defined in section 14 below.

2. **TERRITORY:** This schedule applies throughout PG&E’s electric service area.

3. **CMET ELIGIBILITY CRITERIA:** A CMET Applicant must meet all of the eligibility criteria outlined below (CMET Eligibility Criteria):
 1. **Community Microgrid:** The CMET Project must meet the needs of at least two customers or two customer premises connected by PG&E’s distribution infrastructure within the Microgrid Boundary. All customers within the Microgrid Boundary of the CMET Project must be PG&E retail Distribution Customers; provided that, where PG&E determines in its sole discretion that inclusion of electrical loads or customers which do not take PG&E retail distribution service in a CMET Project will benefit PG&E retail Distribution Customers, PG&E may agree to the inclusion of such loads and/or customers and will submit a notice of and justification for this determination through a Tier 1 Advice Letter.

 2. **Location:** The CMET project must be located in an area served, entirely or in part, by PG&E retail distribution service.

(Continued)



**ELECTRIC SCHEDULE E-CMET
COMMUNITY MICROGRID ENABLEMENT TARIFF**

Sheet 2

3. CMET
ELIGIBILITY
CRITERIA
(Cont'd.)

- 3. Community Microgrid Parameters: The CMET Project must include interconnected ~~exporting energy producing resources~~ (Project Resources,) including a Grid-Forming Project Resource, that do not exceed 20MW in aggregated export capacity within a clearly defined Microgrid in PG&E's Distribution System; the CMET Project must act as a single, controllable entity; the CMET Project must be able to connect to, disconnect from, and run in parallel with larger portions of the electrical grid; and the CMET Project must be capable of maintaining electrical supply and service quality when isolated to connected customers during larger grid disturbances. Project Resources must be interconnected to PG&E's Distribution System pursuant to PG&E's Wholesale Distribution Tariff, Attachment I "Generator Interconnection Procedures" (WDT GIP) and/or Electric Rule 21 as applicable.
- 4. Pre-Application Report: The CMET Applicant must have the option to complete a Community Microgrid Pre-Application Report (CM Pre-Application Report) and consultation with PG&E prior to submitting a CMET Application.
- 5. Applicant Experience: The CMET Applicant must provide to PG&E an attestation that at least one current member of its development team has: (a) completed the development of at least one microgrid project of similar technology and capacity; or (b) begun construction of at least one other project of similar technology and capacity. The CMET Applicant must identify the entity(ies), if not the Applicant, that will be responsible for: (1) development of the CMET Project; and (2) the entity that will be the CMET Aggregator responsible for acting as CMG Aggregator to coordinate coordinated operation of the CMET Project with PG&E pursuant to applicable Interconnection Agreement(s) Rule 24 and an executed CMET Microgrid Operating Agreement ("CMET MOA" or "MOA").

(Continued)



ELECTRIC SCHEDULE E-CMET
COMMUNITY MICROGRID ENABLEMENT TARIFF

Sheet 3

(N)
(N)

4. CMET PERIOD CMET Availability Period: The CMET shall begin on the Effective Date and shall continue thereafter until the CPUC directs, approves, or makes effective a request by PG&E that this tariff be closed. At the close of the CMET, this Schedule will close to new Applications and no new CMET MOAs will be offered by PG&E. Applications submitted prior to the close will continue to be processed under this Schedule, unless otherwise directed by the CPUC. Any MOA executed under this Schedule will continue in effect pursuant to the terms of the agreement.

5. INTERCONNECTION STUDIES

1. Each Project Resource is required to be interconnected to PG&E's Distribution System under PG&E's WDT GIP or Electric Rule 21, according to the applicability of each of those tariffs.
2. Interconnection Study: A CMET Project will require a separate application for Interconnection Study of each of a CMET Project's proposed Project Resources pursuant to PG&E's WDT GIP or Electric Rule 21, as applicable, for each of the Generating Facilities participating as a Project Resource.
3. Interconnection Agreement: The Interconnection Study will identify any required Interconnection Facilities, Distribution Upgrades, or Network Upgrades consistent with PG&E's WDT GIP and Electric Rule 21, as applicable. The CMET Project is required to execute an Interconnection Agreement for each Project Resource.
4. Applicant may continue with the interconnection of resources under PG&E's WDT GIP or Rule 21 independent of a withdrawn CMET Application.

(Continued)



**ELECTRIC SCHEDULE E-CMET
COMMUNITY MICROGRID ENABLEMENT TARIFF**

Sheet 4

(N)
(N)

6. MICROGRID ISLANDING STUDY

1. In advance of the completion of the Interconnection Study, PG&E and the CMET Applicant may, at each party's discretion, agree to ~~begin the mandatory proceed with a~~ Microgrid Islanding Study.
2. ~~Once it has received an agreement with the Applicant to do so, PG&E will conduct a Microgrid Islanding Study, requiring cooperation of the Applicant, to ensure the operational safety and stability of the Community Microgrid during Islanded Operations, to determine i) the engineering and operational viability of the proposed CMET Project's Microgrid Boundary, ii) protection requirements to ensure faults within the microgrid can be detected when in Island Mode, iii) controls requirements to ensure power quality is maintained when in Island Mode, iv) telemetry and cybersecurity requirements, iv) and the required electrical system upgrades (Special Facilities) to establish the CMET Project Microgrid Boundary and microgrid operational controls, and v) the non-binding preliminary estimated costs and scheduled completion date for such Special Facilities, that will be required to enable the CMET Project.~~ This Microgrid Islanding Study will include a description of operations for the CMET Project that includes a logical architecture for the associated protection, controls, communications, cybersecurity, and other system components. One outcome of the Microgrid Islanding Study will be to produce a required Microgrid Special Facilities Agreement, pursuant to Electric Rule 2. Customer-owned microgrid controllers and protective relays must be validated by PG&E for the interoperability with PG&E's electric distribution system. PG&E ~~has will~~ published a list of ~~approved~~ equipment for microgrids in PG&E's Community Microgrid Technical Best Practices Guide and has an established process open and objective criteria for vendors to seek acceptance of equipment by PG&E.
3. CMET Applicant Review
 - a. CMET Applicant will have up to 30 calendar days to review the Microgrid Islanding Study and sign the Microgrid Special Facilities Agreement (Microgrid SFA).
 - b. If, after review of the Microgrid Special Facilities Agreement, the CMET Applicant declines to proceed with the CMET Project, the CMET Applicant will notify PG&E in writing within 5 calendar days and the Application will be deemed withdrawn.

(Continued)



ELECTRIC SCHEDULE E-CMET
COMMUNITY MICROGRID ENABLEMENT TARIFF

Sheet 5

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7. COMMUNITY MICROGRID DEVELOPMENT AND OPERATION CMET Project development and operation will be governed by the MOA and/or other similar agreement(s) to carry out this tariff. A CMET Project’s use of PG&E’s Distribution System to form a Community Microgrid requires operational coordination for public safety and overall Distribution System operation.

1. Roles and Responsibilities.

- a. Distribution Provider. PG&E as utility distribution owner and operator is responsible for Distribution Service under both Blue Sky and Island Modes including the sole determination of Emergency Events.
- b. Distribution Service. PG&E will provide Distribution Service for the customers and resources within the CMET Project during Blue Sky and Island Modes pursuant to all applicable rules on file with the CPUC.
- c. Community Microgrid Aggregator (CMG Aggregator). ~~A third party aggregator~~The entity that coordinates control of distributed resources, including Project Resources ~~and any demand side management resources~~, consistent with relevant provisions of Electric Rule 2, PG&E’s WDT GIP, and Electric Rule 21 including frequency and voltage and other power quality requirements within PG&E established control parameters to enable the CMET Project to operate in Island Mode.

2. Microgrid Operating Agreement. An MOA between the CMG Aggregator and PG&E will govern CMET Project development testing and commercial operations. The MOA will include operational coordination requirements applicable to the unique characteristics of the CMET Project and general requirements consistent with relevant provisions of Electric Rule 2, Electric Rule 21, PG&E’s WDT GIP and associated Interconnection Agreements, Project Microgrid SFA and operating protocols of the Distribution Provider to ensure operational coordination for public safety and overall system operation. The MOA is dependent upon execution of any required Interconnection Agreements and Microgrid Special Facilities Agreements.

(Continued)



**ELECTRIC SCHEDULE E-CMET
COMMUNITY MICROGRID ENABLEMENT TARIFF**

Sheet 6

(N)
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7. COMMUNITY MICROGRID DEVELOPMENT AND OPERATION (Cont'd.)

2. Microgrid Operating Agreement. (Cont'd.)

- a. Applicant and PG&E will execute a mutually agreeable MOA within 90 days of execution of the later of any applicable Interconnection or Microgrid Special Facilities Agreements.
 - b. If the ~~CMET-CMG~~ Aggregator and PG&E fail to execute a MOA within the specific time period, the Application will be considered rejected.
3. System Change. A System Change will require re-study of the changes in a new Microgrid Islanding Study.
4. PG&E reserves the right to suspend CMET Project operation, change the Microgrid Islanding Point, or other Distribution System changes required to meet its service obligations pursuant to all applicable rules on file with the CPUC.

8. CMET SERVICES AND FEES

- ~~1. PG&E services provided under this tariff will be provided pursuant to PG&E's WDT GIP or Electric Rule 21 as applicable, and other applicable tariffs or rules, as may be amended from time to time.~~
21. CMET Applicant is responsible for all applicable interconnection study fees and, subject to Section 5.3, any required distributed resource interconnection distribution upgrades and service upgrades pursuant to applicable rules including NEM or D.02-03-057 as may pertain to individual Project Resources. Such study fees and distribution upgrades may be eligible for credits to offset any applicable costs to Applicant pursuant to MIP.
32. CMET Applicant is responsible for the ~~Microgrid Pre-Application Study~~, Microgrid Islanding Study fees and subsequent Microgrid Special Facilities costs pursuant to Electric Rule 2. Such study fees and Special Facilities costs may be eligible for credits to offset any applicable costs to Applicant pursuant to the CMEP.

(Continued)



ELECTRIC SCHEDULE E-CMET
COMMUNITY MICROGRID ENABLEMENT TARIFF

Sheet 7

(N)
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9. PG&E
TARIFFS,
PROGRAMS
AND SERVICE
AGREEMENTS

1. PG&E Tariffs During Island and Blue Sky Modes. Billing for PG&E ~~Bundled~~ Customers will continue to occur under their applicable PG&E tariff provisions and rules.
2. Participation in PG&E Programs. Project Resources are eligible to provide distribution services and/or participate in demand side management programs during Blue Sky Mode consistent with applicable PG&E tariffs, programs or procurements. However, participation in PG&E programs shall not impede the ability to enable Island Mode, as determined by the Distribution provider, at any time during which this tariff applies to the CMET Project or the CMET MOA for the CMET Project is in effect.
3. Services Agreements. An existing power purchase agreement or other contract for energy, capacity or distribution services to PG&E, or any other counterparty, is prohibited for a CMET Project, if such power purchase agreement or other contract impedes the ability to enable Island Mode, as determined by Distribution Provider, at any time during which this tariff applies to the CMET Project or the CMET MOA for the CMET Project is in effect.

10. CAISO
MARKET
PARTICIPAT-
ION

1. Participation in CAISO Market: Subject to Paragraph 3 of Section 9, Project Resources ~~are may be~~ eligible to, but are not required to, participate in the CAISO markets consistent with applicable tariffs and the governing Interconnection Agreement for each Generating Facility during Blue Sky Mode. During Island Mode, the settlement of energy transactions associated with the Project Resources will continue to occur according to applicable CAISO tariff provisions and rules, as further described in the CMET MOA.

11. METERING

CMET Project metering requirements are defined in the applicable PG&E Electric Rules including, but not limited to, 2, 15, 16, 17, 18, 21, and PG&E's WDT GIP.

(Continued)



ELECTRIC SCHEDULE E-CMET
COMMUNITY MICROGRID ENABLEMENT TARIFF

Sheet 8

(N)
(N)

12. TERMINATION

1. Applicant Termination:
 - a. Applicant may terminate the application process, including Microgrid Islanding Study, for any reason with 30 days written notice. Applicant will be responsible for any PG&E costs incurred through termination date.
 - b. CMET Project development or operation may be terminated pursuant to the terms of the MOA.
2. PG&E Termination: PG&E may terminate a CMET Project pursuant to the terms of the MOA, or as otherwise provided under this Schedule.

13. CMET SPECIAL CONDITIONS

The following Special Conditions apply to PG&E's CMET:

1. CMET Suspension: Because this is an experimental tariff, PG&E may file a Tier 2 Advice Letter (AL) with the CPUC to suspend service under this Schedule. The AL will be served on the applicable CPUC service list and will be served on ~~CMET-CMG~~ Aggregators, CMET Applicants and any CMET Customers. The AL shall identify the portion of the CMET suspended, the reasons for the suspension, and PG&E's proposal for resolving the issue.

(Continued)



ELECTRIC SCHEDULE E-CMET
COMMUNITY MICROGRID ENABLEMENT TARIFF

Sheet 9

(N)
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14. CMET DEFINITIONS Capitalized terms in this Schedule have the meaning as defined in this Section.

1. Blue Sky Mode. The normal mode of operation when the Community Microgrid is Interconnected to and operating in parallel with the Distribution System, is not operating in Island Mode, and PG&E maintains operational coordination of the delivery of electric service.
2. CMET Applicant. The person or entity who submits an Application for a CMET Project to PG&E to apply to participate on this Schedule.
3. CMET Customer. A customer receiving PG&E Distribution Service within the CMET Project Microgrid Boundary.
4. CMET Project. ~~Tangible and non-tangible assets, facilities and equipment needed to create and operate a Community Microgrid, including the CMET Project Resources, Microgrid Special Facilities, CMET Project Balance of System, breakers, protective and associated equipment, improvements, and other tangible assets,~~ contract rights, easements, rights of way, licenses and other interests or rights in real estate reasonably necessary for the construction, operation, and maintenance of the Community Microgrid subject to this CMET.
5. Community Microgrid. For the purposes of this Schedule, a Community Microgrid is defined as a microgrid with distribution system connected Project Resources that supply energy to at least two customers or two customer premises connected by PG&E's distribution infrastructure -within a Microgrid Boundary capable of Island Mode.
6. Community Microgrid Aggregator (CMG Aggregator). ~~The entity that is providing microgrid forming service to PG&E under an executed CMET MOA pursuant to Rule 24As~~ defined in Section 7.1.c, above.

(Continued)



**ELECTRIC SCHEDULE E-CMET
COMMUNITY MICROGRID ENABLEMENT TARIFF**

Sheet 10

(N)
(N)

14. CMET DEFINITIONS (Cont'd.)

7. Community Microgrid Balance of System. All of the CMET Project tangible and non-tangible assets, facilities, and equipment owned or controlled by the CMG Aggregator, other than the CMET Project Resources, necessary to meet the requirements of the CMET Project as identified in the Microgrid Islanding Study

8. Community Microgrid Enablement Program (CMEP). PG&E program to enable community-proposed microgrids that provide enhanced resilience for critical facilities and vulnerable customer groups pursuant to D.20-06-017.

~~8. Critical Facility. A facility that provides critical services to the surrounding community pursuant to the definition of Critical Facilities in R.18-12-005, aligned with Department of Homeland Security's Critical Infrastructure Sectors, as may be amended by the CPUC.~~

~~998. Distribution Customer. An end-use customer taking Distribution Service from PG&E.~~

~~91010. Distribution Provider. PG&E, which owns, controls, or and operates facilities used to for the delivery of electric energy and provides Distribution Service to the customers within the Microgrid Boundary under this CMET.~~

110. Distribution Service. The transporting of electric power over and through various PG&E facilities owned by the Distribution Provider for delivery to a dDistribution Customer. The Distribution Service provided under this CMET is the distribution of capacity and energy from the point(s) of receipt to the point(s) of delivery to a Distribution Customer under this CMET.

124. Distribution System. PG&E's distribution system broadly consists of the stepdown substations, the primary distribution circuits, and the secondary distribution system. The secondary distribution system consists of the line transformers that step the primary voltage down to a secondary voltage, and the secondary conductors including service drops and meters. The provisions of this CMET apply to service on this Distribution System.

132. Effective Date. The date upon which any CPUC disposition of the CMEP Advice Letter makes that Advice Letter effective.

(Continued)



**ELECTRIC SCHEDULE E-CMET
COMMUNITY MICROGRID ENABLEMENT TARIFF**

Sheet 11

(N)
(N)

14. CMET
DEFINITIONS
(Cont'd.)

~~143.~~ Emergency Events. As determined by PG&E in its reasonable discretion, a condition or situation requiring prompt action by PG&E (a) to maintain the reliable operation of the Distribution System; (b) to prevent or limit the loss of load or generation; (c) to maintain public safety or the safety of PG&E's personnel; (d) to protect PG&E, Customer, or third-party property; or as a ~~S~~scheduled Island Mode ~~O~~operation as a preventative action ahead of impending weather events or natural disasters or in response to other unusual conditions.

~~154.~~ Generating Facility. All generators, electrical wires, equipment, and other facilities, excluding Interconnection Facilities, owned or provided by producer for the purpose of producing electric power, including storage. ~~May also be referred to as a Project Resource.~~

~~165.~~ Grid-Forming Project Resource(s). A Project Resource that, among other features, has the ability to (i) black start the CMET Project when in Island Mode and deenergized, and (ii) provide voltage and frequency stability and control within a range acceptable to PG&E during Island Mode operation.

~~15.~~ High Fire Threat District. An area where there is an elevated risk for power line fires igniting and spreading rapidly as identified in the CPUC Fire Threat Map, as may be amended.

~~176.~~ Interconnection Agreement. The agreement and associated documents or any successor agreement and associated documentation governing the terms and conditions of the interconnection of the Project Resource(s) with PG&E's grid, including any description of the plan for interconnecting the Project Resource(s) to the grid.~~An interconnection agreement executed pursuant to PG&E's Wholesale Distribution Tariff or Electric Rule 21.~~

~~187.~~ Interconnection Study. A study to establish the requirements for Interconnection of a Generating Facility with Distribution Provider's Distribution System or Transmission System, pursuant to PG&E's WDT GIP or Rule 21, as applicable.

~~198.~~ Island Mode. A mode of operation~~Operation of the Microgrid by the Distribution Provider~~ when a Microgrid that normally operates in Blue Sky Mode (parallel mode) is disconnected from the Distribution System at ~~MIP~~the Microgrid Islanding Point. The Distribution Provider will operate the Microgrid in Island Mode by (i) direct dispatch of

(Continued)



ELECTRIC SCHEDULE E-CMET
COMMUNITY MICROGRID ENABLEMENT TARIFF

Sheet 11

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(N)

Project Resources within the Microgrid Boundary, and/or (ii) by authorizing Project Resources to operate within parameters specified by the Distribution Provider for voltage, frequency, and power quality, and the Microgrid is generating or producing energy to provide electric service within the Microgrid under the operational coordination of the CMET Aggregator and Distribution Provider.

(Continued)

Advice Decision 6168-E

Issued by
Robert S. Kenney
Vice President, Regulatory Affairs

Submitted Effective Resolution April 19, 2021 April 19, 2021 E-5127



**ELECTRIC SCHEDULE E-CMET
COMMUNITY MICROGRID ENABLEMENT TARIFF**

Sheet 12

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14. CMET
DEFINITIONS
(Cont'd.)

~~2019.~~ Microgrid. An interconnected system of loads and energy resources, including, but not limited to, distributed energy resources, energy storage, demand response tools, or other management, forecasting, and analytical tools, appropriately sized to meet customer needs, within a clearly defined ~~electrical-Microgrid b~~Boundary that can act as a single, controllable entity, and can connect to, disconnect from, or run in parallel (Blue Sky Mode) with, larger portions of the electrical grid, or can be managed and isolated to withstand larger disturbances and maintain electrical supply to connected critical infrastructure.

~~210.~~ Microgrid Boundary. An electrically contiguous area beyond a Microgrid Islanding Point on the Distribution System that defines a microgrid as a single controllable entity.

~~224.~~ Microgrid Islanding Point(s). The point(s) (e.g., line recloser) on PG&E's Distribution System that establishes allows the microgrid to separate from and reconnect to the rest of the Distribution System~~interface consistent with applicable standards including IEEE 1547-2018 and IEEE 519.~~

~~232.~~ Microgrid Islanding Study. An engineering study conducted by the Distribution Provider or its agents of the microgrid operation in an Island Mode and operating mode transitions. ~~The study shall~~to determine the required modifications to the Distribution Provider's ~~D~~distribution ~~F~~facilities ~~to support Island Mode, including the~~and associated cost and scheduled completion date for such modifications, that will be required to provide the requested Microgrid Boundary and support iland Mode operation and microgrid transitions whilecapable of maintaining voltage, frequency and power quality within PG&E control parameters in accordance with Rule 2.

~~243.~~ Microgrid Operating Agreement. ~~An agreement between the PG&E and CMG Aggregator that governs CMET Project development and testing, and commercial operations to ensure safety and service quality in compliance with applicable rules~~As defined in Section 7.2.

(Continued)



ELECTRIC SCHEDULE E-CMET
COMMUNITY MICROGRID ENABLEMENT TARIFF

Sheet 13

(N)
(N)

14. CMET DEFINITIONS (Cont'd.)

~~254.~~ Microgrid Pre-Application Study. An optional preliminary study of a proposed Community Microgrid and consultation for the purpose of enabling an Applicant to develop an effective CMET Application.

~~265.~~ Microgrid Special Facilities. Those Special Facilities described in a Microgrid Special Facilities Agreement Modifications to the Distribution Provider's distribution facilities required to operationalize the Microgrid Boundary and Island Mode such that the Microgrid is capable of maintaining voltage, frequency and power quality within the Distribution Provider's control parameters in accordance with Rule 2. This shall include all CMET Project tangible and non-tangible assets, facilities, and equipment owned or controlled by PG&E that are necessary to meet the requirements of the CMET Project as identified in the Microgrid Islanding Study.

~~276.~~ Microgrid Special Facilities Agreement (Microgrid SFA). The agreement that describes the upgrades on the Distribution System, and at the project site to be installed under the terms and conditions regarding Special Facilities (or added facilities) on file with the Commission, pursuant to Electric Rule 2, and incorporated in the MOA.

~~27.~~ Outage Prone Area. Areas served by the top 1% Worst Performing Circuits excluding Major Event Days as shown in PG&E's Annual Electric Reliability Report, in either the AIDI or AIFI category, in either of the last 2 years.

~~287.~~ Non-Project Resource(s). Electric generation, storage technology, and/or demand management technology within the Microgrid Boundary that are not Project Resources.

~~28.~~ PG&E Bundled Customer. A customer receiving full retail electric service from PG&E under an applicable retail tariff.

~~29.~~ Project Resource(s). Electric generation, storage technology, and/or load management technology that the CMG Aggregator has control over consistent with relevant provisions in this Agreement to enable the CMET Project to safely and reliably operate in Island Mode. The CMG Aggregator must have at least one Grid-Forming Project Resource that has a resource controller and has grid-forming capability sufficient to allow acceptable frequency and voltage during Island Mode operation. Project Resources must comply with the emissions standards adopted by the State Air Resources Board pursuant to the distributed generation

(Continued)



ELECTRIC SCHEDULE E-CMET
COMMUNITY MICROGRID ENABLEMENT TARIFF

Sheet 13

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(N)

~~certification program requirements of Section 94203 of Title 17 of the California Code of Regulations, or any successor regulation, and must be interconnected to the Distribution System within the Microgrid Boundary (either directly as front-of-the-meter Project Resources or indirectly as behind-the-meter Project Resources) pursuant to the Wholesale Distribution Tariff or Electric Rule 21. Electric generation and storage technology used to form a microgrid that are interconnected to the Distribution System pursuant to PG&E's WDT GIP or Electric Rule 21 within the Community Microgrid Project Microgrid Boundary that complies with the emissions standards adopted by the State Air Resources Board pursuant to the distributed generation certification program requirements of Section 94203 of Title 17 of the California Code of Regulations, or any successor regulation.~~

- 30. Scheduled Island Mode Operation. A Microgrid operating in Island Mode that is scheduled and coordinated between the CMG Aggregator and PG&E.

(Continued)

Advice Decision 6168-E

Issued by
Robert S. Kenney
Vice President, Regulatory Affairs

Submitted Effective Resolution April 19, 2021 April 19, 2021 E-5127



**ELECTRIC SCHEDULE E-CMET
COMMUNITY MICROGRID ENABLEMENT TARIFF**

Sheet 14

(N)
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14. CMET
DEFINITIONS
(Cont'd.)

~~31. Service Facilities. PG&E's Service Facilities shall consist of (a) primary or secondary underground or overhead service conductors, (b) poles to support overhead service conductors, (c) service transformers, (d) PG&E-owned metering equipment, and (e) other PG&E-owned service-related equipment that extend from PG&E's Distribution Facilities to the Customer's Service Delivery Point as defined in PG&E's Electric Rule 16.~~

312. Special Facilities. Shall have the same meaning as defined in PG&E's Electric Rule 2, as may be modified from time to time.

~~33. Special Facilities Agreement. Special facilities will be installed under the terms and conditions of a contract in the form on file with the Commission, pursuant to Electric Rule 2.~~

324. System Change. ~~is a~~Any change in Project Resources, Non-Project Resources, or customer loads within the Microgrid Boundary, or other affected systems outside the Microgrid Boundary that has a material impact on the ability of a CMET Project to function in Island Mode.

~~35. Unscheduled Island Mode Operation. A Microgrid operating in Island Mode that is not scheduled or coordinated between the CMG Aggregator and PG&E in response to an unplanned event on the Distribution System.~~

(Continued)

Attachment C

Clean Sheets of the Proposed CMET

| Cal P.U.C. Sheet No. | Title of Sheet | |
|-------------------------|---|---------|
| 56661-E | ELECTRIC SCHEDULE E-CMET COMMUNITY MICROGRID ENABLEMENT TARIFF Sheet 1 | 54454-E |
| 56662-E | ELECTRIC SCHEDULE E-CMET COMMUNITY MICROGRID ENABLEMENT TARIFF Sheet 2 | 54455-E |
| 56663-E | ELECTRIC SCHEDULE E-CMET COMMUNITY MICROGRID ENABLEMENT TARIFF Sheet 3 | 54456-E |
| 56664-E | ELECTRIC SCHEDULE E-CMET COMMUNITY MICROGRID ENABLEMENT TARIFF Sheet 4 | 54457-E |
| 56665-E | ELECTRIC SCHEDULE E-CMET COMMUNITY MICROGRID ENABLEMENT TARIFF Sheet 5 | 54458-E |
| 56666-E | ELECTRIC SCHEDULE E-CMET COMMUNITY MICROGRID ENABLEMENT TARIFF Sheet 6 | 54459-E |
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| 56668-E | ELECTRIC SCHEDULE E-CMET COMMUNITY MICROGRID ENABLEMENT TARIFF Sheet 8 | 49639-E |
| 56669-E | ELECTRIC SCHEDULE E-CMET COMMUNITY MICROGRID ENABLEMENT TARIFF Sheet 9 | 54461-E |
| 56670-E | ELECTRIC SCHEDULE E-CMET COMMUNITY MICROGRID ENABLEMENT TARIFF Sheet 10 | 54462-E |
| 56671-E | ELECTRIC SCHEDULE E-CMET COMMUNITY MICROGRID ENABLEMENT TARIFF Sheet 11 | 54463-E |
| 56672-E | ELECTRIC SCHEDULE E-CMET COMMUNITY MICROGRID ENABLEMENT TARIFF Sheet 12 | 54464-E |
| 56673-E | ELECTRIC SCHEDULE E-CMET COMMUNITY MICROGRID ENABLEMENT TARIFF Sheet 13 | 54465-E |
| 56674-E | ELECTRIC SCHEDULE E-CMET COMMUNITY MICROGRID ENABLEMENT TARIFF Sheet 14 | 54466-E |

| Cal P.U.C. Sheet No. | Title of Sheet | Cancelling Cal P.U.C. Sheet No. |
|---------------------------------|---------------------------------------|--|
| 56675-E | ELECTRIC TABLE OF CONTENTS Sheet 1 | 56612-E |
| 56676-E | ELECTRIC TABLE OF CONTENTS Sheet 7 | 56646-E |



ELECTRIC SCHEDULE E-CMET
COMMUNITY MICROGRID ENABLEMENT TARIFF

Sheet 1

1. APPLICABILITY: The Community Microgrid Enablement Tariff (CMET) schedule (Schedule CMET or this Schedule) implements, in part, on an experimental basis the Community Microgrid Enablement Program (CMEP) pursuant to Public Utilities Commission (CPUC) Decision (D.) D.20-06-017 and CPUC Resolution E-5127. This CMET governs the eligibility, engineering studies, development, and island and transitional operation of Community Microgrids, as defined herein. As an experimental tariff, this Schedule is available, on a first-come, first-served basis, to applicants (CMET Applicants) who (i) meet the CMET Eligibility Criteria in Section 3, and (ii) submit a complete CMET Application (Application). This Schedule will close to CMET Applicants on the date set forth in Section 4, below. Capitalized terms specific to this tariff are defined in section 14 below.

2. TERRITORY: This schedule applies throughout PG&E’s electric service area.

3. CMET ELIGIBILITY CRITERIA: A CMET Applicant must meet all of the eligibility criteria outlined below (CMET Eligibility Criteria):

1. Community Microgrid: The CMET Project must meet the needs of at least two customers or two customer premises connected by PG&E’s distribution infrastructure within the Microgrid Boundary. All customers within the Microgrid Boundary of the CMET Project must be PG&E retail Distribution Customers; provided that, where PG&E determines in its sole discretion that inclusion of electrical loads or customers which do not take PG&E retail distribution service in a CMET Project will benefit PG&E retail Distribution Customers, PG&E may agree to the inclusion of such loads and/or customers and will submit a notice of and justification for this determination through a Tier 1 Advice Letter. (T)

2. Location: The CMET project must be located in an area served, entirely or in part, by PG&E retail distribution service. (T)

(Continued)



ELECTRIC SCHEDULE E-CMET
COMMUNITY MICROGRID ENABLEMENT TARIFF

Sheet 2

3. CMET
ELIGIBILITY
CRITERIA
(Cont'd.)

- 3. Community Microgrid Parameters: The CMET Project must include interconnected Project Resources, including a Grid-Forming Project Resource, that do not exceed 20MW in aggregated export capacity within a clearly defined Microgrid in PG&E’s Distribution System; the CMET Project must act as a single, controllable entity; the CMET Project must be able to connect to, disconnect from, and run in parallel with larger portions of the electrical grid; and the CMET Project must be capable of maintaining electrical supply and service quality when isolated to connected customers during larger grid disturbances. Project Resources must be interconnected to PG&E’s Distribution System pursuant to PG&E’s Wholesale Distribution Tariff, Attachment I “Generator Interconnection Procedures” (WDT GIP) and/or Electric Rule 21 as applicable. (T)
(T)
- 4. Pre-Application Report: The CMET Applicant has the option to complete a Community Microgrid Pre-Application Report (CM Pre-Application Report) and consultation with PG&E prior to submitting a CMET Application. (T)
- 5. Applicant Experience: The CMET Applicant must provide to PG&E an attestation that at least one current member of its development team has: (a) completed the development of at least one microgrid project of similar technology and capacity; or (b) begun construction of at least one other project of similar technology and capacity. The CMET Applicant must identify the entity(ies), if not the Applicant, that will be responsible for: (1) development of the CMET Project; and (2) acting as CMG Aggregator to coordinate operation of the CMET Project with PG&E pursuant to an executed CMET Microgrid Operating Agreement (“CMET MOA” or “MOA”). (T)
(T)

(Continued)

Advice 7042-E
Decision D.23-04-034

Issued by
Meredith Allen
Vice President, Regulatory Affairs

Submitted October 11, 2023
Effective
Resolution E-5127



ELECTRIC SCHEDULE E-CMET
COMMUNITY MICROGRID ENABLEMENT TARIFF

Sheet 3

4. CMET PERIOD CMET Availability Period: The CMET shall begin on the Effective Date and shall continue thereafter until the CPUC directs, approves, or makes effective a request by PG&E that this tariff be closed. At the close of the CMET, this Schedule will close to new Applications and no new CMET MOAs will be offered by PG&E. Applications submitted prior to the close will continue to be processed under this Schedule, unless otherwise directed by the CPUC. Any MOA executed under this Schedule will continue in effect pursuant to the terms of the agreement. (T)
(T)
5. INTERCONNECTION STUDIES
1. Each Project Resource is required to be interconnected to PG&E's Distribution System under PG&E's WDT GIP or Electric Rule 21, according to the applicability of each of those tariffs.
 2. Interconnection Study: A CMET Project will require a separate application for Interconnection Study of each of a CMET Project's proposed Project Resources pursuant to PG&E's WDT GIP or Electric Rule 21, as applicable, for each of the Generating Facilities participating as a Project Resource. (T)
(T)
 3. Interconnection Agreement: The Interconnection Study will identify any required Interconnection Facilities, Distribution Upgrades, or Network Upgrades consistent with PG&E's WDT GIP and Electric Rule 21, as applicable. The CMET Project is required to execute an Interconnection Agreement for each Project Resource.
 4. Applicant may continue with the interconnection of resources under PG&E's WDT GIP or Rule 21 independent of a withdrawn CMET Application.

(Continued)



ELECTRIC SCHEDULE E-CMET
COMMUNITY MICROGRID ENABLEMENT TARIFF

Sheet 4

6. MICROGRID ISLANDING STUDY

- 1. In advance of the completion of the Interconnection Study, PG&E and the CMET Applicant may, at each party's discretion, agree to begin the mandatory Microgrid Islanding Study. (T)
- 2. Once it has received an agreement with the Applicant to do so, PG&E will conduct a Microgrid Islanding Study, requiring cooperation of the Applicant, to ensure the operational safety and stability of the Community Microgrid during Islanded Operations. This Microgrid Islanding Study will include a description of operations for the CMET Project that includes a logical architecture for the associated protection, controls, communications, cybersecurity, and other system components. One outcome of the Microgrid Islanding Study will be to produce a required Microgrid Special Facilities Agreement, pursuant to Electric Rule 2. Customer owned microgrid controllers and protective relays must be validated by PG&E for the interoperability with PG&E's electric distribution system. PG&E has published a list of equipment for microgrids in PG&E's Community Microgrid Technical Best Practices Guide and has an established process for vendors to seek acceptance of equipment by PG&E. (T)
|
(T)
- 3. CMET Applicant Review
 - a. CMET Applicant will have up to 30 calendar days to review the Microgrid Islanding Study and sign the Microgrid Special Facilities Agreement (Microgrid SFA).
 - b. If, after review of the Microgrid Special Facilities Agreement, the CMET Applicant declines to proceed with the CMET Project, the CMET Applicant will notify PG&E in writing within 5 calendar days and the Application will be deemed withdrawn. (T)
|
(T)

(Continued)



ELECTRIC SCHEDULE E-CMET
COMMUNITY MICROGRID ENABLEMENT TARIFF

Sheet 5

7. COMMUNITY MICROGRID DEVELOPMENT AND OPERATION CMET Project development and operation will be governed by the MOA and/or other similar agreement(s) to carry out this tariff. A CMET Project’s use of PG&E’s Distribution System to form a Community Microgrid requires operational coordination for public safety and overall Distribution System operation.

1. Roles and Responsibilities.

a. Distribution Provider. PG&E as utility distribution owner and operator is responsible for Distribution Service under both Blue Sky and Island Modes including the sole determination of Emergency Events.

b. Distribution Service. PG&E will provide Distribution Service for the customers and resources within the CMET Project during Blue Sky and Island Modes pursuant to all applicable rules on file with the CPUC.

c. Community Microgrid Aggregator (CMG Aggregator). The entity that coordinates control of distributed resources, including Project Resources, consistent with relevant provisions of Electric Rule 2, PG&E’s WDT GIP, and Electric Rule 21 including frequency and voltage and other power quality requirements within PG&E established control parameters to enable the CMET Project to operate in Island Mode. (T)
|
(T)

2. Microgrid Operating Agreement. An MOA between the CMG Aggregator and PG&E will govern CMET Project development testing and commercial operations. The MOA will include operational coordination requirements applicable to the unique characteristics of the CMET Project and general requirements consistent with relevant provisions of Electric Rule 2, Electric Rule 21, PG&E’s WDT GIP and associated Interconnection Agreements, Microgrid SFA and operating protocols of the Distribution Provider to ensure operational coordination for public safety and overall system operation. The MOA is dependent upon execution of any required Interconnection Agreements and Microgrid Special Facilities Agreements. (T)
(T)

(Continued)



ELECTRIC SCHEDULE E-CMET
COMMUNITY MICROGRID ENABLEMENT TARIFF

Sheet 6

- 7. COMMUNITY MICROGRID DEVELOPMENT AND OPERATION (Cont'd.)
 - 2. Microgrid Operating Agreement. (Cont'd.)
 - a. Applicant and PG&E will execute a mutually agreeable MOA within 90 days of execution of the later of any applicable Interconnection or Microgrid Special Facilities Agreements. (T)
 - b. If the CMG Aggregator and PG&E fail to execute a MOA within the specific time period, the Application will be considered rejected. (T)
 - 3. System Change. A System Change will require re-study of the changes in a new Microgrid Islanding Study.
 - 4. PG&E reserves the right to suspend CMET Project operation, change the Microgrid Islanding Point, or other Distribution System changes required to meet its service obligations pursuant to all applicable rules on file with the CPUC.
- 8. CMET SERVICES AND FEES (D)
(D)
 - 1. CMET Applicant is responsible for all applicable interconnection study fees and, subject to Section 5.3, any required distributed resource interconnection distribution upgrades and service upgrades pursuant to applicable rules including NEM or D.02-03-057 as may pertain to individual Project Resources. Such study fees and distribution upgrades may be eligible for credits to offset any applicable costs to Applicant pursuant to MIP. (T)
(T)
 - 2. CMET Applicant is responsible for the Microgrid Islanding Study fees and subsequent Microgrid Special Facilities costs pursuant to Electric Rule 2. Such study fees and Special Facilities costs may be eligible for credits to offset any applicable costs to Applicant pursuant to the CMET. (T)
(T)

(Continued)



ELECTRIC SCHEDULE E-CMET
COMMUNITY MICROGRID ENABLEMENT TARIFF

Sheet 7

- 9. PG&E TARIFFS, PROGRAMS AND SERVICE AGREEMENTS
 - 1. PG&E Tariffs During Island and Blue Sky Modes. Billing for PG&E Customers will continue to occur under their applicable PG&E tariff provisions and rules. (T)
 - 2. Participation in PG&E Programs. Project Resources are eligible to provide distribution services and/or participate in demand side management programs during Blue Sky Mode consistent with applicable PG&E tariffs, programs or procurements. However, participation in PG&E programs shall not impede the ability to enable Island Mode, as determined by the Distribution provider, at any time during which this tariff applies to the CMET Project or the CMET MOA for the CMET Project is in effect.
 - 3. Services Agreements. An existing power purchase agreement or other contract for energy, capacity or distribution services to PG&E, or any other counterparty, is prohibited for a CMET Project, if such power purchase agreement or other contract impedes the ability to enable Island Mode, as determined by Distribution Provider, at any time during which this tariff applies to the CMET Project or the CMET MOA for the CMET Project is in effect.

- 10. CAISO MARKET PARTICIPATION
 - 1. Participation in CAISO Market: Subject to Paragraph 3 of Section 9, Project Resources may be eligible to, but are not required to, participate in the CAISO markets consistent with applicable tariffs and the governing Interconnection Agreement for each Generating Facility during Blue Sky Mode. During Island Mode, the settlement of energy transactions associated with the Project Resources will continue to occur according to applicable CAISO tariff provisions and rules, as further described in the CMET MOA. (T)
(T)

- 11. METERING

CMET Project metering requirements are defined in the applicable PG&E Electric Rules including, but not limited to, 2, 15, 16, 17, 18, 21, and PG&E's WDT GIP.

(Continued)



ELECTRIC SCHEDULE E-CMET
COMMUNITY MICROGRID ENABLEMENT TARIFF

Sheet 8

12. TERMINATION

- 1. Applicant Termination:
 - a. Applicant may terminate the application process, including Microgrid Islanding Study, for any reason with 30 days written notice. Applicant will be responsible for any PG&E costs incurred through termination date.
 - b. CMET Project development or operation may be terminated pursuant to the terms of the MOA.
- 2. PG&E Termination: PG&E may terminate a CMET Project pursuant to the terms of the MOA, or as otherwise provided under this Schedule.

(T)
(T)

13. CMET SPECIAL CONDITIONS

The following Special Conditions apply to PG&E's CMET:

- 1. CMET Suspension: Because this is an experimental tariff, PG&E may file a Tier 2 Advice Letter (AL) with the CPUC to suspend service under this Schedule. The AL will be served on the applicable CPUC service list and will be served on CMG Aggregators, CMET Applicants and any CMET Customers. The AL shall identify the portion of the CMET suspended, the reasons for the suspension, and PG&E's proposal for resolving the issue.

(T)

(Continued)



ELECTRIC SCHEDULE E-CMET
COMMUNITY MICROGRID ENABLEMENT TARIFF

Sheet 9

14. CMET DEFINITIONS Capitalized terms in this Schedule have the meaning as defined in this Section.

- 1. Blue Sky Mode. The normal mode of operation when the Community Microgrid is Interconnected to and operating in parallel with the Distribution System, is not operating in Island Mode, and PG&E maintains operational coordination of the delivery of electric service.
- 2. CMET Applicant. The person or entity who submits an Application for a CMET Project to PG&E to apply to participate on this Schedule.
- 3. CMET Customer. A customer receiving PG&E Distribution Service within the CMET Project Microgrid Boundary.
- 4. CMET Project. Tangible and non-tangible assets, facilities and equipment needed to create and operate a Community Microgrid, including the CMET Project Resources, Microgrid Special Facilities, CMET Project Balance of System, contract rights, easements, rights of way, licenses and other interests or rights in real estate reasonably necessary for the construction, operation, and maintenance of the Community Microgrid subject to this CMET. (T)
(T)
(T)
- 5. Community Microgrid. For the purposes of this Schedule, a Community Microgrid is defined as a microgrid with distribution system connected Project Resources that supply energy to at least two customers or two customer premises connected by PG&E's distribution infrastructure within a Microgrid Boundary capable of Island Mode.
- 6. Community Microgrid Aggregator (CMG Aggregator). As defined in Section 7.1.c, above. (T)
(T)

(Continued)



ELECTRIC SCHEDULE E-CMET
COMMUNITY MICROGRID ENABLEMENT TARIFF

Sheet 10

- 14. CMET DEFINITIONS (Cont'd.)
 - 7. Community Microgrid Balance of System. All of the CMET Project tangible and non-tangible assets, facilities, and equipment owned or controlled by the CMG Aggregator, other than the CMET Project Resources, necessary to meet the requirements of the CMET Project as identified in the Microgrid Islanding Study. (N)
 - 8. Community Microgrid Enablement Program (CMEP). PG&E program to enable community-proposed microgrids that provide enhanced resilience for critical facilities and vulnerable customer groups pursuant to D.20-06-017. (T)
 - 9. Distribution Customer. An end-use customer taking Distribution Service from PG&E. (N)
 - 10. Distribution Provider. PG&E, which owns, controls, and operates facilities used to provide Distribution Service to the customers within the Microgrid Boundary under this CMET. (T)
 - 11. Distribution Service. The transporting of electric power over and through various PG&E facilities owned by the Distribution Provider for delivery to a Distribution Customer. The Distribution Service provided under this CMET is the distribution of capacity and energy from the point(s) of receipt to the point(s) of delivery to a Distribution Customer under this CMET. (T)
 - 12. Distribution System. PG&E's distribution system broadly consists of the stepdown substations, the primary distribution circuits, and the secondary distribution system. The secondary distribution system consists of the line transformers that step the primary voltage down to a secondary voltage, and the secondary conductors including service drops and meters. The provisions of this CMET apply to service on this Distribution System. (T)
 - 13. Effective Date. The date upon which any CPUC disposition of the CMEP Advice Letter makes that Advice Letter effective. (T)

(Continued)



ELECTRIC SCHEDULE E-CMET
COMMUNITY MICROGRID ENABLEMENT TARIFF

Sheet 11

- 14. CMET DEFINITIONS (Cont'd.)
 - 14. Emergency Events. As determined by PG&E in its reasonable discretion, a condition or situation requiring prompt action by PG&E (a) to maintain the reliable operation of the Distribution System; (b) to prevent or limit the loss of load or generation; (c) to maintain public safety or the safety of PG&E's personnel; (d) to protect PG&E, Customer, or third-party property; or as a Scheduled Island Mode Operation as a preventative action ahead of impending weather events or natural disasters or in response to other unusual conditions. (T)
 - 15. Generating Facility. All generators, electrical wires, equipment, and other facilities, excluding Interconnection Facilities, owned or provided by producer for the purpose of producing electric power, including storage. (T)
 - 16. Grid-Forming Project Resource(s). A Project Resource that, among other features, has the ability to (i) black start the CMET Project when in Island Mode and deenergized, and (ii) provide voltage and frequency stability and control within a range acceptable to PG&E during Island Mode operation. (N)
|
(N)
(D)
(D)
 - 17. Interconnection Agreement. The agreement and associated documents or any successor agreement and associated documentation governing the terms and conditions of the interconnection of the Project Resource(s) with PG&E's grid, including any description of the plan for interconnecting the Project Resource(s) to the grid. (T)
(N)
|
(N)
 - 18. Interconnection Study. A study to establish the requirements for Interconnection of a Generating Facility with Distribution Provider's Distribution System or Transmission System, pursuant to PG&E's WDT GIP or Rule 21, as applicable. (T)
 - 19. Island Mode. Operation of the Microgrid by the Distribution Provider when a Microgrid that normally operates in Blue Sky Mode (parallel mode) is disconnected from the Distribution System at the Microgrid Islanding Point. The Distribution Provider will operate the Microgrid in Island Mode by (i) direct dispatch of Project Resources within the Microgrid Boundary, and/or (ii) by authorizing Project Resources to operate within parameters specified by the Distribution Provider for voltage, frequency, and power quality. (T)
|
(T)

(Continued)



ELECTRIC SCHEDULE E-CMET
COMMUNITY MICROGRID ENABLEMENT TARIFF

Sheet 12

- 14. CMET DEFINITIONS (Cont'd.)
- 20. Microgrid. An interconnected system of loads and energy resources, including, but not limited to, distributed energy resources, energy storage, demand response tools, or other management, forecasting, and analytical tools, appropriately sized to meet customer needs, within a clearly defined Microgrid Boundary that can act as a single, controllable entity, and can connect to, disconnect from, or run in parallel (Blue Sky Mode) with, larger portions of the electrical grid, or can be managed and isolated to withstand larger disturbances and maintain electrical supply to connected critical infrastructure. (T)
- 21. Microgrid Boundary. An electrically contiguous area beyond a Microgrid Islanding Point on the Distribution System that defines a microgrid as a single controllable entity. (T)
- 22. Microgrid Islanding Point(s) (MIP). The point(s) (e.g., line recloser) on PG&E's Distribution System that allows the microgrid to separate from and reconnect to the rest of the Distribution System. (T)
- 23. Microgrid Islanding Study. An engineering study conducted by the Distribution Provider or its agents of the microgrid operation in an Island Mode and operating mode transitions. The study shall determine the required modifications to the Distribution Provider's distribution facilities and associated cost required to support Island Mode operation and microgrid transitions while maintaining voltage, frequency and power quality within PG&E control parameters in accordance with Rule 2. (T)
- 24. Microgrid Operating Agreement. As defined in Section 7.2. (T)

(Continued)



ELECTRIC SCHEDULE E-CMET
COMMUNITY MICROGRID ENABLEMENT TARIFF

Sheet 13

14. CMET
DEFINITIONS
(Cont'd.)

25. Microgrid Pre-Application Study. An optional preliminary study of a proposed Community Microgrid and consultation for the purpose of enabling an Applicant to develop an effective CMET Application. (T)

26. Microgrid Special Facilities. Modifications to the Distribution Provider's distribution facilities required to operationalize the Microgrid Boundary and Island Mode such that the Microgrid is capable of maintaining voltage, frequency and power quality within the Distribution Provider's control parameters in accordance with Rule 2. This shall include all CMET Project tangible and non-tangible assets, facilities, and equipment owned or controlled by PG&E that are necessary to meet the requirements of the CMET Project as identified in the Microgrid Islanding Study. (T)
(N)

27. Microgrid Special Facilities Agreement (Microgrid SFA). The agreement that describes the upgrades on the Distribution System, and at the project site to be installed under the terms and conditions regarding Special Facilities (or added facilities) on file with the Commission, pursuant to Electric Rule 2, and incorporated in the MOA. (T)

28. Non-Project Resource(s). Electric generation, storage technology, and/or demand management technology within the Microgrid Boundary that are not Project Resources. (D)
(D)
(N)
(N)

(D)
(D)
(L)
(L)

(Continued)



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Attachment D

**Redline comparing the Proposed Pro Forma MOA to the
Pro Forma MOA originally submitted to the Commission
in AL 6168-E on April 19, 2021**

**COMMUNITY MICROGRID ENABLEMENT TARIFF
MICROGRID OPERATING AGREEMENT**

between

PACIFIC GAS AND ELECTRIC COMPANY

and

Dated:

~~Internal~~

|
|

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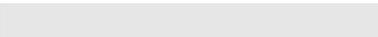
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This Community Microgrid Enablement Tariff Microgrid Operating Agreement (“Agreement” or “MOA”), together with the appendices and any other attachments referenced herein, is made and entered into between Pacific Gas and Electric Company, a California corporation (“PG&E”) and _____ a _____ as (“Community Microgrid Aggregator” or “CMG Aggregator”) as of _____ (the “Effective Date”). CMG Aggregator and PG&E are referred to individually as “Party” or collectively as “Parties”. PG&E and CMG Aggregator hereby agree to the following:

RECITALS

- A. Whereas, PG&E is a public utility providing both wholesale and retail electric power and energy sales and transmission in northern and central California and which owns an extensive electric transmission and distribution system within that area; and,
- B. Whereas, the CMG Aggregator ~~is a _____ that wishes to develop, own and operate~~ coordinate control of distributed energy resources ~~as a CMG Aggregator~~ and provide energy resiliency for end use customers through development of a Community Microgrid (“CMG”); and,
- C. Whereas, ~~PG&E desires~~ the Parties desire to enter an agreement to enable the development and operation of a Community Microgrid under PG&E’s Community Microgrid Enablement Tariff (“CMET”), which was approved by California Public Utilities Commission (“CPUC”) _____); and,
- D. Whereas, Parties agree that the CMET Project ~~is~~ Resources are governed by existing rules and tariffs and ~~required~~ require CMET Project Resource interconnection agreements when ~~the normal mode of CMET Project operation is when the Community Microgrid is~~ interconnected to and operating in parallel with the Distribution System beyond the CMET Project ~~Electrical~~ Microgrid Boundary (“Blue Sky Mode”); and,
- E. Whereas, Parties agree that the CMET Project is governed by the CMET and existing rules and tariffs when operating in disconnected mode (“Island Mode”) from PG&E’s distribution system at the ~~microgrid islanding point (“MIP”)~~ Microgrid Islanding Point, which includes transitioning into, operating in, and transitioning out of Island Mode, and safe reconnection back to PG&E’s broader Distribution System, and that ~~a Microgrid Operating~~ this Agreement ~~(“Agreement” or “MOA”)~~ is needed to define the roles and responsibilities of the Parties for the development and commissioning, and for safe, reliable operation of a CMET Project; in Island Mode; and,
- F. Whereas, CMG Aggregator’s CMET Project has undergone a Microgrid Islanding Study performed by PG&E for the CMET Project, and the CMG Aggregator has: (1) reviewed and accepted the applicable PG&E Microgrid Islanding Study report for the proposed ~~CMG~~ CMET Project; (2) reviewed and accepted the resultant draft Description of Operations; and the PG&E ~~CMET Project~~ Microgrid Special Facilities Agreement; (3) reviewed and accepted the required CMG Aggregator supplied CMET Project Balance of System and operational requirements; and (4) has committed ~~in writing~~ to enter into this Agreement and to ~~proceed with~~ govern the development and operation of the CMET Project.

Now, therefore, in consideration of the agreements contained herein, the Parties, intending to

be legally bound, agree as follows:

AGREEMENT

This Agreement shall be binding as of the Effective Date.

~~Capitalized terms used in this Agreement are defined in Appendix I – General DEFINITIONS.~~

1. TERM & TERMINATION

1.1. Term

A. The Term of this Agreement shall commence upon the Effective Date and shall continue until the earliest of ~~(i)~~:

~~(i)~~ expiration of the Development Term if the interconnection request for the CMET Project Resource is withdrawn or the CMET Project Resource fails to achieve commercial operations pursuant to its interconnection agreement,

~~(ii)~~ expiration of the Development Term if CMET Project does not ~~successfully achieve Commercial Operations,~~ (ii) satisfy all of the Development Conditions by the applicable CMET Project Development Milestones included in Appendix III-A pursuant to Section 2.3 of this Agreement,

~~(iii)~~ expiration of the Operating Term, or ~~(iii)~~

~~(i)(iv)~~ termination pursuant to Section 1.2 of this Agreement, provided that the terms and conditions of this Agreement shall thereafter remain in effect until the Parties have fulfilled all obligations arising under this Agreement.

A.B. Development Term

The “Development Term” is the period described in the Project Implementation Plan, attached hereto as Appendix III-B, commencing on the Effective Date and shall remain in effect until the CMET Project Commercial/Islanding Operation Date (COD/IOD), unless sooner terminated in accordance with Section 1.2 of this Agreement.

B.C. Operating Term

The “Operating Term” is the period commencing on the CMET Project Commercial/Islanding Operation Date, as such term is defined in Section 2.2, and shall remain in effect for a period of ten (10) years from the COD/IOD or such other longer period as the CMG Aggregator may request and shall be automatically renewed for each successive one-year period thereafter, unless terminated in accordance with Section 1.2 of this Agreement.

1.2. Termination

This Agreement shall continue in full force and effect until the occurrence of one or more of the following events:

- A. Parties mutually agree in writing to terminate the Agreement, ~~or~~
- B. The termination of any existing executed CMET Project Resource Interconnection Agreement(s), which if terminated would result in the CMET Project no longer being in compliance with the CMET requirements per the Microgrid Islanding Study, ~~or~~
- C. The CMET Project no longer meets the eligibility requirements set forth in the CMET Tariff (E-CMET),
- ~~C.D.~~ An Order from the CPUC or other Regulatory Authority with jurisdiction over either of the Parties requires that the Agreement or the CMET Project be terminated, or
- ~~D.E.~~ As provided in Section 5.2(b).B for an Event of Default.

In the event of a termination of this Agreement pursuant to Section 1.2(a).A, such termination will be effective as of the date designated in writing by the Parties. In the event of a termination pursuant to Section 1.2(b).B, such termination will be effective as of the earliest termination date of the applicable CMET Project Resource Interconnection Agreement(s), without need for further Notice by either of the Parties. ~~In the event of a termination pursuant to Sections 1.2(c) or (d), PG&E~~ In the event the CMET Project no longer meets the eligibility requirements set forth in E-CMET, pursuant to Section 1.2.C, termination will be effective thirty (30) days from delivery of Notice from PG&E of such noncompliance if CMG Aggregator is unable to cure such noncompliance. In the event of a termination pursuant to Sections 1.2.D, termination will be on a date consistent with said Order. In the event of termination pursuant to Section 1.2.E, the non-defaulting party will send a Notice specifying the basis for termination and designating a termination date.

1.3. CMET Project Suspension

During the Operating Term, this Agreement may be suspended by mutual agreement of the Parties for a period of time not to exceed six (6) months as a result of:

- A. A System Change as described in Article 4, or
- B. Written request to PG&E by the CMG Aggregator, or
- C. Written request to CMG Aggregator by PG&E.

During any such suspension period, the operational capability of the CMET Project to transition into, operate in and transition out of Island Mode will be suspended, disabled and physically locked out as prescribed in the applicable Operating Performance Requirements, Procedures and Protocols detailed in Appendix XII.

2. CMET PROJECT DEVELOPMENT

2.1. CMET Project Development Responsibilities and Conditions

~~A. CMET Project Resources and CMET Project Balance of System Facilities. The CMG Aggregator is responsible for the design, procurement, construction, installation and maintenance of the CMET Project Resources and the CMET Project Balance of System consistent with the Microgrid Islanding Study requirements and all associated costs. The CMG Aggregator shall take all actions and obtain all approvals necessary to develop the CMET Project Resources and CMET Project Balance of System pursuant to the terms of this Agreement and must complete the Development Conditions in accordance with Section 2.2.~~

~~B. CMET Project Distribution System Upgrades. The CMG Aggregator shall execute a CMET Project Special Facilities Agreement for PG&E's incremental Distribution Upgrades necessary to enable the CMET Project to operate in Island Mode as identified in the Microgrid Islanding Study. PG&E shall own and maintain these Distribution Upgrades. The CMET Project Special Facilities Agreement is incorporated in Appendix IV-B.~~

~~C.A. CMG Aggregator and PG&E shall work together to develop, construct, install, and test the CMET Project in accordance with: (1) the CMET Project Implementation Plan (PIP) as schedule set forth in Appendix III-B, and in accordance with; (2) the CMET Project Commissioning Performance Testing Technical Criteria and Commissioning Test Plan as set forth in Appendix VIII. PG&E will collaborate in good faith with the CMG Aggregator to meet A; (3) the CMET Microgrid Islanding Study attached as Appendix II; and (4) any applicable requirements in the CMET Project Resource Interconnection Agreement(s), and the Microgrid Special Facilities Agreement, that are attached hereto as Appendix IV-A and complete the Development Conditions successfully and expeditiously Appendix IV-B, respectively.~~

~~D. CMG Aggregator acknowledges that it is responsible for working with PG&E in developing the operating protocols, procedures and guidelines consistent with and pursuant to this Agreement, including, as applicable, requirements as may be contained in the CMET Project Resource Interconnection Agreement(s) and/or Agreement to Perform Tariff Schedule-Related Work, and the CMET Microgrid Islanding Study that are attached hereto as Appendix IV-A, Appendix IV-B, and Appendix II, respectively.~~

2.2. CMET Project Development Conditions

~~A.B. The CMG Aggregator and PG&E agree to collaborate in good faith to complete the CMET Project successfully and expeditiously by the Development Milestones set in Appendix III-A. CMG Aggregator and PG&E will each, as applicable, take all reasonable actions required to demonstrate the satisfaction of each of the following development conditions consistent with both (1) the CMET Project Development Milestones for which each the respective Party is responsible, as detailed in the attached Appendix III-A, and (2) the CMET Project Implementation Plan (PIP) attached as Appendix III-B (collectively, the "Development Conditions");~~

~~B. CMG Aggregator shall have prepared a Project Safety Plan that is acceptable to PG&E~~

~~no later than the applicable Milestone presented in Appendix III-A. The Project Safety Plan shall incorporate the elements described in Appendix VI and will describe how the CMG Aggregator will demonstrate compliance with the Safety Requirements during the Development Term, on the CMET Project COD and during the Operating Term.~~

- a) ~~At CMG Aggregator's expense, CMG Aggregator or Contractor shall have constructed or caused to be constructed the CMET Project and shall have demonstrated to PG&E's satisfaction that the CMET Project, including the CMET Project Resources and Project Balance of System have, has been installed, constructed and configured consistent with the requirements detailed in the CMET Microgrid Islanding Study, attached to this Agreement as Appendix II, and Commissioning Test Plan (i.e., Appendix VIII-B) no later than the applicable Development Milestones. The CMG Aggregator shall take all actions and obtain all approvals necessary to develop the CMET Project Resources and CMET Project Balance of System pursuant to the terms of this Agreement.~~
- b) ~~CMG Aggregator shall have developed Operating Procedures and Protocols for the CMET Project, consistent with the CMET Operating Performance Requirements incorporated as Appendix XII of this Agreement, that is acceptable to has been approved by PG&E no later than the applicable Development Milestone presented in Appendix III-A which must be met, and at a minimum of sixty (60) days prior to CMG Aggregator requesting Permission To Operate to Island the CMET Project. The Operating Procedures and Protocols shall be consistent with the provisions in Article 3 and be incorporated as Appendix XII of this Agreement.~~
- c) ~~CMG Aggregator shall have developed Commissioning Criteria and a Commissioning Test Plan consistent with the CMET Operating Performance Requirements incorporated as Appendix VII-XII-B of this Agreement. A Commissioning Test Plan that is acceptable has been approved by PG&E shall be submitted to PG&E no later than the applicable Development Milestone presented in Appendix III-A which must be met, and at a minimum of sixty (60) days prior to CMG Aggregator requesting Permission To Operate to Island the CMET Project. The Commissioning Criteria and Commissioning Test Plan shall be incorporated as Appendix VIII-B of this Agreement.~~
- d) ~~CMG Aggregator shall have delivered to PG&E the Multiple Use Attestation in accordance with Section 7.1.D of this Agreement in the form of Appendix X-B, and in accordance with Development Milestones presented in Appendix III-A and at a minimum of sixty (60) days prior to requesting Permission to Island the CMET Project.~~
- e) ~~CMG Aggregator shall have prepared a Project Safety Plan and Project Emergency Response Plan that has been approved by PG&E no later than the applicable Development Milestone presented in Appendix III-A. The Project Safety Plan and Project Emergency Response Plan shall incorporate the elements described in Appendix IX-A and Appendix IX-B, respectively, and will describe how the CMG Aggregator will demonstrate compliance with the Safety Requirements during the Development Term, through the CMET Project IOD and during the Operating Term.~~
- e)f) ~~CMG Aggregator shall have delivered to PG&E the Safety Attestation in the form of Appendix X-A in accordance with Appendix IX, and with the Development Milestones~~

presented in Appendix III-A, and at a minimum of sixty (60) days prior to requesting Permission to Island the CMET Project.

~~d)g)~~ _____ CMG Aggregator shall have demonstrated to PG&E's satisfaction that its operating personnel are familiar with the procedures and guidelines in this Agreement as part of the Commissioning Test Plan prior to the CMET Project operating in Blue Sky Mode or in Island Mode.

~~C. _____ CMG Aggregator shall have delivered to PG&E the Safety Attestation in accordance with Appendix VI and in the form of Appendix VII-A, and in accordance with Milestones presented in Appendix III-A and at a minimum of sixty (60) days prior to receiving Permission To Operate the CMET Project.~~

~~D. _____ CMG Aggregator shall have delivered to PG&E the Multiple Use Attestation in accordance with Section 7.1(d) of this Agreement in the form of Appendix VII-B, and in accordance with Milestones presented in Appendix III-A and at a minimum of sixty (60) days prior to receiving Permission To Operate the CMET Project.~~

PG&E is responsible for the design, procurement, construction, installation, and maintenance of the Distribution Upgrades required to enable the CMET Project to operate in Island Mode, as more particularly described in the CMET Project Resource Interconnection Agreement and Microgrid Special Facilities Agreement between PG&E and CMG Aggregator. PG&E shall own and maintain the Distribution Upgrades.

C. _____

2.3.2.2. Satisfaction of Development Conditions and ~~Commercial~~Islanding Operation Date

A. The CMG Aggregator will provide PG&E with Notice(s) that must contain sufficient documentation to demonstrate satisfaction of the Development Conditions, and the CMG Aggregator will provide additional documentation as may be requested by PG&E to demonstrate or verify such satisfaction. Upon receipt of PG&E's ~~confirmation~~Notice(s) that CMG Aggregator has satisfied all ~~of~~ Development Conditions set forth in Section 2.21, CMG Aggregator will request Permission To Operate to Island the CMET Project by completing the form attached as Appendix ~~VXI~~-A and submitting it to PG&E for review and approval, such approval not to be unreasonably ~~be~~ withheld, conditioned, or delayed.

B. Following receipt of PG&E's Permission To Operate to Island the CMET Project, the CMG Aggregator will demonstrate CMET Project performance and operational compliance with the Performance Testing Technical Criteria detailed in Appendix VIII-A and PG&E-Approved Commissioning ~~Criteria and the Commissioning~~-Test Plan as detailed in Appendix VIII-~~and-B~~. Parties will conduct CMET Project Commissioning Test per the Project Commissioning Test Plan of the CMET Project which may include, at PG&E's discretion, but not be limited to: (i) operational demonstration in Blue Sky Mode, (ii) transition to and operation in Island Mode, and (iii) transition from Island Mode to Blue Sky Mode through resynchronization with PG&E's electric system in accordance with the PG&E-approved Commissioning Test Plan.

C. The date upon which all ~~of~~ requirements of Section 2.3(a)2.A and (b)Section 2.2.B have

been completed to the reasonable satisfaction of PG&E will be the “~~Commercial Islanding~~ Operation Date” or “~~COB/IOD~~” for the CMET Project. The Parties shall memorialize the ~~Commercial Islanding~~ Operation Date by mutual execution of the “~~Commercial Islanding~~ Operation Date Confirmation Letter” attached as ~~Appendix XXI-B~~.

2.4.2.3. Failure to Meet Development Conditions

If CMG Aggregator fails to satisfy all of the Development Conditions as set forth in Section 2.21 by the applicable CMET Project Development Milestones set forth in Appendix III-A, then PG&E may declare a CMG Aggregator’s Event of Default as provided in Section 5.1 of this Agreement, ~~and CMG Aggregator may be required to develop a plan for cure or risk termination of the CMET Project pursuant to Article 5 of this Agreement.~~

3. CMET PROJECT OPERATIONS

3.1. CMET Project Operation

The CMET Project shall be capable of operation in Blue Sky Mode and Island Mode without adversely affecting the operations of the connected electric grid or the operations of the Distribution Customers within the CMET Project Electrical Microgrid Boundary and without presenting safety hazards to the public, PG&E’s or CMG Aggregator’s personnel, agents, contractors, and invitees.

3.2. Roles & Responsibilities – General

- A. PG&E is the Distribution Provider that is responsible for providing Distribution Service under both Blue Sky and Island Modes pursuant to all applicable Laws. PG&E will own, operate, and maintain the Distribution System, including any Distribution Upgrades.
- B. The CMG Aggregator is a third-party aggregator that coordinates control of distributed resources, including CMET Project Resources and any demand-side management resources, consistent with relevant provisions of Applicable Rules and Standards and Operating Performance Requirements, Procedures and Protocols as detailed in Appendix XII to enable the CMET Project to operate in Island Mode.
- C. During the Operating Term, CMG Aggregator shall at all times (i) retain operational coordination with PG&E for the CMET Project pursuant to this Agreement and applicable Operating Performance Requirements, Procedures and Protocols as shown in Appendix XII, (ii) be responsible for or cause CMG Aggregator’s agent to be responsible for maintenance of the CMET Project Resources and CMET Project Balance of System, and (iii) bear all costs related to ~~ownership, operation, scheduling, and maintenance of the CMET Project Resources and CMET Project Balance of System as required for the CMET Project to safely and reliably transition to, operate in and transition from Island Mode.~~

3.3. Roles and Responsibilities - Modes of Operation

A. Blue Sky Mode

Blue Sky Mode is when the CMET Project is operating connected and synchronized to the PG&E Distribution System at the Microgrid Islanding Point ~~(MIP)~~(s). Under Blue Sky Mode, the Parties' roles and responsibilities are as follows:

- a) CMG Aggregator is responsible for monitoring CMET Project Resources and Balance of Systems that are under their ownership and/or control, to assure availability and readiness to transition to Island Mode, either on a planned/scheduled basis or as a result of an unplanned outage of the PG&E distribution system at or beyond the MIP-Microgrid Islanding Point(s). CMG Aggregator is responsible for managing CMET Project Resources and Balance of System under their ownership and/or control or obligation in a manner consistent with Applicable Rules and Standards. CMG Aggregator is responsible for periodic testing to demonstrate availability and capability of the CMET Project pursuant to Section 3.4.35 and consistent with applicable Operating Performance Requirements, Procedures and Protocols prescribed in Appendix XII.
- b) PG&E is responsible for monitoring and control of the CMET Project equipment and systems via PG&E's SCADA Supervisory Control and Data Acquisition (SCADA) system for operational availability, readiness and compliance with PG&E designated and approved control and protection configuration and settings and for monitoring the PG&E Distribution System within the CMET Project Electrical Microgrid Boundary consistent with PG&E's role and responsibility as Distribution Provider and in conformance with all Applicable Rules and Standards. PG&E will notify CMG Aggregator of ~~a planned transition or~~ a PSPS event which could result in a transition from Blue Sky Mode to Island Mode either at the same time (to the extent the CMG Aggregator is classified as a Public Safety Partner) or at the earliest reasonably practicable opportunity after it notifies Public Safety Partners and posts to its website notice of an anticipated de-energization of transmission infrastructure, in accordance with the CMET Project Operating Performance Requirements, Procedures and Protocols set forth in Appendix XII. Unless otherwise ordered by a Regulatory Authority, PG&E shall bear no liability for any actions taken by the CMG Aggregator due to PG&E's notification of a potential PSPS event that does not ultimately result in the need for the CMET Project to enter Island Mode.

B. Island Mode

Island Mode is when the CMET Project has disconnected from the broader PG&E Distribution System at the Microgrid Islanding Point(s) and is providing power to the Distribution Customers within the CMET Project Electrical Microgrid Boundary:

- a) CMG Aggregator is responsible for monitoring and operating CMET Project Resources and Balance of System to maintain service quality as prescribed in Section 3.2. CMG Aggregator will provide on-site inspection during Island Mode operation in accordance with the Operating Performance Requirements, Procedures and Protocols set forth in Appendix XII.
- b) PG&E is responsible for monitoring the CMET Project via PG&E's SCADA system, as well as limited control for operational compliance with PG&E designated and approved

control and protection configuration and settings, and for monitoring the PG&E Distribution System within the CMET Project ~~Electrical~~Microgrid Boundary consistent with PG&E's role and responsibility as Distribution Provider. PG&E is responsible for notifying CMG Aggregator of a planned transition from Island Mode to Blue Sky Mode in accordance with the Operating Performance Requirements, Procedures and Protocols set forth in Appendix XII.

C. Maintenance

- a) The CMG Aggregator agrees to maintain all PG&E-required CMET Project devices as identified in the Microgrid Islanding Study, Appendix V, and Description of Operations in service, with controller and protection settings as recorded on a PG&E-approved relay test report and G5-1 forms described in PG&E's Distribution Interconnection Handbook and required for pre-parallel inspection of CMET Project.
- b) Proposed Requests for installation of proposed firmware updates to Balance of System owned by CMG Aggregator or proposed changes in controller and protection settings which are essential to ensure day-to-day reliability, operational security and safety, or cyber-security related to the CMET Project must be submitted in writing to PG&E for review and approval, ~~which approval will not be unreasonably withheld, conditioned, delayed.~~ PG&E will review any such proposed firmware updates, changes and modifications of ~~the existing Islanding control, protection or cybersecurity schemes~~ and associated implementation and test plan, and will provide CMG Aggregator with Notice of its approval, or of any required modifications. Upon confirmation that such modifications have been made by CMG Aggregator, PG&E will provide Notice of approval to CMG Aggregator, with confirmation that CMG Aggregator may proceed with its implementation and test plan and consistent with Operating Performance Requirements, Procedures and Protocols in Appendix XII as applicable.
- c) The CMG Aggregator agrees to comply with the requirements identified in this Agreement for CMET Project Island Mode operation and the PG&E Interconnection Handbooks for all such equipment and generation sources capable of parallel operation with PG&E's electrical system.

3.4. Operational Coordination

A. Communications

During the Operating Term, CMG Aggregator shall coordinate CMET Project operations with PG&E and maintain the CMET Project pursuant to the Operating Performance Requirements, Procedures and Protocols as described in Appendix XII.

- a) The CMG Aggregator shall maintain operating communications with the Designated PG&E ~~Switching~~Distribution Control Center at all times during the Operating Term. The operating communications shall include, but not be limited to, CMET Project status, CMET Project Resource separation, scheduled and unscheduled shutdowns, Unscheduled Island Mode and CMET Project equipment clearances, and notifications of security updates and

support pursuant to Section 12.3.42.D of this Agreement. Communications can be a combination of real-time telemetry through SCADA and person to person communications as described in Appendix XII.

- b) All oral operating communications shall be conducted through the Designated PG&E Switching Distribution Control Center. The CMG Aggregator agrees to maintain direct phone service staffed 24 hours so that PG&E can give instructions to the CMG Aggregator or its designated CMET Project operations coordinator.
- c) Parties will develop Operating Performance Requirements, Procedures and Protocols as provided in Section 2.2(e1.B(a)), to be incorporated as Appendix XII of this Agreement. The Operating Performance Requirements, Procedures and Protocols may include, but shall not be limited to, the following elements:
 1. Identify and describe parties' detailed operational roles and responsibilities under defined operating modes of i) Blue Sky Mode and ii) Island Mode, including during the transitions between such operating modes as prescribed in this Agreement.
 2. Identify responsible entities and respective Designated CMET Project Operating Representatives for specific operational activities associated with the CMET Project and PG&E.
 3. Identify communications requirements for operational notification and coordination that may include:
 - i. Any Emergency situation or any CMG Aggregator request that PG&E de-energize a portion of the PG&E Distribution System within the CMET Project.
 - ii. Any Emergency situation or any PG&E need to de-energize a portion of the PG&E Distribution System within or outside the CMET Project electrical boundary Microgrid Boundary that impacts the ability of the CMET Project to transition to and operate in Island Mode.
 - iii. Any changes in the mechanical or electric condition of the CMET Project that may affect the reliability of the PG&E electric system.
 - iv. Immediately upon discovery, any mis-operation or inoperable condition of a PG&E-required CMET Project controller, relay, circuit breaker, or other protective device.
 - v. Any curtailment or limitation in CMET Project operation resulting from any type of communications, control or hardware failure.
 - vi. Immediately upon discovery, any operation of a PG&E-required CMET Project, circuit breaker, or other protective device, including a listing and description of the protection alarm points that caused the circuit breaker or protective device to operate.
 - vii. Emergency CMET Project transition to Island Mode shall be reported as soon as conditions permit.
 - viii. Planned/Scheduled transition between Operating Modes.

- ix. Planned maintenance outage requests of the CMET Project, consistent with PG&E process, procedures and standards as applicable and as may be incorporated or referenced in Appendix XII.
- x. Planned maintenance outage of PG&E Distribution System that may impact the CMET Project that impacts the ability of the CMET Project to transition to and operate in Island Mode.
- xi. Procedures for switching, energizing/de-energizing of the PG&E Distribution and/or CMET Project.
- xii. Periodic capability and functional testing.
- xiii. Personnel authorization to access CMET Project control facilities and equipment.

B. Special Operations & Clearance Requests

- a) CMG Aggregator may request a special operation to manually island the CMET Project from the PG&E system for testing, maintenance, repairs or other reasons-as otherwise mutually agreed between the Parties. CMG Aggregator must provide PG&E notice pursuant to the Operating Performance Requirements, Procedures and Protocols prior to any such proposed special operation, including the reasons and objectives for the request, planned date/time of Island Mode operation, Island Mode duration and planned date/time of transitioning back to Blue Sky Mode. PG&E, in its sole discretion, may provide CMG Aggregator confirmation and approval of the request and will coordinate transition to Island Mode and return to Blue Sky Mode operations with the Designated PG&E SwitchingDistribution Control Center in real time when proceeding with the approved special operations.
- b) Under normal conditions, PG&E will give advance notice of plans to perform work that may affect the CMET Project access to the PG&E system, consistent with PG&E process, procedures and standards as may be applicable and incorporated or referenced in Appendix XII. The CMG Aggregator may request that such work be performed during times other than regular business hours (Non-Holidays, Monday through Friday, 8:00 A.M. to 5:00 p.m.), which PG&E may accommodate, provided that PG&E reserves the right to charge the CMG Aggregator the additional cost for work performed during times other than normal business hours when the schedule of such work is negotiable, as solely determined by PG&E. PG&E will provide the CMG Aggregator with an estimate of the additional cost and if the CMG Aggregator still desires the work to be performed during non-normal business hours and PG&E does perform the work, PG&E shall charge the CMG Aggregator the actual additional costs for the work, the amount of which shall not exceed the cost estimate.
- c) Under Emergency conditions, PG&E through the Designated PG&E SwitchingDistribution Control Center may, without notice and at any time, interrupt service to the CMET Project if a situation exists which may adversely affect the PG&E Electric System Integrity or upon any emergency request that PG&E de-energize a portion of the Distribution System under its control pursuant to Electric Rule 14.

3.5. Operating Performance Requirements

During the Operating Term, CMG Aggregator will satisfy the following operational performance requirements (collectively, the “Operating Performance Requirements”):

- A. The CMET Project must successfully meet the performance requirements as specified in Appendix II and Appendix XII.
- B. The CMG Aggregator shall demonstrate compliance with the requirements for Operational Coordination for communications, special operations and clearance requests pursuant to Section 3.4 to PG&E’s satisfaction.
- C. PG&E and CMG Aggregator will mutually develop ~~and perform an annual~~ CMET Project Performance Test ~~not later than [date]. The Parties will perform a biennial (occurring every two [2] years) CMET Project Performance Test, or as PG&E, in its sole discretion, determines the need for a test, but not to exceed more than once every 12 months.~~
 - a. As part of the CMET Project Performance Test, CMG Aggregator is to demonstrate that the CMET Project can successfully meet the operating requirements and required performance pursuant to the CMET Project Description of Operations in Appendix XII and the Microgrid Islanding Study in Appendix II as applicable. ~~CMET~~ Project Performance ~~test~~Test reports shall be mutually reviewed by PG&E and CMG Aggregator to confirm compliance with the Description of Operations.
 - b. PG&E and CMG Aggregator will mutually develop and coordinate ~~annual~~ review and Parties will perform testing of the CMET Project Balance of System to demonstrate compliance with manufacturer’s accepted specifications and applicable operating requirements pursuant to CMET Project Description of Operations detailed in Appendix XII. CMET Project Balance of System test reports shall be mutually reviewed by PG&E and CMG Aggregator to confirm compliance with the Description of Operations.
 - c. As part of the ~~annual~~ CMET Project Performance Test, PG&E may, at its option, request CMG Aggregator to demonstrate to PG&E’s ~~–~~satisfaction that its operating personnel are familiar with the Operating Performance Requirements, Procedures and Protocols in this Agreement to the CMET Project operating in Blue Sky Mode or in Island Mode and associated transitions between these operating modes.

~~B. The CMET Project must successfully meet the minimum availability and capability performance requirements specified in the Description of Operations and Microgrid Islanding Study as applicable and detailed in Appendix II.~~

~~C. The CMG Aggregator shall demonstrate to PG&E’s satisfaction, compliance with the requirements for Operational Coordination for communications, special operations and clearance requests pursuant to Section 3.4.~~

3.6. Failure to Meet CMET Operating Performance Requirements

If CMG Aggregator fails to satisfy all of the Operating Performance Requirements as set forth in Section 3.5, then PG&E may declare a CMG Aggregator's Event of Default as provided in Section 5.1 of this Agreement, and CMG Aggregator may be required to develop a cure or be subject to termination of the CMET Project pursuant to Section 5.2 of this Agreement.

4. SYSTEM CHANGE

4.1. Periodic Review

At any time and at its sole discretion, PG&E may perform a review of an existing CMET Project's Microgrid Islanding Study and evaluate the impact of any substantive changes in the original assumptions used in the CMET Project's applicable Microgrid Islanding Study regarding customer load, resources, or other operational or safety issues inside or outside the ~~Electrical~~CMET Project Microgrid Boundary of an existing CMET Project that may represent a System Change which could render the CMET Project incapable of safely operating in Island Mode, ~~or transitioning to and from Island Mode.~~

~~If PG&E determines, in its PG&E's sole discretion, that such a System Change has occurred, PG&E will notify the CMG Aggregator of this determination and perform, at its own expense a new~~ Microgrid Islanding Study ~~conducted pursuant to determine what modifications, if any, this Section 4.1 results in required upgrades to the existing CMET Project will, the CMG Aggregator shall be needed~~ responsible for and remit within forty-five days of invoicing to allow PG&E the costs incurred by PG&E to conduct the Microgrid Islanding Study. ~~If any Microgrid Islanding Study performed for the CMET Project to be capable after the initial Microgrid Islanding Study results in a determination that no upgrades are required, PG&E will bear the cost of safely transitioning from Blue Sky Mode, operating in Island Mode and transitioning back to Blue Sky Mode that Microgrid Islanding Study.~~

4.2. CMG Aggregator Proposed Changes

A. Change or Modify CMET Project Resources or Loads

- a) During the Operating Term, the CMG Aggregator may need or want to change, modify or add CMET Project Resources or incorporate CMG Aggregator-initiated changes in end-use customer loads (e.g., behind the meter resources or programs, new loads, etc.) within the existing CMET Project ~~Electrical~~Microgrid Boundary. CMG Aggregator must notify PG&E of any such proposed changes in sufficient detail to allow PG&E to make a preliminary assessment if the proposed changes would constitute a System Change. CMG Aggregator will not make any changes to the existing CMET Project without first providing Notice to PG&E and fulfilling the requirements of this Section 4.2.
- b) Upon receipt of CMG Aggregator's Notice of a proposed change as described in Section 4.2.1-A(a), PG&E will conduct a preliminary assessment to determine if the proposed changes would constitute a System Change. If, in PG&E's sole discretion, the proposed

changes would not constitute a System Change, PG&E will provide Notice to CMG Aggregator if the proposed change is acceptable, or provide feedback on necessary modifications to the proposed change. If, in PG&E's sole discretion, the proposed changes constitute a System Change, PG&E will advise CMG Aggregator and request written authorization from CMG Aggregator to proceed with a new Microgrid Islanding Study.

- c) If CMG Aggregator authorizes PG&E to proceed, PG&E will ~~develop~~perform a new Microgrid Islanding Study, based on the CMG Aggregator's proposed changes as well as any other relevant operational conditions inside or outside the CMET Project ~~Electrical~~Microgrid Boundary that PG&E deems appropriate. PG&E will provide the new Microgrid Islanding Study to the CMG Aggregator upon its completion for review. The Microgrid Islanding Study will identify what new or incremental additions to existing ~~CMET-Project~~Microgrid Resources, Special Facilities or Balance of System are required and what the cost estimate is for these changes.
- d) The CMG Aggregator will have thirty (30) Calendar Days after receipt of the new Microgrid Islanding Study and the revised Description of Operations to review and sign the new/incremental ~~PG&E-Project~~Microgrid Special Facilities Agreement and the new/revised CMET Project Balance of System requirements. CMG Aggregator may request an engineering results review within ten (10) Business Days after receipt of the MIS to review the MIS findings with PG&E and determine what modifications, if any, may permit the safe and reliable Island Mode operation. CMG Aggregator shall commit in writing to amend or revise this Agreement as applicable and to proceed with implementation of prescribed changes to enable the CMET Project to continue to safely operate in Island Mode.
- e) If the CMG Aggregator rejects the results of the new Microgrid Islanding Study, then no modifications will be made to the existing CMET Project and it will continue to operate under the existing MIS and Description of Operations.

B. Cost Responsibility

- a) CMG Aggregator is responsible for and shall remit within forty-five days of invoicing to PG&E the cost of a new Microgrid Islanding Study conducted under Section 4.2.
- b) The CMG Aggregator is responsible for all incremental costs associated with changes to the ~~CMET-Project~~Microgrid SFA and CMET Project Balance of System identified in any new Microgrid Islanding Study undertaken pursuant to Section 4.2, including any required changes to ~~IAs associated with non-participating generation within the scope of the-~~ Microgrid Islanding Study (either existing or new)-the Project Resource owner's Interconnection Agreements.

4.3. PG&E System Changes

A. New Microgrid Islanding Study

- a) At any time during the Operating Term, PG&E may need to accommodate new generation interconnection, customer load changes/new connections or accommodate other operational conditions within and/or outside the ~~electrical boundary~~Microgrid Boundary of

an existing CMET Project which may, in PG&E's sole determination result in a System Change. CMG Aggregator Proposed Changes described in Section 4.2.A(a) are specifically excluded from the definition of PG&E System Changes described in this Section 4.3.

- b) PG&E will notify the CMG Aggregator of any System Change identified pursuant to Section 4.3.4A(a). If the System Change includes a new generation interconnection within the existing CMET Project ~~Electrical~~ Microgrid Boundary, PG&E will, subject to applicable confidentiality restrictions, notify the CMG Aggregator and the CMG Aggregator, in its sole discretion, ~~and~~ may approach the owner of the new generation about potentially participating in the CMET Project.
 - c) Within fifteen (15) days of PG&E notifying the CMG Aggregator of a System Change involving new load or generation interconnection, PG&E will initiate a new Microgrid Islanding Study, assuming the new load, if applicable, will be integrated into the existing CMET Project and further assuming that the new generation ~~interconnection~~ (i.e., Non-Project Resource), if applicable, will not be ~~participating in~~ integrated as a new CMET Project Resource within the existing CMET Project, unless specifically notified by the CMG Aggregator otherwise.
 - d) PG&E will provide the new Microgrid Islanding Study to the CMG Aggregator upon completion for CMG Aggregator's review. The Microgrid Islanding Study will identify what new or incremental additions to existing CMET Project ~~resources~~ Resources, Special Facilities or Balance of System are required and provide a cost estimate for these changes.
 - e) The CMG Aggregator will have thirty (30) Calendar Days after receipt of the new Microgrid Islanding Study (which will include a revised Description of Operations) to review and sign the new/incremental ~~PG&E CMET Project~~ Microgrid Special Facilities Agreement and the new/revised CMET Project Balance of System and operational requirements. CMG Aggregator may request an engineering results review within ten (10) Business Days after receipt of the MIS to review the MIS findings with PG&E and determine what modifications, if any, may permit the safe and reliable Island Mode operation. CMG Aggregator shall commit in writing to amend or revise this Agreement as applicable and to proceed with implementation of prescribed changes to enable the CMET Project to continue to safely operate in Islanding Mode.
 - f) If the CMG Aggregator rejects the results of the new Microgrid Islanding Study, then PG&E will provide CMG Aggregator with an estimate of when the existing CMET Project will be terminated or suspended under provisions described in Section 1.2.
- B. Cost Responsibility:
- ~~a) PG&E is responsible for the cost of a new Microgrid Islanding Study prepared pursuant to Section 4.3.~~
 - a) If, in PG&E's sole discretion, a Microgrid Islanding Study conducted pursuant to this Section 4.3 results in required upgrades to the CMET Project, the CMG Aggregator shall

be responsible for and remit within forty-five days of invoicing to PG&E the costs incurred by PG&E to conduct the Microgrid Islanding Study. Except as provided in Section 4.3.B(d), if any Microgrid Islanding Study performed for the CMET Project after the initial Microgrid Islanding Study results in a determination that no upgrades are required, PG&E will bear the cost of that Microgrid Islanding Study.

- b) The CMG Aggregator is responsible for all incremental costs associated with changes to ~~CMET Project~~Microgrid SFA and CMET Project Balance of System identified in any new Microgrid Islanding Study undertaken pursuant to Section 4.1 and Section 4.3, including any incremental required changes to ~~IA requirements associated with non-participating generation within the scope of the Microgrid Islanding Study (either existing or new)~~the CMG Aggregator’s Interconnection Agreement requirements due to the CMG Aggregator making modifications to the Project Resource(s).
- c) The CMG Aggregator is not responsible for any costs associated with interconnection upgrades required to maintain safe grid operation during Blue Sky Mode as a result of a third party adding new generation or load within and/or outside the Microgrid Boundary of an existing CMET Project.
- d) The CMG Aggregator is solely responsible for and shall remit within forty-five days of invoicing to PG&E the costs reasonably incurred by PG&E to conduct a Microgrid Islanding Study if a customer requests to be removed from the CMET Project or if the CMG Aggregator is amenable to including a customer requesting to be added to the CMET project.

C. Summary Table of Cost Responsibility

For convenience, the following table summarizes the cost responsibilities under various System Change scenarios described in Section 4.1, 4.2, and 4.3. To the extent any conflict arises between the summary in this Table and other provisions of this MOA, the other provision in the MOA Section Referenced column of the Table shall control.

| <u>System Change Category</u> | <u>System Change Scenario¹</u> | <u>MOA Section Referenced</u> | <u>MIS Cost Responsibility</u> | <u>Microgrid Upgrade Cost Responsibility²</u> |
|-------------------------------|---|-------------------------------|-----------------------------------|--|
| <u>Load</u> | <u>Customer within microgrid changes panel sizing</u> | <u>4.1 or 4.3</u> | <u>CMG Aggregator³</u> | <u>CMG Aggregator</u> |

¹ PG&E, at its sole discretion, determines whether these scenarios result in a System Change requiring the need for a MIS.

² PG&E must agree to proposed upgrades before upgrades occur.

³ For the identified System Change scenarios, if the MIS results in required upgrades to the CMET Project, the CMG Aggregator shall be responsible for and remit within forty-five days of invoicing to PG&E the costs incurred by PG&E to conduct the MIS. If any MIS performed for the CMET Project after the initial MIS results in a determination that no upgrades are required, PG&E will bear the cost of that MIS.

| | | | | |
|-----------------------------------|--|-------------------|-----------------------------------|-----------------------|
| | <u>New customer load application for interconnection within the Microgrid Boundary⁴</u> | <u>4.1 or 4.3</u> | <u>CMG Aggregator³</u> | <u>CMG Aggregator</u> |
| | <u>Customer outside microgrid requests to be included</u> | <u>4.3</u> | <u>CMG Aggregator</u> | <u>CMG Aggregator</u> |
| | <u>Customer within microgrid requests to be removed from microgrid</u> | <u>4.3</u> | <u>CMG Aggregator</u> | <u>CMG Aggregator</u> |
| <u>Generation</u> | <u>Non-Project Resources added (BTM or FTM generation)⁴</u> | <u>4.1 or 4.3</u> | <u>CMG Aggregator³</u> | <u>CMG Aggregator</u> |
| | <u>Project Resource modification or addition</u> | <u>4.2</u> | <u>CMG Aggregator</u> | <u>CMG Aggregator</u> |
| | <u>CMG Aggregator proposed load management solutions (e.g., demand response)</u> | <u>4.2</u> | <u>CMG Aggregator</u> | <u>CMG Aggregator</u> |
| <u>Operational changes</u> | <u>Changes at PG&E's discretion to support DSO role</u> | <u>4.1</u> | <u>Utility</u> | <u>Utility</u> |

Table 1: Responsible Party for costs associated with a MIS and/or microgrid upgrade costs due to System Changes.

5. EVENTS OF DEFAULT, REMEDIES AND DEFAULT

5.1. Events of Default

A. CMG Aggregator

The CMG Aggregator will be deemed a “Defaulting Party” upon the occurrence of any of the following (each a “CMG Aggregator’s Event of Default”):

- a) CMG Aggregator fails to satisfy a Development Condition by the required Development Milestone date.
 1. If a CMG Aggregator anticipates that it will be unable to meet a Development Condition or Development Milestone for any reason, it shall immediately notify PG&E of the reason(s) for not meeting the Development Condition or Development Milestone and (1) propose the earliest reasonable alternate date and the means by which CMG Aggregator can attain this and future Development Conditions or Development Milestones, and, (2), if PG&E agrees with such extension request, the Parties will make appropriate amendments to Appendix III-A and/or Appendix III-B.
 2. PG&E may decline to enter into such an amendment in its reasonable discretion,

⁴ If a new customer or Non-Project Resource are uninterested in being included in the CMET Project, the customer or responsible party for the Non-Project Resource are responsible for any associated costs to be exclude from the CMET Project.

including, without limitation, if (1) it anticipates that it may suffer uncompensated economic or operational harm from the delay, (2) attainment of the same Development Condition or Development Milestone has previously been delayed, or (3) it has reason to believe that the delay in meeting the Development Condition or Development Milestone is intentional or unwarranted notwithstanding the circumstances explained by the Party proposing the amendment.

b) The CMG Aggregator fails to satisfy the Operating Performance Requirements for the CMET Project as set forth in Section 3.5 of this Agreement, as determined by PG&E in its reasonable discretion.

c) The CMG Aggregator fails to complete any of Appendices or related documents contemplated in the Appendices pursuant to the terms and conditions set forth in Article 2 CMET Project Development of this Agreement.

B. Either Party

Either Party will be deemed a “Defaulting Party” if a Party fails to perform any of its material obligations or covenants under this Agreement when and as required, and such failure is not otherwise addressed in this Section 5.1 (each an “Event of Default”).

5.2. Default Notice & Remedy

A. Upon a Default, the non-defaulting Party shall give written notice of such Default to the Defaulting Party. The defaulting Party shall have sixty (60) Calendar Days from receipt of the Default Notice within which to cure such Default; provided however, if such Default is not capable of cure within sixty (60) Calendar Days, the ~~defaulting~~Defaulting Party shall commence such cure within twenty (20) Calendar Days after notice and continuously and diligently complete such cure within six (6) months from receipt of the Default notice; and, if cured within such time, the Default specified in such notice shall cease to exist.

B. If a Default is not cured as provided in this Section 5.2, or if a Default is not capable of being cured within the period provided for herein, the non-defaulting Party shall have the right to terminate this Agreement by written notice at any time until cure occurs, and be relieved of any further obligation hereunder and, whether or not that Party terminates this Agreement, to recover from the defaulting Party all amounts due hereunder, plus all other damages and remedies to which it is entitled at law or in equity. The provisions of this ArticleSection 5.2.B will survive termination of this Agreement.

5.3. Waiver

A. The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party.

B. Any waiver at any time by either Party of its rights with respect to this Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, duty of this Agreement. Any waiver of this Agreement shall, if

requested, be provided in writing.

6. GOVERNMENTAL CHARGES

6.1. Cooperation

Each Party shall use reasonable efforts to implement the provisions of and to administer this Agreement in accordance with the intent of the Parties to minimize all taxes, so long as neither Party is materially adversely affected by such efforts.

6.2. Governmental Charges

CMG Aggregator shall pay or cause to be paid all taxes or fees imposed by any Governmental Authority (Governmental Charges) on or with respect to the CMET Project, by reason of the execution, delivery, performance or enforcement of this Agreement. Nothing shall obligate or cause a Party to pay or be liable to pay any Governmental Charges for which it is exempt under Law.

7. COVENANTS

7.1. General Covenants

Each Party covenants throughout the Term of this Agreement as follows:

- A. It shall continue to be duly organized, validly existing and in good standing under the Laws of the jurisdiction of its formation and qualified to conduct business in the State of California and in all jurisdictions where ownership of its properties or its operations require such qualifications, except where the failure to do so would not have a material adverse effect on its financial condition, its ability to own its properties or transact its business, or to carry out the transactions contemplated hereby;
- B. It shall maintain (or obtain from time to time as required, including through renewal, as applicable) all Governmental Approvals necessary for it to legally perform its obligations under this Agreement;
- C. It shall perform its obligations under this Agreement in a manner that does not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any Law applicable to it;
- D. It shall follow all rules, orders and tariffs approved or established by the CPUC and the CAISO with respect to any energy storage CMET Project Resource, including, but not limited to the multiple use application rules set forth in Appendix A of CPUC Decision 18-01-003 as that Decision may be revised in the future.

7.2. Covenants of CMG Aggregator

CMG Aggregator covenants to and for the benefit of PG&E that throughout the Operating Term (unless another time period is specified):

- A. It shall operate the CMET Project during the Operating Term in accordance with the Operating Performance Requirements, Procedures and Protocols in Appendix XII and the Safety Requirements, and,
- B. It shall comply with all applicable Laws, Applicable Rules and Standards, and Utility Distribution Company, Participating Transmission Owner, and CAISO Tariff requirements applicable to the CMET Project.

8. LIABILITY, INDEMNITY, CONSEQUENTIAL DAMAGES AND INSURANCE

8.1. Limitation of Remedies, Liability and Damages

EXCEPT AS MAY OTHERWISE BE EXPRESSLY PROVIDED IN THIS AGREEMENT, THERE IS NO WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND ANY AND ALL IMPLIED WARRANTIES ARE DISCLAIMED. THE PARTIES CONFIRM THAT THE EXPRESS REMEDIES AND MEASURES OF DAMAGES PROVIDED IN THIS AGREEMENT SATISFY THE ESSENTIAL PURPOSES HEREOF. FOR BREACH OF ANY PROVISION FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, THE OBLIGOR'S LIABILITY SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED UNLESS THE PROVISION IN QUESTION PROVIDES THAT THE EXPRESS REMEDIES ARE IN ADDITION TO OTHER REMEDIES THAT MAY BE AVAILABLE. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED HEREIN, THE OBLIGOR'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY, SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED UNLESS EXPRESSLY HEREIN PROVIDED. NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION (OTHER THAN IN SECTION 8.2) OR OTHERWISE EXCEPT TO THE EXTENT PART OF AN EXPRESS REMEDY OR MEASURE OF DAMAGES HEREIN. UNLESS EXPRESSLY HEREIN PROVIDED, AND SUBJECT TO THE PROVISIONS OF SECTION 8.2, IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS HEREIN IMPOSED ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID HEREUNDER ARE LIQUIDATED THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED HEREUNDER CONSTITUTE A REASONABLE APPROXIMATION OF THE

HARM OR LOSS.

8.2. Indemnity

- A. This provision protects each Party from liability incurred to third parties as a result of carrying out the provisions of this Agreement as applicable to the CMET Project. Liability under this provision is exempt from the general limitations on liability found in Section 8.1.
- B. The Parties shall at all times indemnify, defend, and hold the other Party harmless from, any and all damages, losses, claims, including claims and actions relating to injury to or death of any person or damage to property, demand, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties, arising out of or resulting from the other Party's action or failure to meet its obligations under this Agreement on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnified Party.
- C. If an indemnified person is entitled to indemnification under this Section 8.2 as a result of a claim by a third party, and the indemnifying Party fails, after notice and reasonable opportunity to proceed under this Section 8.2, to assume the defense of such claim, such indemnified person may at the expense of the indemnifying Party contest, settle or consent to the entry of any judgment with respect to, or pay in full, such claim.
- D. If an indemnifying party is obligated to indemnify and hold any indemnified person harmless under this Section 8.2, the amount owing to the indemnified person shall be the amount of such indemnified person's actual loss, net of any insurance or other recovery.
- E. Promptly after receipt by an indemnified person of any claim or notice of the commencement of any action or administrative or legal proceeding or investigation as to which the indemnity provided for in this Article 8 may apply, the indemnified person shall notify the indemnifying party of such fact. Any failure of or delay in such notification shall not affect a Party's indemnification obligation unless such failure or delay is materially prejudicial to the indemnifying party.

8.3. Insurance

- A. As of the Effective Date and throughout the Term (and for such additional periods as may be specified in this Section 8.3), the CMG Aggregator shall, at its own expense, provide and maintain in effect the insurance policies and minimum limits of coverage specified in this Section 8.3, and such additional coverage as may be required by Applicable Law, with insurance companies which are authorized to do business in the state in which the services are to be performed and which have an A.M. Best's Insurance Rating of not less than A-:VII. The minimum insurance requirements specified in this Section 8.3 do not in any way limit or relieve CMG Aggregator of any obligation assumed elsewhere in this Agreement, including, but not limited to, CMG Aggregator's defense and indemnity obligations.
- a) Workers' Compensation Insurance with the statutory limits required by the state having jurisdiction over CMG Aggregator's employees.

b) Employer's Liability Insurance with limits of not less than:

1. Bodily injury by accident – One Million dollars (\$1,000,000) each accident;
2. Bodily injury by disease – One Million dollars (\$1,000,000) policy limit; and
3. Bodily injury by disease – One Million dollars (\$1,000,000) each employee

c) Commercial General Liability Insurance, (which, except with the prior written consent of PG&E and subject to Sections 8.3.A.(b)(1) and (2), shall be written on an "occurrence," not a "claims-made" basis), covering all operations by or on behalf of CMG Aggregator arising out of or connected with this Agreement, including coverage for bodily injury, broad form property damage, personal and advertising injury, products/completed operations, and contractual liability. Such insurance shall bear a combined single limit per occurrence and annual aggregate of not less than one million dollars (\$1,000,000), exclusive of defense costs, for all coverages. Such insurance shall contain standard cross-liability and severability of interest provisions. If CMG Aggregator elects, with PG&E's written concurrence, to use a "claims made" form of Commercial General Liability Insurance, then the following additional requirements apply:

1. The retroactive date of the policy must be prior to the Effective Date; and
2. Either the coverage must be maintained for a period of not less than four years after the Agreement terminates, or the policy must provide for a supplemental extended reporting period of not less than four years after the Agreement terminates.

d) Commercial Automobile Liability Insurance covering bodily injury and property damage with a combined single limit of not less than \$1,000,000 per occurrence. Such insurance shall cover liability arising out of CMG Aggregator's use of all owned (if any), non-owned and hired automobiles in the performance of the Agreement.

e) Umbrella/Excess Liability Insurance, written on an "occurrence," not a "claims-made" basis, providing coverage excess of the underlying Employer's Liability, Commercial General Liability, and Commercial Automobile Liability insurance, on terms at least as broad as the underlying coverage, with limits of not less than \$10,000,000 per occurrence and in the annual aggregate. The insurance requirements of this Section 8.3 can be provided by any combination of CMG Aggregator's primary and excess liability policies.

B. The insurance required in Section 8.3.A apply as primary insurance to, without a right of contribution from, any other insurance maintained by or afforded to PG&E, its subsidiaries and affiliates, and their respective officers, directors, shareholders, agents, and employees, regardless of any conflicting provision in CMG Aggregator's policies to the contrary. To the extent permitted by Applicable Law, CMG Aggregator and its insurers are required to waive all rights of recovery from or subrogation against PG&E, its subsidiaries and affiliates, and their respective officers, directors, shareholders, agents, employees and insurers. The Commercial General Liability and Umbrella/Excess Liability insurance required above shall name PG&E, its subsidiaries and affiliates, and their respective officers, directors, shareholders, agents and

employees, as additional insureds for liability arising out of CMG Aggregator's construction, ownership or operation of the CMET Project.

C. At the time this Agreement is executed, or within a reasonable time thereafter, and within a reasonable time after coverage is renewed or replaced, CMG Aggregator shall furnish to PG&E certificates of insurance evidencing the coverage required in this Section 8.3, written on forms and with deductibles reasonably acceptable to PG&E. All deductibles, co-insurance and self-insured retentions applicable to the insurance above shall be paid by CMG Aggregator. All certificates of insurance shall note that the insurers issuing coverage shall endeavor to provide PG&E with at least 30 days' prior written notice in the event of cancellation of coverage. PG&E's receipt of certificates that do not comply with the requirements stated herein, or CMG Aggregator's failure to provide certificates, does not limit or relieve CMG Aggregator of the duties and responsibility of maintaining insurance in compliance with the requirements in this Section 8.3 and does not constitute a waiver of any of the requirements in this Section 8.3.

D. If CMG Aggregator fails to comply with any of the provisions of this Section 8.3, CMG Aggregator, among other things and without restricting PG&E's remedies under the Applicable Law or otherwise, shall, at its own cost and expense, act as an insurer and provide insurance in accordance with the terms and conditions above. With respect to the required Commercial General Liability, Umbrella/Excess Liability and Commercial Automobile Liability insurance, CMG Aggregator shall provide a current, full and complete defense to PG&E, its subsidiaries and affiliates, and their respective officers, directors, shareholders, agents, employees, assigns, and successors in interest, in response to a third party claim in the same manner that an insurer would have, had the insurance been maintained in accordance with the terms and conditions set forth above.

E. CMG Aggregator has the right to self-insure to comply with CMG Aggregator's obligations under this Section 8.3. The insurance carrier or carriers and form of policy (including any deductible amount), or any plan for self-insurance shall be subject to review and approval by PG&E, which approval may not be unreasonably withheld, conditioned or delayed.

~~A. The CMG Aggregator shall, at its own expense, maintain in force general liability insurance without any exclusion for liabilities related to the CMET Project as applicable undertakenduring the Operational Term pursuant to this Agreement. The amount of such insurance shall be sufficient to insure against all reasonably foreseeable direct liabilities given the size and operational nature of the CMET Project. Such insurance shall be obtained from an insurance provider authorized to do business in the State where the CMET Project is located. Certification that such insurance is in effect shall be provided upon request of PG&E, except that the CMG Aggregator shall show proof of insurance to PG&E no later than ten (10) Business Days prior to the anticipated commercial operation date. Islanding Operation Date. A CMG Aggregator of sufficient credit worthiness may propose to self insure for such liabilities, and such a proposal shall not be unreasonably rejected.~~

~~B. PG&E agrees to maintain general liability insurance or self-insurance consistent with the PG&E's commercial practice. Such insurance or self insurance shall not exclude coverage for the PG&E's liabilities undertaken pursuant to this Agreement.~~

~~C. The Parties further agree to notify each other whenever an accident or incident occurs resulting in any injuries or damages that are included within the scope of coverage of such insurance, whether or not such coverage is sought.~~

9. ASSIGNMENT

9.1. General Assignment

Neither Party will assign this Agreement or its rights hereunder without the prior written consent of the other Party, which consent will not be unreasonably conditioned, delayed, or withheld so long as (a) the assignee assumes the transferring Party's performance obligations under this Agreement, (b) the assignee agrees in writing to be bound by the terms and conditions hereof, (c) the transferring Party delivers evidence satisfactory to the non-transferring Party of the proposed assignee's technical and financial capability to fulfill the assigning Party's obligations hereunder, (d) the transferring Party delivers such tax and enforceability assurance as the other Party may reasonably request, and (e) in the case of CMG Aggregator as the transferring Party with a transfer to an assignee that will have operational control of the CMET Project, CMG Aggregator delivers to PG&E, upon PG&E's request, documentation to demonstrate the assignee is capable of satisfying and complying with all provisions of this Agreement.

9.2. Assignment in Connection with a Change in Control

Any direct change of control of CMG Aggregator or CMG Aggregator's Parent (whether voluntary or by operation of Law) is deemed an assignment and shall require the prior written consent of PG&E which consent shall not be unreasonably conditioned, delayed or withheld, provided that the requirements identified in Section 9.1(a) through (e) are met. CMG Aggregator shall use commercially reasonable efforts to provide PG&E (a) Notice at least ten (10) days prior to the effectiveness of any indirect change in control, and shall in any event provide such Notice no later than ten (10) Business Days after the indirect change in control, and (b) such other information as PG&E may reasonably request in connection with such change in control.

9.3. Unauthorized Assignment

Any attempted assignment that violates this Article 9 is void and ineffective. Assignment shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. An assignee is responsible for meeting the same financial, credit, and insurance obligations as the CMG Aggregator. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

10. DISPUTE RESOLUTION

The Parties agree to attempt to resolve all disputes associated with this Agreement according to the provisions of this Article 10.

10.1. Notification and Negotiation

- A. In the event of a dispute, the dispute shall be documented in a written Notice by the aggrieved Party to the other Party containing the relevant known facts pertaining to the dispute, the specific dispute and the relief sought, and express Notice by the aggrieved Party that it is invoking the procedures under this Article 10. The Notice shall be sent to the Party's email address and physical address set forth under Notices in Appendix ~~IXVII~~. A copy of the Notice shall also be sent to the Energy Division, Office of the Director, at the Commission. The receiving Party shall acknowledge the notice within five (5) Calendar Days of its receipt.
- B. Upon the aggrieved Party notifying the other Party of the dispute, each Party must designate a representative with the authority to make decisions for its respective Party to review the dispute within seven (7) Calendar Days.
- C. Upon receipt of Notice, receiving Party shall provide the aggrieved Party with all relevant regulatory and/or technical details and analysis regarding the CMET Project under dispute within twenty-one (21) Calendar Days.
- D. Within forty-five (45) Calendar Days of the date of the Notice, the Parties' ~~authorized representatives~~ Authorized Representatives will be required to meet and confer to try to resolve the dispute. Parties are expected to operate in good faith and use best efforts to resolve the dispute.
- E. If a resolution is not reached in forty-five (45) Calendar Days from the date of the notice, either 1) a Party may request to continue negotiations for an additional forty-five (45) Calendar Days or 2) the Parties may by mutual agreement make a written request for mediation to the Alternative Dispute Resolution (ADR) Coordinator in the Commission's Administrative Law Judge (ALJ) Division. The request may be submitted by electronic mail to adr_program@cpuc.ca.gov. Alternatively, both Parties by mutual agreement may request mediation from an outside third-party mediator with costs to be shared equally between the Parties.
- F. At any time, either Party may file a formal complaint before the Commission pursuant to California PUC section 1702 and Article 4 of the Commission's Rules of Practice and Procedure. Nothing in this section shall be construed to limit the rights of any Party to exercise rights and remedies under Commission law.

10.2. Performance During Dispute

- A. Pending resolution of any dispute under this Article 10, the Parties shall proceed diligently with the performance of their respective obligations under this Agreement unless this Agreement has been terminated.
- B. If a dispute for which a Party has provided a Notice pursuant to this Article 10 remains unresolved to the satisfaction of either Party more than sixty (60) days following receipt of the Notice, then either Party may exercise whatever rights and remedies it may have in equity or law consistent with the terms of this Agreement.

11. INTELLECTUAL PROPERTY, AGREEMENT DELIVERABLES AND USE RIGHTS

- 11.1. OWNERSHIP OF DELIVERABLES AND PROPRIETARY RIGHTS. PG&E shall own all data, reports, information, manuals, computer programs or other written, recorded, photographic or visual materials, proprietary rights, intellectual property or other deliverables produced or owned by PG&E in the performance of this Agreement. CMG Aggregator shall retain no interest, title or ownership including, but not limited to energy usage data and customer specific information, provided by PG&E.
- 11.2. CMG AGGREGATOR'S USE OF PG&E PROPERTY: All records, reports, computer programs, written procedures and similar materials, documents or data, in whatever form, provided by PG&E for CMG Aggregator's use to perform Work, shall remain PG&E's Confidential Information and property and be returned immediately upon completion of CMG Aggregator's use for performance of the Work or earlier upon PG&E's request. Alternatively, CMG Aggregator may destroy such information, provided an officer of CMG Aggregator certifies the destruction in writing.

12. CONFIDENTIALITY AND DATA SECURITY

12.1. CONFIDENTIALITY:

~~A. In performing Work, CMG Aggregator may have access to, or be provided with, and PG&E, Customer, consumer, household and/or employee commercial or personal confidential information. CMG Aggregator entered into a Mutual Nondisclosure Agreement dated as of [] in substantially the form of Appendix VI, attached hereto, and agrees not to comply with the terms of Appendix VI with respect to disclose or otherwise make available any confidential information to others, including any affiliate of PG&E that produces energy or energy related products or services, without PG&E's written consent. CMG Aggregator also agrees it shall not collect, use, retain or disclose personal information the Confidential Information and Personal Information (as defined in California Civil Code Section 1798.140(o)(1) for any purpose other than for the specific purpose of performing the Work or providing products under that Appendices) it collects, uses or otherwise obtains in the performance of this Agreement. CMG Aggregator shall not sell personal information as defined in California Civil Code 1798.140(o)(1) under any circumstances. "Confidential Information" shall mean:~~

- ~~a) the Customer's personal identifiable information, energy use data, billing data, account information and information relating to their facilities, equipment, processes, products, specifications, designs, records, data, software programs, finances, technologies, trade secrets, marketing plans or manufacturing processes or products; and~~
- ~~b) information about PG&E employees and business operations, informational or technological practices, ratemaking, legislative matters, reports, strategies, analysis, specifications, designs, records, data, software programs, finances, computer~~

~~models, trade secrets, and other related documentation or information related to PG&E, its parent company, subsidiaries, affiliates, third parties, suppliers; and~~

~~e) any confidential information of any third party disclosing such confidential information to PG&E or CMG Aggregator in the course of such third party's engagement, business, or other relationship with PG&E or its parent, subsidiary, or affiliated companies;~~

~~d) Personal information as defined in California Civil Code 1798.140(o)(1), and~~

~~e) PG&E Data as defined in Appendix X, Confidentiality and Data Security.~~

~~B.A. CMG Aggregator represents, certifies and warrants that it understands and will comply with the foregoing restrictions and that CMG Aggregator has no intent or reason to believe it will violate these restrictions. Upon request by PG&E, in PG&E's sole discretion, CMG Aggregator will delete or destroy any Confidential Information obtained from PG&E or in performing the Work or providing products under this Agreement, unless CMG Aggregator documents that it is lawfully prohibited from deleting or destroying such Confidential Information.~~

~~C.B. If CMG Aggregator is in doubt about whether certain information is Confidential Information, subject to Appendix VI, CMG Aggregator agrees to treat such information as Confidential Information.~~

12.2. MALICIOUS CODE:

~~D. CMG Aggregator agrees to use the Confidential Information strictly for the purpose of carrying out its obligations to perform the Work and will restrict access to the Confidential Information to those of its personnel with a need to know basis and will promptly inform PG&E if such personnel include any affiliate of PG&E that produces energy or energy-related products or services.~~

~~E. CMG Aggregator agrees to implement and maintain reasonable security procedures and practices to protect the unauthorized disclosure, destruction, and/or use of the Confidential Information.~~

~~F. The Requirements of Appendix X, Confidentiality and Data Security, and Appendix XI, Non-Disclosure and Use of Information Agreement, applies to every CMG Aggregator employee and CMG Aggregator subcontractor handling such PG&E Confidential Information and CMG Aggregator further agrees prior to its employees and/or Subcontractor's receiving this Confidential Information, CMG Aggregator will have them first execute a copy of Appendix XI. The attached Appendix X and Appendix XI are hereby incorporated by reference and are made part of this Agreement.~~

~~12.2. SECURITY: CMG Aggregator hereby represents, warrants, and covenants to PG&E that the Work, including any hardware, software, firmware, equipment and other Deliverables,~~

~~does not and upon delivery to PG&E the deliverables and work provided to PG&E will not contain or make available any Malicious Code. Without limiting any of PG&E's rights and remedies with respect thereto (all of which are expressly reserved), if For purposes of this paragraph, "Malicious Code" shall mean any (i) "back door," "drop dead device," "time bomb," "Trojan horse," "virus," "ransomware," or "worm" (as such terms are commonly understood in the software industry) or (ii) other code designed or intended to have, or capable of performing, any of the following functions: (a) disrupting, disabling, harming, interfering with or otherwise impeding in any manner the operation of, or providing unauthorized access to, an information technology system on which such code is stored or installed or (b) damaging or destroying any data or file without the user's consent. If CMG Aggregator detects or is made aware of Malicious Code in the Work any deliverable or work provided to PG&E, CMG Aggregator shall immediately notify PG&E immediately, remove such Malicious Code, remediate the effects of such Malicious Code, and restore any lost or corrupt data if applicable.~~

~~12.3. CYBER PROTECTION FOR PROGRAMMABLE DEVICES: The following requirements apply to any Deliverables under this Agreement containing software, firmware, microcode or other programmable features. These requirements apply on a continuing basis for the longer of five years and the expected service life of the deliverables as disclosed by CMG Aggregator in its product descriptions (the "Service Life"):~~

~~A. MALICIOUS CODE: CMG Aggregator represents, warrants, and covenants to PG&E that upon delivery to PG&E the Deliverables will not contain or make available any MALICIOUS CODE. Without limiting any of PG&E's rights and remedies with respect thereto (all of which are expressly reserved), if CMG Aggregator detects or is made aware of Malicious Code in the Deliverables during the Service Life, CMG Aggregator shall immediately notify PG&E. If PG&E has not put the Deliverables into use, CMG Aggregator shall remove such Malicious Code, remediate its effects and certify the Malicious Code has been removed. If the Deliverables are in use, CMG Aggregator shall assist PG&E to remove the Malicious Code in accordance with the Section below "Security Updates and Support."~~

~~B. CYBERSECURITY SPECIFICATIONS: CMG Aggregator hereby represents, warrants, and covenants that the Deliverables comply with the cybersecurity features and functions, if any, described in the associated specifications.~~

~~C. SECURITY VULNERABILITIES AND TESTS: CMG Aggregator acknowledges the Deliverables may be subject to security testing by PG&E or its security testing consultants before the Deliverables are accepted, or at any time during their Service Life. If the Deliverables are integrated with products supplied by third parties, that third party may also be involved in the testing process. CMG Aggregator agrees to fully cooperate with such tests that may include: (a) providing source code and other documentation (which PG&E shall use solely for testing purposes), and (b) providing a representative with suitable technical expertise to participate in the tests. The conduct and results of the tests, including any security vulnerabilities identified in or during the tests, shall be PG&E Confidential Information. Tests identifying any security vulnerabilities will be resolved in~~

~~accordance with the following Section, Security Updates and Support.~~

~~SECURITY UPDATES AND SUPPORT: Should CMG Aggregator detect or become aware of any Malicious Code or security vulnerability in the Deliverables during their Service Life, CMG Aggregator without delay shall notify PG&E. If Malicious Code or security vulnerability is identified during the Service Life, CMG Aggregator shall provide an update or revision to the Deliverables to remove the Malicious Code and/or cure the vulnerability (a "Security Patch") without delay and at no charge. Upon PG&E's request, CMG Aggregator also agrees to assist PG&E in implementing the Security Patch and at no charge.~~

13. GENERAL PROVISIONS

13.1. General

All attached Appendices are hereby incorporated by reference and are made part of this Agreement. This Agreement shall be considered for all purposes as prepared through the joint efforts of the Parties and shall not be construed against one Party or the other as a result of the preparation, substitution, submission or other event of negotiation, drafting or execution hereof. No amendment or modification to this Agreement shall be enforceable unless reduced to a writing signed by all Parties. This Agreement shall not impart any rights enforceable by any third party (other than a permitted successor or assignee bound to this Agreement). The headings used herein are for convenience and reference purposes only.

13.2. Severability

If any provision in this Agreement is determined to be invalid, void or unenforceable by any court having jurisdiction, such determination shall not invalidate, void, or make unenforceable any other provision, agreement or covenant of this Agreement and the Parties shall use their best efforts to modify this Agreement to give effect to the original intention of the Parties.

13.3. Counterparts

This Agreement may be executed in one or more counterparts each of which shall be deemed an original and all of which shall be deemed one and the same Agreement. Delivery of an executed counterpart of this Agreement by e-mail will be deemed as effective as delivery of an originally executed counterpart. Any Party delivering an executed counterpart of this Agreement by e-mail will also deliver an originally executed counterpart, but the failure of any Party to deliver an originally executed counterpart of this Agreement will not affect the validity or effectiveness of this Agreement.

13.4. Mobile Sierra

Notwithstanding any provision of this Agreement, neither Party shall seek, nor shall they support any third party seeking, to prospectively or retroactively revise the rates, terms or conditions of service of this Agreement through application or complaint to the Federal Energy Regulatory

Commission (FERC) pursuant to the provisions of the Federal Power Act, absent prior written agreement of the Parties. Further, absent the prior written agreement in writing by both Parties, the standard of review for changes to the rates, terms or conditions of service of this Agreement proposed by a Party, a non-Party, or the FERC acting sua sponte shall be the “public interest” standard of review set forth in *United States Gas Pipe Line Co. v. Mobile Gas Service Corp.*, 350 U.S. 332 (1956) and *Federal Power Commission v. Sierra Pacific Power Co.*, 350 U.S. 348 (1956), and clarified by *Morgan Stanley Capital Group, Inc. v. Public Util. Dist. No. 1 of Snohomish*, 554 U.S. 527 (2008).

13.5. Interpretation

The following rules of interpretation apply:

- A. The term “including” means “including without limitation”; the terms “year” and “calendar year” mean the period of months from January 1 through and including December 31; the term “month” means a calendar month unless otherwise indicated, and a “day” means a 24-hour period beginning at 12:00:01 a.m. and ending at 12:00:00 midnight; provided that a “day” may be 23 or 25 hours on those days on which daylight saving time begins or ends, respectively.
- B. Unless otherwise specified herein, where the consent of a Party is required, such consent shall not be unreasonably withheld, unreasonably conditioned or unreasonably delayed.
- C. Unless otherwise specified herein, all references herein to any agreement or other document of any description shall be construed to give effect to amendments, supplements, modifications or any superseding agreement or document as then exist at the applicable time to which such construction applies unless otherwise specified.
- D. In the event of any conflict between the terms and conditions of this Agreement and any of the following agreements, the terms and conditions of the following agreements will control: the CMET, any CMET Project Interconnection Agreements under PG&E’s Electric Rule 21 or PG&E’s Wholesale Distribution Tariff, PG&E’s Electric Rule 2, and any CMET Project Microgrid Special Facilities Agreements.
- E. Capitalized terms used in this Agreement, including the appendices hereto, have the meaning set forth in Appendix I, unless otherwise specified.
- F. References in the singular include references in the plural and vice versa, pronouns having masculine or feminine gender will be deemed to include the other, and words denoting natural persons include partnerships, firms, companies, corporations, limited liability companies, joint ventures, trusts, associations, organizations or other entities (whether or not having a separate legal personality). Other grammatical forms of defined words or phrases have corresponding meanings.
- G. Words not otherwise defined herein that have well known and generally accepted technical or trade meanings are used herein in accordance with such recognized meanings. Words referring to market rules, activities and practice have the meaning generally ascribed to such words in California.

H. References to a particular Article, subsection, paragraph, subparagraph, appendix or attachment will, unless specified otherwise, be a reference to that Article, subsection, paragraph, subparagraph, appendix or attachment in or to this Agreement.

I. Any reference in this Agreement to any natural person, Governmental Authority, corporation, limited liability company, partnership or other legal entity includes its permitted successors and assigns or to any natural person, Governmental Authority, corporation, limited liability company, partnership or other legal entity succeeding to its functions.

J. All references to dollars or "\$" are to U.S. dollars.

K. When an action is required to be completed on a Business Day, such action must be completed prior to 5:00 p.m. on such day, Pacific prevailing time, and actions occurring after 5:00 p.m. (such as the delivery of a Notice) will be deemed to have occurred on the following Business Day.

13.6. Recordings

~~Unless a Party expressly objects to a recording at the beginning of a telephone conversation, each Party consents to the creation of an electronic recording of all telephone conversations between the Parties to this Agreement related to the scheduling of any transition to or return from Island Mode or any other operational coordination or maintenance request, and that any such recordings will be retained in confidence, secured from improper access, and may be submitted in evidence in any proceeding or action relating to this Agreement, subject to the confidentiality provisions of Article 12. Each Party waives any further notice of such monitoring or recording and agrees to notify its officers and employees of such monitoring or recording and to obtain any necessary consent of such officers and employees. Failure of a Party either to provide such notification or obtain such consent shall not in any way limit the use of the recordings pursuant to this Agreement.~~

No conversation between the Parties may be recorded by a Party without the express consent of the other Party.

13.7. Authorized Representatives

Each Party shall provide Notice to the other Party of the persons authorized to make or receive other Notices on behalf of such Party or to represent a Party ("Authorized Representative") and in connection with such Notices and specify the scope of their individual authority and responsibilities. Either Party may change its designation of such persons and the scope of their individual authorities and responsibilities from time to time in its sole discretion by providing Notice.

13.8. No Dedication

Nothing in this Agreement shall be construed to create any duty to, any standard of care with reference to, or any liability to any Person not a Party to this Agreement. No undertaking by one Party to the other Party under any provision of this Agreement shall constitute the

dedication of that Party's system or any portion thereof to the other Party or the public, nor affect the status of PG&E as an independent public utility corporation or CMG Aggregator as an independent individual or entity.

13.9. Governing Law

THIS AGREEMENT AND THE RIGHTS AND DUTIES OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY AND CONSTRUED, ENFORCED AND PERFORMED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA, WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAW. TO THE EXTENT ENFORCEABLE AT SUCH TIME, EACH PARTY WAIVES ITS RESPECTIVE RIGHT TO ANY JURY TRIAL WITH RESPECT TO ANY LITIGATION ARISING UNDER OR IN CONNECTION WITH THIS AGREEMENT.

13.10. Taxes

- A. The Parties agree to follow all applicable tax laws and regulations.
- B. Each Party shall cooperate with the other to maintain the other Party's tax status. Nothing in this Agreement is intended to adversely affect PG&E's tax exempt status with respect to the issuance of bonds including, but not limited to, local furnishing bonds.

13.11 Regulatory Oversight

A. This Agreement shall be subject to changes or modifications by the Public Utilities Commission of the State of California, as said Commission may, from time to time, direct in the exercise of its jurisdiction.

14. NOTICES

14.1. Notices

Whenever this Agreement requires or permits delivery of a Notice (or requires a Party to "Notify"), the Party with such right or obligation shall provide a written communication in the manner specified below. Notices may be sent by overnight mail or courier or e-mail. Invoices may be sent by e-mail. A Notice sent by e-mail will be recognized and shall be deemed received on the Business Day on which such Notice was transmitted if received before 5 p.m. Pacific prevailing time (and if received after 5 p.m., on the next Business Day) and a Notice by overnight mail or courier shall be deemed to have been received two (2) Business Days after it was sent or such earlier time as is confirmed by the receiving Party. Appendix XVII contains the names and addresses to be used for Notices.

APPENDIX I-A – Acronyms

CAISO - California Independent System Operator

CCA - Community Choice Aggregator

CMET - Community Microgrid Enablement Tariff

CMG - Community Microgrid

CPUC - California Public Utilities Commission

FERC – Federal Energy Regulatory Commission

IOD - Islanding Operation Date

MIS - Microgrid Island Study

MOA - Microgrid Operating Agreement

PG&E - Pacific Gas and Electric Company

PSP – Public Safety Partner

APPENDIX I-B – General Definitions

1. **Affiliate.** Affiliate of a Person means any other Person that (a) directly or indirectly controls the specified Person; (b) is controlled by or is under direct or indirect common control with the specified Person; or (c) is an officer, director, employee, representative or agent or subsidiary of the Person. For the purposes of this definition, “control”, when used with respect to any specified Person, means the power to direct the management or policies of the specified Person, directly or indirectly, through one or more intermediaries, whether through the ownership of voting securities, partnership or limited liability company interests, by contract or otherwise.
- ~~2. **Agreement to Perform Tariff Schedule Related Work.** PG&E Form 62-4527, wherein PG&E agrees to perform the Customer requested work and furnish all necessary labor, equipment, materials and related facilities required and is used for interconnecting PG&E’s Electric Rule 21 CMET Project Resources.~~
- ~~3.2. **Alternative Dispute Resolution (ADR).** ADR means processes, such as facilitation, negotiation, mediation, and early neutral evaluation (or a combination of those techniques), that help disputants resolve a conflict without a formal decision by a court or agency.~~
- ~~4.3. **Applicable Rules and Standards.** PG&E’s approved tariffs, as those tariffs may be updated from time to time, including, but not limited to, PG&E’s Electric Rule 2, PG&E’s Wholesale Distribution Tariff, CMET and PG&E’s Electric Rule 21.~~
- ~~5.4. **Authorized Representative.** As defined in Section 13.7.~~
- ~~6. **Balancing Authority.** Has the meaning set forth in the CAISO Tariff.~~
- ~~7.5. **Blue Sky Mode.** The normal mode of operation when the Community Microgrid is Interconnected to and operating in parallel with the Distribution System, is not operating in Island Mode, and PG&E maintains operational coordination of the delivery of electric service.~~
- ~~8.6. **Business Day.** Monday through Friday, excluding Federal Holidays and the Friday after Thanksgiving.~~
- ~~9.7. **CAISO.** The California Independent System Operator Corporation or any successor entity performing similar functions.~~
- ~~10.8. **CAISO Tariff.** The CAISO Fifth Replacement FERC Electric Tariff and protocol provisions, including any CAISO-published procedures or business practice manuals, as they may be amended, supplemented or replaced (in whole or in part) from time to time.~~
- ~~11.9. **Calendar Day.** Any day, including Saturday, Sunday or a Federal and State Holiday.~~
10. **California Public Utility Commission (“Commission” or “CPUC”).** The Public Utilities Commission of the State of California.

- ~~12.11.~~ **CMET Project.** ~~Facilities~~ Tangible and non-tangible assets, facilities, and equipment needed to create and operate a Community Microgrid, including the CMET Project Resources, Microgrid Special Facilities, CMET Project Balance of System, ~~breakers, protective and associated equipment,~~ ~~improvements, other tangible assets,~~ contract rights, easements, rights of way, licenses and other interests or rights in real estate reasonably necessary for the construction, operation, and maintenance of the Community Microgrid subject to this CMET.
- ~~13.12.~~ **CMET Project Balance of System.** All of the ~~microgrid-~~ ~~components~~ CMET Project tangible and non-tangible assets, facilities, and equipment owned or controlled by the CMG Aggregator, other than the CMET Project Resources ~~and any demand resources,~~ necessary to meet the requirements of the CMET Project as identified in the Microgrid Islanding Study. ~~— and listed in Appendix V – CMET Project Resources and CMET Project Balance of System Facilities.~~
- ~~14.~~ ~~CMET Commissioning Criteria and Commissioning Test Plan.~~ ~~— As defined in Appendix VIII.~~
- ~~15.~~ ~~CMET Project Commissioning Test.~~ ~~— All required operational testing of the CMET Project individual components and integrated system requirements as identified in the CMET Project commissioning criteria necessary to achieve commercial operation.~~
- ~~16.1.~~ ~~CMET Project Electrical Boundary.~~ **CMET Project Commissioning Test.** A full scope test as defined in Appendix VIII-B performed on-site to demonstrate the CMET Project's ability to meet the operational safety and performance requirements as installed including the CMG Aggregator's ability to provide support, maintenance, and logistical requirements as needed. This test must be performed prior to Islanding Operation Date or any time interface hardware or software is changed that may affect islanding functions. — An electrically- ~~contiguous area beyond a Microgrid Islanding Point on the Distribution System that defines a microgrid as a single controllable entity.~~
- ~~17.13.~~ **CMET Project Performance Test.** Test procedures to verify the CMET Project's ability to operate safely and meet the performance obligations according to the requirements specified in this Agreement. Each CMET Project Performance Test will be conducted in general accordance with the procedures set forth in the Performance Testing Technical Criteria detailed in Appendix VIII-A and Operational Protocols and Procedures detailed in Appendix XII [and as applicable: other performance test codes, depending on the technology, products, and operational limitations].
- ~~18.~~ **CMET Project Special Facilities.** ~~— PG&E's Distribution Upgrades to enable-~~ ~~CMET Project microgrid operation identified~~ **Performance Testing Technical Criteria.** A set of performance and testing requirements (criteria) developed by PG&E and defined in the Microgrid Islanding Study ~~and subject to final report and attached as Appendix VIII-A that must be satisfied by the~~ CMET Project Special-

~~Facilities Agreement pursuant to Rule 2.~~

~~19.14. CMET Project Special Facilities Agreement or "Project SFA". A Special Facilities Agreement for CMG Aggregator before the PG&E Distribution Upgrades necessary to enable Blue Sky and Island Mode operations pursuant to Rule 2 CMET Project can achieve Islanding Operation Date.~~

~~20.15. **CMET Project Resource(s).** Electric generation ~~and~~ storage technology ~~used to form a microgrid that are interconnected to the Distribution System pursuant to PG&E's Wholesale Distribution Tariff or Electric Rule 21 within~~, and/or load management technology that the CMG Aggregator has control over consistent with relevant provisions in this Agreement to enable the CMET Project Microgrid Electrical Boundary that complies to safely and reliably operate in Island Mode. The CMG Aggregator must have at least one Grid-Forming Project Resource that has a resource controller and has grid-forming capability sufficient to allow acceptable frequency and voltage during Island Mode operation. Project Resources must comply with the emissions standards adopted by the State Air Resources Board pursuant to the distributed generation certification program requirements of Section 94203 of Title 17 of the California Code of Regulations, or any successor regulation, and must be interconnected to the Distribution System within the Microgrid Boundary (either directly as front-of-the-meter Project Resources or indirectly as behind-the-meter Project Resources) pursuant to the Wholesale Distribution Tariff or PG&E's Electric Rule 21.~~

~~21. Community Microgrid.~~ For the purposes of this Schedule, a Community Microgrid is defined as a microgrid with distribution system connected Project Resources that supply energy to at least one Critical Facility and at least one other customer within a Microgrid Boundary capable of Island Mode.

~~22. Commercial Operation Date.~~ Means the date stated in CMG Aggregator's Notice, substantially in the form of Appendix V upon which the CMET Project begins Commercial Operations.

~~23. Commercial Operations.~~ Means that a "Commercial Operation Date Confirmation Letter" attached as Appendix V-B has been mutually executed and the CMET Project is placed into service for the purposes of providing energy resiliency for end use customers.

~~24. California Public Utility Commission or Commission or CPUC.~~ The Public Utilities Commission of the State of California

~~25.16. **Community Microgrid (CMG).**~~ As defined in PG&E's Community Microgrid Enablement Tariff.

~~26.17. **Community Microgrid Aggregator (CMG Aggregator).**~~ The entity that is counterparty to PG&E in this agreement. The entity that coordinates control of distributed resources, including Project Resources, consistent with relevant provisions of PG&E's Electric Rule 2, PG&E's Wholesale Distribution Tariff Generator Interconnection Procedures-, and PG&E's Electric Rule 21 including

frequency and voltage and other power quality requirements within PG&E established control parameters to enable the CMET Project to operate in Island Mode.

27-18. Community Microgrid Aggregator Parent (CMG Aggregator Parent).

Any entity or Person that directly holds fifty percent (50%) or more of the equity interests in CMG Aggregator.

28-19. Confidential Information. As defined in Article 12 of this Agreement.

29-20. Contractor. The engineering, procurement and construction contractor and its subcontractors, as well as Seller or Seller's Affiliates ~~and~~ **and** their subcontractors if any such entities are developing, constructing, operating or maintaining the CMET Project during the Term, and any entity or person under contract with ~~Seller or Seller's Affiliates~~ the engineering, procurement and construction contractor and its subcontractors, for the purpose of developing, constructing, operating or maintaining the CMET Project during the Term.

30-21. Contractor Safety Program Requirements. Means all of the following:

(a) The standards in PG&E's Contractor Safety Program Contract Requirements regarding pre-qualification requirements and safety requirements for work as if CMG Aggregator were a contractor performing high or medium risk work for PG&E thereunder, which as of the Effective Date can be found at

https://www.pge.com/includes/docs/pdfs/b2b/purchasing/suppliers/contractorsafety/ContractorSafetyProgram_Requirements.pdf; and

(b) The standards in Section 2.2 of the Settlement Agreement and Corrective Action Plan of Pacific Gas and Electric Company before the CPUC dated February 10, 2015 (Investigation 14-08-022).

(c) Any additional, supplementary or successor safety standards, processes, or requirements, implemented or deemed appropriate by PG&E during the Term and applicable to CMG Aggregator, its Contractors and Subcontractors performing work related to the CMET Project.

31-22. Defaulting Party. The Party that is subject to an Event of Default.

23. Deliverables. Deliverables shall mean any product of Work furnished by one Party to the other including data, reports, information, manuals, computer programs, hardware, software, firmware, equipment, code, or other written, recorded, photographic or visual materials, proprietary rights, or intellectual property.

32-24. Description of Operations. The engineering report resulting from the Microgrid Islanding Study that describes the CMET Project functional operation and identifies the technical requirements for PG&E's Distribution System and the CMG Aggregator's Balance of System and Project Resources to provide the Microgrid Boundary and Island mode operation including minimum Project Resource energy production availability and capabilities. The Description of Operations will also identify the protection and control and related systems

requirements for safe operation and to maintain voltage, frequency and power quality within PG&E control parameters in accordance with PG&E's Electric Rule 2.

~~33-25.~~ **Designated CMET Project Operating Representative**— Designated operating representative(s) to conduct the communications which may be necessary or convenient for the administration of this Agreement. This person will also serve as the point of contact with respect to operations and maintenance of the CMET Project.

~~34-26.~~ **Designated PG&E ~~Switching~~Distribution Control Center**— The PG&E location identified in of this Agreement, with operational jurisdiction over the Load Entity's Substation. The Designated PG&E ~~Switching~~Distribution Control Center is staffed 24 hours a day.

~~35-27.~~ **Development Conditions.** The actions that CMG Aggregator must take and provide PG&E with ~~notification~~notice of during the Development Term.

28. Development Milestones. Key development activities and the agreed upon completion dates required for the development and operation of the CMET Project as set forth in Appendix III of this Agreement.

~~36-29.~~ **Development Term.** The "Development Term" is the period commencing on the Effective Date and shall remain in effect until the CMET Project ~~Commercial~~Islanding Operation Date (~~GOB~~IOD), unless sooner terminated in accordance with Section 1.2 of this Agreement.

30. Distribution Customer. An end-use customer taking Distribution Service from PG&E.

~~37-1.~~ ~~**Distribution Provider.**~~ ~~**Distribution Customer.**~~ ~~An end-use customer taking Distribution Service from PG&E.~~

~~38-31.~~ ~~**Distribution Provider.**~~ PG&E, which owns, controls, ~~or~~and operates facilities used ~~for the delivery of electric energy and provided to provide~~ Distribution Service to the customers within the Microgrid Boundary under this CMET.

~~39-32.~~ **Distribution Service.** The transporting of electric power over and through various PG&E facilities owned by the Distribution Provider for delivery to a Distribution Customer. ~~The Distribution Service provided under this CMET is the distribution of capacity and energy from the Point(s) of Receipt to the Point(s) of Delivery under this CMET.~~

~~40-33.~~ **Distribution System.** PG&E's distribution system broadly consists of the stepdown transformation within substations, the primary distribution circuits, and the secondary distribution system. The secondary distribution system consists of the line transformers that step the primary voltage down to a secondary voltage, and the secondary conductors including service drops and meters.

~~41-34.~~ **Distribution Upgrades.** The additions, modifications, and upgrades to

PG&E's Distribution System necessary to facilitate construction and microgrid operation of the CMET Project. Distribution Upgrades do not include the CMG Aggregator's CMET Project Balance of System.

~~42-35.~~ **Effective Date.** The later of the date upon which both Parties have executed this Agreement.

~~43-36.~~ **Emergency.** An abnormal condition or situation that adversely affects, or potentially may adversely affect, PG&E's Electric System Integrity.

~~44-37.~~ **Emergency Event.** As determined by PG&E in its reasonable discretion, a condition or situation requiring prompt action by PG&E (a) to maintain the reliable operation of the Distribution System; (b) to prevent or limit the loss of load or generation; (c) to maintain public safety or the safety of PG&E's personnel; (d) to protect PG&E, Customer, or third-party property; or as a Scheduled Island Mode as a preventative action ahead of impending weather events or natural disasters or in response to other unusual conditions.

~~45-38.~~ **Event of Default.** The failure of a Defaulting Party to cure a default under this Agreement.

~~46-39.~~ **Federal Power Act.** 16 U.S. Code Chapter 12 – Federal Regulation and Development of Power.

~~47-40.~~ **Governmental Authorities.** Any federal, state, local or municipal government, governmental department, commission, board, bureau, agency, or instrumentality, or any judicial, regulatory or administrative body, having jurisdiction as to the matter in question.

~~41.~~ **Grid Forming Project Resource(s).** Is a Project Resource that, among other features, has the ability to (i) black start the CMET Project when in island Mode and deenergized, and (ii) provide voltage and frequency stability and control within a range acceptable to PG&E during Island Mode operation.

~~48-42.~~ **In-Service Date.** The date upon which the CMG Aggregator, in coordination with PG&E, reasonably expects it will have received Permission to Operate the CMET Project and be ready to begin joint CMET Project Commissioning Testing.

~~49-43.~~ **Interconnection Agreement.** The agreement and associated documents ~~(or any successor agreement and associated documentation approved by the CPUC) by and among Seller and the Utility Distribution Company~~ governing the terms and conditions of the interconnection of the Project Resource(s) with ~~the Utility Distribution Company's~~ PG&E's grid, including any description of the plan for interconnecting the Project Resource(s) to the ~~applicable~~ grid.

~~50-44.~~ **Island Mode.** ~~A mode of operation of the Microgrid by the Distribution Provider when a Microgrid that normally operates in Grid-Connected or "Blue Sky" Mode (parallel mode) is disconnected from the Distribution System at the Microgrid Islanding Point, and the Microgrid is generating or producing energy to provide electric service within the.~~ The Distribution Provider will

operate the Microgrid under the operational coordination in Island Mode by (i) direct dispatch of the CMG Aggregator and CMET Project Resources within the CMET Project Microgrid Boundary, and/or (ii) by authorizing CMET Project Resources to operate within parameters specified by the Distribution Provider for voltage, frequency, and power quality.

45. Islanding Operation Date. Means the date stated in CMG Aggregator's Notice, substantially in the form of Appendix XI-B upon which the CMET Project begins Islanding Operations, and is further defined in Section 2.2.C.

46. Islanding Operations. Means that an "Islanding Operation Date Confirmation Letter" attached as Appendix XI-B has been mutually executed and the CMET Project is placed into service for the purposes of providing energy resiliency for end use customers.

51.47. Law. Any statute, law, treaty, rule, regulation, ordinance, code, Permit, enactment, injunction, order, writ, decision, authorization, judgment, decree or other legal or regulatory determination or restriction by a court or Governmental Authority of competent jurisdiction, including any of the foregoing that are enacted, amended, or issued after the Effective Date, and which become effective during the Term; or any binding interpretation of the foregoing.

52.48. Licensed Professional Engineer. A person acceptable to PG&E in its reasonable judgment who (a) is licensed to practice engineering in California, (b) has training and experience in the power industry specific to the technology of the Project, (c) has no economic relationship, association, or nexus with CMG Aggregator or PG&E, other than to meet the obligations of CMG Aggregator pursuant to this Agreement, (d) is not a representative of a consultant, engineer, contractor, designer or other individual involved in the development of the CMET Project or of a manufacturer or supplier of any equipment installed at the CMET Project, and (e) is licensed in an appropriate engineering discipline for the required certification being made.

49. Malicious Code. Collectively, any malicious or unauthorized code, scripts, routines or techniques (including without limitation any virus, spyware, ransomware or other malware) that is designed to erase data or programming, or infect, impair, modify, record, take control of, disrupt, damage, destroy, disable, shut down or permit or cause unauthorized access to or misuse of a computer system or any component thereof.

53.50. Microgrid. An interconnected system of loads and energy resources, including, but not limited to, distributed energy resources, energy storage, demand response tools, or other management, forecasting, and analytical tools, appropriately sized to meet customer needs, within a clearly defined ~~electrical boundary~~ Microgrid Boundary that can act as a single, controllable entity, and can connect to, disconnect from, or run in parallel (Blue Sky Mode) with, larger portions of the electrical grid, or can be managed and isolated to withstand larger disturbances and maintain electrical supply to connected critical infrastructure.

51. **Microgrid Boundary.** An electrically contiguous area beyond a Microgrid Islanding Point on the Distribution System that defines a microgrid as a single controllable entity.

~~54-52. Microgrid Islanding Point or MIP. The point on PG&E's distribution System that establishes the microgrid interface consistent with applicable standards and Laws, including, without limitation, IEEE 1547-2018 and IEEE-519. The **Microgrid Islanding Point** will be **(s)**. The point(s) (e.g., line recloser) owned and operated by PG&E, on PG&E's Distribution System that allow(s) the microgrid to separate from and reconnect to the rest of the Distribution System.~~

53. **Microgrid Islanding Study (MIS).** An engineering study conducted by PG&E ~~for its agents of the microgrid operation in an Island Mode and operating mode transitions. The study shall~~ determine the required modifications to PG&E's ~~Distribution Facilities, including the E's distribution facilities and associated cost and scheduled completion date for such modifications, that will be required to providesupport~~ Island Mode operation and microgrid transitions while maintaining voltage, frequency, and power quality within PG&E control parameters in accordance with PG&E's Electric Rule 2.

~~55-54. **Microgrid Special Facilities.** Modifications to the requested Distribution Provider's distribution facilities required to operationalize the Microgrid Boundary and Island Mode operation such that the Microgrid is capable of maintaining voltage, frequency and power quality within PG&E control parameters in accordance with Rule 2 the Distribution Provider's control parameters in accordance with PG&E's Electric Rule 2. This shall include all CMET Project tangible and non-tangible assets, facilities, and equipment owned or controlled by PG&E that are necessary to meet the requirements of the CMET Project as identified in the Microgrid Islanding Study.~~

~~56. **Milestones.** Key development activities and the agreed upon completion dates required for the development and operation of the CMET Project as set forth in Appendix VII A of this Agreement.~~

55. **Microgrid Special Facilities Agreement or "Microgrid SFA".** The agreement that describes the upgrades on the Distribution System, and at the Project Site to be installed under the terms and conditions regarding Microgrid Special Facilities (or added facilities) on file with the Commission, pursuant to PG&E's Electric Rule 2, and incorporated in Appendix IV-B.

~~57-56. **Non-Holiday.** Any day that is not a National Electric Reliability Council defined holiday which includes New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.~~

57. **Non-Project Resource(s).** Electric generation, storage technology, and/or demand management technology within the Microgrid Boundary that are not Project Resources.

58. **Notice.** Unless otherwise specified in this Agreement, means a written communication which is delivered by overnight mail or courier service or electronic messaging (email), and in the manner required by Article 13, as

applicable to a given communication.

59. **Operating Performance Requirements.** As defined in Section 3.5 of this Agreement.
60. **Operating ~~Performance Requirements~~, Procedures and Protocols.** As described and defined in Appendix XII.
61. **Operating Term.** The Operating Term is the period commencing on the CMET Project ~~Commercial~~Islanding Operation Date, as such term is defined in Section 2.2 and ending upon expiration or termination of ~~the~~this Agreement.
62. **Participating Transmission Owner ~~or “Participating TO.”~~** An entity that (a) owns, operates and maintains transmission lines and associated facilities and/or has entitlements to use certain transmission lines and associated facilities and (b) has transferred to the CAISO operational control of such facilities and/or entitlements to be made part of the CAISO Grid.
63. **Permission to ~~Operate~~Island.** The permission granted by PG&E to a CMG Aggregator to operate a CMET Project when the CMET Project is ready to maintain voltage, frequency and power quality within PG&E control parameters in accordance with PG&E’s Electric Rule 2 in Island Mode and safely transition from Blue Sky Mode to Island Mode, operate in Island Mode and transition back to Blue Sky Mode.
64. **Permit.** Any waiver, exemption, variance, franchise, permit, authorization, consent, ruling, certification, license or similar order of or from, or filing or registration with, or notice to, any Governmental Authority that authorizes, approves, limits or imposes conditions upon a specified activity.
65. **Personal Information.** Any data or information defined as personal information in California Civil Code Section 1798.140(o) and any information that can be used to directly or indirectly identify a PG&E customer or employee.
66. **PG&E Data.** As defined in Appendix ~~XVI~~ of this MOA.
67. **PG&E Electric System Integrity.** The state of operation of PG&E’s electric system in a manner that is deemed to minimize the risk of injury to persons and/or property and enable PG&E to provide adequate and reliable electric service to its customers.
68. **PG&E Interconnection Handbooks.** PG&E’s manual that provides information on how to interconnect generating facilities or distributed generation to PG&E’s electrical ~~distribution system~~Distribution System as currently in effect at https://www.pge.com/en_US/large-business/services/alternatives-to-pge/distribution-handbook.page~~https://www.pge.com/en_US/large-business/services/alternatives-to-pge/distribution-handbook.page~~
69. **PG&E Process, Procedures and Standards.** Practices, policies, methods, codes and acts engaged in or approved by PG&E and applicable to the CMET Project during the relevant time period, or any of the practices, policies, methods, codes and acts which, in the exercise of reasonable judgment in light of the facts

known at the time a decision is made, that could have been expected to accomplish a desired result at reasonable cost consistent with good business practices, reliability, safety and expedition.

70. **Project Implementation Plan.** A detailed description of actions that demonstrate how the CMET Project shall be developed to meet Milestones and operational requirements such as the Parties' best estimate of task, schedule and dependencies for design, construction, development various test plans, and operational and maintenance procedures and protocols for the CMET Project.
71. **Project Safety Plan.** CMG Aggregator's written plan that includes the Safeguards and plans to comply with the safety requirements and shall include the items that are generally outlined in Appendix ~~VII~~X.
72. **Project Safety Plan Documents.** Information and documentation listed in Appendix ~~VII~~X.
- ~~73. **Public Safety Partner.** Law enforcement, fire, emergency and disaster relief professional organizations.~~
73. **Public Safety Partner (PSP).** As defined on pages 84-85 of California Public Utilities Commission Decision 21-06-034, as that Decision or definition may be updated or otherwise revised by the California Public Utilities Commission.
74. **Regulatory Authority.** A government agency or body that regulates businesses or other entities under their jurisdiction in the public interest.
75. **Safeguard.** Any procedures, practices, or actions with respect to the CMET Project, a Site or Work for the purpose of preventing, mitigating, or containing foreseeable accidents, injuries, damage, release of hazardous material or environmental harm.
76. **Safety Attestation.** A written attestation or certification from a Licensed Professional Engineer substantially in the form attached hereto as Appendix ~~VIII~~XI-A.
77. **Safety Requirements.** Prudent Electrical Practices, CPUC General Order No. 167, Contractor Safety Program Standards, and all applicable requirements of Law, the Utility Distribution Company, the Transmission Provider, Governmental Approvals, the CAISO, CARB, NERC and WECC.
78. **Scheduled Island Mode.** A Microgrid operating in Island Mode that is scheduled and coordinated between the CMG Aggregator and PG&E.
79. **Site(s).** The real property or properties on which one or more CMET Project Resources or CMET Project Balance of System comprising the CMET Project is located, as identified in Appendix II and as may be updated from time to time.
80. **State.** The State of California.
- ~~81. **System Change.** Any change to customer load, resources or other operational or safety conditions inside or outside the electrical boundary of a community microgrid, that creates a system condition that renders the microgrid incapable of safely and reliably transitioning to, operating in, or transition from Island Mode as determined by PG&E. System Change as used in this Agreement is intended to~~

~~be interpreted in the same manner as the defined term “Material Modification” used in the Community Microgrid Enablement Tariff.~~

81. **System Change.** Any change in Project Resources, Non-Project Resources, or customer loads within the Microgrid Boundary, or other affected systems outside the Microgrid Boundary that has a material impact on the ability of a CMET Project to function in Island Mode.
82. **Term.** The Development Term AND the Operating Term of this MOA.
83. **Transmission Provider**~~means.~~ Means the CAISO.
84. **Unscheduled Island Mode.** A Microgrid operating in Island Mode that is not scheduled or coordinated between the CMG Aggregator and PG&E in response to an Emergency Event on the Distribution System.
85. **Work.** Means (a) work or operations performed and furnished by CMG Aggregator or on a CMG Aggregator’s behalf pursuant to the terms under this agreement; and (b) materials, parts or equipment furnished in connection with such work or operations; including (i) warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of “a Party’s work”; and (ii) the providing of or failure to provide warnings or instructions.
-

APPENDIX II – CMET Project Microgrid Islanding Study

{ATTACH ~~/INCORPORATE~~ COMPLETED MIS DOCUMENT}

CMG Aggregator shall incorporate the completed Microgrid Islanding Study final report into this Appendix II. The MIS will include but may not be limited to the following:

1. Project Description
- ~~2. Functional Design Specifications~~
- ~~2. Preliminary / draft~~ Summary of Study Observations and Conclusions
- ~~3. Study Assumptions~~
- ~~4. Power Flow and Voltage Analysis (inclusive of minimum Project Resource reserve capacity and energy to support island operation)~~
- ~~5. Power Quality Studies~~
- ~~6. Protection Studies~~
- ~~7. Transient Studies~~
- ~~8. Requirements Prior to Island Inspection and Operation~~
 - a. ~~Draft~~ Description of Operations (Final Description of Operations to be included in Appendix XII in accordance with Section 2.2.e-1.B(a))
- ~~3. Other~~
 - b. Performance Testing Technical Criteria (Appendix VIII-A)

APPENDIX III-A – CMET Project Development Milestones

B. Permission to Island CMET Project Milestones

Target Permission to Operate CMET Project Development Milestone: mm/dd/yyyy

Target Commission Testing: mm/dd/yyyy

Target Commercial Islanding Operation Date Development Milestone: mm/dd/yyyy

| Item | <u>Development Milestone</u> | Action | <u>Milestone Date</u> | Responsible Party |
|------|--|------------------|-----------------------|--|
| 1 | <u>Update PIP Project Safety Plan and Emergency Response Plan – Appendix IX-A&B</u> | <u>Submit</u> | | CMG Aggregator |
| 2 | <u>Develop Commissioning– Criteria Safety Attestation and Multiple Use Attestation – Appendix X-A&B</u> | <u>Signed</u> | | CMG Aggregator |
| 3 | <u>Develop Commissioning Test Plan – Appendix VIII-B</u> | <u>Submitted</u> | | CMG Aggregator |
| 4 | <u>Develop Safety Plan Operating Performance Requirements, Procedures and Protocols – Appendix XII</u> | <u>Submitted</u> | | CMG Aggregator |
| 5 | <u>Request Permission to Operate– CMET Project Confirmed Island – Appendix XI-A</u> | <u>Submitted</u> | | CMG Aggregator |
| 6 | <u>In-Service Date CMET Project Resource Final Permission to Operate Letter</u> | <u>Issue</u> | | Distribution Provider & CMG Aggregator |
| 7 | Commissioning Tests | <u>Complete</u> | | Distribution Provider & CMG Aggregator |
| 8 | <u>Commercial Operation – Attestation Provide written approval to Interconnection Customer for the operation of the microgrid and Islanding Operation Date (IOD)</u> | <u>Issue</u> | | Distribution Provider |

{Development Milestones shown for illustration. –Specific Development Milestones to be developed by Parties}

Ability To Meet

1. Satisfaction of Development Milestones

1. The satisfaction of each Development Milestone Dates

The ability to meet these Milestone dates requires that all tasks identified specifically in

~~the Project Implementation Plan, including tasks preceding the Milestones listed above, to be completed in a timely fashion and does not account for unanticipated delays, including but not limited to delays caused by: emergency response due to wildfires or storms; time to complete environmental studies; availability of needed resources (e.g., materials or crews); difficulties securing necessary permits, easements, right of ways, licenses or other approvals; construction additional information needed to complete the project implementation process; or delays scheduling clearances of the PG&E distribution system to complete CMET Project Development Milestones listed above, to be completed in a timely fashion. Upon successful completion of the Commissioning Tests, Distribution Provider will provide written approval to Interconnection Customer for the operation of the microgrid and an Islanding Operation Date (IOD). Such written approval will not be unreasonably conditioned, delayed, or withheld.~~

Agreed to by:

For PG&E: _____ Date: _____

For the CMG Aggregator: _____ Date: _____

APPENDIX III-B - CMET Project Implementation Plan

~~A. ATTACH COMPLETED CMET PROJECT IMPLEMENTATION PLAN DOCUMENT~~

The Project Implementation Plan (PIP) will include Parties' best estimate of task, schedule and dependencies for design, construction, development various test plans, operational and maintenance procedures and protocols for the CMET Project. The PIP may incorporate by reference any implementation plan(s) associated with CMET Project Resource Interconnection(s) and Special Facilities and ~~Project~~Microgrid Special Facilities for purposes or presenting an overall view of the CMET Project development; however, this Agreement does not govern those interconnection and associated special facilities schedules, ~~milestone~~Development Milestone dates or commitments.

A Party shall not make any material modifications to the CMET Project Implementation Plan or ~~Development~~ Milestones as presented in Appendix III without the prior review and written consent of the other Party, which consent shall be in Parties reasonable discretion.

As of the Effective Date, parties agree to develop within ninety (90) days, a CMET Project Implementation Plan ("PIP") that will identify responsible parties, identify workstreams, interim reporting requirements, and dependencies. The implementation plan may include but not be limited to the following components:

- 1.) Component Plan Development
 - a. CMET Project Operational Review & Commissioning Test Plan
 - i. Commissioning Testing plan and schedule associated with CMET Project Resource ~~interconnection~~Interconnections
 1. Existing Resources
 2. CAISO New Resource Implementation Plan
 - ii. Commissioning Testing Plan and schedule for CMET Balance of System pursuant to Appendix VIII
 - b. Operating Performance Requirements, Procedures and Protocols which include CMET Project Description of Operations, identify events and scenarios:
 - i. Planned Event
 - ii. Unplanned event
 - iii. Failsafe
 - c. Communications plan and plan of action for each scenario/event type
 - d. CMET Project Safety Plan
 - e. CMET Project Emergency Response Plan
- 2.) Development and Testing Schedule
 - a. ~~CMET Project Resource~~Microgrid Special Facilities and Interconnection development and testing schedule
 - b. CMET Balance of System development and testing schedule
 - c. ~~PG&E~~ CMET Project ~~Special Facilities~~Resources development and testing schedule
- 3.) Project Management
 - a. PMO approach and plan
 - b. Progress meetings and reports
 - c. Overall project plan management and dependencies
 - d. Development & Implementation risk identification and mitigation

APPENDIX IV-A – CMET Project Resource Interconnection Agreement

~~{Executed CMET Project Resource Interconnection Agreement(s) attached here}~~

~~{ATTACH EXECUTED CMET PROJECT RESOURCE INTERCONNECTION AGREEMENT(S)
HERE}~~

APPENDIX IV-B – ~~CMET Project~~Microgrid Special Facilities Agreement

~~{Attach}~~ATTACH EXECUTED MICROGRID SPECIAL FACILITIES AGREEMENT. THE FOLLOWING AGREEMENT IS A MODIFIED VERSION OF ELECTRIC FORM NO. 79-255 FOR CMET PROJECTS ELIGIBLE FOR SPECIAL FACILITY COST-OFFSETS. OTHERWISE, CMG AGGREGATOR TO USE PG&E ELECTRIC RULE 2 FORM NO 79-255}

MICROGRID SPECIAL FACILITY AGREEMENT FOR CMET PROJECT ELIGIBLE FOR COST-OFFSETS

At the request of _____
(Applicant), PACIFIC GAS AND ELECTRIC COMPANY (PG&E) hereby agrees, as an accommodation, to install within a reasonable time, or allocate for Applicant's use at _____

_____ State of California, certain facilities consisting of items listed in Appendix A ("Microgrid Special Facilities"), at an estimated total additional installed cost of \$ _____ over and above the cost of standard facilities which PG&E would normally provide or allocate for regular service in accordance with its tariffs on file with and authorized by the California Public Utilities Commission (Commission), subject to the following terms and conditions:

1. Where pursuant to any final decision or order of the California Public Utilities Commission this CMET Project is eligible for an offset of the special facilities costs incurred by PG&E to construct, own, and maintain the Microgrid Special Facilities described herein, Applicant is exempted from paying the advance or ongoing costs of the special facilities to the extent provided in said final decision or order, except as those costs are reflected in the distribution rates charged to all customers in Applicant's customer class. This provision shall not reduce or waive PG&E's ability to seek recovery of costs related to a terminated CMET Project from Applicant pursuant to Paragraph 6.
2. Where it is necessary to install Microgrid Special Facilities on Applicant's premises, Applicant hereby grants to PG&E:
 - (a) the right to make such installation on Applicant's premises along the shortest practical route thereon and of sufficient width to provide legal clearance from all structures now or hereafter erected on Applicant's premises for any facilities of PG&E; and,
 - (b) the right of ingress to and egress from Applicant's premises at all reasonable hours for any purposes reasonably connected with the operation and maintenance of the Microgrid Special Facilities.
3. Where formal rights of way or easements are required on and over Applicant's property or the property of others for the installation of the Microgrid Special Facilities, Applicant understands and agrees that PG&E shall not be obligated to install the Microgrid Special Facilities unless and until any necessary permanent rights of way or easements, satisfactory to PG&E, are granted without cost to PG&E.
4. PG&E shall not be responsible for any delay in completion of the installation of the Microgrid Special Facilities resulting from shortage of labor or materials, strike, labor disturbance, war, riot, weather conditions, governmental rule, regulation or order, including orders or judgments of any court or Commission, delay in obtaining necessary rights of way and easements, act of God, or any other cause or condition beyond the control of PG&E. PG&E shall have the right, in the event it is unable to obtain

materials or labor for all of its construction requirements, to allocate materials and labor to construction projects which it deems, in its sole discretion, most important to serve the needs of its customers, and any delay in construction hereunder resulting from such allocation shall be deemed to be a cause beyond PG&E's control.

5. In the event that PG&E is prevented from completing the installation of the Microgrid Special Facilities for reasons beyond its control within twelve (12) months following the date of this Agreement, PG&E shall have the right to terminate this Agreement upon thirty (30) days' written notice to Applicant.
6. If this Agreement is terminated as set forth in paragraph 5, the provisions of paragraph 11 shall be applicable, based on that portion of the Microgrid Special Facilities then completed, if any, including charges for any expense incurred by PG&E for any engineering, surveying, right of way acquisition expenses and other associated expenses incurred by PG&E for that portion of the Microgrid Special Facilities not installed or, in PG&E's sole judgment, not useful in supplying permanent service to PG&E's other customers.
7. Microgrid Special Facilities provided by PG&E hereunder shall at all times be and remain the property of PG&E.
8. As provided in PG&E's applicable Electric Rule 14 or Gas Rules 14 and 21, copies attached, Applicant understands that PG&E does not guarantee electric or gas service to be free from outages, interruptions or curtailments and that the charges for the Microgrid Special Facilities represent the additional cost associated with providing the Microgrid Special Facilities rather than for a guaranteed level of service or reliability.
9. If Applicant requests PG&E to alter or rearrange Special Facilities, including, but not limited to the conversion of overhead facilities to underground, solely for Applicant's convenience or purposes and not in order to safely and reliably construct the Microgrid in a least-cost manner, Applicant shall be given the option to pay PG&E for the additional Special Facilities.
10. This Agreement shall be effective when executed by the parties hereto and shall remain in effect until terminated by either party on at least thirty (30) days' advance written notice.
11. Upon discontinuance of the use of any Microgrid Special Facilities due to termination of service, termination of this Agreement, or otherwise before or within 5 (five) years of project completion:
 - (a) Applicant shall pay to PG&E on demand (in addition to all other monies to which PG&E may be legally entitled by virtue of such termination) a facility termination charge defined as the estimated installed cost, plus the estimated removal cost, less the estimated salvage value for the Special Facilities to be removed, as determined by PG&E in accordance with its standard accounting practices.
 - (b) PG&E shall be entitled to remove and shall have a reasonable time in which to remove any portion of the Microgrid Special Facilities located on the Applicant's premises;
 - (c) PG&E may, at its option, alter, rearrange, convey or retain in place any portion of the Microgrid Special Facilities located on other property off Applicant's premises. Where all or any portion of the Microgrid Special Facilities located off Applicant's premises are retained in place and used by PG&E to provide permanent service to other customers, an equitable adjustment will be made in the facility termination charge.
12. Applicant may, with PG&E's written consent, assign this Agreement if the assignee thereof will agree in writing to perform Applicant's obligations hereunder. Such assignment will be deemed to include, unless otherwise specified therein, all of Applicant's rights to any refunds which might become due upon discontinuance of the use of any Microgrid Special Facilities.
13. This agreement shall be subject to all of PG&E's applicable tariffs on file with and authorized by the Commission and shall at all times be subject to such changes or modifications as the Commission may direct from time to time in the exercise of its jurisdiction.

Dated this _____ day of _____, 20__.

This agreement is effective when accepted and executed by PG&E.

**PACIFIC GAS AND ELECTRIC
COMPANY**

Applicant

Authorized by (Print)

Authorized by (Print)

Signature

Signature

Title

Title

Date

Date

MAILING ADDRESS: _____

Appendix A: List of CMET Project Special Facilities Agreement

**APPENDIX ~~V-A – Permission to Operate~~IV-C – Other Interrelated CMET Project
Confirmation LetterAgreements**

In accordance with the terms of CMET Microgrid Operating Agreement, dated _____ (“Agreement”) by and between _____ (“PG&E”) and _____ (“CMG Aggregator”), and ~~Section 2.2 and Section 2.3~~ of that Agreement, this letter (“Permission to Operate CMET Project Confirmation Letter”) serves to document the Parties’ further agreement that the Development Conditions prescribed in the Agreement ~~Section 2.2.a through Section 2.2.(g)~~ have been satisfied or waived in writing by PG&E. All capitalized terms not defined herein shall have the meaning set forth in the Agreement.

~~IN WITNESS WHEREOF~~, each Party has caused this Permission to Operate CMET Project Confirmation Letter to be duly executed by its Authorized Representative as of the date of last signature provided below:

~~[INSERT CMG Aggregator’s NAME HERE]~~

~~PACIFIC GAS AND ELECTRIC
COMPANY~~

Signature: _____

Signature: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

~~APPENDIX V-B – CMET Project Commercial Operation Date Confirmation~~

~~In accordance with the terms of CMET Microgrid Operating Agreement, dated _____ (“Agreement”) by and between _____ (“PG&E”) and _____ (“CMG Aggregator”), and Section 2.3 of that Agreement, this letter (“Commercial Operation Date Confirmation Letter”) serves to document the Parties’ further agreement that the Development Conditions to the Commercial Operation Date have been satisfied or waived in writing by PG&E. All capitalized terms not defined herein shall have the meaning set forth in the Agreement.~~

~~IN WITNESS WHEREOF, each Party has caused this Commercial Operation Date Confirmation Letter to be duly executed by its Authorized Representative as of the date of last signature provided below:~~

~~*[INSERT CMG Aggregator’s NAME HERE]* **PACIFIC GAS AND ELECTRIC COMPANY**~~

| | |
|-----------------------------|-----------------------------|
| Signature: _____ | Signature: _____ |
| Name: _____ | Name: _____ |
| Title: _____ | Title: _____ |
| Date: _____ | Date: _____ |

~~_____~~

{ATTACH MIP GRANT AGREEMENT OR OTHER RELEVANT AGREEMENTS}

APPENDIX V – CMET Project Resources and CMET Project Balance of System Facilities

{ATTACH COMPLETE LIST OF CMET PROJECT RESOURCES AND CMET PROJECT BALANCE OF SYSTEM FACILITIES}

SAMPLE TABLE

| <u>CMET PROJECT RESOURCES</u> | | | | |
|--------------------------------------|--|-------------------|----------------------------|-----------------------|
| <u>Location</u> | <u>Description</u> | <u>Mfg</u> | <u>Model Number</u> | <u>Owner</u> |
| <u>FIELD ENCLOSURE</u> | <u>BESS INVERTERS</u> | | | <u>CMG Aggregator</u> |
| <u>FIELD ENCLOSURE</u> | <u>PV ARRAY</u> | | | <u>CMG Aggregator</u> |
| <u>FIELD ENCLOSURE</u> | <u>LI-ION BATTERY</u> | | | <u>CMG Aggregator</u> |
| <u>FIELD ENCLOSURE</u> | <u>BESS SITE MASTER CONTROLLER</u> | | | <u>CMG Aggregator</u> |
| <u>FIELD ENCLOSURE</u> | <u>INTERNAL FIELD SWITCH</u> | | | <u>CMG Aggregator</u> |
| <u>FIELD ENCLOSURE</u> | <u>BATTERY METER</u> | | | <u>CMG Aggregator</u> |
| <u>FIELD ENCLOSURE</u> | <u>SURGE ARRESTER</u> | | | <u>CMG Aggregator</u> |
| <u>FIELD ENCLOSURE</u> | <u>REMOTE I/O UNIT</u> | | | <u>CMG Aggregator</u> |
| <u>FIELD ENCLOSURE</u> | <u>STEP UP TRANSFORMER (PAD MOUNT)</u> | | | <u>CMG Aggregator</u> |

| <u>CMET PROJECT BALANCE OF SYSTEM</u> | | | | |
|--|-----------------------------------|-------------------|----------------------------|-----------------------|
| <u>Location</u> | <u>Description</u> | <u>Mfg</u> | <u>Model Number</u> | <u>Owner</u> |
| <u>FTM CMG AGGREGATOR SWITCHGEAR</u> | <u>PRIMARY PROTECTIVE RELAY</u> | | | <u>CMG Aggregator</u> |
| <u>FTM CMG AGGREGATOR SWITCHGEAR</u> | <u>SECONDARY PROTECTIVE RELAY</u> | | | <u>CMG Aggregator</u> |
| <u>FTM CMG AGGREGATOR SWITCHGEAR</u> | <u>LOCAL HMI</u> | | | <u>CMG Aggregator</u> |
| <u>FTM CMG AGGREGATOR SWITCHGEAR</u> | <u>HMI MONITOR AND KEYBOARD</u> | | | <u>CMG Aggregator</u> |
| <u>FTM CMG AGGREGATOR SWITCHGEAR</u> | <u>SATELLITE CLOCK</u> | | | <u>CMG Aggregator</u> |
| <u>FTM CMG AGGREGATOR SWITCHGEAR</u> | <u>GENERATION CONTROLLER</u> | | | <u>CMG Aggregator</u> |
| <u>FTM CMG AGGREGATOR SWITCHGEAR</u> | <u>ANNUNCIATOR</u> | | | <u>CMG Aggregator</u> |
| <u>FTM CMG AGGREGATOR SWITCHGEAR</u> | <u>SECURITY GATEWAY</u> | | | <u>CMG Aggregator</u> |

| | | | | |
|--------------------------------------|-------------------------------------|--|--|-----------------------|
| <u>SWITCHGEAR</u> | | | | |
| <u>FTM CMG AGGREGATOR SWITCHGEAR</u> | <u>INTERNAL NETWORK SWITCH</u> | | | <u>CMG Aggregator</u> |
| <u>FTM CMG AGGREGATOR SWITCHGEAR</u> | <u>CAISO METER</u> | | | <u>CMG Aggregator</u> |
| <u>FTM CMG AGGREGATOR SWITCHGEAR</u> | <u>ETHERNET TRANSCEIVER</u> | | | <u>CMG Aggregator</u> |
| <u>FTM CMG AGGREGATOR SWITCHGEAR</u> | <u>BESS METER</u> | | | <u>CMG Aggregator</u> |
| <u>FTM CMG AGGREGATOR SWITCHGEAR</u> | <u>CAISO ECN ROUTER</u> | | | <u>CMG Aggregator</u> |
| <u>FTM CMG AGGREGATOR SWITCHGEAR</u> | <u>CAISO ECN SWITCH (ATT FIBER)</u> | | | <u>CMG Aggregator</u> |
| <u>FTM CMG AGGREGATOR SWITCHGEAR</u> | <u>CAISO SECURITY GATEWAY</u> | | | <u>CMG Aggregator</u> |
| <u>FTM CMG AGGREGATOR SWITCHGEAR</u> | <u>CAISO INTERNAL SWITCH</u> | | | <u>CMG Aggregator</u> |
| <u>FTM CMG AGGREGATOR SWITCHGEAR</u> | <u>CELLULAR INTERNET GATEWAY</u> | | | <u>CMG Aggregator</u> |
| <u>FTM CMG AGGREGATOR SWITCHGEAR</u> | <u>GENERATION CIRCUIT BREAKER</u> | | | <u>CMG Aggregator</u> |
| <u>FTM CMG AGGREGATOR SWITCHGEAR</u> | <u>STATION POWER ATS</u> | | | <u>CMG Aggregator</u> |
| <u>FTM CMG AGGREGATOR SWITCHGEAR</u> | <u>POWER DISTRIBUTION UNIT</u> | | | <u>CMG Aggregator</u> |
| <u>FTM CMG AGGREGATOR SWITCHGEAR</u> | <u>BESS ISLANDING CONTROLLER</u> | | | <u>CMG Aggregator</u> |
| <u>FTM CMG AGGREGATOR SWITCHGEAR</u> | <u>FIBER OPTIC TRANCEIVER</u> | | | <u>CMG Aggregator</u> |
| <u>FTM CMG AGGREGATOR SWITCHGEAR</u> | <u>DC POWER SUPPLY</u> | | | <u>CMG Aggregator</u> |

APPENDIX VI – Mutual Non-Disclosure Agreement

{ATTACH EXECUTED NDA HERE. THE FOLLOWING IS AN EXAMPLE OF STANDARD NDA TERMS; PG&E RESERVES THE ABILITY TO UPDATE THESE TERMS}

MUTUAL NONDISCLOSURE AGREEMENT

This MUTUAL NONDISCLOSURE AGREEMENT (“NDA”), by and between Pacific Gas and Electric Company, a California corporation (“PG&E”), and a (“Company”) (together the “Parties” and each individually a “Party”), is effective as of the latest signature date below (the “Effective Date”).

WHEREAS, PG&E is an investor-owned utility that provides gas and electric service to millions of customers throughout Northern and Central California;

WHEREAS, _____ is a _____ headquartered in _____, and is exploring the development of a microgrid, developing a microgrid, or has developed and is maintaining a community microgrid pursuant to PG&E’s Community Microgrid Enablement Tariff (“CMET”);

WHEREAS, in support of those efforts, the Parties expect that each Party may disclose to and receive from the other Party some amount of Confidential Information, as defined herein;

WHEREAS, the Parties recognize that the development of microgrids is in the public’s interest; and

WHEREAS, each Party wishes to protect, use, handle, and safeguard the Confidential Information that it receives from the other Party in compliance with law and in accordance with the duties and responsibilities set forth herein.

NOW THEREFORE, the parties agree as follows:

1. **Purpose.** The purpose of this Agreement is to permit each Party to transmit or exchange Confidential Information to or with the other Party hereto for the purpose of evaluating and reviewing such Information in connection with the potential or actual development, operation and maintenance of a microgrid pursuant to PG&E’s CMET (“Purpose”), and for no other purpose. The Parties mutually agree that development of microgrids is in the public’s interest and that the Purpose of this Agreement justifies maintaining the confidentiality of their respective Confidential Information.
2. **Confidential Information.** “Confidential Information” as used herein shall mean any non-public proprietary or confidential data, information and other materials including those regarding the products, services or business of the disclosing party (the “Disclosing Party”), its parent company, its subsidiaries or affiliates (and/or if either Party is bound to protect the confidentiality of any third party, of such third party) provided by or made available by the Disclosing Party to the receiving party (the “Receiving Party”) where such

information is marked or otherwise communicated as being “proprietary” or “confidential” or the like, or where such information should, by its nature, regardless of the existence of any markings, be reasonably considered to be confidential and/or proprietary. Without limiting the foregoing, Confidential Information includes (i) all confidential and proprietary documents, records, reports, agreements and associated documents; (ii) any and all information pertaining to PG&E’s electric distribution and transmission facilities; (iii) all technical, financial and business information of any kind; (iv) all written procedures; (v) all data, specifications, technology, ideas, know-how, improvements, maps, technical drawings, inventions (whether or not patentable or copyrightable), or trade secrets; and (vi) all Personal Information belonging to the Disclosing Party. Confidential Information does not include information which: (a) is already known to the Receiving Party on a non-confidential basis prior to the disclosure by Disclosing Party; (b) becomes publicly available without breach of the confidentiality obligations of this NDA by Receiving Party or its representatives; (c) is approved for release without confidentiality obligations by written authorization of the Disclosing Party; (d) is rightfully obtained by Receiving Party from a third party without restriction as to disclosure; (e) is developed independently by Receiving Party without use of or access to Disclosing Party’s Confidential Information.

[For public entity counterparties: Furthermore, and consistent with the Purpose of the Agreement, the Parties agree that they are sharing Confidential Information to serve the public’s interest and that this Purpose clearly outweighs publicly disclosing such Confidential Information. Accordingly, the Parties agree that Disclosing Party’s Confidential Information is exempt from disclosure pursuant to the California Public Records Act, California Government Code § 6250, et seq., and other federal, state, and municipal public disclosure laws, including but not limited to the Brown Act, California Government Code § 54950, et seq., and shall remain confidential as set forth in Paragraph 9 of this Agreement, entitled “Term and Termination”]

- 3. Processing Personal Information.** “Personal Information” as used herein shall mean any information provided by PG&E, its subsidiaries, affiliates, agents, officers, directors, current and former employees, or customers, to Company that identifies, relates to, describes, is reasonably capable of being associated with, or could reasonably be linked, directly or indirectly, with a particular individual, or as the “personal information” or “personal data” or such similar term is defined under applicable data privacy and protection laws. In the event Personal Information related to its employees, customers or other individuals is disclosed to Company, the Parties agree that the provisions detailed in the Personal Data Processing Addendum, attached hereto as Appendix A, shall apply. In the event of any conflict with regard to Personal Information between the general terms of this Agreement and Appendix A, the terms of Appendix A will govern.
- 4. Use and Nondisclosure of Confidential Information.** Receiving Party agrees to keep any Confidential Information made available or provided to it as confidential and proprietary and shall treat such Confidential Information in the same manner as it treats its own similar proprietary and confidential information, but in no case will the degree of care be less than reasonable care. The Receiving Party shall use the Confidential Information only in performing its obligations or to exercise its rights in connection with the Purpose. The Receiving Party shall not sell, share or otherwise disclose Confidential Information to any third party (except as authorized under the NDA or applicable law) without the Disclosing Party’s express written consent. The Receiving Party shall disclose Confidential Information only to those employees and contractors of Receiving Party who have a need to know such information for the purposes of performing its obligations or exercising its rights in connection with the Purpose, and such employees and contractors must be bound by an

NDA or have entered into agreements with Receiving Party containing confidentiality provisions covering the Confidential Information with terms and conditions at least as restrictive as those set forth in this NDA.

The Parties further agree that this Agreement shall not be construed to limit either Party's right to independently develop or acquire products without use of or reference to the other Party's Confidential Information. The Disclosing Party acknowledges that the Receiving Party may currently or in the future develop information internally, or receive information from other parties, that is similar to the Confidential Information. Accordingly, nothing in this Agreement will be construed as a representation or agreement that the Receiving Party will not develop or have developed products, concepts, systems, or techniques that are similar to or compete with the products, concepts, systems or techniques contemplated by or embodied in the Confidential Information provided that the Receiving Party does not violate any of its obligations under this Agreement in connection with such development.

5. **Security Measures.** The Receiving Party shall implement reasonable administrative, technical and physical security measures to safeguard the Confidential Information it receives. These safeguards shall include, but not be limited to: (a) written policies regarding information security, disaster recovery, third-party assurance auditing, penetration testing; (b) password protected workstations at Receiving Party's premises, any premises where services are being performed and any premises of any person who has access to such Confidential Information, and (c) encryption of Confidential Information.
6. **Disclosures Required by Law.** If any Confidential Information is required to be disclosed by law, rule, regulation, court of competent jurisdiction or governmental order, then to the extent permitted by applicable law, the Receiving Party shall advise the Disclosing Party of the Confidential Information required to be disclosed promptly upon learning thereof in order to afford the Disclosing Party (at the Disclosing Party's sole cost and expense) a reasonable opportunity to contest, limit or assist the Receiving Party in crafting the disclosure, and then such disclosure shall be made only to the extent necessary to satisfy such requirements. Notwithstanding the foregoing, the Parties recognize that PG&E is a regulated utility and that its regulators have broad rights to request information from PG&E and from time-to-time PG&E may have to disclose certain Confidential Information to its regulators (e.g., the California Public Utilities Commission (CPUC) and the Federal Energy Regulatory Commission (FERC)). In that event, PG&E will disclose such information subject to the regulators' respective confidentiality rules.
7. **Unauthorized Disclosures.** The Receiving Party shall promptly notify the Disclosing Party in writing of any unauthorized access or disclosure of Confidential Information. The Receiving Party shall take reasonable measures within its control to stop the unauthorized access or disclosure of Confidential Information and to prevent recurrence. The Parties agree that a breach of this NDA would constitute irreparable harm and significant injury to the Disclosing Party. The Disclosing Party therefore shall have the right to seek from any competent civil court, immediate temporary or preliminary injunctive relief enjoining any breach or threatened breach of this NDA.
8. **Return or Destruction of Confidential Information.** All Confidential Information disclosed by Disclosing Party to Receiving Party remains the property of the Disclosing Party, and Receiving Party shall return or destroy all Confidential Information, including any copies of Confidential Information in its or its agents' possession upon the termination of this NDA or otherwise at the Disclosing Party's request. Within fifteen (15) days of receiving such

request from the Disclosing Party, the Receiving Party shall comply with the request and provide written certification, signed by the Receiving Party, confirming the Receiving Party's compliance with the return or destruction of all Confidential Information as set forth in this provision. Notwithstanding the foregoing, the Receiving Party may retain one copy of Confidential Information for purposes of complying with its legal obligations or consistent with Receiving Party's backup retention and recovery purposes, provided that the obligations set forth in this NDA apply to any retained Confidential Information.

9. Term and Termination. This NDA shall be effective from the Effective Date, provided however, that either Party may terminate this NDA by giving the other Party thirty (30) calendar days' notice in writing of its intention to terminate this NDA. Termination shall not abrogate either Party's obligations under this NDA for Confidential Information received prior to the date of termination.

10. Notices. Any notice required to be sent or given under this Agreement will be sent via electronic mail, addressed as follows:

| | |
|------------------|----------------|
| <u>PG&E:</u> | _____ |
| <u>Name:</u> | <u>Name:</u> |
| <u>E-Mail:</u> | <u>E-Mail:</u> |
| _____ | <u>Phone:</u> |
| <u>Phone:</u> | _____ |
| _____ | |

11. Communications and Media. Neither Party will disclose any information or make any news release, advertisement, public communication, response to media inquiry or other public statement regarding this Agreement, the Confidential Information disclosed, the Purpose and/or potential commercial relationship between the Parties, or the performance hereunder without the prior written consent of the other Party. Subject to Paragraph 5, neither Party will make any reference to the other Party or to the existence of this Agreement in any advertising or other publication (except for confidential, internal company publications), without the prior written consent of the other Party, and neither Party will associate or in any way connect its name, trademark or any other intellectual property right to any name, trademark or any other intellectual property right of the other Party without the other Party's prior written consent. The fact that the Parties have entered into this Agreement does not constitute, nor does it imply in anyway, endorsement by one Party of the other, and neither Party will indicate or imply that the other Party endorses, recommends, or vouches for it in any form of written, verbal, or electronic advertisement, communication, or any other business development effort, without the other Party's prior written consent.

12. No License. No license or proprietary rights are granted by disclosure of any Confidential Information under this NDA. For avoidance of doubt, nothing in this NDA is intended to grant any rights to any Receiving Party under any patent, copyright, trade secret or other intellectual property right nor does this NDA grant any Receiving Party any rights in or to the Confidential Information, except the limited right to use the Confidential Information solely for the Purpose.

13. Compliance with Applicable Law. The Receiving Party agrees to comply with all applicable laws governing the protection of the Confidential Information.

- 14. Indemnification.** The Receiving Party shall indemnify the Disclosing Party against any and all actions, claims, liabilities, costs, damages, charges and expenses incurred in connection with or arising out of the Receiving Party's use of Confidential Information.
- 15. Assignment.** Neither Party shall assign this NDA nor any Confidential Information received from Disclosing Party pursuant to this NDA without Disclosing Party's prior written consent. This NDA shall be binding upon each Party, their successors, and assigns.
- 16. No Warranty.** All Confidential Information is provided "as is" without any warranties, express, implied, or otherwise, regarding the accuracy or completeness of any Confidential Information disclosed by the Disclosing Party to the Receiving Party.
- 17. Severability and Waiver.** The covenants and agreements set forth in this NDA are each deemed separate and independent, and if any such covenant or agreement is determined by any court of competent jurisdiction or arbitrator/mediator to be invalid or unenforceable for any reason, the Parties shall negotiate an equitable adjustment in the provisions of this NDA with a view toward effectuating the purpose of this NDA. The invalidity or unenforceability of any of the provisions, or application of any of the provisions, of this NDA will not affect the validity or enforceability of any of the remaining provisions of this NDA.
- 18. Entire Agreement.** This NDA contains the entire understanding between the Parties with respect to Confidential Information received hereunder. This NDA has been negotiated by both Parties and shall not be strictly construed against either Party. No change, modification, extension, termination, or waiver of this NDA shall be made effective unless in writing and signed by an authorized representative of each Party.
- 19. Governing Law.** This NDA shall be construed and interpreted in accordance with the laws of the State of California. Any controversy, dispute, issue, or claim arising out of or in any way relating to this NDA which cannot be amicably settled without court action shall be litigated in a California State Court of competent jurisdiction; or if jurisdiction over the action resides in the federal courts, then in a Federal Court of competent jurisdiction situated in the State of California.
- 20. Counterparts.** This NDA may be executed in one or more counterparts, each of which shall be deemed an original and all of which, when taken together, constitute one and the same instrument. The Parties agree that electronic signatures may be used for execution of the NDA. The email, PDF or other electronically delivered signatures of the Parties shall be deemed to constitute original signatures, and electronic copies of the executed NDA shall be deemed to constitute duplicate originals.
- 21. Remedies.** Notwithstanding any other term of this NDA, it is expressly agreed that a breach of this NDA will cause irreparable harm to the Disclosing Party and that a remedy at law would be inadequate. Therefore, in addition to any and all remedies available at law, the Disclosing Party will be entitled to injunctive and/or other equitable remedies in the event of any threatened or actual violation of any provisions of this NDA. In any dispute between the Parties arising out of or relating to the NDA, the prevailing party shall be entitled to recover from the opposing party his or its attorneys' fees and costs.

IN WITNESS HEREOF, and intending to be legally bound hereby, the Parties hereto have caused this NDA to be executed by their duly authorized representatives as of the Effective Date.

[COMPANY]

PACIFIC GAS & ELECTRIC COMPANY

Signature:

Signature:

Name:

Name:

Title:

Title:

Date:

Date:

Appendix A

PERSONAL DATA PROCESSING ADDENDUM

This Personal Data Processing Addendum (“DPA”) amends, in accordance with the terms set forth below, all agreements between the Parties, pursuant to which Company receives and processes Personal Information (as defined below) and to clarify and confirm Company’s obligations to safeguard and maintain the security of the Personal Information it collects from or on behalf of PG&E related to employees, dependents and beneficiaries, consultants, workers, visitors, shareholders, and/or customers of PG&E and its subsidiaries and affiliates.

1. **DEFINITIONS.** As used in this DPA, the following capitalized terms shall have the meanings provided in this section. Capitalized Terms used in this DPA, but not defined below have the meaning given to them in the Parties’ Agreement.

Agreement. “Agreement” means the Mutual Non-Disclosure Agreement by and between PG&E and Company.

Personal Information. “Personal Information” means any information provided by PG&E, its subsidiaries, affiliates, agents, officers, directors, current and former employees, or customers, to Company and that identifies, relates to, describes, is reasonably capable of being associated with or could reasonably be linked, directly or indirectly, with a particular individual. “Personal Information” includes “personal information,” “personal data” or other such similar terms as they are defined under applicable Privacy Laws.

Privacy Laws. “Privacy Laws” are all applicable laws, rules, regulations, directives and governmental requirements in any jurisdiction in which Company or Company operates and relating in any way to the privacy, confidentiality, or security of Personal Information processed by Company, including, but not limited to the California Consumer Privacy Act of 2018 (“CCPA”) and the California Privacy Rights Act of 2020 (“CPRA”).

2. **CONTROL OF PERSONAL INFORMATION.** PG&E shall retain all ownership and control over the Personal Information disclosed to Company. PG&E also has the exclusive authority to determine the purposes of processing of all Personal Information by Company.

3. **LIMITED USE OF PERSONAL INFORMATION.** At all times during the term of this DPA and thereafter, Company shall collect (including, without limitation, caching or storing), access, use, disclose, process or retain Personal Information solely for the purpose of rendering the contracted services to PG&E and not for any other purpose. Company shall not sell, share or otherwise disclose any Personal Information to any third party except as expressly permitted herein. Company shall not use any Personal Information to violate or attempt to violate the security of PG&E’s systems, or any third party networks, system, server, website, application or account.

4. **ADDITIONAL RESTRICTIONS.** Company shall not: (i) sell or share Personal Information or (ii) collect, retain, use, or disclose Personal Information for any purpose other than for the

specific purpose of performing the services specified in the Agreement. For avoidance of doubt, Company shall not collect, retain, use, or disclose Personal Information for any commercial purpose other than providing the services specified under the Agreement unless otherwise permitted under applicable law. For purposes of this section, the terms “sell,” “commercial purposes” and “personal information” shall have the meanings as defined under the CCPA and “share” shall have the meaning as defined under the CPRA.

5. **AGENTS.** Company shall not contract any of its rights or obligations hereunder, or share, transfer, disclose or otherwise provide access to any Personal Information to any contractors, subcontractors, third-party service providers, or agents (collectively, “Agents”) without the prior written consent of Company. Where Company contracts any rights or obligations, or provides access to Personal Information, to an Agent, then (a) Company shall enter into a fully-executed written agreement with each Agent that imposes obligations on the Agent that are at least as restrictive as those imposed on or required of Company under this DPA; (b) Company shall not be relieved of any of its obligations under this DPA; and (c) Company shall remain liable and responsible for the performance or non-performance of its Agents with respect to the Agent’s collection, use, disclosure, storage, processing and disposal of Personal Information.
6. **COMPLIANCE WITH LAW.** Company agrees that its collection, use, disclosure, storage, processing and disposal of Personal Information shall at all times comply with all applicable Privacy Laws and any representations made by Company to any person from whom such Personal Information was collected. Company further agrees that it will reasonably cooperate with PG&E’s efforts to comply with PG&E’s legal obligations related to its collection, processing, use or disclosure of Personal Information.
7. **DATA SECURITY.** Company shall, and shall contractually require and cause any Agents to, implement and maintain security procedures and practices for Personal Information, including without limitation, establishing, implementing and maintaining an Information Security Program as set forth in this Section 7, that will: (i) comply with all applicable Privacy Laws and industry standards; (ii) ensure the security and confidentiality of Personal Information, (iii) protect against any anticipated or actual threats or hazards to the security or integrity of Personal Information, and (iv) prevent unauthorized access, acquisition, destruction, use, modification and/or disclosure of Personal Information. Company and its Agents shall each ensure that its security infrastructures are consistent with high industry standards for virus protection, firewalls and intrusion prevention technologies to help prevent Company’s network, systems, servers and applications from unauthorized access. Company will restrict and track access to Personal Information and PG&E systems at all times to only those employees and Agents whose access is essential to performing the services for which Company has been contracted, and such employees and Agents will be required (including during the term of their employment or retention and thereafter) to protect Personal Information in accordance with the requirements of this DPA. Company shall segregate Personal Information from all other Company and third party data. Company must ensure proper user authentication for all employees, and Agents with access to Personal Information, including, without limitation, by assigning each employee or Agent unique access credentials for access to any system on which Personal Information can be accessed and prohibiting employees and Agents from sharing such access credentials. Company shall ensure that upon termination of any

employee or Agent, the terminated person's access to Personal Information and PG&E systems must be immediately revoked.

8. INFORMATION SECURITY PROGRAM. Company shall conduct appropriate training and awareness campaigns designed to educate Company's employees of their responsibilities in maintaining the confidentiality and security of Personal Information and for the reporting of incidents involving unauthorized access to or use of Personal Information, consistent with all Privacy Laws and the terms of this DPA. Company represents and warrants that it has implemented and will maintain a variety of administrative, organizational and technical measures ("Information Security Program) that are consistent with industry standards which may include but are not be limited to ISO 27001/2, NIST, OWASP, and other similar standards that are designed to reasonably and appropriately protect the confidentiality, integrity mid availability of information systems or data and which measures are set forth below. Company shall review its Information Security Program on at least an annual basis and evaluate whether it needs to be modified to comply with Privacy Laws or industry practices. Company shall notify PG&E of any material changes to Company's Information Security Program as it relates to the security and integrity of Personal Information, within thirty (30) days of any such change. Notwithstanding the foregoing, at all times, Company's Information Security Program shall include the following:

- a. Organizational management and dedicated staff responsible for the development, implementation and maintenance of Company's Information Security Program.
- b. Audit and risk assessment procedures designed for the purposes of periodic review and assessment of risks to Company's organization, for monitoring and maintaining compliance with Privacy laws, and for reporting the condition of its information security and compliance to Company senior management.
- c. Data security controls which include at a minimum, but may not be limited to, logical segregation of data, restricted (e.g., role-based) access and monitoring, and utilization of commercially available and industry standard encryption, at a minimum of 256-bit encryption, for Personal Information that is:
 - i. transmitted over public networks (i.e. the Internet) or when transmitted wirelessly,
 - ii. stored on any Company or Agent systems, including any cloud based systems.
- d. Logical access controls to manage electronic access to data and system functionality based on authority levels and job functions, (e.g. granting access on a need-to-know and least privilege basis, use of unique IDs and passwords for all users, periodic review and revoking/changing access promptly when employment terminates or changes in job functions occur).
- e. Password controls to manage and control password strength, expiration and usage including prohibiting users from sharing passwords.

- f. System auditor event logging and related monitoring procedures to proactively record user access and system activity for routine review.
 - g. Physical and environmental security of data center, server room facilities and other areas containing Personal Information to protect information assets from unauthorized physical access, and to manage, monitor and log movement of persons into and out of Company facilities, and to guard against environmental hazards such as heat, fire and water damage.
 - h. Operational procedures and controls to provide for configuration, monitoring and maintenance of technology and information systems according to prescribed internal and adopted industry standards, including secure disposal of systems and media to render all information or data contained therein as undecipherable or unrecoverable prior to final disposal or release from Company's possession.
 - i. Change management procedures and tracking mechanisms to ensure all changes to Company's technology and information assets are properly tested, approved and monitored.
 - j. Incident management procedures to allow for the proper investigation, response, mitigation and notification of events related to Company's technology and information assets.
 - k. Network security controls that provide for the use of enterprise firewalls and layered DMZ architectures, and intrusion detection systems and other traffic and event correlation procedures to protect systems from intrusion and limit the scope of any successful attack.
 - l. Vulnerability assessment, patch management, and threat protection technologies and scheduled monitoring procedures to identify, assess, mitigate and protect against identified security threats, viruses and other malicious code.
 - m. Business continuity and disaster recovery procedures to ensure Company's ability to maintain service and/or recovery from foreseeable emergency situations or disasters.
 - n. Controls to ensure any applicable Company software is securely developed in accordance with this DPA, such as design reviews, secure separation of development and production environments, code reviews, and quality assurance testing.
- 9. TRANSMISSION OF PERSONAL INFORMATION.** Company shall not electronically transmit a record containing Personal Information outside a secure network environment other than by a secure network connection or communications protected by appropriate encryption technology that is not less than 256-bits in length. Likewise, Company shall not require any individual to transmit Personal Information over the Internet unless the connection is secure or the Personal Information is protected by encryption technology meeting this standard. Company shall not print Personal Information on mailed material unless required by law and will not make Personal Information visible through any

envelope window unless required by law. Notwithstanding the provisions of this Section, when strictly necessary to perform the contracted services and permitted by applicable Privacy Laws, Personal Information may be included in applications and forms sent by mail, including documents sent as part of an application or enrollment process, or to establish, amend or terminate an account, contract or policy, or to confirm the accuracy of the Personal Information.

10. SECURITY MANAGER. On the effective date of the Agreement, Company shall designate an individual as the primary security manager under this DPA. The security manager shall be responsible for managing and coordinating the performance of Company's privacy and data security obligations under this DPA.

11. SUBPOENAS AND LEGAL PROCEEDINGS. Subject to applicable law, Company shall immediately notify PG&E of any subpoena or other judicial or administrative order by a court, tribunal, litigant, or government authority seeking access to or disclosure of Personal Information. Subject to applicable law, PG&E shall have the right take steps to assess and/or prevent such disclosure and to defend subpoena enforcement proceedings or motions to compel in lieu of and on behalf of Company, which still must provide reasonable cooperation to PG&E in connection with such defense.

12. DATA SECURITY BREACH NOTIFICATION AND INCIDENT RESPONSE. Company shall notify PG&E, of: (a) any access, possession, use or disclosure of Personal information, or attempt thereof, not expressly permitted by this DPA; (b) any suspected breach or compromise of Personal Information, or Company's systems or networks that directly or indirectly support Personal Information; or (c) claims or threats thereof made by any personnel, Agent or external person (each or the foregoing a "Data Security Breach"). Company shall notify PG&E of a Data Security Breach within twenty-four (24) hours after detecting or being notified of the Data Security Breach affecting Personal Information.

a. Data Security Breach Investigation. Company shall immediately take measures to stop the Data Security Breach and in PG&E's sole discretion, upon PG&E's written request, and pursuant to PG&E's instructions, Company shall cooperate with PG&E and any outside agents hired by PG&E in connection with: (i) conducting an investigation of any actual or suspected Data Security Breach and (ii) providing PG&E and its agents with administrative access to all affected systems or applications that store, process, transmit or otherwise access Personal Information. Company shall provide PG&E with the following information, at minimum: (i) a brief summary of the issue, facts and status of Company's investigation; (ii) the potential number of individuals affected by the Data Security Breach; (iii) the Personal Information that has been or may have been implicated by the Data Security Breach; and (iv) any other information pertinent to PG&E's understanding of the Data Security Breach and the exposure or potential exposure of Personal Information.

b. Other Parties. Unless the Data Security Breach impacts the information of parties other than PG&E, Company shall not notify any parties other than PG&E

and relevant law enforcement agencies of any Data Security Breach unless such notification is agreed to in advance by PG&E in writing.

c. **Resolution.** For avoidance of doubt, any Data Security Breach vulnerability shall be resolved to PG&E's satisfaction, at Company's expense. If such vulnerability cannot be resolved to PG&E's satisfaction within a reasonable period of time, as determined by PG&E, PG&E shall have the right to immediately terminate the Agreement without liability.

d. **Notification.** Company will, upon PG&E's written request and pursuant to PG&E's instructions, at Company's cost, notify any affected persons or entities provided that the method and content of such notice shall be agreed to in writing by PG&E prior to sending such notice. Company shall also cooperate with PG&E and any relevant authority in the event of litigation or regulatory inquiry concerning a Data Security Breach. Notwithstanding the foregoing, Company, at its sole expense shall investigate and remediate all Data Security Breaches.

e. **Indemnification.** In addition to Company's indemnification obligations set for in Section 21 of this DPA, Company shall also indemnify, hold harmless, and defend PG&E and its respective directors, officer; employees, subcontractors and agents from any suits, claims, damages, demands, proceedings, and other actions brought by a third party, and all associated expenses and costs (including but not limited to: assessments, fines, losses, penalties, costs of investigating and responding to any Data Security Breach, costs of notifying affected individuals, and attorneys' fees), arising out of or related to Company's or its Agents collection, processing, storage, use transmission or destruction of Personal Information, including, but not limited to, a suspected or actual Data Security Breach. The remedies set forth herein shall be in addition to any other remedies available to PG&E at law or in equity, including but not limited to Company's general indemnification obligations set forth in this DPA.

13. **CREDIT MONITORING.** In the event of a Data Security Breach (including, without limitation, by an unauthorized employee or Agent of Company), at the sole discretion of PG&E, Company will offer Credit Monitoring Services (as defined below) as designated by company to any affected individual at Company's cost and expense. Affected individuals will be notified of the availability of Credit Monitoring Services as directed by PG&E, at Company's sole cost. "Credit Monitoring Services" mean credit monitoring services for two (2) years, beginning on the date the individual first registers for the service after the Data Security Breach or such period required by Privacy Laws and one (1) free credit report provided by Experian, Equifax, or TransUnion.

14. **DESTRUCTION AND RETURN OF PERSONAL INFORMATION.** As soon as possible after any of the Personal Information (or portion thereof) is no longer needed by Company to fulfill its obligations to PG&E or upon PG&E's written request, or in the event of termination or expiration of this DPA for any reason, Company shall, and shall cause its Agents, to immediately securely destroy and certify such secure destruction (and produce a written certification upon request by PG&E) of any or all of Personal Information and

all records of Personal Information, (including, without limitation, all electronic copies such as on hard drives, backup tapes, portable devices, optical, magnetic, or other storage media, as well as all hard copies) or, if requested by PG&E, return Personal Information to PG&E through a secure method designated by PG&E. Company shall ensure that Personal Information is destroyed in accordance with the methods described in the Federal Trade Commission's Disposal Rule, 16 C.F.R § 682.3 and any other Privacy Law.

- 15. SECURITY AUDIT RIGHTS.** At the request of PG&E and at PG&E's cost, Company shall provide PG&E, or an independent third-party auditor selected by PG&E, access to, and the right to conduct a security audit of, all records, security policies and procedures, and other practices relating to the use, processing, storage and disclosure of Personal Information. The audit results and Company's plan for addressing or resolving issues identified by the audit shall be shared with PG&E within ten (10) days of Company's receipt of the audit results. If Company fails to resolve the issues identified in its plan within a reasonable timeframe determined by PG&E, PG&E shall have the right to terminate the services contract between the Parties. In addition, subject to Company's advance approval as to scope and timing, PG&E also reserves the right to conduct, at its own cost, not more than twice per calendar year, technical security integrity reviews, and penetration tests and monthly Internet security scans to ensure Company remains compliant with this DPA (collectively, "Application Security Assessments"). PG&E will provide seven (7) days' notice prior to penetration testing or the commencement of monthly scanning activities. Company shall correct any security flaw discovered by PG&E within eight (8) hours. Further, Company and any Agent that accesses, stores or collects Personal Information shall conduct, at its own cost, an Application Security Assessment annually using an independent third-party tester.
- 16. MALICIOUS CODE.** Company will ensure that the contracted services will not result in the transmission to PG&E of any (a) 'back door', 'time bomb', 'Trojan Horse,' 'worm', 'drop dead device,' 'virus', 'spyware' or 'malware;' or (b) any computer code or software routine that: (i) permits unauthorized access to or use of PG&E's or its users' systems or any component thereof; or (ii) disables, damages, erases, disrupts or impairs the normal operation of PG&E's or its users' systems or any component thereof.
- 17. INTERNATIONAL TRANSFER OF DATA.** Company shall not transfer Personal Information to, or allow access to Personal Information by, its employees or Agents in any location outside the United States without receiving the prior written consent of PG&E. To the extent that the parties agree to the transmission of Personal Information outside of the United States, prior to making any such transfer, the parties will negotiate in good faith and agree to the terms of a data transfer agreement that complies with applicable Privacy Laws governing the cross-border transfer of Personal Information.
- 18. SUSPENSION OF DATA TRANSFERS.** PG&E reserves the right to suspend or stop data transfers to Company at any time. In the event that Company is unable to comply with the obligations stated in this DPA, Company shall within forty-eight (48) hours notify PG&E, and PG&E shall then be entitled (at its option) to suspend the transfer of Personal Information, require Company to cease using Personal Information and/or immediately

terminate the Agreement PG&E may have with Company that requires the transfer of Personal Information for the contracted services.

- 19. DATA SUBJECT REQUESTS.** Company shall promptly send PG&E within three (3) business days of receipt of any communication received from an individual relating to his or her request to access, modify or correct, or delete Personal Information relating to the individual or to opt-out of any program or communication and Company shall comply with instructions of PG&E before responding to such data subject requests.
- 20. COOPERATION WITH GOVERNMENT ENFORCEMENT AUTHORITIES.** Company will provide reasonable cooperation to PG&E in connection with PG&E's efforts to respond to any complaint filed with, or investigation conducted by, any government agency or data protection authority resenting the processing of Personal Information by Company.
- 21. INDEMNIFICATION.** Notwithstanding anything to the contrary in any agreement between PG&E and Company, Company shall indemnify, hold harmless, and defend PG&E and its any and officers, employees, subcontractors, agents, successors, and assigns from and against any and all claims, losses, liabilities, damages, settlements, expenses and costs (including without limitation attorneys' fees and court costs) and any and all threatened claims, losses, liabilities, damages, settlements, expenses and costs arising from, in connection with, or based on allegations of, in whole or in part, any of the following: (a) any violation of the requirements of this DPA; (b) any negligence or willful misconduct of Company, its personnel or Agents or any third party to whom Company provides access to Personal Information or systems, with respect to security or confidentiality of Personal is (c) any other costs incurred by PG&E with respect to PG&E's rights in this DPA. Except as otherwise provided herein, Company shall be fully responsible for, and shall pay, all costs and expenses incurred by Company or its personnel, third-party service providers of Company or Agents with respect to the obligations imposed under this DPA.
- 22. RELATION TO THE AGREEMENT.** A breach of any term of this DPA will be deemed a breach of the Agreement. The provisions of the Agreement regarding the subjects of Breach, Choice of Law, and Venue shall govern the parties' respective rights and obligations under this DPA. Notwithstanding the foregoing any indemnification rights of PG&E in this DPA are additive to any rights at law or in equity that PG&E has under the Agreement.
- 23. CONFLICTS.** In the event any term in this DPA is inconsistent or contradicts the terms in any other agreement between the Parties, the terms in this DPA shall apply.
- 24. MISCELLANEOUS.** This DPA constitutes the entire agreement and understanding of the Parties with respect to the subject matter hereof, and its terms shall govern the event of any inconsistency between this DPA and any other agreement between the Parties. This DPA shall be amended only by a written agreement between the Parties that specifically references this DPA by name. Company's obligations hereunder shall survive the termination of the service agreements between the parties and the completion of any and all services performed thereunder.

APPENDIX VII - Notices

| | |
|---|--|
| <u>Name:</u> _____ (“CMG Aggregator”) | <u>Name:</u> Pacific Gas and Electric Company, a California corporation (“PG&E”) |
| <u>All Notices:</u> | <u>All Notices:</u> |
| <u>Delivery Address:</u> | <u>Delivery Address:</u> |
| <u>Street:</u> | <u>300 Lakeside Drive, Suite 219</u> |
| <u>City:</u> | <u>Oakland, CA 94612</u> |
| <u>Mail Address:</u> | <u>Mail Address:</u> |
| | <u>300 Lakeside Drive, Suite 200</u> <u>Oakland, CA 94612</u> |
| <u>Attn:</u> | <u>Attn:</u> <u>Sr. Director, Distribution Asset Management</u> |
| <u>Phone:</u> | <u>Phone:</u> |
| <u>Invoices and Payments:</u> | <u>Invoices and Payments:</u> |
| <u>Attn:</u> | <u>Attn:</u> |
| <u>Phone:</u> | <u>Phone:</u> |
| <u>Wire Transfer:</u> | <u>Wire Transfer:</u> |
| <u>BNK:</u> | <u>BNK:</u> |
| <u>ACCT Title:</u> | <u>ACC Title:</u> |
| <u>ABA:</u> | <u>ABA:</u> |
| <u>ACCT:</u> | <u>ACCT:</u> |
| <u>DUNS:</u> | <u>DUNS:</u> |
| <u>Federal Tax ID Number:</u> | <u>Federal Tax ID Number:</u> |
| <u>Credit and Collections:</u> | <u>Credit and Collections:</u> |
| <u>Attn:</u> | <u>Attn: Credit Risk Management</u> <u>PGERiskCredit@Exchange.pge.com</u> |
| <u>Phone:</u> | <u>Phone: (415) 972-5188</u> <u>Fax: (415) 973-7301</u> |
| <u>With additional Notices of an Event of Default to Contract Manager:</u> | <u>With additional Notices of an Event of Default to Contract Manager:</u> |
| <u>Attn:</u> | <u>Attn:</u> |
| <u>Phone:</u> | <u>Phone:</u> |
| <u>Designated CMET Project Operating Representative</u> | <u>Designated CMET Project Operating Representative</u> |
| <u>Attn:</u> | <u>Attn:</u> |
| <u>Phone:</u> | <u>Phone:</u> |

APPENDIX VI –

APPENDIX VIII-A –Performance Testing Technical Criteria

{INCORPORATE PERFORMANCE TESTING TECHNICAL CRITERIA HERE}

APPENDIX VIII-B – Commissioning Test Plan

{INCORPORATE COMMISSIONING TEST PLAN HERE}

APPENDIX IX-A – CMET Project Safety Plan and Supporting Documentation

{ATTACH CMET PROJECT SAFETY PLAN AND SUPPORTING DOCUMENTATION}

CMG Aggregator shall develop and provide to PG&E a Safety Plan in accordance with (i) requirements stated in this Appendix ~~VII~~IX, and (ii) pursuant to the schedule presented in Appendix III - Project Implementation Plan, and (iii) pursuant to the Safety Requirements. The Safety Plan will include but may not be limited to the following:

Part One: Safety Requirements and Safety Programs

Identify the applicable safety-related Codes, Standards, and regulations (CSR) which govern the design, construction, operation, maintenance of the Project using the proposed technology.

Describe the CMG Aggregator's and the CMG Aggregator's Contractor(s)' safety programs and policies. Describe CMG Aggregator's compliance with any safety-related industry standards or any industry certifications (American National Standards Institute (ANSI), International Organization for Standardization (ISO), etc.), if applicable.

Part Two: Project Design and Description

Describe CMG Aggregator's safety engineering approach to select equipment and design systems and the Project to reduce risks and mitigate the impacts of safety-related incidents, including cascading failures, excessive temperatures, thermal runaways, fires, explosions, pressure relief rupture disk fractures, hazardous chemical releases.

Describe the results of ~~any failure mode effects analyses (FMEA)~~ or similar safety engineering evaluations. In the case of lithium-ion batteries, describe the safety-related reasons, including design features and historical safety records, for selecting particular anode and cathode materials and a particular manufacturer.

In addition to the information provided in the CMET Project Description Appendix II, provide a list which includes but is not limited to, the following information:

- ~~a) Arc Flash Studies~~
- ~~b) Ground Grid Designs~~
- ~~c) Step and Touch Potential Analysis~~
- ~~d) Equipment safety-related certifications (e.g. UL), and~~
- ~~e) Safety-related systems, and~~
- ~~c) Approximate volumes and types of hazardous materials expected to be on Site.~~

Part Three: Project Safety Management

Identify and describe any hazards and risks to life, safety, public health, property, or the environment due to or arising from the CMET Project. Describe the CMG Aggregator's applicable site-specific safety plans, risk mitigation, Safeguards and layers of protection,

including but not necessarily limited to:

- a) Engineering controls,
- b) Work practices,
- c) Administrative controls,
- d) Personal protective equipment and procedures,
- e) Incident response and recovery plans,
- f) Contractor management,
- g) Operating procedures,
- h) Emergency plans,
- i) Training and qualification programs,
- j) Disposal, recycle, transportation and reuse procedures, and
- k) Physical security measures.

Part Four: Project Hazardous Materials Business Plan

A. SDS/Manufacturer spec sheets for all materials onsite (batteries, transformers, equipment that houses oils or coolants) and;

B. An inventory of each material (i.e. how many batteries of any one type are onsite).

Please also provide a site plan that demonstrates where these assets are located and that identifies Ownership of each asset (CMET Project Resource Owner vs PG&E)

Contact Sheilah Lillie for more information on the HMBP: SMLZ@pge.com.

APPENDIX ~~VIII~~ IX-B – CMET Project Emergency Response Plan

{ATTACH CMET PROJECT EMERGENCY RESPONSE PLAN}

CMG Aggregator shall develop and provide to PG&E a CMET Project Emergency Response Plan in accordance with (i) requirements stated in this Appendix IX-B, and (ii) pursuant to the schedule presented in Appendix III - Project Implementation Plan, and (iii) pursuant to the Safety Requirements. The Emergency Response Plan will include but may not be limited to the following:

- a) Project location,
- b) Facility description,
- c) Description and location of key hazards,
- d) Emergency Response Procedures for key hazards,
- e) Plan modifications and response to Remediation Events,
- f) Smoke & fire suppression systems as required by code,
- g) Primary emergency contacts, and
- h) Safety Data Sheets

“Remediation Event” means the occurrence of any of the following with respect to the CMET Project or a Site: (a) an Exigent Circumstance (b) a Serious Incident; (c) a change in the nature, scope, or requirements of applicable Laws, Permits, codes, standards, or regulations issued by Governmental Authorities which requires modifications to the Safeguards; (d) a material change to the manufacturer’s guidelines that requires modification to equipment or the Project’s operating procedures; (e) a failure or compromise of an existing Safeguard; (f) Notice by PG&E, in its sole discretion, that CME Aggregator, the Project Safety Plan, Safety Attestation, as applicable, is not consistent with the Safety Requirements; or (g) any actual condition related to the CMET Project or a Site with the potential to adversely impact the safe construction, operation, or maintenance of the CMET Project or a Site.

“Exigent Circumstance” means a situation in which there is actual or imminent harm to life or safety, public health, third-party owned property, or the environment due to or arising from the CMET Project or portion thereof.

“Serious Incident” means a harmful event that occurs on a Site during the Term arising out of, related to, or connected with the CMET Project or the Site that results in any of the following outcomes: (a) any injury to or death of a member of the general public; (b) the death or permanent disabling injury to operating personnel, CMG Aggregator’s Contractors or subcontractors, CMG Aggregator’s employees, agents, or consultants, or authorized visitors to the Site; (c) any property damage greater than one hundred thousand dollars (\$100,000.00); (d) release of hazardous material above the limits, or violating the requirements, established by Permits, codes, standards, regulations, Laws or Governmental Authorities; (e) environmental impacts exceeding those authorized by Permits or applicable Law

“Safety Remediation Plan” means a written Notice from CMG Aggregator to PG&E containing information about a Remediation Event, including (a) the date, time and location of first

occurrence, (b) the circumstances surrounding cause, (c) impacts, and (d) detailed information about CMG Aggregator's plans to resolve the Remediation Event.

APPENDIX X-A – Safety Attestation

This Safety Attestation is delivered by _____ (“Licensed Professional Engineer”) to Pacific Gas and Electric Company (“PG&E”) in accordance with Section 2.2(f1.B(h)) of the Microgrid Operating Agreement with an Effective Date of _____ (“Agreement”) by and between _____ (“CMG Aggregator”) and PG&E. All capitalized terms used in this Safety Attestation but not otherwise defined herein shall have the respective meanings assigned to such terms in the Agreement.

Licensed Professional Engineer _____ hereby certifies the following:

- (1) The Project is able to operate in a manner consistent with the Safety Requirements;
- (2) The Project Safety Plan demonstrates compliance with all applicable Safety Requirements and reasonably takes into account the items in Appendix VIII to the Agreement; and
- (3) ~~#The Project Safety Plan includes a Safety Remediation Plan that meets the required response to a Remediation Event has occurred, CMG Aggregator has taken into account its Safety Remediation Plan for the CMET Project [and the applicable Site(s)].as described in Appendix IX.~~

[Licensed Professional Engineer] _____

Signature: _____

Name: _____

Title: _____

Date: _____

License Number and LPE Stamp: _____

APPENDIX ~~VII~~X-B – Multiple Use Attestation

[Applicable only to CMET Projects that include energy storage among the CMET Project Resources]

This Multiple-Use Attestation is delivered by _____ (“CMG Aggregator”) to Pacific Gas and Electric Company (“PG&E”) in accordance with Section 2.2(g1.B(e)) of the Microgrid Operating Agreement with an Effective Date of _____ (“Agreement”) by and between CMG Aggregator and PG&E. All capitalized terms used in this attestation but not otherwise defined herein shall have the respective meanings assigned to such terms in the Agreement.

CMG Aggregator hereby certifies and represents to PG&E, as of the date set forth below, that with regard to the Project, CMG Aggregator is following all the rules set forth in Appendix A of the MUACPUC Decision 18-01-003.

EXECUTED by CMG Aggregator this _____ day of _____, 20__.

Signature: _____

Name: _____

Title: _____

APPENDIX VIII ~~XI~~-A – Permission to Island CMET Project Commissioning Criteria and Commissioning Test Plan Confirmation Letter

In accordance with the terms of CMET Microgrid Operating Agreement, dated (“Agreement”) by and between (“PG&E”) and (“CMG Aggregator”), and Section 2.1 and Section 2.2 of that Agreement, this letter (“Permission to Island CMET Project Confirmation Letter”) serves to document the Parties’ further agreement that the Development Conditions prescribed in the Agreement at Section 2.1 have been satisfied or waived in writing by PG&E. All capitalized terms not defined herein shall have the meaning set forth in the Agreement.

IN WITNESS WHEREOF, each Party has caused this Permission to Island CMET Project Confirmation Letter to be duly executed by its Authorized Representative as of the date of last signature provided below:

[INSERT CMG Aggregator’s NAME HERE]

PACIFIC GAS AND ELECTRIC COMPANY

Signature: _____

Signature: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

APPENDIX XI-B – CMET Project Islanding Operation Date Confirmation Letter

In accordance with the terms of CMET Microgrid Operating Agreement, dated _____ (“Agreement”) by and between _____ (“PG&E”) and _____ (“CMG Aggregator”), and Section 2.2 of that Agreement, this letter (“Islanding Operation Date Confirmation Letter”) serves to document the Parties’ further agreement that the Development Conditions to the Islanding Operation Date have been satisfied or waived in writing by PG&E. All capitalized terms not defined herein shall have the meaning set forth in the Agreement.

IN WITNESS WHEREOF, each Party has caused this Islanding Operation Date Confirmation Letter to be duly executed by its Authorized Representative as of the date of last signature provided below:

| | |
|--|--|
| <u><i>[INSERT CMG Aggregator’s NAME HERE]</i></u> | <u>PACIFIC GAS AND ELECTRIC COMPANY</u> |
| <u>Signature:</u> _____ | <u>Signature:</u> _____ |
| <u>Name:</u> _____ | <u>Name:</u> _____ |
| <u>Title:</u> _____ | <u>Title:</u> _____ |
| <u>Date:</u> _____ | <u>Date:</u> _____ |

1. Commissioning Criteria
 2. Commissioning Test Plan
-

APPENDIX IX - Notices

Name: _____ (“CMG Aggregator”)

Name: Pacific Gas and Electric Company, a California corporation (“PG&E” or “PG&E”)

| | |
|--|--|
| All Notices: | All Notices: |
| Delivery Address: | Delivery Address: |
| Street: | 77 Beale Street, 14th Floor |
| City: | San Francisco, CA 94105 |
| Mail Address: | Mail Address: |
| | P.O. Box 770000 San Francisco, CA 94177 |
| Attn: | Attn: |
| Phone: | Sr. Director, Distribution Asset Management Phone: (415) 973- |
| Invoices and Payments: | Invoices and Payments: |
| Attn: | Attn: |
| Phone: | Phone: (415) 973- |
| Wire Transfer: | Wire Transfer: |
| BNK: | BNK: |
| ACCT Title: | ACC Title: |
| ABA: | ABA: |
| ACGT: | ACGT: |
| DUNS: | DUNS: |
| Federal Tax ID Number: | Federal Tax ID Number: |
| Credit and Collections: | Credit and Collections: |
| Attn: | Attn: Credit Risk Management _____ PGERiskCredit@Exchange.pge.com |
| Phone: | Phone: (415) 972-5188 Fax: (415) 973-7304 |
| With additional Notices of an Event of Default to Contract Manager: | With additional Notices of an Event of Default to Contract Manager: |
| Attn: | Attn: |
| Phone: | Phone: (415) 973- |
| Designated CMET Project Operating Representative | Designated CMET Project Operating Representative |
| Attn: | Attn: |
| Phone: | Phone: |

~~APPENDIX X—Confidentiality & Data Security~~

~~1.—In addition to the requirements set out in Article 11 and 12, CMG Aggregator shall comply with the following additional terms of this Appendix X (Confidentiality and Data Security) regarding the handling of Confidential Information and PG&E Data from PG&E or its customers or employees.—~~

~~2.—NON-DISCLOSURE AGREEMENTS: CMG Aggregator shall have all of its employees, Subcontractors, and Subcontractor employees who will perform Work or services under this Agreement sign a non-disclosure agreement in the form attached hereto as Appendix XI (Non-Disclosure and Use of Information Agreement [“NDA”]). Prior to starting said Work or services, CMG Aggregator shall promptly furnish the original signed non-disclosure agreements to PG&E.—~~

~~3.—SECURITY MEASURES: CMG Aggregator shall take “Security Measures” with the handling of Confidential Information to ensure that the Confidential Information will not be compromised and shall be kept secure.— Security Measures shall mean adoption and employment of industry standards and techniques, physical and logical, including but not limited to:~~

~~a.—written policies regarding information security, disaster recovery, third-party assurance auditing, penetration testing,—~~

~~b.—password protected workstations at CMG Aggregator’s premises, any premises where Work or services are being performed and any premises of any person who has access to such Confidential Information,—~~

~~c.—encryption of Confidential Information, and—~~

~~d.—measures to safeguard against the unauthorized access, destruction, use, alteration or disclosure of any such Confidential Information including, but not limited to, restriction of physical access to such data and information, implementation of logical access controls, sanitization or destruction of media, including hard drives, and establishment of an information security program that at all times is in alignment with the industry requirements of ISO 2700X or SOC2 Type 2.—~~

~~4.—COMPLIANCE AND MONITORING: CMG Aggregator shall comply with the following security policies relating to the handling of Confidential Information.—~~

~~a.—Prior to PG&E’s first transfer of Confidential Information to CMG Aggregator, CMG Aggregator shall provide PG&E with documentation satisfactory to PG&E that it has undertaken satisfactory Security Measures.—~~

~~b.—CMG Aggregator and PG&E agree to meet periodically, if requested by PG&E, to evaluate CMG Aggregator’s Security Measures and to discuss, in good faith, means by which the Parties can enhance such protection, if necessary.—~~

~~c.—CMG Aggregator shall update its Security Measures, including procedures, practices, policies and controls so as to keep current with industry standards, including but not limited to National Institute of Standards and Technology (NIST), North American Electric Reliability Corporation (NERC), and Critical Infrastructure Protection (CIP) standards and requirements, as applicable.—~~

~~d.—PG&E reserves the right to perform onsite security assessments of CMG Aggregator sites to verify the implementation and ongoing operation and maintenance of security controls.— At least annually, CMG Aggregator shall assist PG&E in obtaining a copy of any report that documents CMG Aggregator’s Security Measures.—~~

~~e.—In the event, PG&E determines CMG Aggregator has not complied with Security Measures, PG&E shall provide written notice to CMG Aggregator describing the deficiencies.— CMG Aggregator shall then have sixty (60) Calendar Days to cure.— If CMG Aggregator has not cured the deficiencies within sixty (60) Calendar Days, PG&E may cancel this Agreement for cause in accordance with the Contract’s termination provisions.—~~

~~5.—PG&E DATA: PG&E Data shall mean:—~~

~~a. all data or information provided by or on behalf of PG&E, including, but not limited to, personally identifiable information relating to, of, or concerning, or provided by or on behalf of any Customers, including without limitation any personal information as defined in California Civil Code Section 1798.140(e)(1);~~

~~b. all proprietary data, intellectual property, trade secrets, market sensitive information, security sensitive information, or other confidential information input, transferred, uploaded, migrated, or otherwise sent by or on behalf of PG&E to CMG Aggregator as PG&E may approve of in advance and in writing (in each instance);~~

~~c. account numbers, forecasts, and other similar information disclosed to or otherwise made available to CMG Aggregator by or on behalf of PG&E and Customers, and~~

~~d. all data provided by PG&E's licensors, including any and all survey responses, feedback, and reports, as well as information entered by PG&E, CMG Aggregator or Contractor, and Customers.~~

~~6. SECURITY OF PG&E DATA: CMG Aggregator agrees that CMG Aggregator's collection, management and use of PG&E Data during the Term shall comply with these security requirements and all applicable laws, regulations, directives, and ordinances.~~

~~a. Vendor Security Review: Before receiving any PG&E Data, CMG Aggregator shall undergo PG&E's Vendor Security Review process. CMG Aggregator may receive PG&E Data only if PG&E's security review reveals no high risk security control deficiencies. If CMG Aggregator's security review reveals high risk security control deficiencies, CMG Aggregator shall not receive PG&E Data until such time CMG Aggregator mitigates the risk(s).~~

~~7. USE OF PG&E DATA:~~

~~a. License: PG&E may provide PG&E Data to CMG Aggregator to perform its obligations hereunder. Subject to the terms of the Agreement, PG&E grants CMG Aggregator a personal, non-exclusive, non-assignable, non-transferable limited license to use the PG&E Data solely for the limited purpose of performing the Work or services during the Term, but not otherwise.~~

~~b. Limited Use of PG&E Data: CMG Aggregator agrees that PG&E Data will not be (a) used by CMG Aggregator for any purpose other than that of performing CMG Aggregator's obligations under this Agreement, (b) disclosed, sold, assigned, leased or otherwise disposed of or made available to third parties by CMG Aggregator, (c) commercially exploited by or on behalf of CMG Aggregator, nor (d) provided or made available to any other party without written authorization, subject to this Agreement and this Appendix X (Confidentiality and Data Security).~~

~~c. Under no circumstances shall PG&E Data be disclosed, accessed, or used outside the United States~~

~~d. Application Development: CMG Aggregator agrees that it will not engage in any application development without or until it has demonstrated compliance with the Agreement provisions and this Appendix X.~~

~~e. Upon the termination of this Agreement, CMG Aggregator shall destroy or delete all Confidential Information in its possession and certify in writing to PG&E that it has done so, unless it demonstrates that it is legally obligated to retain such Confidential Information.~~

~~8. SECURITY BREACH: CMG Aggregator shall immediately notify PG&E in writing of any unauthorized access or disclosure of Confidential Information and/or PG&E Data.~~

~~a. CMG Aggregator shall immediately take reasonable measures within its control to immediately stop the unauthorized access or disclosure of Confidential Information and/or PG&E Data to prevent recurrence and to return to PG&E any copies.~~

~~b. CMG Aggregator shall promptly provide PG&E (i) a brief summary of the issue, facts and status of CMG Aggregator's investigation; (ii) the potential number of individuals affected by the security breach; (iii) the Confidential Information and/or PG&E Data that may be implicated by the security breach;~~

and (iv) any other information pertinent to PG&E's understanding of the security breach and the exposure or potential exposure of Confidential Information and/or PG&E Data.

~~c. CMG Aggregator shall promptly investigate such breach or potential breach, and shall promptly inform PG&E, in writing, of the results of such investigation, and assist PG&E (at CMG Aggregator's sole cost and expense) in maintaining the confidentiality of such Confidential Information and/or PG&E Data. CMG Aggregator agrees to provide, at CMG Aggregator's sole cost and expense, appropriate data security monitoring services for all potentially affected persons for one (1) year following the breach or potential breach, subject to PG&E's prior approval.~~

~~d. If requested in advance and in writing by PG&E, CMG Aggregator shall notify the potentially affected persons regarding such breach or potential breach within a reasonable time period determined by PG&E and in a form as specifically approved in writing by PG&E. In addition, in no event shall CMG Aggregator issue or permit to be issued any public statements regarding the security breach involving Confidential Information and/or PG&E Data unless PG&E requests CMG Aggregator to do so in writing.~~

~~9. RIGHT TO SEEK INJUNCTION: CMG Aggregator agrees that any breach of this Appendix X (Confidentiality and Data Security) would constitute irreparable harm and significant injury to PG&E. Accordingly, and in addition to PG&E's right to seek damages and any other available remedies at law or in equity in accordance with this Agreement, CMG Aggregator agrees that PG&E shall have the right to obtain, from any competent civil court, immediate temporary or preliminary injunctive relief enjoining any breach or threatened breach of this Agreement, involving the alleged unauthorized access, disclosure or use of any Confidential Information and/or PG&E Data. CMG Aggregator hereby waives any and all objections to the right of such court to grant such relief, including, but not limited to, objections of improper jurisdiction or forum non convenient.~~

~~10. CPUC and IOU DISCLOSURE: Notwithstanding anything to the contrary contained herein, but without limiting the general applicability of the foregoing, CMG Aggregator understands, agrees and acknowledges as follows:~~

~~a. PG&E hereby reserves the right in its sole and absolute discretion to disclose any and all terms of this Agreement and all exhibits, attachments, and any other documents related thereto to the CPUC, and that the CPUC may reproduce, copy, in whole or in part or otherwise disclose the Agreement to the public.~~

~~b. PG&E may be required or may deem it to be in the best interest of the Work being performed under this Agreement that any Work-related information be disclosed to other IOUs (excluding any pricing information).~~

~~11. SUBPOENAS: In the event that a court or other governmental authority of competent jurisdiction, including the CPUC, issues an order, subpoena or other lawful process requiring the disclosure by CMG Aggregator of Confidential Information and/or PG&E Data provided by PG&E, CMG Aggregator shall notify PG&E immediately upon receipt thereof to facilitate and support PG&E's efforts to prevent such disclosure, or otherwise preserve the proprietary or confidential nature of the Confidential Information and/or PG&E Data. If PG&E is unsuccessful at preventing the disclosure or otherwise preserving the proprietary or confidential nature of the Confidential Information and/or PG&E Data, or has notified CMG Aggregator in writing that it will take no action to prevent disclosure or otherwise preserve the proprietary or confidential nature of such Confidential Information and/or PG&E Data, then CMG Aggregator shall not be in violation of this Agreement if it complies with an order of such court or governmental authority to disclose such Confidential Information and/or PG&E Data.~~

~~APPENDIX XI – Non-Disclosure & Use of Information Agreement~~

~~THIS NON-DISCLOSURE AND USE OF INFORMATION AGREEMENT (NDA) is entered into by and between _____ (“Company”), _____, (“Undersigned”) authorized employee, contractor, agent, or representative of Company (together, Company and Undersigned are referred to as the “Recipient”), and PACIFIC GAS AND ELECTRIC COMPANY (“PG&E”) on the date set forth below. Undersigned and Company agree as follows:~~

~~1. The Recipient acknowledges that in the course of performing services or Work for PG&E under the Agreement, the Recipient will be given access to certain Confidential Information, which may include (a) PG&E residential or commercial Customer’s (Customer) account information and information relating to their facilities, equipment, processes, products, specifications, designs, records, data, software programs, Customer identities, marketing plans or manufacturing processes or products, (b) any technical, commercial, financial, or Customer information of PG&E obtained by Contractor in connection with the Parties Agreement, either during the Contract or applicable CWA Terms or prior to these Terms but in contemplation that CMG Aggregator might be providing the Work or services, including, but not limited to a Customer’s energy usage and billing data, data, matters and practices concerning technology, ratemaking, personnel, business, marketing or manufacturing processes, PG&E’s proprietary information or intellectual property, personal information as defined in the Agreement, or products, which may be information owned by PG&E or by a third party and which may be in the custody of PG&E or third party and which constitutes valuable confidential and proprietary information and or trade secrets belonging to PG&E, and/or third parties, (c) any such confidential information of any third party disclosing such confidential information to PG&E or Contractor in the course of such third party’s employment, engagement, business, or other relationship with PG&E or its parent, subsidiary, or affiliated companies and (d) PG&E Data as defined in Appendix XI, Confidentiality and Data Security (collectively, “Confidential Information”). Recipient acknowledges having carefully read and reviewed the Agreement, including without limitation, Articles 11 and 12 of the Agreement and Appendix X (Confidentiality and Data Security) before executing this NDA.~~

~~2. In consideration of being made privy to such Confidential Information, and of the contracting for the Recipient’s professional services by PG&E and/or CMG Aggregator, the Recipient hereby agrees to be bound by this NDA and shall hold all Confidential Information and PG&E Data in strict confidence, and shall not disclose it, or otherwise make it available, to any person or third party (including but not limited to any affiliate of PG&E that produces energy or energy-related products or services) without the prior written consent of PG&E. The Recipient agrees that all such Confidential Information:~~

~~a. Shall be used only for the purpose of providing Work or services for PG&E under the terms of the Agreement; and~~

~~b. Shall not be reproduced, copied, in whole or in part, in any form, except as specifically authorized and in conformance with PG&E’s instructions when necessary for the purposes set forth in (a) above; and~~

~~c. Shall, together with any copies, reproductions or other records thereof, in any form, and all information and materials developed by Undersigned therefrom, be destroyed or returned to PG&E when no longer needed for the performance of Undersigned’s Work or services for PG&E or upon the termination of the Agreement, whichever comes first.~~

~~3. The Recipient hereby agrees that PG&E and any third parties owning any Confidential Information are express third party beneficiaries of this Agreement.~~

~~4. The Recipient hereby acknowledges and agrees that because (a) an award of money damages is inadequate for any breach of this NDA by the Recipient or any of its representatives and~~

~~(b) any breach causes PG&E irreparable harm, that for any violation or threatened violation of any provision of this NDA, in addition to any remedy PG&E may have at law, PG&E is entitled to equitable relief, including injunctive relief and specific performance, without proof of actual damages.~~

~~5. This NDA shall be governed by and interpreted in accordance with the laws of The State of California, without regard to its conflict of laws principles.~~

UNDERSIGNED _____ CONTRACTOR _____
By: _____ Company Name: _____
Name: _____ Authorized Agent: _____
Title: _____ Name: _____
Company: _____ Title: _____
Date: _____ Date: _____

APPENDIX XII – Operating Performance Requirements, Procedures and Protocols

{ATTACH /~~INCORPORATE~~ CMET ~~Project~~PROJECT OPERATING PERFORMANCE REQUIREMENTS, PROCEDURES AND PROTOCOLS DOCUMENT & FINAL DESCRIPTION OF OPERATIONS AS APPROPRIATE}

Pursuant to the Operating Performance Requirements, Procedures and Protocols described in Section 2.1 of this Agreement, this Appendix XII will incorporate the following:

Part 1: Jurisdictional Boundaries Letter of Agreement: An agreement between PG&E distribution operators and the CMG Aggregator defining roles and responsibilities for operating and maintaining the CMET Project, notification protocols, and operating protocols and procedures.

Part 2: CMET Project Performance Requirements: Describes operational requirements necessary to meet CMET Project performance requirements including but not limited to PG&E's Electric Rule 2 or any PG&E cost-offset or grant program requirements.

Part 3: PG&E CMET Project Description of Operations: Provides CMG Aggregator personnel with a description of operations for the CMET Project operations and coordination with PG&E. This document includes but is not limited to CMET project description, control mode descriptions, alarm descriptions, and procedures requiring coordination with PG&E.

Part 4: CMG Aggregator CMET Project Description of Operations: Document for PG&E electric distribution operations regarding the CMET Project including but not limited to project overview, description of microgrid modes of operation (e.g., microgrid enabled mode and disabled mode), operation and configuration descriptions (e.g., fault responses), and alarms and responses.

For Information Only – The Following are Articles in the Agreement that point to this Appendix:

- 1.3 Term & Termination: CMET Project Suspension (lock out procedures)
 - ~~2.2.1~~ CMET Project Development Conditions
 - 3.2 Roles and Responsibilities – General
 - 3.3 Roles and Responsibilities – Modes of Operation
 - 3.4 Operational Coordination
 - 3.5 Operating Performance Requirements
 - 4.1 & 4.2 – System Change
 - 7.2 Covenants of CMG Aggregator
-

END OF AGREEMENT

Attachment E

Clean Sheets of Proposed Pro Forma MOA

**COMMUNITY MICROGRID ENABLEMENT TARIFF
MICROGRID OPERATING AGREEMENT**

between

PACIFIC GAS AND ELECTRIC COMPANY

and

Dated:

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This Community Microgrid Enablement Tariff Microgrid Operating Agreement (“Agreement” or “MOA”), together with the appendices and any other attachments referenced herein, is made and entered into between Pacific Gas and Electric Company, a California corporation (“PG&E”) and _____ a _____ as (“Community Microgrid Aggregator” or “CMG Aggregator”) as of _____ (the “Effective Date”). CMG Aggregator and PG&E are referred to individually as “Party” or collectively as “Parties”. PG&E and CMG Aggregator hereby agree to the following:

RECITALS

- A. Whereas, PG&E is a public utility providing both wholesale and retail electric power and energy sales and transmission in northern and central California and which owns an extensive electric transmission and distribution system within that area; and,
- B. Whereas, the CMG Aggregator wishes to coordinate control of distributed energy resources and provide energy resiliency for end use customers through development of a Community Microgrid (“CMG”); and,
- C. Whereas, the Parties desire to enter an agreement to enable the development and operation of a Community Microgrid under PG&E’s Community Microgrid Enablement Tariff (“CMET”), which was approved by California Public Utilities Commission (“CPUC”); and,
- D. Whereas, Parties agree that the CMET Project Resources are governed by existing rules and tariffs and require CMET Project Resource interconnection agreements when the normal mode of CMET Project operation is interconnected to and operating in parallel with the Distribution System beyond the CMET Project Microgrid Boundary (“Blue Sky Mode”); and,
- E. Whereas, Parties agree that the CMET Project is governed by the CMET and existing rules and tariffs when operating in disconnected mode (“Island Mode”) from PG&E’s distribution system at the Microgrid Islanding Point, which includes transitioning into, operating in, and transitioning out of Island Mode, and safe reconnection back to PG&E’s broader Distribution System, and that this Agreement is needed to define the roles and responsibilities of the Parties for the development and commissioning, and for safe, reliable operation of a CMET Project in Island Mode; and,
- F. Whereas, CMG Aggregator’s CMET Project has undergone a Microgrid Islanding Study performed by PG&E for the CMET Project, and the CMG Aggregator has: (1) reviewed and accepted the applicable PG&E Microgrid Islanding Study report for the proposed CMET Project; (2) reviewed and accepted the resultant draft Description of Operations and the PG&E Microgrid Special Facilities Agreement; (3) reviewed and accepted the required CMG Aggregator supplied CMET Project Balance of System and operational requirements; and (4) has committed to enter into this Agreement and to govern the development and operation of the CMET Project.

Now, therefore, in consideration of the agreements contained herein, the Parties, intending to be legally bound, agree as follows:

AGREEMENT

This Agreement shall be binding as of the Effective Date.

1. TERM & TERMINATION

1.1. Term

A. The Term of this Agreement shall commence upon the Effective Date and shall continue until the earliest of:

- (i) expiration of the Development Term if the interconnection request for the CMET Project Resource is withdrawn or the CMET Project Resource fails to achieve commercial operations pursuant to its interconnection agreement,
- (ii) expiration of the Development Term if CMET Project does not satisfy all of the Development Conditions by the applicable CMET Project Development Milestones included in Appendix III-A pursuant to Section 2.3 of this Agreement,
- (iii) expiration of the Operating Term, or
- (iv) termination pursuant to Section 1.2 of this Agreement, provided that the terms and conditions of this Agreement shall thereafter remain in effect until the Parties have fulfilled all obligations arising under this Agreement.

B. Development Term

The “Development Term” is the period described in the Project Implementation Plan, attached hereto as Appendix III-B, commencing on the Effective Date and shall remain in effect until the CMET Project Islanding Operation Date (IOD), unless sooner terminated in accordance with Section 1.2 of this Agreement.

C. Operating Term

The “Operating Term” is the period commencing on the CMET Project Islanding Operation Date, as such term is defined in Section 2.2, and shall remain in effect for a period of ten (10) years from the IOD or such other longer period as the CMG Aggregator may request and shall be automatically renewed for each successive one-year period thereafter, unless terminated in accordance with Section 1.2 of this Agreement.

1.2. Termination

This Agreement shall continue in full force and effect until the occurrence of one or more of the following events:

- A. Parties mutually agree in writing to terminate the Agreement,
- B. The termination of any existing executed CMET Project Resource Interconnection Agreement(s), which if terminated would result in the CMET Project no longer being in compliance with the CMET requirements per the Microgrid Islanding Study,
- C. The CMET Project no longer meets the eligibility requirements set forth in the CMET

Tariff (E-CMET),

- D. An Order from the CPUC or other Regulatory Authority with jurisdiction over either of the Parties requires that the Agreement or the CMET Project be terminated, or
- E. As provided in Section 5.2.B for an Event of Default.

In the event of a termination of this Agreement pursuant to Section 1.2.A, such termination will be effective as of the date designated in writing by the Parties. In the event of a termination pursuant to Section 1.2.B, such termination will be effective as of the earliest termination date of the applicable CMET Project Resource Interconnection Agreement(s), without need for further Notice by either of the Parties. In the event the CMET Project no longer meets the eligibility requirements set forth in E-CMET, pursuant to Section 1.2.C, termination will be effective thirty (30) days from delivery of Notice from PG&E of such noncompliance if CMG Aggregator is unable to cure such noncompliance. In the event of a termination pursuant to Sections 1.2.D, termination will be on a date consistent with said Order. In the event of termination pursuant to Section 1.2.E, the non-defaulting party will send a Notice specifying the basis for termination and designating a termination date.

1.3. CMET Project Suspension

During the Operating Term, this Agreement may be suspended by mutual agreement of the Parties for a period of time not to exceed six (6) months as a result of:

- A. A System Change as described in Article 4, or
- B. Written request to PG&E by the CMG Aggregator, or
- C. Written request to CMG Aggregator by PG&E.

During any such suspension period, the operational capability of the CMET Project to transition into, operate in and transition out of Island Mode will be suspended, disabled and physically locked out as prescribed in the applicable Operating Performance Requirements, Procedures and Protocols detailed in Appendix XII.

2. **CMET PROJECT DEVELOPMENT**

2.1. CMET Project Development Responsibilities and Conditions

A. CMG Aggregator and PG&E shall work together to develop, construct, install, and test the CMET Project in accordance with: (1) the CMET Project Implementation Plan (PIP) schedule set forth in Appendix III-B; (2) the CMET Project Performance Testing Technical Criteria as set forth in Appendix VIII-A; (3) the CMET Microgrid Islanding Study attached as Appendix II; and (4) any applicable requirements in the CMET Project Resource Interconnection Agreement(s), and the Microgrid Special Facilities Agreement, that are attached hereto as Appendix IV-A and Appendix IV-B, respectively.

B. CMG Aggregator and PG&E agree to collaborate in good faith to complete the CMET Project successfully and expeditiously by the Development Milestones set in Appendix III-A.

CMG Aggregator and PG&E will each, as applicable, take all reasonable actions required to demonstrate the satisfaction of each of the following development conditions consistent with both (1) the CMET Project Development Milestones for which the respective Party is responsible, as detailed in the attached Appendix III-A, and (2) the CMET Project Implementation Plan (PIP) attached as Appendix III-B:

- a) At CMG Aggregator's expense, CMG Aggregator or Contractor shall have constructed or caused to be constructed and demonstrated to PG&E's satisfaction that the CMET Project, including the CMET Project Resources and Project Balance of System, has been installed, constructed and configured consistent with the requirements detailed in the CMET Microgrid Islanding Study and Commissioning Test Plan (i.e., Appendix VIII-B) no later than the applicable Development Milestones. The CMG Aggregator shall take all actions and obtain all approvals necessary to develop the CMET Project Resources and CMET Project Balance of System pursuant to the terms of this Agreement.
- b) CMG Aggregator shall have developed Operating, Procedures and Protocols for the CMET Project, consistent with the CMET Operating Performance Requirements incorporated as Appendix XII of this Agreement, that has been approved by PG&E no later than the applicable Development Milestone presented in Appendix III-A, and prior to requesting Permission to Island the CMET Project.
- c) CMG Aggregator shall have developed a Commissioning Test Plan consistent with the CMET Operating Performance Requirements incorporated as Appendix VIII-B of this Agreement. A Commissioning Test Plan that has been approved by PG&E shall be submitted to PG&E no later than the applicable Development Milestone presented in Appendix III-A, and prior to CMG Aggregator requesting Permission to Island the CMET Project. The Commissioning Test Plan shall be incorporated as Appendix VIII-B of this Agreement.
- d) CMG Aggregator shall have delivered to PG&E the Multiple Use Attestation in accordance with Section 7.1.D of this Agreement in the form of Appendix X-B, and in accordance with Development Milestones presented in Appendix III-A and prior to requesting Permission to Island the CMET Project.
- e) CMG Aggregator shall have prepared a Project Safety Plan and Project Emergency Response Plan that has been approved by PG&E no later than the applicable Development Milestone presented in Appendix III-A. The Project Safety Plan and Project Emergency Response Plan shall incorporate the elements described in Appendix IX-A and Appendix IX-B, respectively, and will describe how the CMG Aggregator will demonstrate compliance with the Safety Requirements during the Development Term, through the CMET Project IOD and during the Operating Term.
- f) CMG Aggregator shall have delivered to PG&E the Safety Attestation in the form of Appendix X-A in accordance with Appendix IX, and with the Development Milestones presented in Appendix III-A, and prior to requesting Permission to Island the CMET Project.

g) CMG Aggregator shall have demonstrated to PG&E's satisfaction that its operating personnel are familiar with the procedures and guidelines in this Agreement as part of the Commissioning Test Plan prior to the CMET Project operating in Blue Sky Mode or in Island Mode.

C. PG&E is responsible for the design, procurement, construction, installation, and maintenance of the Distribution Upgrades required to enable the CMET Project to operate in Island Mode, as more particularly described in the CMET Project Resource Interconnection Agreement and Microgrid Special Facilities Agreement between PG&E and CMG Aggregator. PG&E shall own and maintain the Distribution Upgrades.

2.2. Satisfaction of Development Conditions and Islanding Operation Date

A. The CMG Aggregator will provide PG&E with Notice(s) that must contain sufficient documentation to demonstrate satisfaction of the Development Conditions, and the CMG Aggregator will provide additional documentation as may be requested by PG&E to demonstrate or verify such satisfaction. Upon receipt of PG&E's Notice(s) that CMG Aggregator has satisfied all Development Conditions set forth in Section 2.1, CMG Aggregator will request Permission to Island the CMET Project by completing the form attached as Appendix XI-A and submitting it to PG&E for review and approval, such approval not to be unreasonably withheld, conditioned, or delayed.

B. Following receipt of PG&E's Permission to Island the CMET Project, the CMG Aggregator will demonstrate CMET Project performance and operational compliance with the Performance Testing Technical Criteria detailed in Appendix VIII-A and PG&E-Approved Commissioning Test Plan as detailed in Appendix VIII-B. Parties will conduct CMET Project Commissioning Test per the Project Commissioning Test Plan of the CMET Project which may include, at PG&E's discretion, but not be limited to: (i) operational demonstration in Blue Sky Mode, (ii) transition to and operation in Island Mode, and (iii) transition from Island Mode to Blue Sky Mode through resynchronization with PG&E's electric system in accordance with the PG&E-approved Commissioning Test Plan.

C. The date upon which all requirements of Section 2.2.A and Section 2.2.B have been completed to the reasonable satisfaction of PG&E will be the "Islanding Operation Date" or "IOD" for the CMET Project. The Parties shall memorialize the Islanding Operation Date by mutual execution of the "Islanding Operation Date Confirmation Letter" attached as Appendix XI-B.

2.3. Failure to Meet Development Conditions

If CMG Aggregator fails to satisfy all of the Development Conditions as set forth in Section 2.1 by the applicable CMET Project Development Milestones set forth in Appendix III-A, then PG&E may declare a CMG Aggregator's Event of Default as provided in Section 5.1 of this Agreement.

3. CMET PROJECT OPERATIONS

3.1. CMET Project Operation

The CMET Project shall be capable of operation in Blue Sky Mode and Island Mode without adversely affecting the operations of the connected electric grid or the operations of the Distribution Customers within the CMET Project Microgrid Boundary and without presenting safety hazards to the public, PG&E's or CMG Aggregator's personnel, agents, contractors, and invitees.

3.2. Roles & Responsibilities – General

- A. PG&E is the Distribution Provider that is responsible for providing Distribution Service under both Blue Sky and Island Modes pursuant to all applicable Laws. PG&E will own, operate, and maintain the Distribution System, including any Distribution Upgrades.
- B. The CMG Aggregator is a third-party aggregator that coordinates control of distributed resources, including CMET Project Resources and any demand-side management resources, consistent with relevant provisions of Applicable Rules and Standards and Operating Performance Requirements, Procedures and Protocols as detailed in Appendix XII to enable the CMET Project to operate in Island Mode.
- C. During the Operating Term, CMG Aggregator shall at all times (i) retain operational coordination with PG&E for the CMET Project pursuant to this Agreement and applicable Operating Performance Requirements, Procedures and Protocols as shown in Appendix XII, (ii) be responsible for or cause CMG Aggregator's agent to be responsible for maintenance of the CMET Project Resources and CMET Project Balance of System, and (iii) bear all costs related to operation, scheduling, and maintenance of the CMET Project Resources and CMET Project Balance of System as required for the CMET Project to safely and reliably transition to, operate in and transition from Island Mode.

3.3. Roles and Responsibilities - Modes of Operation

A. Blue Sky Mode

Blue Sky Mode is when the CMET Project is operating connected and synchronized to the PG&E Distribution System at the Microgrid Islanding Point(s). Under Blue Sky Mode, the Parties' roles and responsibilities are as follows:

- a) CMG Aggregator is responsible for monitoring CMET Project Resources and Balance of Systems that are under their ownership and/or control, to assure availability and readiness to transition to Island Mode, either on a planned/scheduled basis or as a result of an unplanned outage of the PG&E distribution system at or beyond the Microgrid Islanding Point(s). CMG Aggregator is responsible for managing CMET Project Resources and Balance of System under their ownership and/or control or obligation in a manner consistent with Applicable Rules and Standards. CMG Aggregator is responsible for periodic testing to demonstrate availability and capability of the CMET Project pursuant to Section 3.5 and consistent with applicable Operating Performance

Requirements, Procedures and Protocols prescribed in Appendix XII.

- b) PG&E is responsible for monitoring and control of the CMET Project equipment and systems via PG&E's Supervisory Control and Data Acquisition (SCADA) system for operational availability, readiness and compliance with PG&E designated and approved control and protection configuration and settings and for monitoring the PG&E Distribution System within the CMET Project Microgrid Boundary consistent with PG&E's role and responsibility as Distribution Provider and in conformance with all Applicable Rules and Standards. PG&E will notify CMG Aggregator of a PSPS event which could result in a transition from Blue Sky Mode to Island Mode either at the same time (to the extent the CMG Aggregator is classified as a Public Safety Partner) or at the earliest reasonably practicable opportunity after it notifies Public Safety Partners and posts to its website notice of an anticipated de-energization of transmission infrastructure, in accordance with the CMET Project Operating Performance Requirements, Procedures and Protocols set forth in Appendix XII. Unless otherwise ordered by a Regulatory Authority, PG&E shall bear no liability for any actions taken by the CMG Aggregator due to PG&E's notification of a potential PSPS event that does not ultimately result in the need for the CMET Project to enter Island Mode.

B. Island Mode

Island Mode is when the CMET Project has disconnected from the broader PG&E Distribution System at the Microgrid Islanding Point(s) and is providing power to the Distribution Customers within the CMET Project Microgrid Boundary:

- a) CMG Aggregator is responsible for monitoring and operating CMET Project Resources and Balance of System to maintain service quality as prescribed in Section 3.2. CMG Aggregator will provide on-site inspection during Island Mode operation in accordance with the Operating Performance Requirements, Procedures and Protocols set forth in Appendix XII.
- b) PG&E is responsible for monitoring the CMET Project via PG&E's SCADA system, as well as limited control for operational compliance with PG&E designated and approved control and protection configuration and settings, and for monitoring the PG&E Distribution System within the CMET Project Microgrid Boundary consistent with PG&E's role and responsibility as Distribution Provider. PG&E is responsible for notifying CMG Aggregator of a planned transition from Island Mode to Blue Sky Mode in accordance with the Operating Performance Requirements, Procedures and Protocols set forth in Appendix XII.

C. Maintenance

- a) The CMG Aggregator agrees to maintain all PG&E required CMET Project devices as identified in the Microgrid Islanding Study, Appendix V, and Description of Operations in service, with controller and protection settings as recorded on a PG&E-approved relay test report and G5-1 forms described in PG&E's Distribution Interconnection Handbook and required for pre-parallel inspection of CMET Project.

- b) Requests for installation of proposed firmware updates to Balance of System owned by CMG Aggregator or proposed changes in controller and protection settings which are essential to ensure day-to-day reliability, operational security and safety, or cyber-security related to the CMET Project must be submitted in writing to PG&E for review and approval. PG&E will review any such proposed firmware updates, changes and modifications of and associated implementation and test plan, and will provide CMG Aggregator with Notice of its approval, or of any required modifications. Upon confirmation that such modifications have been made by CMG Aggregator, PG&E will provide Notice of approval to CMG Aggregator, with confirmation that CMG Aggregator may proceed with its implementation and test plan and consistent with Operating Performance Requirements, Procedures and Protocols in Appendix XII as applicable.
- c) The CMG Aggregator agrees to comply with the requirements identified in this Agreement for CMET Project Island Mode operation and the PG&E Interconnection Handbooks for all such equipment and generation sources capable of parallel operation with PG&E's electrical system.

3.4. Operational Coordination

A. Communications

During the Operating Term, CMG Aggregator shall coordinate CMET Project operations with PG&E and maintain the CMET Project pursuant to the Operating Performance Requirements, Procedures and Protocols as described in Appendix XII.

- a) The CMG Aggregator shall maintain operating communications with the Designated PG&E Distribution Control Center at all times during the Operating Term. The operating communications shall include, but not be limited to, CMET Project status, CMET Project Resource separation, scheduled and unscheduled shutdowns, Unscheduled Island Mode and CMET Project equipment clearances, and notifications of security updates and support pursuant to Section 12.2.D of this Agreement. Communications can be a combination of real-time telemetry through SCADA and person to person communications as described in Appendix XII.
- b) All oral operating communications shall be conducted through the Designated PG&E Distribution Control Center. The CMG Aggregator agrees to maintain direct phone service staffed 24 hours so that PG&E can give instructions to the CMG Aggregator or its designated CMET Project operations coordinator.
- c) Parties will develop Operating Performance Requirements, Procedures and Protocols as provided in Section 2.1.B(a), to be incorporated as Appendix XII of this Agreement. The Operating Performance Requirements, Procedures and Protocols may include, but shall not be limited to, the following elements:
 - 1. Identify and describe parties' detailed operational roles and responsibilities under defined operating modes of i) Blue Sky Mode and ii) Island Mode, including during the transitions between such operating modes as prescribed in this Agreement.

2. Identify responsible entities and respective Designated CMET Project Operating Representatives for specific operational activities associated with the CMET Project and PG&E.
3. Identify communications requirements for operational notification and coordination that may include:
 - i. Any Emergency situation or any CMG Aggregator request that PG&E de-energize a portion of the PG&E Distribution System within the CMET Project.
 - ii. Any Emergency situation or any PG&E need to de-energize a portion of the PG&E Distribution System within or outside the CMET Project Microgrid Boundary that impacts the ability of the CMET Project to transition to and operate in Island Mode.
 - iii. Any changes in the mechanical or electric condition of the CMET Project that may affect the reliability of the PG&E electric system.
 - iv. Immediately upon discovery, any mis-operation or inoperable condition of a PG&E-required CMET Project controller, relay, circuit breaker, or other protective device.
 - v. Any curtailment or limitation in CMET Project operation resulting from any type of communications, control or hardware failure.
 - vi. Immediately upon discovery, any operation of a PG&E-required CMET Project, circuit breaker, or other protective device, including a listing and description of the protection alarm points that caused the circuit breaker or protective device to operate.
 - vii. Emergency CMET Project transition to Island Mode shall be reported as soon as conditions permit.
 - viii. Planned/Scheduled transition between Operating Modes.
 - ix. Planned maintenance outage requests of the CMET Project, consistent with PG&E process, procedures and standards as applicable and as may be incorporated or referenced in Appendix XII.
 - x. Planned maintenance outage of PG&E Distribution System that may impact the CMET Project that impacts the ability of the CMET Project to transition to and operate in Island Mode.
 - xi. Procedures for switching, energizing/de-energizing of the PG&E Distribution and/or CMET Project.
 - xii. Periodic capability and functional testing.
 - xiii. Personnel authorization to access CMET Project control facilities and equipment.

B. Special Operations & Clearance Requests

- a) CMG Aggregator may request a special operation to manually island the CMET Project from the PG&E system for testing, maintenance, repairs or other as otherwise mutually agreed between the Parties. CMG Aggregator must provide PG&E notice pursuant to the

Operating Performance Requirements, Procedures and Protocols prior to any such proposed special operation, including the reasons and objectives for the request, planned date/time of Island Mode operation, Island Mode duration and planned date/time of transitioning back to Blue Sky Mode. PG&E, in its sole discretion, may provide CMG Aggregator confirmation and approval of the request and will coordinate transition to Island Mode and return to Blue Sky Mode operations with the Designated PG&E Distribution Control Center in real time when proceeding with the approved special operations.

- b) Under normal conditions, PG&E will give advance notice of plans to perform work that may affect the CMET Project access to the PG&E system, consistent with PG&E process, procedures and standards as may be applicable and incorporated or referenced in Appendix XII. The CMG Aggregator may request that such work be performed during times other than regular business hours (Non-Holidays, Monday through Friday, 8:00 A.M. to 5:00 p.m.), which PG&E may accommodate, provided that PG&E reserves the right to charge the CMG Aggregator the additional cost for work performed during times other than normal business hours when the schedule of such work is negotiable, as solely determined by PG&E. PG&E will provide the CMG Aggregator with an estimate of the additional cost and if the CMG Aggregator still desires the work to be performed during non-normal business hours and PG&E does perform the work, PG&E shall charge the CMG Aggregator the actual additional costs for the work, the amount of which shall not exceed the cost estimate.
- c) Under Emergency conditions, PG&E through the Designated PG&E Distribution Control Center may, without notice and at any time, interrupt service to the CMET Project if a situation exists which may adversely affect the PG&E Electric System Integrity or upon any emergency request that PG&E de-energize a portion of the Distribution System under its control pursuant to Electric Rule 14.

3.5. Operating Performance Requirements

During the Operating Term, CMG Aggregator will satisfy the following operational performance requirements (collectively, the "Operating Performance Requirements"):

- A. The CMET Project must successfully meet the performance requirements as specified in Appendix II and Appendix XII.
- B. The CMG Aggregator shall demonstrate compliance with the requirements for Operational Coordination for communications, special operations and clearance requests pursuant to Section 3.4 to PG&E's satisfaction.
- C. PG&E and CMG Aggregator will mutually develop a CMET Project Performance Test not later than [date]. The Parties will perform a biennial (occurring every two [2] years) CMET Project Performance Test, or as PG&E, in its sole discretion, determines the need for a test, but not to exceed more than once every 12 months.
 - a. As part of the CMET Project Performance Test, CMG Aggregator is to demonstrate that the CMET Project can successfully meet the operating requirements and required performance pursuant to the CMET Project

Description of Operations in Appendix XII and the Microgrid Islanding Study in Appendix II as applicable. CMET Project Performance Test reports shall be mutually reviewed by PG&E and CMG Aggregator to confirm compliance with the Description of Operations.

- b. PG&E and CMG Aggregator will mutually develop and coordinate review and Parties will perform testing of the CMET Project Balance of System to demonstrate compliance with manufacturer's accepted specifications and applicable operating requirements pursuant to CMET Project Description of Operations detailed in Appendix XII. CMET Project Balance of System test reports shall be mutually reviewed by PG&E and CMG Aggregator to confirm compliance with the Description of Operations.
- c. As part of the CMET Project Performance Test, PG&E may, at its option, request CMG Aggregator to demonstrate to PG&E's satisfaction that its operating personnel are familiar with the Operating Performance Requirements, Procedures and Protocols in this Agreement to the CMET Project operating in Blue Sky Mode or in Island Mode and associated transitions between these operating modes.

3.6. Failure to Meet CMET Operating Performance Requirements

If CMG Aggregator fails to satisfy all of the Operating Performance Requirements as set forth in Section 3.5, then PG&E may declare a CMG Aggregator's Event of Default as provided in Section 5.1 of this Agreement, and CMG Aggregator may be required to develop a cure or be subject to termination of the CMET Project pursuant to Section 5.2 of this Agreement.

4. SYSTEM CHANGE

4.1. Periodic Review

At any time and at its sole discretion, PG&E may perform a review of an existing CMET Project's Microgrid Islanding Study and evaluate the impact of any substantive changes in the original assumptions used in the CMET Project's applicable Microgrid Islanding Study regarding customer load, resources, or other operational or safety issues inside or outside the CMET Project Microgrid Boundary of an existing CMET Project that may represent a System Change which could render the CMET Project incapable of safely operating in Island Mode, or transitioning to and from Island Mode.

If, in PG&E's sole discretion, a Microgrid Islanding Study conducted pursuant to this Section 4.1 results in required upgrades to the CMET Project, the CMG Aggregator shall be responsible for and remit within forty-five days of invoicing to PG&E the costs incurred by PG&E to conduct the Microgrid Islanding Study. If any Microgrid Islanding Study performed for the CMET Project after the initial Microgrid Islanding Study results in a determination that no upgrades are required, PG&E will bear the cost of that Microgrid Islanding Study.

4.2. CMG Aggregator Proposed Changes

A. Change or Modify CMET Project Resources or Loads

- a) During the Operating Term, the CMG Aggregator may need or want to change, modify or add CMET Project Resources or incorporate CMG Aggregator-initiated changes in end-use customer loads (e.g., behind the meter resources or programs, new loads, etc.) within the existing CMET Project Microgrid Boundary. CMG Aggregator must notify PG&E of any such proposed changes in sufficient detail to allow PG&E to make a preliminary assessment if the proposed changes would constitute a System Change. CMG Aggregator will not make any changes to the existing CMET Project without first providing Notice to PG&E and fulfilling the requirements of this Section 4.2.
- b) Upon receipt of CMG Aggregator's Notice of a proposed change as described in Section 4.2.A(a), PG&E will conduct a preliminary assessment to determine if the proposed changes would constitute a System Change. If, in PG&E's sole discretion, the proposed changes would not constitute a System Change, PG&E will provide Notice to CMG Aggregator if the proposed change is acceptable, or provide feedback on necessary modifications to the proposed change. If, in PG&E's sole discretion, the proposed changes constitute a System Change, PG&E will advise CMG Aggregator and request written authorization from CMG Aggregator to proceed with a new Microgrid Islanding Study.
- c) If CMG Aggregator authorizes PG&E to proceed, PG&E will perform a new Microgrid Islanding Study, based on the CMG Aggregator's proposed changes as well as any other relevant operational conditions inside or outside the CMET Project Microgrid Boundary that PG&E deems appropriate. PG&E will provide the new Microgrid Islanding Study to the CMG Aggregator upon its completion for review. The Microgrid Islanding Study will identify what new or incremental additions to existing Microgrid Resources, Special Facilities or Balance of System are required and what the cost estimate is for these changes.
- d) The CMG Aggregator will have thirty (30) Calendar Days after receipt of the new Microgrid Islanding Study and the revised Description of Operations to review and sign the new/incremental Microgrid Special Facilities Agreement and the new/revised CMET Project Balance of System requirements. CMG Aggregator may request an engineering results review within ten (10) Business Days after receipt of the MIS to review the MIS findings with PG&E and determine what modifications, if any, may permit the safe and reliable Island Mode operation. CMG Aggregator shall commit in writing to amend or revise this Agreement as applicable and to proceed with implementation of prescribed changes to enable the CMET Project to continue to safely operate in Island Mode.
- e) If the CMG Aggregator rejects the results of the new Microgrid Islanding Study, then no modifications will be made to the existing CMET Project and it will continue to operate under the existing MIS and Description of Operations.

B. Cost Responsibility

- a) CMG Aggregator is responsible for and shall remit within forty-five days of invoicing to

PG&E the cost of a new Microgrid Islanding Study conducted under Section 4.2.

- b) The CMG Aggregator is responsible for all incremental costs associated with changes to the Microgrid SFA and CMET Project Balance of System identified in any new Microgrid Islanding Study undertaken pursuant to Section 4.2, including any required changes to the Project Resource owner's Interconnection Agreements.

4.3. PG&E System Changes

A. New Microgrid Islanding Study

- a) At any time during the Operating Term, PG&E may need to accommodate new generation interconnection, customer load changes/new connections or accommodate other operational conditions within and/or outside the Microgrid Boundary of an existing CMET Project which may, in PG&E's sole determination result in a System Change. CMG Aggregator Proposed Changes described in Section 4.2.A(a) are specifically excluded from the definition of PG&E System Changes described in this Section 4.3.
- b) PG&E will notify the CMG Aggregator of any System Change identified pursuant to Section 4.3.A(a). If the System Change includes a new generation interconnection within the existing CMET Project Microgrid Boundary, PG&E will, subject to applicable confidentiality restrictions, notify the CMG Aggregator and the CMG Aggregator, in its sole discretion, may approach the owner of the new generation about potentially participating in the CMET Project.
- c) Within fifteen (15) days of PG&E notifying the CMG Aggregator of a System Change involving new load or generation interconnection, PG&E will initiate a new Microgrid Islanding Study, assuming the new load, if applicable, will be integrated into the existing CMET Project and further assuming that the new generation (i.e., Non-Project Resource), if applicable, will not be integrated as a new CMET Project Resource within the existing CMET Project, unless specifically notified by the CMG Aggregator otherwise.
- d) PG&E will provide the new Microgrid Islanding Study to the CMG Aggregator upon completion for CMG Aggregator's review. The Microgrid Islanding Study will identify what new or incremental additions to existing CMET Project Resources, Special Facilities or Balance of System are required and provide a cost estimate for these changes.
- e) The CMG Aggregator will have thirty (30) Calendar Days after receipt of the new Microgrid Islanding Study (which will include a revised Description of Operations) to review and sign the new/incremental Microgrid Special Facilities Agreement and the new/revised CMET Project Balance of System and operational requirements. CMG Aggregator may request an engineering results review within ten (10) Business Days after receipt of the MIS to review the MIS findings with PG&E and determine what modifications, if any, may permit the safe and reliable Island Mode operation. CMG Aggregator shall commit in writing to amend or revise this Agreement as applicable and to proceed with implementation of prescribed changes to enable the CMET Project to continue to safely operate in Islanding Mode.
- f) If the CMG Aggregator rejects the results of the new Microgrid Islanding Study, then

PG&E will provide CMG Aggregator with an estimate of when the existing CMET Project will be terminated or suspended under provisions described in Section 1.2.

B. Cost Responsibility:

- a) If, in PG&E’s sole discretion, a Microgrid Islanding Study conducted pursuant to this Section 4.3 results in required upgrades to the CMET Project, the CMG Aggregator shall be responsible for and remit within forty-five days of invoicing to PG&E the costs incurred by PG&E to conduct the Microgrid Islanding Study. Except as provided in Section 4.3.B(d), if any Microgrid Islanding Study performed for the CMET Project after the initial Microgrid Islanding Study results in a determination that no upgrades are required, PG&E will bear the cost of that Microgrid Islanding Study.
- b) The CMG Aggregator is responsible for all incremental costs associated with changes to Microgrid SFA and CMET Project Balance of System identified in any new Microgrid Islanding Study undertaken pursuant to Section 4.1 and Section 4.3, including any incremental required changes to the CMG Aggregator’s Interconnection Agreement requirements due to the CMG Aggregator making modifications to the Project Resource(s).
- c) The CMG Aggregator is not responsible for any costs associated with interconnection upgrades required to maintain safe grid operation during Blue Sky Mode as a result of a third party adding new generation or load within and/or outside the Microgrid Boundary of an existing CMET Project.
- d) The CMG Aggregator is solely responsible for and shall remit within forty-five days of invoicing to PG&E the costs reasonably incurred by PG&E to conduct a Microgrid Islanding Study if a customer requests to be removed from the CMET Project or if the CMG Aggregator is amenable to including a customer requesting to be added to the CMET project.

C. Summary Table of Cost Responsibility

For convenience, the following table summarizes the cost responsibilities under various System Change scenarios described in Section 4.1, 4.2, and 4.3. To the extent any conflict arises between the summary in this Table and other provisions of this MOA, the other provision in the MOA Section Referenced column of the Table shall control.

| System Change Category | System Change Scenario¹ | MOA Section Referenced | MIS Cost Responsibility | Microgrid Upgrade Cost Responsibility² |
|-------------------------------|---|-------------------------------|--------------------------------|--|
|-------------------------------|---|-------------------------------|--------------------------------|--|

¹ PG&E, at its sole discretion, determines whether these scenarios result in a System Change requiring the need for a MIS.

² PG&E must agree to proposed upgrades before upgrades occur.

| | | | | |
|----------------------------|--|------------|-----------------------------|----------------|
| Load | Customer within microgrid changes panel sizing | 4.1 or 4.3 | CMG Aggregator ³ | CMG Aggregator |
| | New customer load application for interconnection within the Microgrid Boundary ⁴ | 4.1 or 4.3 | CMG Aggregator ³ | CMG Aggregator |
| | Customer outside microgrid requests to be included | 4.3 | CMG Aggregator | CMG Aggregator |
| | Customer within microgrid requests to be removed from microgrid | 4.3 | CMG Aggregator | CMG Aggregator |
| Generation | Non-Project Resources added (BTM or FTM generation) ⁴ | 4.1 or 4.3 | CMG Aggregator ³ | CMG Aggregator |
| | Project Resource modification or addition | 4.2 | CMG Aggregator | CMG Aggregator |
| | CMG Aggregator proposed load management solutions (e.g., demand response) | 4.2 | CMG Aggregator | CMG Aggregator |
| Operational changes | Changes at PG&E's discretion to support DSO role | 4.1 | Utility | Utility |

Table 1: Responsible Party for costs associated with a MIS and/or microgrid upgrade costs due to System Changes.

5. EVENTS OF DEFAULT, REMEDIES AND DEFAULT

5.1. Events of Default

A. CMG Aggregator

The CMG Aggregator will be deemed a “Defaulting Party” upon the occurrence of any of the following (each a “CMG Aggregator’s Event of Default”):

- a) CMG Aggregator fails to satisfy a Development Condition by the required Development Milestone date.
 1. If a CMG Aggregator anticipates that it will be unable to meet a Development Condition or Development Milestone for any reason, it shall immediately notify PG&E of the reason(s) for not meeting the Development Condition or Development Milestone and (1) propose the earliest reasonable alternate date and the means by which CMG

³ For the identified System Change scenarios, if the MIS results in required upgrades to the CMET Project, the CMG Aggregator shall be responsible for and remit within forty-five days of invoicing to PG&E the costs incurred by PG&E to conduct the MIS. If any MIS performed for the CMET Project after the initial MIS results in a determination that no upgrades are required, PG&E will bear the cost of that MIS.

⁴ If a new customer or Non-Project Resource are uninterested in being included in the CMET Project, the customer or responsible party for the Non-Project Resource are responsible for any associated costs to be exclude from the CMET Project.

Aggregator can attain this and future Development Conditions or Development Milestones, and, (2), if PG&E agrees with such extension request, the Parties will make appropriate amendments to Appendix III-A and/or Appendix III-B.

2. PG&E may decline to enter into such an amendment in its reasonable discretion, including, without limitation, if (1) it anticipates that it may suffer uncompensated economic or operational harm from the delay, (2) attainment of the same Development Condition or Development Milestone has previously been delayed, or (3) it has reason to believe that the delay in meeting the Development Condition or Development Milestone is intentional or unwarranted notwithstanding the circumstances explained by the Party proposing the amendment.
- b) The CMG Aggregator fails to satisfy the Operating Performance Requirements for the CMET Project as set forth in Section 3.5 of this Agreement, as determined by PG&E in its reasonable discretion.
- c) The CMG Aggregator fails to complete any of Appendices or related documents contemplated in the Appendices pursuant to the terms and conditions set forth in Article 2 CMET Project Development of this Agreement.

B. Either Party

Either Party will be deemed a “Defaulting Party” if a Party fails to perform any of its material obligations or covenants under this Agreement when and as required, and such failure is not otherwise addressed in this Section 5.1 (each an “Event of Default”).

5.2. Default Notice & Remedy

A. Upon a Default, the non-defaulting Party shall give written notice of such Default to the Defaulting Party. The defaulting Party shall have sixty (60) Calendar Days from receipt of the Default Notice within which to cure such Default; provided however, if such Default is not capable of cure within sixty (60) Calendar Days, the Defaulting Party shall commence such cure within twenty (20) Calendar Days after notice and continuously and diligently complete such cure within six (6) months from receipt of the Default notice; and, if cured within such time, the Default specified in such notice shall cease to exist.

B. If a Default is not cured as provided in this Section 5.2, or if a Default is not capable of being cured within the period provided for herein, the non-defaulting Party shall have the right to terminate this Agreement by written notice at any time until cure occurs, and be relieved of any further obligation hereunder and, whether or not that Party terminates this Agreement, to recover from the defaulting Party all amounts due hereunder, plus all other damages and remedies to which it is entitled at law or in equity. The provisions of this Section 5.2.B will survive termination of this Agreement.

5.3. Waiver

A. The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered a waiver of any

obligation, right, or duty of, or imposed upon, such Party.

B. Any waiver at any time by either Party of its rights with respect to this Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, duty of this Agreement. Any waiver of this Agreement shall, if requested, be provided in writing.

6. GOVERNMENTAL CHARGES

6.1. Cooperation

Each Party shall use reasonable efforts to implement the provisions of and to administer this Agreement in accordance with the intent of the Parties to minimize all taxes, so long as neither Party is materially adversely affected by such efforts.

6.2. Governmental Charges

CMG Aggregator shall pay or cause to be paid all taxes or fees imposed by any Governmental Authority (Governmental Charges) on or with respect to the CMET Project, by reason of the execution, delivery, performance or enforcement of this Agreement. Nothing shall obligate or cause a Party to pay or be liable to pay any Governmental Charges for which it is exempt under Law.

7. COVENANTS

7.1. General Covenants

Each Party covenants throughout the Term of this Agreement as follows:

A. It shall continue to be duly organized, validly existing and in good standing under the Laws of the jurisdiction of its formation and qualified to conduct business in the State of California and in all jurisdictions where ownership of its properties or its operations require such qualifications, except where the failure to do so would not have a material adverse effect on its financial condition, its ability to own its properties or transact its business, or to carry out the transactions contemplated hereby;

B. It shall maintain (or obtain from time to time as required, including through renewal, as applicable) all Governmental Approvals necessary for it to legally perform its obligations under this Agreement;

C. It shall perform its obligations under this Agreement in a manner that does not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any Law applicable to it;

D. It shall follow all rules, orders and tariffs approved or established by the CPUC and the CAISO with respect to any energy storage CMET Project Resource, including, but not limited to

the multiple use application rules set forth in Appendix A of CPUC Decision 18-01-003 as that Decision may be revised in the future.

7.2. Covenants of CMG Aggregator

CMG Aggregator covenants to and for the benefit of PG&E that throughout the Operating Term (unless another time period is specified):

A. It shall operate the CMET Project during the Operating Term in accordance with the Operating Performance Requirements, Procedures and Protocols in Appendix XII and the Safety Requirements, and,

B. It shall comply with all applicable Laws, Applicable Rules and Standards, and Utility Distribution Company, Participating Transmission Owner, and CAISO Tariff requirements applicable to the CMET Project.

8. **LIABILITY, INDEMNITY, CONSEQUENTIAL DAMAGES AND INSURANCE**

8.1. Limitation of Remedies, Liability and Damages

EXCEPT AS MAY OTHERWISE BE EXPRESSLY PROVIDED IN THIS AGREEMENT, THERE IS NO WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND ANY AND ALL IMPLIED WARRANTIES ARE DISCLAIMED. THE PARTIES CONFIRM THAT THE EXPRESS REMEDIES AND MEASURES OF DAMAGES PROVIDED IN THIS AGREEMENT SATISFY THE ESSENTIAL PURPOSES HEREOF. FOR BREACH OF ANY PROVISION FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, THE OBLIGOR'S LIABILITY SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED UNLESS THE PROVISION IN QUESTION PROVIDES THAT THE EXPRESS REMEDIES ARE IN ADDITION TO OTHER REMEDIES THAT MAY BE AVAILABLE. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED HEREIN, THE OBLIGOR'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY, SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED UNLESS EXPRESSLY HEREIN PROVIDED. NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION (OTHER THAN IN SECTION 8.2) OR OTHERWISE EXCEPT TO THE EXTENT PART OF AN EXPRESS REMEDY OR MEASURE OF DAMAGES HEREIN. UNLESS EXPRESSLY HEREIN PROVIDED, AND SUBJECT TO THE PROVISIONS OF SECTION 8.2, IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS HEREIN IMPOSED ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR

CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID HEREUNDER ARE LIQUIDATED THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED HEREUNDER CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS.

8.2. Indemnity

- A. This provision protects each Party from liability incurred to third parties as a result of carrying out the provisions of this Agreement as applicable to the CMET Project. Liability under this provision is exempt from the general limitations on liability found in Section 8.1.
- B. The Parties shall at all times indemnify, defend, and hold the other Party harmless from, any and all damages, losses, claims, including claims and actions relating to injury to or death of any person or damage to property, demand, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties, arising out of or resulting from the other Party's action or failure to meet its obligations under this Agreement on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnified Party.
- C. If an indemnified person is entitled to indemnification under this Section 8.2 as a result of a claim by a third party, and the indemnifying Party fails, after notice and reasonable opportunity to proceed under this Section 8.2, to assume the defense of such claim, such indemnified person may at the expense of the indemnifying Party contest, settle or consent to the entry of any judgment with respect to, or pay in full, such claim.
- D. If an indemnifying party is obligated to indemnify and hold any indemnified person harmless under this Section 8.2, the amount owing to the indemnified person shall be the amount of such indemnified person's actual loss, net of any insurance or other recovery.
- E. Promptly after receipt by an indemnified person of any claim or notice of the commencement of any action or administrative or legal proceeding or investigation as to which the indemnity provided for in this Article 8 may apply, the indemnified person shall notify the indemnifying party of such fact. Any failure of or delay in such notification shall not affect a Party's indemnification obligation unless such failure or delay is materially prejudicial to the indemnifying party.

8.3. Insurance

- A. As of the Effective Date and throughout the Term (and for such additional periods as may be specified in this Section 8.3), the CMG Aggregator shall, at its own expense, provide and maintain in effect the insurance policies and minimum limits of coverage specified in this Section 8.3, and such additional coverage as may be required by Applicable Law, with insurance companies which are authorized to do business in the state in which the services are to be performed and which have an A.M. Best's Insurance Rating of not less than A-VII. The minimum insurance requirements specified in this Section 8.3 do not in any way limit or relieve

CMG Aggregator of any obligation assumed elsewhere in this Agreement, including, but not limited to, CMG Aggregator's defense and indemnity obligations.

- a) Workers' Compensation Insurance with the statutory limits required by the state having jurisdiction over CMG Aggregator's employees.
- b) Employer's Liability Insurance with limits of not less than:
 1. Bodily injury by accident – One Million dollars (\$1,000,000) each accident;
 2. Bodily injury by disease – One Million dollars (\$1,000,000) policy limit; and
 3. Bodily injury by disease – One Million dollars (\$1,000,000) each employee
- c) Commercial General Liability Insurance, (which, except with the prior written consent of PG&E and subject to Sections 8.3.A.(b)(1) and (2), shall be written on an "occurrence," not a "claims-made" basis), covering all operations by or on behalf of CMG Aggregator arising out of or connected with this Agreement, including coverage for bodily injury, broad form property damage, personal and advertising injury, products/completed operations, and contractual liability. Such insurance shall bear a combined single limit per occurrence and annual aggregate of not less than one million dollars (\$1,000,000), exclusive of defense costs, for all coverages. Such insurance shall contain standard cross-liability and severability of interest provisions. If CMG Aggregator elects, with PG&E's written concurrence, to use a "claims made" form of Commercial General Liability Insurance, then the following additional requirements apply:
 1. The retroactive date of the policy must be prior to the Effective Date; and
 2. Either the coverage must be maintained for a period of not less than four years after the Agreement terminates, or the policy must provide for a supplemental extended reporting period of not less than four years after the Agreement terminates.
- d) Commercial Automobile Liability Insurance covering bodily injury and property damage with a combined single limit of not less than \$1,000,000 per occurrence. Such insurance shall cover liability arising out of CMG Aggregator's use of all owned (if any), non-owned and hired automobiles in the performance of the Agreement.
- e) Umbrella/Excess Liability Insurance, written on an "occurrence," not a "claims-made" basis, providing coverage excess of the underlying Employer's Liability, Commercial General Liability, and Commercial Automobile Liability insurance, on terms at least as broad as the underlying coverage, with limits of not less than \$10,000,000 per occurrence and in the annual aggregate. The insurance requirements of this Section 8.3 can be provided by any combination of CMG Aggregator's primary and excess liability policies.

B. The insurance required in Section 8.3.A apply as primary insurance to, without a right of contribution from, any other insurance maintained by or afforded to PG&E, its subsidiaries and affiliates, and their respective officers, directors, shareholders, agents, and employees, regardless of any conflicting provision in CMG Aggregator's policies to the contrary. To the extent permitted by Applicable Law, CMG Aggregator and its insurers are required to waive all

rights of recovery from or subrogation against PG&E, its subsidiaries and affiliates, and their respective officers, directors, shareholders, agents, employees and insurers. The Commercial General Liability and Umbrella/Excess Liability insurance required above shall name PG&E, its subsidiaries and affiliates, and their respective officers, directors, shareholders, agents and employees, as additional insureds for liability arising out of CMG Aggregator's construction, ownership or operation of the CMET Project.

C. At the time this Agreement is executed, or within a reasonable time thereafter, and within a reasonable time after coverage is renewed or replaced, CMG Aggregator shall furnish to PG&E certificates of insurance evidencing the coverage required in this Section 8.3, written on forms and with deductibles reasonably acceptable to PG&E. All deductibles, co-insurance and self-insured retentions applicable to the insurance above shall be paid by CMG Aggregator. All certificates of insurance shall note that the insurers issuing coverage shall endeavor to provide PG&E with at least 30 days' prior written notice in the event of cancellation of coverage. PG&E's receipt of certificates that do not comply with the requirements stated herein, or CMG Aggregator's failure to provide certificates, does not limit or relieve CMG Aggregator of the duties and responsibility of maintaining insurance in compliance with the requirements in this Section 8.3 and does not constitute a waiver of any of the requirements in this Section 8.3.

D. If CMG Aggregator fails to comply with any of the provisions of this Section 8.3, CMG Aggregator, among other things and without restricting PG&E's remedies under the Applicable Law or otherwise, shall, at its own cost and expense, act as an insurer and provide insurance in accordance with the terms and conditions above. With respect to the required Commercial General Liability, Umbrella/Excess Liability and Commercial Automobile Liability insurance, CMG Aggregator shall provide a current, full and complete defense to PG&E, its subsidiaries and affiliates, and their respective officers, directors, shareholders, agents, employees, assigns, and successors in interest, in response to a third party claim in the same manner that an insurer would have, had the insurance been maintained in accordance with the terms and conditions set forth above.

E. CMG Aggregator has the right to self-insure to comply with CMG Aggregator's obligations under this Section 8.3. The insurance carrier or carriers and form of policy (including any deductible amount), or any plan for self-insurance shall be subject to review and approval by PG&E, which approval may not be unreasonably withheld, conditioned or delayed.

9. ASSIGNMENT

9.1. General Assignment

Neither Party will assign this Agreement or its rights hereunder without the prior written consent of the other Party, which consent will not be unreasonably conditioned, delayed, or withheld so long as (a) the assignee assumes the transferring Party's performance obligations under this Agreement, (b) the assignee agrees in writing to be bound by the terms and conditions hereof, (c) the transferring Party delivers evidence satisfactory to the non-transferring Party of the proposed assignee's technical and financial capability to fulfill the assigning Party's obligations

hereunder, (d) the transferring Party delivers such tax and enforceability assurance as the other Party may reasonably request, and (e) in the case of CMG Aggregator as the transferring Party with a transfer to an assignee that will have operational control of the CMET Project, CMG Aggregator delivers to PG&E, upon PG&E's request, documentation to demonstrate the assignee is capable of satisfying and complying with all provisions of this Agreement.

9.2. Assignment in Connection with a Change in Control

Any direct change of control of CMG Aggregator or CMG Aggregator's Parent (whether voluntary or by operation of Law) is deemed an assignment and shall require the prior written consent of PG&E which consent shall not be unreasonably conditioned, delayed or withheld, provided that the requirements identified in Section 9.1(a) through (e) are met. CMG Aggregator shall use commercially reasonable efforts to provide PG&E (a) Notice at least ten (10) days prior to the effectiveness of any indirect change in control, and shall in any event provide such Notice no later than ten (10) Business Days after the indirect change in control, and (b) such other information as PG&E may reasonably request in connection with such change in control.

9.3. Unauthorized Assignment

Any attempted assignment that violates this Article 9 is void and ineffective. Assignment shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. An assignee is responsible for meeting the same financial, credit, and insurance obligations as the CMG Aggregator. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

10. DISPUTE RESOLUTION

The Parties agree to attempt to resolve all disputes associated with this Agreement according to the provisions of this Article 10.

10.1. Notification and Negotiation

- A. In the event of a dispute, the dispute shall be documented in a written Notice by the aggrieved Party to the other Party containing the relevant known facts pertaining to the dispute, the specific dispute and the relief sought, and express Notice by the aggrieved Party that it is invoking the procedures under this Article 10. The Notice shall be sent to the Party's email address and physical address set forth under Notices in Appendix VII. A copy of the Notice shall also be sent to the Energy Division, Office of the Director, at the Commission. The receiving Party shall acknowledge the notice within five (5) Calendar Days of its receipt.
- B. Upon the aggrieved Party notifying the other Party of the dispute, each Party must designate a representative with the authority to make decisions for its respective Party to review the dispute within seven (7) Calendar Days.
- C. Upon receipt of Notice, receiving Party shall provide the aggrieved Party with all relevant

regulatory and/or technical details and analysis regarding the CMET Project under dispute within twenty-one (21) Calendar Days.

D. Within forty-five (45) Calendar Days of the date of the Notice, the Parties' Authorized Representatives will be required to meet and confer to try to resolve the dispute. Parties are expected to operate in good faith and use best efforts to resolve the dispute.

E. If a resolution is not reached in forty-five (45) Calendar Days from the date of the notice, either 1) a Party may request to continue negotiations for an additional forty-five (45) Calendar Days or 2) the Parties may by mutual agreement make a written request for mediation to the Alternative Dispute Resolution (ADR) Coordinator in the Commission's Administrative Law Judge (ALJ) Division. The request may be submitted by electronic mail to adr_program@cpuc.ca.gov. Alternatively, both Parties by mutual agreement may request mediation from an outside third-party mediator with costs to be shared equally between the Parties.

F. At any time, either Party may file a formal complaint before the Commission pursuant to California PUC section 1702 and Article 4 of the Commission's Rules of Practice and Procedure. Nothing in this section shall be construed to limit the rights of any Party to exercise rights and remedies under Commission law.

10.2. Performance During Dispute

A. Pending resolution of any dispute under this Article 10, the Parties shall proceed diligently with the performance of their respective obligations under this Agreement unless this Agreement has been terminated.

B. If a dispute for which a Party has provided a Notice pursuant to this Article 10 remains unresolved to the satisfaction of either Party more than sixty (60) days following receipt of the Notice, then either Party may exercise whatever rights and remedies it may have in equity or law consistent with the terms of this Agreement.

11. INTELLECTUAL PROPERTY, AGREEMENT DELIVERABLES AND USE RIGHTS

11.1. OWNERSHIP OF DELIVERABLES AND PROPRIETARY RIGHTS. PG&E shall own all data, reports, information, manuals, computer programs or other written, recorded, photographic or visual materials, proprietary rights, intellectual property or other deliverables produced or owned by PG&E in the performance of this Agreement. CMG Aggregator shall retain no interest, title or ownership including, but not limited to energy usage data and customer specific information, provided by PG&E.

11.2. CMG AGGREGATOR'S USE OF PG&E PROPERTY: All records, reports, computer programs, written procedures and similar materials, documents or data, in whatever form, provided by PG&E for CMG Aggregator's use to perform Work, shall remain PG&E's Confidential Information and property and be returned immediately upon completion of CMG Aggregator's use for performance of the Work or earlier upon PG&E's request. Alternatively, CMG Aggregator may destroy such information, provided an officer of CMG Aggregator certifies

the destruction in writing.

12. CONFIDENTIALITY AND DATA SECURITY

12.1. CONFIDENTIALITY:

- A. CMG Aggregator and PG&E entered into a Mutual Nondisclosure Agreement dated as of [] in substantially the form of Appendix VI, attached hereto, and agrees to comply with the terms of Appendix VI with respect to the Confidential Information and Personal Information (as defined in that Appendices) it collects, uses or otherwise obtains in the performance of this Agreement.
- B. If CMG Aggregator is in doubt about whether certain information is Confidential Information subject to Appendix VI, CMG Aggregator agrees to treat such information as Confidential Information.

12.2. MALICIOUS CODE:

CMG Aggregator represents, warrants, and covenants to PG&E that upon delivery to PG&E the deliverables and work provided to PG&E will not contain or make available any Malicious Code. For purposes of this paragraph, "Malicious Code" shall mean any (i) "back door," "drop dead device," "time bomb," "Trojan horse," "virus," "ransomware," or "worm" (as such terms are commonly understood in the software industry) or (ii) other code designed or intended to have, or capable of performing, any of the following functions: (a) disrupting, disabling, harming, interfering with or otherwise impeding in any manner the operation of, or providing unauthorized access to, an information technology system on which such code is stored or installed or (b) damaging or destroying any data or file without the user's consent. If CMG Aggregator detects or is made aware of Malicious Code in any deliverable or work provided to PG&E, CMG Aggregator shall immediately notify PG&E. If PG&E has not put the Deliverables into use, CMG Aggregator shall remove such Malicious Code.

13. GENERAL PROVISIONS

13.1. General

All attached Appendices are hereby incorporated by reference and are made part of this Agreement. This Agreement shall be considered for all purposes as prepared through the joint efforts of the Parties and shall not be construed against one Party or the other as a result of the preparation, substitution, submission or other event of negotiation, drafting or execution hereof. No amendment or modification to this Agreement shall be enforceable unless reduced to a writing signed by all Parties. This Agreement shall not impart any rights enforceable by any third party (other than a permitted successor or assignee bound to this Agreement). The headings used herein are for convenience and reference purposes only.

13.2. Severability

If any provision in this Agreement is determined to be invalid, void or unenforceable by any court having jurisdiction, such determination shall not invalidate, void, or make unenforceable any other provision, agreement or covenant of this Agreement and the Parties shall use their best efforts to modify this Agreement to give effect to the original intention of the Parties.

13.3. Counterparts

This Agreement may be executed in one or more counterparts each of which shall be deemed an original and all of which shall be deemed one and the same Agreement. Delivery of an executed counterpart of this Agreement by e-mail will be deemed as effective as delivery of an originally executed counterpart. Any Party delivering an executed counterpart of this Agreement by e-mail will also deliver an originally executed counterpart, but the failure of any Party to deliver an originally executed counterpart of this Agreement will not affect the validity or effectiveness of this Agreement.

13.4. Mobile Sierra

Notwithstanding any provision of this Agreement, neither Party shall seek, nor shall they support any third party seeking, to prospectively or retroactively revise the rates, terms or conditions of service of this Agreement through application or complaint to the Federal Energy Regulatory Commission (FERC) pursuant to the provisions of the Federal Power Act, absent prior written agreement of the Parties. Further, absent the prior written agreement in writing by both Parties, the standard of review for changes to the rates, terms or conditions of service of this Agreement proposed by a Party, a non-Party, or the FERC acting sua sponte shall be the "public interest" standard of review set forth in *United States Gas Pipe Line Co. v. Mobile Gas Service Corp.*, 350 U.S. 332 (1956) and *Federal Power Commission v. Sierra Pacific Power Co.*, 350 U.S. 348 (1956), and clarified by *Morgan Stanley Capital Group, Inc. v. Public Util. Dist. No. 1 of Snohomish*, 554 U.S. 527 (2008).

13.5. Interpretation

The following rules of interpretation apply:

A. The term "including" means "including without limitation"; the terms "year" and "calendar year" mean the period of months from January 1 through and including December 31; the term "month" means a calendar month unless otherwise indicated, and a "day" means a 24-hour period beginning at 12:00:01 a.m. and ending at 12:00:00 midnight; provided that a "day" may be 23 or 25 hours on those days on which daylight saving time begins or ends, respectively.

B. Unless otherwise specified herein, where the consent of a Party is required, such consent shall not be unreasonably withheld, unreasonably conditioned or unreasonably delayed.

C. Unless otherwise specified herein, all references herein to any agreement or other document of any description shall be construed to give effect to amendments, supplements,

modifications or any superseding agreement or document as then exist at the applicable time to which such construction applies unless otherwise specified.

D. In the event of any conflict between the terms and conditions of this Agreement and any of the following agreements, the terms and conditions of the following agreements will control: the CMET, any CMET Project Interconnection Agreements under PG&E's Electric Rule 21 or PG&E's Wholesale Distribution Tariff, PG&E's Electric Rule 2, and any Microgrid Special Facilities Agreements.

E. Capitalized terms used in this Agreement, including the appendices hereto, have the meaning set forth in Appendix I, unless otherwise specified.

F. References in the singular include references in the plural and vice versa, pronouns having masculine or feminine gender will be deemed to include the other, and words denoting natural persons include partnerships, firms, companies, corporations, limited liability companies, joint ventures, trusts, associations, organizations or other entities (whether or not having a separate legal personality). Other grammatical forms of defined words or phrases have corresponding meanings.

G. Words not otherwise defined herein that have well known and generally accepted technical or trade meanings are used herein in accordance with such recognized meanings. Words referring to market rules, activities and practice have the meaning generally ascribed to such words in California.

H. References to a particular Article, subsection, paragraph, subparagraph, appendix or attachment will, unless specified otherwise, be a reference to that Article, subsection, paragraph, subparagraph, appendix or attachment in or to this Agreement.

I. Any reference in this Agreement to any natural person, Governmental Authority, corporation, limited liability company, partnership or other legal entity includes its permitted successors and assigns or to any natural person, Governmental Authority, corporation, limited liability company, partnership or other legal entity succeeding to its functions.

J. All references to dollars or "\$" are to U.S. dollars.

K. When an action is required to be completed on a Business Day, such action must be completed prior to 5:00 p.m. on such day, Pacific prevailing time, and actions occurring after 5:00 p.m. (such as the delivery of a Notice) will be deemed to have occurred on the following Business Day.

13.6. Recordings

No conversation between the Parties may be recorded by a Party without the express consent of the other Party.

13.7. Authorized Representatives

Each Party shall provide Notice to the other Party of the persons authorized to make or receive other Notices on behalf of such Party or to represent a Party ("Authorized Representative") and in connection with such Notices and specify the scope of their individual authority and

responsibilities. Either Party may change its designation of such persons and the scope of their individual authorities and responsibilities from time to time in its sole discretion by providing Notice.

13.8. No Dedication

Nothing in this Agreement shall be construed to create any duty to, any standard of care with reference to, or any liability to any Person not a Party to this Agreement. No undertaking by one Party to the other Party under any provision of this Agreement shall constitute the dedication of that Party's system or any portion thereof to the other Party or the public, nor affect the status of PG&E as an independent public utility corporation or CMG Aggregator as an independent individual or entity.

13.9. Governing Law

THIS AGREEMENT AND THE RIGHTS AND DUTIES OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY AND CONSTRUED, ENFORCED AND PERFORMED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA, WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAW. TO THE EXTENT ENFORCEABLE AT SUCH TIME, EACH PARTY WAIVES ITS RESPECTIVE RIGHT TO ANY JURY TRIAL WITH RESPECT TO ANY LITIGATION ARISING UNDER OR IN CONNECTION WITH THIS AGREEMENT.

13.10. Taxes

- A. The Parties agree to follow all applicable tax laws and regulations.
- B. Each Party shall cooperate with the other to maintain the other Party's tax status. Nothing in this Agreement is intended to adversely affect PG&E's tax exempt status with respect to the issuance of bonds including, but not limited to, local furnishing bonds.

13.11 Regulatory Oversight

- A. This Agreement shall be subject to changes or modifications by the Public Utilities Commission of the State of California, as said Commission may, from time to time, direct in the exercise of its jurisdiction.

14. NOTICES

14.1. Notices

Whenever this Agreement requires or permits delivery of a Notice (or requires a Party to "Notify"), the Party with such right or obligation shall provide a written communication in the manner specified below. Notices may be sent by overnight mail or courier or e-mail. Invoices may be sent by e-mail. A Notice sent by e-mail will be recognized and shall be deemed received on the Business Day on which such Notice was transmitted if received before 5 p.m.

APPENDIX I-A – Acronyms

CAISO - California Independent System Operator

CCA - Community Choice Aggregator

CMET - Community Microgrid Enablement Tariff

CMG - Community Microgrid

CPUC - California Public Utilities Commission

FERC – Federal Energy Regulatory Commission

IOD - Islanding Operation Date

MIS - Microgrid Island Study

MOA - Microgrid Operating Agreement

PG&E - Pacific Gas and Electric Company

PSP – Public Safety Partner

APPENDIX I-B – General Definitions

1. **Affiliate.** Affiliate of a Person means any other Person that (a) directly or indirectly controls the specified Person; (b) is controlled by or is under direct or indirect common control with the specified Person; or (c) is an officer, director, employee, representative or agent or subsidiary of the Person. For the purposes of this definition, “control”, when used with respect to any specified Person, means the power to direct the management or policies of the specified Person, directly or indirectly, through one or more intermediaries, whether through the ownership of voting securities, partnership or limited liability company interests, by contract or otherwise.
2. **Alternative Dispute Resolution (ADR).** ADR means processes, such as facilitation, negotiation, mediation, and early neutral evaluation (or a combination of those techniques), that help disputants resolve a conflict without a formal decision by a court or agency.
3. **Applicable Rules and Standards.** PG&E’s approved tariffs, as those tariffs may be updated from time to time, including, but not limited to, PG&E’s Electric Rule 2, PG&E’s Wholesale Distribution Tariff, CMET and PG&E’s Electric Rule 21.
4. **Authorized Representative.** As defined in Section 13.7.
5. **Blue Sky Mode.** The normal mode of operation when the Community Microgrid is Interconnected to and operating in parallel with the Distribution System, is not operating in Island Mode, and PG&E maintains operational coordination of the delivery of electric service.
6. **Business Day.** Monday through Friday, excluding Federal Holidays and the Friday after Thanksgiving.
7. **CAISO.** The California Independent System Operator Corporation or any successor entity performing similar functions.
8. **CAISO Tariff.** The CAISO Fifth Replacement FERC Electric Tariff and protocol provisions, including any CAISO-published procedures or business practice manuals, as they may be amended, supplemented or replaced (in whole or in part) from time to time.
9. **Calendar Day.** Any day, including Saturday, Sunday or a Federal and State Holiday.
10. **California Public Utility Commission (“Commission” or “CPUC”).** The Public Utilities Commission of the State of California.
11. **CMET Project.** Tangible and non-tangible assets, facilities, and equipment needed to create and operate a Community Microgrid, including the CMET Project Resources, Microgrid Special Facilities, CMET Project Balance of System, contract rights, easements, rights of way, licenses and other interests or rights in real estate reasonably necessary for the construction, operation, and maintenance of the Community Microgrid subject to this CMET.
12. **CMET Project Balance of System.** All of the CMET Project tangible and non-tangible assets, facilities, and equipment owned or controlled by the CMG Aggregator, other than the CMET Project Resources, necessary to meet the requirements of the CMET Project as identified in the Microgrid Islanding Study and listed in Appendix V – CMET Project

Resources and CMET Project Balance of System Facilities.

13. **CMET Project Commissioning Test.** A full scope test as defined in Appendix VIII-B performed on-site to demonstrate the CMET Project's ability to meet the operational safety and performance requirements as installed including the CMG Aggregator's ability to provide support, maintenance, and logistical requirements as needed. This test must be performed prior to Islanding Operation Date or any time interface hardware or software is changed that may affect islanding functions. CMET Project Performance Test. Test procedures to verify the CMET Project's ability to operate safely and meet the performance obligations according to the requirements specified in this Agreement. Each CMET Project Performance Test will be conducted in general accordance with the procedures set forth in the Performance Testing Technical Criteria detailed in Appendix VIII-A and Operational Protocols and Procedures detailed in Appendix XII [and as applicable: other performance test codes, depending on the technology, products, and operational limitations].
14. **CMET Project Performance Testing Technical Criteria.** A set of performance and testing requirements (criteria) developed by PG&E and defined in the Microgrid Islanding Study final report and attached as Appendix VIII-A that must be satisfied by the CMG Aggregator before the CMET Project can achieve Islanding Operation Date.
15. **CMET Project Resource(s).** Electric generation, storage technology, and/or load management technology that the CMG Aggregator has control over consistent with relevant provisions in this Agreement to enable the CMET Project to safely and reliably operate in Island Mode. The CMG Aggregator must have at least one Grid-Forming Project Resource that has a resource controller and has grid-forming capability sufficient to allow acceptable frequency and voltage during Island Mode operation. Project Resources must comply with the emissions standards adopted by the State Air Resources Board pursuant to the distributed generation certification program requirements of Section 94203 of Title 17 of the California Code of Regulations, or any successor regulation, and must be interconnected to the Distribution System within the Microgrid Boundary (either directly as front-of-the-meter Project Resources or indirectly as behind-the-meter Project Resources) pursuant to the Wholesale Distribution Tariff or PG&E's Electric Rule 21.
16. **Community Microgrid (CMG).** As defined in PG&E's Community Microgrid Enablement Tariff.
17. **Community Microgrid Aggregator (CMG Aggregator).** The entity that is counterparty to PG&E in this agreement. The entity that coordinates control of distributed resources, including Project Resources, consistent with relevant provisions of PG&E's Electric Rule 2, PG&E's Wholesale Distribution Tariff Generator Interconnection Procedures, and PG&E's Electric Rule 21 including frequency and voltage and other power quality requirements within PG&E established control parameters to enable the CMET Project to operate in Island Mode.
18. **Community Microgrid Aggregator Parent (CMG Aggregator Parent).** Any entity or Person that directly holds fifty percent (50%) or more of the equity interests in CMG Aggregator.

19. **Confidential Information.** As defined in Article 12 of this Agreement.
20. **Contractor.** The engineering, procurement and construction contractor and its subcontractors, as well as Seller or Seller's Affiliates and their subcontractors if any such entities are developing, constructing, operating or maintaining the CMET Project during the Term, and any entity or person under contract with the engineering, procurement and construction contractor and its subcontractors, for the purpose of developing, constructing, operating or maintaining the CMET Project during the Term.
21. **Contractor Safety Program Requirements.** Means all of the following:
- (a) The standards in PG&E's Contractor Safety Program Contract Requirements regarding pre-qualification requirements and safety requirements for work as if CMG Aggregator were a contractor performing high or medium risk work for PG&E thereunder, which as of the Effective Date can be found at https://www.pge.com/includes/docs/pdfs/b2b/purchasing/suppliers/contractorsafety/ContractorSafetyProgram_Requirements.pdf; and
 - (b) The standards in Section 2.2 of the Settlement Agreement and Corrective Action Plan of Pacific Gas and Electric Company before the CPUC dated February 10, 2015 (Investigation 14-08-022).
 - (c) Any additional, supplementary or successor safety standards, processes, or requirements, implemented or deemed appropriate by PG&E during the Term and applicable to CMG Aggregator, its Contractors and Subcontractors performing work related to the CMET Project.
22. **Defaulting Party.** The Party that is subject to an Event of Default.
23. **Deliverables.** Deliverables shall mean any product of Work furnished by one Party to the other including data, reports, information, manuals, computer programs, hardware, software, firmware, equipment, code, or other written, recorded, photographic or visual materials, proprietary rights, or intellectual property.
24. **Description of Operations.** The engineering report resulting from the Microgrid Islanding Study that describes the CMET Project functional operation and identifies the technical requirements for PG&E's Distribution System and the CMG Aggregator's Balance of System and Project Resources to provide the Microgrid Boundary and Island mode operation including minimum Project Resource energy production availability and capabilities. The Description of Operations will also identify the protection and control and related systems requirements for safe operation and to maintain voltage, frequency and power quality within PG&E control parameters in accordance with PG&E's Electric Rule 2.
25. **Designated CMET Project Operating Representative.** Designated operating representative(s) to conduct the communications which may be necessary or convenient for the administration of this Agreement. This person will also serve as the point of contact with respect to operations and maintenance of the CMET Project.
26. **Designated PG&E Distribution Control Center.** The PG&E location identified in of this Agreement, with operational jurisdiction over the Load Entity's Substation. The

Designated PG&E Distribution Control Center is staffed 24 hours a day.

27. **Development Conditions.** The actions that CMG Aggregator must take and provide PG&E with notice of during the Development Term.
28. **Development Milestones.** Key development activities and the agreed upon completion dates required for the development and operation of the CMET Project as set forth in Appendix III of this Agreement.
29. **Development Term.** The “Development Term” is the period commencing on the Effective Date and shall remain in effect until the CMET Project Islanding Operation Date (IOD), unless sooner terminated in accordance with Section 1.2 of this Agreement.
30. **Distribution Customer.** An end-use customer taking Distribution Service from PG&E.
31. **Distribution Provider.** PG&E, which owns, controls, and operates facilities used to provide Distribution Service to the customers within the Microgrid Boundary under this CMET.
32. **Distribution Service.** The transporting of electric power over and through various PG&E facilities owned by the Distribution Provider for delivery to a Distribution Customer.
33. **Distribution System.** PG&E’s distribution system broadly consists of the stepdown transformation within substations, the primary distribution circuits, and the secondary distribution system. The secondary distribution system consists of the line transformers that step the primary voltage down to a secondary voltage, and the secondary conductors including service drops and meters.
34. **Distribution Upgrades.** The additions, modifications, and upgrades to PG&E's Distribution System necessary to facilitate construction and microgrid operation of the CMET Project. Distribution Upgrades do not include the CMG Aggregator’s CMET Project Balance of System.
35. **Effective Date.** The later of the date upon which both Parties have executed this Agreement.
36. **Emergency.** An abnormal condition or situation that adversely affects, or potentially may adversely affect, PG&E’s Electric System Integrity.
37. **Emergency Event.** As determined by PG&E in its reasonable discretion, a condition or situation requiring prompt action by PG&E (a) to maintain the reliable operation of the Distribution System; (b) to prevent or limit the loss of load or generation; (c) to maintain public safety or the safety of PG&E’s personnel; (d) to protect PG&E, Customer, or third-party property; or as a Scheduled Island Mode as a preventative action ahead of impending weather events or natural disasters or in response to other unusual conditions.
38. **Event of Default.** The failure of a Defaulting Party to cure a default under this Agreement.
39. **Federal Power Act.** 16 U.S. Code Chapter 12 – Federal Regulation and Development of Power.
40. **Governmental Authorities.** Any federal, state, local or municipal government,

governmental department, commission, board, bureau, agency, or instrumentality, or any judicial, regulatory or administrative body, having jurisdiction as to the matter in question.

41. **Grid Forming Project Resource(s).** Is a Project Resource that, among other features, has the ability to (i) black start the CMET Project when in island Mode and deenergized, and (ii) provide voltage and frequency stability and control within a range acceptable to PG&E during Island Mode operation.
42. **In-Service Date.** The date upon which the CMG Aggregator, in coordination with PG&E, reasonably expects it will have received Permission to Operate the CMET Project and be ready to begin joint CMET Project Commissioning Testing.
43. **Interconnection Agreement.** The agreement and associated documents or any successor agreement and associated documentation governing the terms and conditions of the interconnection of the Project Resource(s) with PG&E's grid, including any description of the plan for interconnecting the Project Resource(s) to the grid.
44. **Island Mode.** Operation of the Microgrid by the Distribution Provider when a Microgrid that normally operates in "Blue Sky" Mode (parallel mode) is disconnected from the Distribution System at the Microgrid Islanding Point. The Distribution Provider will operate the Microgrid in Island Mode by (i) direct dispatch of CMET Project Resources within the CMET Project Microgrid Boundary, and/or (ii) by authorizing CMET Project Resources to operate within parameters specified by the Distribution Provider for voltage, frequency, and power quality.
45. **Islanding Operation Date.** Means the date stated in CMG Aggregator's Notice, substantially in the form of Appendix XI-B upon which the CMET Project begins Islanding Operations, and is further defined in Section 2.2.C.
46. **Islanding Operations.** Means that an "Islanding Operation Date Confirmation Letter" attached as Appendix XI-B has been mutually executed and the CMET Project is placed into service for the purposes of providing energy resiliency for end use customers.
47. **Law.** Any statute, law, treaty, rule, regulation, ordinance, code, Permit, enactment, injunction, order, writ, decision, authorization, judgment, decree or other legal or regulatory determination or restriction by a court or Governmental Authority of competent jurisdiction, including any of the foregoing that are enacted, amended, or issued after the Effective Date, and which become effective during the Term; or any binding interpretation of the foregoing.
48. **Licensed Professional Engineer.** A person acceptable to PG&E in its reasonable judgment who (a) is licensed to practice engineering in California, (b) has training and experience in the power industry specific to the technology of the Project, (c) has no economic relationship, association, or nexus with CMG Aggregator or PG&E, other than to meet the obligations of CMG Aggregator pursuant to this Agreement, (d) is not a representative of a consultant, engineer, contractor, designer or other individual involved in the development of the CMET Project or of a manufacturer or supplier of any equipment installed at the CMET Project, and (e) is licensed in an appropriate engineering discipline for the required certification being made.

49. **Malicious Code.** Collectively, any malicious or unauthorized code, scripts, routines or techniques (including without limitation any virus, spyware, ransomware or other malware) that is designed to erase data or programming, or infect, impair, modify, record, take control of, disrupt, damage, destroy, disable, shut down or permit or cause unauthorized access to or misuse of a computer system or any component thereof.
50. **Microgrid.** An interconnected system of loads and energy resources, including, but not limited to, distributed energy resources, energy storage, demand response tools, or other management, forecasting, and analytical tools, appropriately sized to meet customer needs, within a clearly defined Microgrid Boundary that can act as a single, controllable entity, and can connect to, disconnect from, or run in parallel (Blue Sky Mode) with, larger portions of the electrical grid, or can be managed and isolated to withstand larger disturbances and maintain electrical supply to connected critical infrastructure.
51. **Microgrid Boundary.** An electrically contiguous area beyond a Microgrid Islanding Point on the Distribution System that defines a microgrid as a single controllable entity.
52. **Microgrid Islanding Point(s).** The point(s) (e.g., line recloser) owned and operated by PG&E on PG&E's Distribution System that allow(s) the microgrid to separate from and reconnect to the rest of the Distribution System.
53. **Microgrid Islanding Study (MIS).** An engineering study conducted by PG&E or its agents of the microgrid operation in an Island Mode and operating mode transitions. The study shall determine the required modifications to PG&E's distribution facilities and associated cost required to support Island Mode operation and microgrid transitions while maintaining voltage, frequency, and power quality within PG&E control parameters in accordance with PG&E's Electric Rule 2.
54. **Microgrid Special Facilities.** Modifications to the Distribution Provider's distribution facilities required to operationalize the Microgrid Boundary and Island Mode such that the Microgrid is capable of maintaining voltage, frequency and power quality within the Distribution Provider's control parameters in accordance with PG&E's Electric Rule 2. This shall include all CMET Project tangible and non-tangible assets, facilities, and equipment owned or controlled by PG&E that are necessary to meet the requirements of the CMET Project as identified in the Microgrid Islanding Study.
55. **Microgrid Special Facilities Agreement or "Microgrid SFA".** The agreement that describes the upgrades on the Distribution System, and at the Project Site to be installed under the terms and conditions regarding Microgrid Special Facilities (or added facilities) on file with the Commission, pursuant to PG&E's Electric Rule 2, and incorporated in Appendix IV-B.
56. **Non-Holiday.** Any day that is not a National Electric Reliability Council defined holiday which includes New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.
57. **Non-Project Resource(s).** Electric generation, storage technology, and/or demand management technology within the Microgrid Boundary that are not Project Resources.
58. **Notice.** Unless otherwise specified in this Agreement, means a written communication which is delivered by overnight mail or courier service or electronic messaging (email),

and in the manner required by Article 13, as applicable to a given communication.

59. **Operating Performance Requirements.** As defined in Section 3.5 of this Agreement.
60. **Operating Performance Requirements, Procedures and Protocols.** As described and defined in Appendix XII.
61. **Operating Term.** The Operating Term is the period commencing on the CMET Project Islanding Operation Date, as such term is defined in Section 2.2 and ending upon expiration or termination of this Agreement.
62. **Participating Transmission Owner.** An entity that (a) owns, operates and maintains transmission lines and associated facilities and/or has entitlements to use certain transmission lines and associated facilities and (b) has transferred to the CAISO operational control of such facilities and/or entitlements to be made part of the CAISO Grid.
63. **Permission to Island.** The permission granted by PG&E to a CMG Aggregator to operate a CMET Project when the CMET Project is ready to maintain voltage, frequency and power quality within PG&E control parameters in accordance with PG&E's Electric Rule 2 in Island Mode and safely transition from Blue Sky Mode to Island Mode, operate in Island Mode and transition back to Blue Sky Mode.
64. **Permit.** Any waiver, exemption, variance, franchise, permit, authorization, consent, ruling, certification, license or similar order of or from, or filing or registration with, or notice to, any Governmental Authority that authorizes, approves, limits or imposes conditions upon a specified activity.
65. **Personal Information.** Any data or information defined as personal information in California Civil Code Section 1798.140(o) and any information that can be used to directly or indirectly identify a PG&E customer or employee.
66. **PG&E Data.** As defined in Appendix VI of this MOA.
67. **PG&E Electric System Integrity.** The state of operation of PG&E's electric system in a manner that is deemed to minimize the risk of injury to persons and/or property and enable PG&E to provide adequate and reliable electric service to its customers.
68. **PG&E Interconnection Handbooks.** PG&E's manual that provides information on how to interconnect generating facilities or distributed generation to PG&E's electrical Distribution System as currently in effect at https://www.pge.com/en_US/large-business/services/alternatives-to-pge/distribution-handbook.page
69. **PG&E Process, Procedures and Standards.** Practices, policies, methods, codes and acts engaged in or approved by PG&E and applicable to the CMET Project during the relevant time period, or any of the practices, policies, methods, codes and acts which, in the exercise of reasonable judgment in light of the facts known at the time a decision is made, that could have been expected to accomplish a desired result at reasonable cost consistent with good business practices, reliability, safety and expedition.
70. **Project Implementation Plan.** A detailed description of actions that demonstrate how the CMET Project shall be developed to meet Milestones and operational requirements such as the Parties' best estimate of task, schedule and dependencies for design,

construction, development various test plans, and operational and maintenance procedures and protocols for the CMET Project.

71. **Project Safety Plan.** CMG Aggregator's written plan that includes the Safeguards and plans to comply with the safety requirements and shall include the items that are generally outlined in Appendix IX.
72. **Project Safety Plan Documents.** Information and documentation listed in Appendix IX.
73. **Public Safety Partner (PSP).** As defined on pages 84-85 of California Public Utilities Commission Decision 21-06-034, as that Decision or definition may be updated or otherwise revised by the California Public Utilities Commission.
74. **Regulatory Authority.** A government agency or body that regulates businesses or other entities under their jurisdiction in the public interest.
75. **Safeguard.** Any procedures, practices, or actions with respect to the CMET Project, a Site or Work for the purpose of preventing, mitigating, or containing foreseeable accidents, injuries, damage, release of hazardous material or environmental harm.
76. **Safety Attestation.** A written attestation or certification from a Licensed Professional Engineer substantially in the form attached hereto as Appendix XI-A.
77. **Safety Requirements.** Prudent Electrical Practices, CPUC General Order No. 167, Contractor Safety Program Standards, and all applicable requirements of Law, the Utility Distribution Company, the Transmission Provider, Governmental Approvals, the CAISO, CARB, NERC and WECC.
78. **Scheduled Island Mode.** A Microgrid operating in Island Mode that is scheduled and coordinated between the CMG Aggregator and PG&E.
79. **Site(s).** The real property or properties on which one or more CMET Project Resources or CMET Project Balance of System comprising the CMET Project is located, as identified in Appendix II and as may be updated from time to time.
80. **State.** The State of California.
81. **System Change.** Any change in Project Resources, Non-Project Resources, or customer loads within the Microgrid Boundary, or other affected systems outside the Microgrid Boundary that has a material impact on the ability of a CMET Project to function in Island Mode.
82. **Term.** The Development Term AND the Operating Term of this MOA.
83. **Transmission Provider.** Means the CAISO.
84. **Unscheduled Island Mode.** A Microgrid operating in Island Mode that is not scheduled or coordinated between the CMG Aggregator and PG&E in response to an Emergency Event on the Distribution System.
85. **Work.** Means (a) work or operations performed and furnished by CMG Aggregator or on a CMG Aggregator's behalf pursuant to the terms under this agreement; and (b) materials, parts or equipment furnished in connection with such work or operations; including (i) warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "a Party's work"; and (ii) the providing of or failure to provide warnings or instructions.

APPENDIX II – CMET Project Microgrid Islanding Study

{ATTACH COMPLETED MIS DOCUMENT}

CMG Aggregator shall incorporate the completed Microgrid Islanding Study final report into this Appendix II. The MIS will include but may not be limited to the following:

1. Project Description
2. Summary of Study Observations and Conclusions
3. Study Assumptions
4. Power Flow and Voltage Analysis (inclusive of minimum Project Resource reserve capacity and energy to support island operation)
5. Power Quality Studies
6. Protection Studies
7. Transient Studies
8. Requirements Prior to Island Inspection and Operation
 - a. Draft Description of Operations (Final Description of Operations to be included in Appendix XII in accordance with Section 2.1.B(a))
 - b. Performance Testing Technical Criteria (Appendix VIII-A)

APPENDIX III-A – CMET Project Development Milestones

| Item | Development Milestone | Action | Milestone Date | Responsible Party |
|-------------|--|---------------|-----------------------|--|
| 1 | Project Safety Plan and Emergency Response Plan – <u>Appendix IX-A&B</u> | Submit | | CMG Aggregator |
| 2 | Safety Attestation and Multiple Use Attestation – <u>Appendix X-A&B</u> | Signed | | CMG Aggregator |
| 3 | Commissioning Test Plan – <u>Appendix VIII-B</u> | Submitted | | CMG Aggregator |
| 4 | Operating Performance Requirements, Procedures and Protocols – <u>Appendix XII</u> | Submitted | | CMG Aggregator |
| 5 | Request Permission to Island – <u>Appendix XI-A</u> | Submitted | | CMG Aggregator |
| 6 | CMET Project Resource Final Permission to Operate Letter | Issue | | Distribution Provider & CMG Aggregator |
| 7 | Commissioning Tests | Complete | | Distribution Provider & CMG Aggregator |
| 8 | Provide written approval to Interconnection Customer for the operation of the microgrid and Islanding Operation Date (IOD) | Issue | | Distribution Provider |

{Development Milestones shown for illustration. Specific Development Milestones to be developed by Parties}

1. Satisfaction of Development Milestones

The satisfaction of each Development Milestone requires that all tasks identified specifically in the Project Implementation Plan, including tasks preceding the Development Milestones listed above, to be completed in a timely fashion. Upon successful completion of the Commissioning Tests, Distribution Provider will provide written approval to Interconnection Customer for the operation of the microgrid and an Islanding Operation Date (IOD). Such written approval will not be unreasonably conditioned, delayed, or withheld.

Agreed to by:

For PG&E: _____ Date: _____

For the CMG Aggregator: _____ Date: _____

APPENDIX III-B - CMET Project Implementation Plan

{ATTACH COMPLETED CMET PROJECT IMPLEMENTATION PLAN DOCUMENT}

The Project Implementation Plan (PIP) will include Parties' best estimate of task, schedule and dependencies for design, construction, development various test plans, operational and maintenance procedures and protocols for the CMET Project. The PIP may incorporate by reference any implementation plan(s) associated with CMET Project Resource Interconnection(s) and Special Facilities and Microgrid Special Facilities for purposes or presenting an overall view of the CMET Project development; however, this Agreement does not govern those interconnection and associated special facilities schedules, Development Milestone dates or commitments.

A Party shall not make any material modifications to the CMET Project Implementation Plan or Development Milestones as presented in Appendix III without the prior review and written consent of the other Party, which consent shall be in Parties reasonable discretion.

As of the Effective Date, parties agree to develop within ninety (90) days, a CMET Project Implementation Plan ("PIP") that will identify responsible parties, identify workstreams, interim reporting requirements, and dependencies. The implementation plan may include but not be limited to the following components:

- 1.) Component Plan Development
 - a. CMET Project Operational Review & Commissioning Test Plan
 - i. Commissioning Testing plan and schedule associated with CMET Project Resource Interconnections
 1. Existing Resources
 2. CAISO New Resource Implementation Plan
 - ii. Commissioning Testing Plan and schedule for CMET Balance of System pursuant to Appendix VIII
 - b. Operating Performance Requirements, Procedures and Protocols which include CMET Project Description of Operations, identify events and scenarios:
 - i. Planned Event
 - ii. Unplanned event
 - iii. Failsafe
 - c. Communications plan and plan of action for each scenario/event type
 - d. CMET Project Safety Plan
 - e. CMET Project Emergency Response Plan
- 2.) Development and Testing Schedule
 - a. Microgrid Special Facilities and Interconnection development and testing schedule
 - b. CMET Balance of System development and testing schedule
 - c. CMET Project Resources development and testing schedule
- 3.) Project Management
 - a. PMO approach and plan
 - b. Progress meetings and reports
 - c. Overall project plan management and dependencies
 - d. Development & Implementation risk identification and mitigation

APPENDIX IV-A – CMET Project Resource Interconnection Agreement

{ATTACH EXECUTED CMET PROJECT RESOURCE INTERCONNECTION AGREEMENT(S) HERE}

APPENDIX IV-B – Microgrid Special Facilities Agreement

{ATTACH EXECUTED MICROGRID SPECIAL FACILITIES AGREEMENT. THE FOLLOWING AGREEMENT IS A MODIFIED VERSION OF ELECTRIC FORM NO. 79-255 FOR CMET PROJECTS ELIGIBLE FOR SPECIAL FACILITY COST-OFFSETS. OTHERWISE, CMG AGGREGATOR TO USE PG&E ELECTRIC RULE 2 FORM NO 79-255}

MICROGRID SPECIAL FACILITY AGREEMENT FOR CMET PROJECT ELIGIBLE FOR COST-OFFSETS

At the request of _____
(Applicant), PACIFIC GAS AND ELECTRIC COMPANY (PG&E) hereby agrees, as an accommodation, to install within a reasonable time, or allocate for Applicant's use at

State of California, certain facilities consisting of items listed in Appendix A ("Microgrid Special Facilities"), at an estimated total additional installed cost of \$ _____ over and above the cost of standard facilities which PG&E would normally provide or allocate for regular service in accordance with its tariffs on file with and authorized by the California Public Utilities Commission (Commission), subject to the following terms and conditions:

1. Where pursuant to any final decision or order of the California Public Utilities Commission this CMET Project is eligible for an offset of the special facilities costs incurred by PG&E to construct, own, and maintain the Microgrid Special Facilities described herein, Applicant is exempted from paying the advance or ongoing costs of the special facilities to the extent provided in said final decision or order, except as those costs are reflected in the distribution rates charged to all customers in Applicant's customer class. This provision shall not reduce or waive PG&E's ability to seek recovery of costs related to a terminated CMET Project from Applicant pursuant to Paragraph 6.
2. Where it is necessary to install Microgrid Special Facilities on Applicant's premises, Applicant hereby grants to PG&E:
 - (a) the right to make such installation on Applicant's premises along the shortest practical route thereon and of sufficient width to provide legal clearance from all structures now or hereafter erected on Applicant's premises for any facilities of PG&E; and,
 - (b) the right of ingress to and egress from Applicant's premises at all reasonable hours for any purposes reasonably connected with the operation and maintenance of the Microgrid Special Facilities.
3. Where formal rights of way or easements are required on and over Applicant's property or the property of others for the installation of the Microgrid Special Facilities, Applicant understands and agrees that PG&E shall not be obligated to install the Microgrid Special Facilities unless and until any necessary permanent rights of way or easements, satisfactory to PG&E, are granted without cost to PG&E.
4. PG&E shall not be responsible for any delay in completion of the installation of the Microgrid Special Facilities resulting from shortage of labor or materials, strike, labor disturbance, war, riot, weather conditions, governmental rule, regulation or order, including orders or judgments of any court or Commission, delay in obtaining necessary rights of way and easements, act of God, or any other cause or condition beyond the control of PG&E. PG&E shall have the right, in the event it is unable to obtain materials or labor for all of its construction requirements, to allocate materials and labor to construction projects which it deems, in its sole discretion, most important to serve the needs of its customers, and any delay in construction hereunder resulting from such allocation shall be deemed to be a cause beyond PG&E's control.

5. In the event that PG&E is prevented from completing the installation of the Microgrid Special Facilities for reasons beyond its control within twelve (12) months following the date of this Agreement, PG&E shall have the right to terminate this Agreement upon thirty (30) days' written notice to Applicant.
6. If this Agreement is terminated as set forth in paragraph 5, the provisions of paragraph 11 shall be applicable, based on that portion of the Microgrid Special Facilities then completed, if any, including charges for any expense incurred by PG&E for any engineering, surveying, right of way acquisition expenses and other associated expenses incurred by PG&E for that portion of the Microgrid Special Facilities not installed or, in PG&E's sole judgment, not useful in supplying permanent service to PG&E's other customers.
7. Microgrid Special Facilities provided by PG&E hereunder shall at all times be and remain the property of PG&E.
8. As provided in PG&E's applicable Electric Rule 14 or Gas Rules 14 and 21, copies attached, Applicant understands that PG&E does not guarantee electric or gas service to be free from outages, interruptions or curtailments and that the charges for the Microgrid Special Facilities represent the additional cost associated with providing the Microgrid Special Facilities rather than for a guaranteed level of service or reliability.
9. If Applicant requests PG&E to alter or rearrange Special Facilities, including, but not limited to the conversion of overhead facilities to underground, solely for Applicant's convenience or purposes and not in order to safely and reliably construct the Microgrid in a least-cost manner, Applicant shall be given the option to pay PG&E for the additional Special Facilities.
10. This Agreement shall be effective when executed by the parties hereto and shall remain in effect until terminated by either party on at least thirty (30) days' advance written notice.
11. Upon discontinuance of the use of any Microgrid Special Facilities due to termination of service, termination of this Agreement, or otherwise before or within 5 (five) years of project completion:
 - (a) Applicant shall pay to PG&E on demand (in addition to all other monies to which PG&E may be legally entitled by virtue of such termination) a facility termination charge defined as the estimated installed cost, plus the estimated removal cost, less the estimated salvage value for the Special Facilities to be removed, as determined by PG&E in accordance with its standard accounting practices.
 - (b) PG&E shall be entitled to remove and shall have a reasonable time in which to remove any portion of the Microgrid Special Facilities located on the Applicant's premises;
 - (c) PG&E may, at its option, alter, rearrange, convey or retain in place any portion of the Microgrid Special Facilities located on other property off Applicant's premises. Where all or any portion of the Microgrid Special Facilities located off Applicant's premises are retained in place and used by PG&E to provide permanent service to other customers, an equitable adjustment will be made in the facility termination charge.
12. Applicant may, with PG&E's written consent, assign this Agreement if the assignee thereof will agree in writing to perform Applicant's obligations hereunder. Such assignment will be deemed to include, unless otherwise specified therein, all of Applicant's rights to any refunds which might become due upon discontinuance of the use of any Microgrid Special Facilities.
13. This agreement shall be subject to all of PG&E's applicable tariffs on file with and authorized by the Commission and shall at all times be subject to such changes or modifications as the Commission may direct from time to time in the exercise of its jurisdiction.

Dated this ____ day of _____, 20 ____.

This agreement is effective when accepted and executed by PG&E.

**PACIFIC GAS AND ELECTRIC
COMPANY**

Applicant

Authorized by (Print)

Signature

Title

Date

Authorized by (Print)

Signature

Title

Date

MAILING ADDRESS:

APPENDIX IV-C – Other Interrelated CMET Project Agreements

{ATTACH MIP GRANT AGREEMENT OR OTHER RELEVANT AGREEMENTS}

APPENDIX V – CMET Project Resources and CMET Project Balance of System Facilities

{ATTACH COMPLETE LIST OF CMET PROJECT RESOURCES AND CMET PROJECT BALANCE OF SYSTEM FACILITIES}

SAMPLE TABLE

| CMET PROJECT RESOURCES | | | | |
|-------------------------------|---------------------------------|------------|---------------------|----------------|
| Location | Description | Mfg | Model Number | Owner |
| FIELD ENCLOSURE | BESS INVERTERS | | | CMG Aggregator |
| FIELD ENCLOSURE | PV ARRAY | | | CMG Aggregator |
| FIELD ENCLOSURE | LI-ION BATTERY | | | CMG Aggregator |
| FIELD ENCLOSURE | BESS SITE MASTER CONTROLLER | | | CMG Aggregator |
| FIELD ENCLOSURE | INTERNAL FIELD SWITCH | | | CMG Aggregator |
| FIELD ENCLOSURE | BATTERY METER | | | CMG Aggregator |
| FIELD ENCLOSURE | SURGE ARRESTER | | | CMG Aggregator |
| FIELD ENCLOSURE | REMOTE I/O UNIT | | | CMG Aggregator |
| FIELD ENCLOSURE | STEP UP TRANSFORMER (PAD MOUNT) | | | CMG Aggregator |

| CMET PROJECT BALANCE OF SYSTEM | | | | |
|---------------------------------------|----------------------------|------------|---------------------|----------------|
| Location | Description | Mfg | Model Number | Owner |
| FTM CMG AGGREGATOR SWITCHGEAR | PRIMARY PROTECTIVE RELAY | | | CMG Aggregator |
| FTM CMG AGGREGATOR SWITCHGEAR | SECONDARY PROTECTIVE RELAY | | | CMG Aggregator |
| FTM CMG AGGREGATOR SWITCHGEAR | LOCAL HMI | | | CMG Aggregator |
| FTM CMG AGGREGATOR SWITCHGEAR | HMI MONITOR AND KEYBOARD | | | CMG Aggregator |
| FTM CMG AGGREGATOR SWITCHGEAR | SATELLITE CLOCK | | | CMG Aggregator |
| FTM CMG AGGREGATOR SWITCHGEAR | GENERATION CONTROLLER | | | CMG Aggregator |
| FTM CMG AGGREGATOR SWITCHGEAR | ANNUNCIATOR | | | CMG Aggregator |
| FTM CMG AGGREGATOR SWITCHGEAR | SECURITY GATEWAY | | | CMG Aggregator |

| | | | | |
|-------------------------------|------------------------------|--|--|----------------|
| FTM CMG AGGREGATOR SWITCHGEAR | INTERNAL NETWORK SWITCH | | | CMG Aggregator |
| FTM CMG AGGREGATOR SWITCHGEAR | CAISO METER | | | CMG Aggregator |
| FTM CMG AGGREGATOR SWITCHGEAR | ETHERNET TRANSCEIVER | | | CMG Aggregator |
| FTM CMG AGGREGATOR SWITCHGEAR | BESS METER | | | CMG Aggregator |
| FTM CMG AGGREGATOR SWITCHGEAR | CAISO ECN ROUTER | | | CMG Aggregator |
| FTM CMG AGGREGATOR SWITCHGEAR | CAISO ECN SWITCH (ATT FIBER) | | | CMG Aggregator |
| FTM CMG AGGREGATOR SWITCHGEAR | CAISO SECURITY GATEWAY | | | CMG Aggregator |
| FTM CMG AGGREGATOR SWITCHGEAR | CAISO INTERNAL SWITCH | | | CMG Aggregator |
| FTM CMG AGGREGATOR SWITCHGEAR | CELLULAR INTERNET GATEWAY | | | CMG Aggregator |
| FTM CMG AGGREGATOR SWITCHGEAR | GENERATION CIRCUIT BREAKER | | | CMG Aggregator |
| FTM CMG AGGREGATOR SWITCHGEAR | STATION POWER ATS | | | CMG Aggregator |
| FTM CMG AGGREGATOR SWITCHGEAR | POWER DISTRIBUTION UNIT | | | CMG Aggregator |
| FTM CMG AGGREGATOR SWITCHGEAR | BESS ISLANDING CONTROLLER | | | CMG Aggregator |
| FTM CMG AGGREGATOR SWITCHGEAR | FIBER OPTIC TRANCEIVER | | | CMG Aggregator |
| FTM CMG AGGREGATOR SWITCHGEAR | DC POWER SUPPLY | | | CMG Aggregator |

APPENDIX VI – Mutual Non-Disclosure Agreement

{ATTACH EXECUTED NDA HERE. THE FOLLOWING IS AN EXAMPLE OF STANDARD NDA TERMS; PG&E RESERVES THE ABILITY TO UPDATE THESE TERMS}

MUTUAL NONDISCLOSURE AGREEMENT

This MUTUAL NONDISCLOSURE AGREEMENT (“**NDA**”), by and between Pacific Gas and Electric Company, a California corporation (“**PG&E**”), and _____ a _____ (“**Company**”) (together the “**Parties**” and each individually a “**Party**”), is effective as of the latest signature date below (the “**Effective Date**”).

WHEREAS, PG&E is an investor-owned utility that provides gas and electric service to millions of customers throughout Northern and Central California;

WHEREAS, _____ is a _____ headquartered in _____, and is exploring the development of a microgrid, developing a microgrid, or has developed and is maintaining a community microgrid pursuant to PG&E's Community Microgrid Enablement Tariff (“**CMET**”);

WHEREAS, in support of those efforts, the Parties expect that each Party may disclose to and receive from the other Party some amount of Confidential Information, as defined herein;

WHEREAS, the Parties recognize that the development of microgrids is in the public's interest; and

WHEREAS, each Party wishes to protect, use, handle, and safeguard the Confidential Information that it receives from the other Party in compliance with law and in accordance with the duties and responsibilities set forth herein.

NOW THEREFORE, the parties agree as follows:

1. **Purpose.** The purpose of this Agreement is to permit each Party to transmit or exchange Confidential Information to or with the other Party hereto for the purpose of evaluating and reviewing such Information in connection with the potential or actual development, operation and maintenance of a microgrid pursuant to PG&E's CMET (“**Purpose**”), and for no other purpose. The Parties mutually agree that development of microgrids is in the public's interest and that the Purpose of this Agreement justifies maintaining the confidentiality of their respective Confidential Information.
2. **Confidential Information.** “**Confidential Information**” as used herein shall mean any non-public proprietary or confidential data, information and other materials including those regarding the products, services or business of the disclosing party (the “**Disclosing Party**”), its parent company, its subsidiaries or affiliates (and/or if either Party is bound to protect the confidentiality of any third party, of such third party) provided by or made available by the Disclosing Party to the receiving party (the “**Receiving Party**”) where such information is marked or otherwise communicated as being “proprietary” or “confidential” or the like, or where such information should, by its nature, regardless of the existence of any markings, be reasonably considered to be confidential and/or proprietary. Without limiting the foregoing, Confidential Information includes (i) all confidential and

proprietary documents, records, reports, agreements and associated documents; (ii) any and all information pertaining to PG&E's electric distribution and transmission facilities; (iii) all technical, financial and business information of any kind; (iv) all written procedures; (v) all data, specifications, technology, ideas, know-how, improvements, maps, technical drawings, inventions (whether or not patentable or copyrightable), or trade secrets; and (vi) all Personal Information belonging to the Disclosing Party. Confidential Information does not include information which: (a) is already known to the Receiving Party on a non-confidential basis prior to the disclosure by Disclosing Party; (b) becomes publicly available without breach of the confidentiality obligations of this NDA by Receiving Party or its representatives; (c) is approved for release without confidentiality obligations by written authorization of the Disclosing Party; (d) is rightfully obtained by Receiving Party from a third party without restriction as to disclosure; (e) is developed independently by Receiving Party without use of or access to Disclosing Party's Confidential Information.

[For public entity counterparties: Furthermore, and consistent with the Purpose of the Agreement, the Parties agree that they are sharing Confidential Information to serve the public's interest and that this Purpose clearly outweighs publicly disclosing such Confidential Information. Accordingly, the Parties agree that Disclosing Party's Confidential Information is exempt from disclosure pursuant to the California Public Records Act, California Government Code § 6250, et seq., and other federal, state, and municipal public disclosure laws, including but not limited to the Brown Act, California Government Code § 54950, et seq., and shall remain confidential as set forth in Paragraph 9 of this Agreement, entitled "Term and Termination"]

3. **Processing Personal Information.** "Personal Information" as used herein shall mean any information provided by PG&E, its subsidiaries, affiliates, agents, officers, directors, current and former employees, or customers, to Company that identifies, relates to, describes, is reasonably capable of being associated with, or could reasonably be linked, directly or indirectly, with a particular individual, or as the "personal information" or "personal data" or such similar term is defined under applicable data privacy and protection laws. In the event Personal Information related to its employees, customers or other individuals is disclosed to Company, the Parties agree that the provisions detailed in the Personal Data Processing Addendum, attached hereto as Appendix A, shall apply. In the event of any conflict with regard to Personal Information between the general terms of this Agreement and Appendix A, the terms of Appendix A will govern.
4. **Use and Nondisclosure of Confidential Information.** Receiving Party agrees to keep any Confidential Information made available or provided to it as confidential and proprietary and shall treat such Confidential Information in the same manner as it treats its own similar proprietary and confidential information, but in no case will the degree of care be less than reasonable care. The Receiving Party shall use the Confidential Information only in performing its obligations or to exercise its rights in connection with the Purpose. The Receiving Party shall not sell, share or otherwise disclose Confidential Information to any third party (except as authorized under the NDA or applicable law) without the Disclosing Party's express written consent. The Receiving Party shall disclose Confidential Information only to those employees and contractors of Receiving Party who have a need to know such information for the purposes of performing its obligations or exercising its rights in connection with the Purpose, and such employees and contractors must be bound by an NDA or have entered into agreements with Receiving Party containing confidentiality provisions covering the Confidential Information with terms and conditions at least as restrictive as those set forth in this NDA.

The Parties further agree that this Agreement shall not be construed to limit either Party's right to independently develop or acquire products without use of or reference to the other Party's Confidential Information. The Disclosing Party acknowledges that the Receiving Party may currently or in the future develop information internally, or receive information from other parties, that is similar to the Confidential Information. Accordingly, nothing in this Agreement will be construed as a

representation or agreement that the Receiving Party will not develop or have developed products, concepts, systems, or techniques that are similar to or compete with the products, concepts, systems or techniques contemplated by or embodied in the Confidential Information provided that the Receiving Party does not violate any of its obligations under this Agreement in connection with such development.

5. **Security Measures.** The Receiving Party shall implement reasonable administrative, technical and physical security measures to safeguard the Confidential Information it receives. These safeguards shall include, but not be limited to: (a) written policies regarding information security, disaster recovery, third-party assurance auditing, penetration testing; (b) password protected workstations at Receiving Party's premises, any premises where services are being performed and any premises of any person who has access to such Confidential Information, and (c) encryption of Confidential Information.
6. **Disclosures Required by Law.** If any Confidential Information is required to be disclosed by law, rule, regulation, court of competent jurisdiction or governmental order, then to the extent permitted by applicable law, the Receiving Party shall advise the Disclosing Party of the Confidential Information required to be disclosed promptly upon learning thereof in order to afford the Disclosing Party (at the Disclosing Party's sole cost and expense) a reasonable opportunity to contest, limit or assist the Receiving Party in crafting the disclosure, and then such disclosure shall be made only to the extent necessary to satisfy such requirements. Notwithstanding the foregoing, the Parties recognize that PG&E is a regulated utility and that its regulators have broad rights to request information from PG&E and from time-to-time PG&E may have to disclose certain Confidential Information to its regulators (e.g., the California Public Utilities Commission (CPUC) and the Federal Energy Regulatory Commission (FERC)). In that event, PG&E will disclose such information subject to the regulators' respective confidentiality rules.
7. **Unauthorized Disclosures.** The Receiving Party shall promptly notify the Disclosing Party in writing of any unauthorized access or disclosure of Confidential Information. The Receiving Party shall take reasonable measures within its control to stop the unauthorized access or disclosure of Confidential Information and to prevent recurrence. The Parties agree that a breach of this NDA would constitute irreparable harm and significant injury to the Disclosing Party. The Disclosing Party therefore shall have the right to seek from any competent civil court, immediate temporary or preliminary injunctive relief enjoining any breach or threatened breach of this NDA.
8. **Return or Destruction of Confidential Information.** All Confidential Information disclosed by Disclosing Party to Receiving Party remains the property of the Disclosing Party, and Receiving Party shall return or destroy all Confidential Information, including any copies of Confidential Information in its or its agents' possession upon the termination of this NDA or otherwise at the Disclosing Party's request. Within fifteen (15) days of receiving such request from the Disclosing Party, the Receiving Party shall comply with the request and provide written certification, signed by the Receiving Party, confirming the Receiving Party's compliance with the return or destruction of all Confidential Information as set forth in this provision. Notwithstanding the foregoing, the Receiving Party may retain one copy of Confidential Information for purposes of complying with its legal obligations or consistent with Receiving Party's backup retention and recovery purposes, provided that the obligations set forth in this NDA apply to any retained Confidential Information.
9. **Term and Termination.** This NDA shall be effective from the Effective Date, provided however, that either Party may terminate this NDA by giving the other Party thirty (30) calendar days' notice in writing of its intention to terminate this NDA. Termination shall not abrogate either Party's obligations under this NDA for Confidential Information received prior to the date of termination.

10. **Notices.** Any notice required to be sent or given under this Agreement will be sent via electronic mail, addressed as follows:

| | | |
|---------------|-------|---------------|
| PG&E: | _____ | Name: _____ |
| Name: _____ | | E-Mail: _____ |
| E-Mail: _____ | | Phone: _____ |
| _____ | | _____ |
| Phone: _____ | | |
| _____ | | |

11. **Communications and Media.** Neither Party will disclose any information or make any news release, advertisement, public communication, response to media inquiry or other public statement regarding this Agreement, the Confidential Information disclosed, the Purpose and/or potential commercial relationship between the Parties, or the performance hereunder without the prior written consent of the other Party. Subject to Paragraph 5, neither Party will make any reference to the other Party or to the existence of this Agreement in any advertising or other publication (except for confidential, internal company publications), without the prior written consent of the other Party, and neither Party will associate or in any way connect its name, trademark or any other intellectual property right to any name, trademark or any other intellectual property right of the other Party without the other Party's prior written consent. The fact that the Parties have entered into this Agreement does not constitute, nor does it imply in anyway, endorsement by one Party of the other, and neither Party will indicate or imply that the other Party endorses, recommends, or vouches for it in any form of written, verbal, or electronic advertisement, communication, or any other business development effort, without the other Party's prior written consent.
12. **No License.** No license or proprietary rights are granted by disclosure of any Confidential Information under this NDA. For avoidance of doubt, nothing in this NDA is intended to grant any rights to any Receiving Party under any patent, copyright, trade secret or other intellectual property right nor does this NDA grant any Receiving Party any rights in or to the Confidential Information, except the limited right to use the Confidential Information solely for the Purpose.
13. **Compliance with Applicable Law.** The Receiving Party agrees to comply with all applicable laws governing the protection of the Confidential Information.
14. **Indemnification.** The Receiving Party shall indemnify the Disclosing Party against any and all actions, claims, liabilities, costs, damages, charges and expenses incurred in connection with or arising out of the Receiving Party's use of Confidential Information.
15. **Assignment.** Neither Party shall assign this NDA nor any Confidential Information received from Disclosing Party pursuant to this NDA without Disclosing Party's prior written consent. This NDA shall be binding upon each Party, their successors, and assigns.
16. **No Warranty.** All Confidential Information is provided "as is" without any warranties, express, implied, or otherwise, regarding the accuracy or completeness of any Confidential Information disclosed by the Disclosing Party to the Receiving Party.
17. **Severability and Waiver.** The covenants and agreements set forth in this NDA are each deemed separate and independent, and if any such covenant or agreement is determined by any court of competent jurisdiction or arbitrator/mediator to be invalid or unenforceable for any reason, the Parties shall negotiate an equitable adjustment in the provisions of this NDA with a view toward

effectuating the purpose of this NDA. The invalidity or unenforceability of any of the provisions, or application of any of the provisions, of this NDA will not affect the validity or enforceability of any of the remaining provisions of this NDA.

18. **Entire Agreement.** This NDA contains the entire understanding between the Parties with respect to Confidential Information received hereunder. This NDA has been negotiated by both Parties and shall not be strictly construed against either Party. No change, modification, extension, termination, or waiver of this NDA shall be made effective unless in writing and signed by an authorized representative of each Party.
19. **Governing Law.** This NDA shall be construed and interpreted in accordance with the laws of the State of California. Any controversy, dispute, issue, or claim arising out of or in any way relating to this NDA which cannot be amicably settled without court action shall be litigated in a California State Court of competent jurisdiction; or if jurisdiction over the action resides in the federal courts, then in a Federal Court of competent jurisdiction situated in the State of California.
20. **Counterparts.** This NDA may be executed in one or more counterparts, each of which shall be deemed an original and all of which, when taken together, constitute one and the same instrument. The Parties agree that electronic signatures may be used for execution of the NDA. The email, PDF or other electronically delivered signatures of the Parties shall be deemed to constitute original signatures, and electronic copies of the executed NDA shall be deemed to constitute duplicate originals.
21. **Remedies.** Notwithstanding any other term of this NDA, it is expressly agreed that a breach of this NDA will cause irreparable harm to the Disclosing Party and that a remedy at law would be inadequate. Therefore, in addition to any and all remedies available at law, the Disclosing Party will be entitled to injunctive and/or other equitable remedies in the event of any threatened or actual violation of any provisions of this NDA. In any dispute between the Parties arising out of or relating to the NDA, the prevailing party shall be entitled to recover from the opposing party his or its attorneys' fees and costs.

IN WITNESS HEREOF, and intending to be legally bound hereby, the Parties hereto have caused this NDA to be executed by their duly authorized representatives as of the Effective Date.

[COMPANY]

**PACIFIC GAS & ELECTRIC
COMPANY**

Signature:

Signature:

Name:

Name:

Title:

Title:

Date:

Date:

Appendix A

PERSONAL DATA PROCESSING ADDENDUM

This Personal Data Processing Addendum (“DPA”) amends, in accordance with the terms set forth below, all agreements between the Parties, pursuant to which Company receives and processes Personal Information (as defined below) and to clarify and confirm Company’s obligations to safeguard and maintain the security of the Personal Information it collects from or on behalf of PG&E related to employees, dependents and beneficiaries, consultants, workers, visitors, shareholders, and/or customers of PG&E and its subsidiaries and affiliates.

1. **DEFINITIONS.** As used in this DPA, the following capitalized terms shall have the meanings provided in this section. Capitalized Terms used in this DPA, but not defined below have the meaning given to them in the Parties’ Agreement.

Agreement. “Agreement” means the Mutual Non-Disclosure Agreement by and between PG&E and Company.

Personal Information. “Personal Information” means any information provided by PG&E, its subsidiaries, affiliates, agents, officers, directors, current and former employees, or customers, to Company and that identifies, relates to, describes, is reasonably capable of being associated with or could reasonably be linked, directly or indirectly, with a particular individual. “Personal Information” includes “personal information,” “personal data” or other such similar terms as they are defined under applicable Privacy Laws.

Privacy Laws. “Privacy Laws” are all applicable laws, rules, regulations, directives and governmental requirements in any jurisdiction in which Company or Company operates and relating in any way to the privacy, confidentiality, or security of Personal Information processed by Company, including, but not limited to the California Consumer Privacy Act of 2018 (“CCPA”) and the California Privacy Rights Act of 2020 (“CPRA”).

2. **CONTROL OF PERSONAL INFORMATION.** PG&E shall retain all ownership and control over the Personal Information disclosed to Company. PG&E also has the exclusive authority to determine the purposes of processing of all Personal Information by Company.
3. **LIMITED USE OF PERSONAL INFORMATION.** At all times during the term of this DPA and thereafter, Company shall collect (including, without limitation, caching or storing), access, use, disclose, process or retain Personal Information solely for the purpose of rendering the contracted services to PG&E and not for any other purpose. Company shall not sell, share or otherwise disclose any Personal Information to any third party except as expressly permitted herein. Company shall not use any Personal Information to violate or attempt to violate the security of PG&E’s systems, or any third party networks, system, server, website, application or account.
4. **ADDITIONAL RESTRICTIONS.** Company shall not: (i) sell or share Personal Information or (ii) collect, retain, use, or disclose Personal Information for any purpose other than for the specific purpose of performing the services specified in the Agreement. For avoidance of doubt, Company shall not collect, retain, use, or disclose Personal Information for any commercial purpose other than providing the services specified under the Agreement unless otherwise

permitted under applicable law. For purposes of this section, the terms “sell,” “commercial purposes” and “personal information” shall have the meanings as defined under the CCPA and “share” shall have the meaning as defined under the CPRA.

5. **AGENTS.** Company shall not contract any of its rights or obligations hereunder, or share, transfer, disclose or otherwise provide access to any Personal Information to any contractors, subcontractors, third-party service providers, or agents (collectively, “Agents”) without the prior written consent of Company. Where Company contracts any rights or obligations, or provides access to Personal Information, to an Agent, then (a) Company shall enter into a fully-executed written agreement with each Agent that imposes obligations on the Agent that are at least as restrictive as those imposed on or required of Company under this DPA; (b) Company shall not be relieved of any of its obligations under this DPA; and (c) Company shall remain liable and responsible for the performance or non-performance of its Agents with respect to the Agent’s collection, use, disclosure, storage, processing and disposal of Personal Information.
6. **COMPLIANCE WITH LAW.** Company agrees that its collection, use, disclosure, storage, processing and disposal of Personal Information shall at all times comply with all applicable Privacy Laws and any representations made by Company to any person from whom such Personal Information was collected. Company further agrees that it will reasonably cooperate with PG&E’s efforts to comply with PG&E’s legal obligations related to its collection, processing, use or disclosure of Personal Information.
7. **DATA SECURITY.** Company shall, and shall contractually require and cause any Agents to, implement and maintain security procedures and practices for Personal Information, including without limitation, establishing, implementing and maintaining an Information Security Program as set forth in this Section 7, that will: (i) comply with all applicable Privacy Laws and industry standards; (ii) ensure the security and confidentiality of Personal Information, (iii) protect against any anticipated or actual threats or hazards to the security or integrity of Personal Information, and (iv) prevent unauthorized access, acquisition, destruction, use, modification and/or disclosure of Personal Information. Company and its Agents shall each ensure that its security infrastructures are consistent with high industry standards for virus protection, firewalls and intrusion prevention technologies to help prevent Company’s network, systems, servers and applications from unauthorized access. Company will restrict and track access to Personal Information and PG&E systems at all times to only those employees and Agents whose access is essential to performing the services for which Company has been contracted, and such employees and Agents will be required (including during the term of their employment or retention and thereafter) to protect Personal Information in accordance with the requirements of this DPA. Company shall segregate Personal Information from all other Company and third party data. Company must ensure proper user authentication for all employees, and Agents with access to Personal Information, including, without limitation, by assigning each employee or Agent unique access credentials for access to any system on which Personal Information can be accessed and prohibiting employees and Agents from sharing such access credentials. Company shall ensure that upon termination of any employee or Agent, the terminated person’s access to Personal Information and PG&E systems must be immediately revoked.
8. **INFORMATION SECURITY PROGRAM.** Company shall conduct appropriate training and awareness campaigns designed to educate Company’s employees of their responsibilities in maintaining the confidentiality and security of Personal Information and for the reporting of incidents involving unauthorized access to or use of Personal Information, consistent with all

Privacy Laws and the terms of this DPA. Company represents and warrants that it has implemented and will maintain a variety of administrative, organizational and technical measures (“Information Security Program”) that are consistent with industry standards which may include but are not be limited to ISO 27001/2, NIST, OWASP, and other similar standards that are designed to reasonably and appropriately protect the confidentiality, integrity mid availability of information systems or data and which measures are set forth below. Company shall review its Information Security Program on at least an annual basis and evaluate whether it needs to be modified to comply with Privacy Laws or industry practices. Company shall notify PG&E of any material changes to Company’s Information Security Program as it relates to the security and integrity of Personal Information, within thirty (30) days of any such change. Notwithstanding the foregoing, at all times, Company’s Information Security Program shall include the following:

- a. Organizational management and dedicated staff responsible for the development, implementation and maintenance of Company’s Information Security Program.
- b. Audit and risk assessment procedures designed for the purposes of periodic review and assessment of risks to Company’s organization, for monitoring and maintaining compliance with Privacy laws, and for reporting the condition of its information security and compliance to Company senior management.
- c. Data security controls which include at a minimum, but may not be limited to, logical segregation of data, restricted (e.g., role-based) access and monitoring, and utilization of commercially available and industry standard encryption, at a minimum of 256-bit encryption, for Personal Information that is:
 - i. transmitted over public networks (i.e. the Internet) or when transmitted wirelessly,
 - ii. stored on any Company or Agent systems, including any cloud based systems.
- d. Logical access controls to manage electronic access to data and system functionality based on authority levels and job functions, (e.g. granting access on a need-to-know and least privilege basis, use of unique IDs and passwords for all users, periodic review and revoking/changing access promptly when employment terminates or changes in job functions occur).
- e. Password controls to manage and control password strength, expiration and usage including prohibiting users from sharing passwords.
- f. System auditor event logging and related monitoring procedures to proactively record user access and system activity for routine review.
- g. Physical and environmental security of data center, server room facilities and other areas containing Personal Information to protect information assets from unauthorized physical access, and to manage, monitor and log movement of persons into and out of Company facilities, and to guard against environmental hazards such as heat, fire and water damage.

- h. Operational procedures and controls to provide for configuration, monitoring and maintenance of technology and information systems according to prescribed internal and adopted industry standards, including secure disposal of systems and media to render all information or data contained therein as undecipherable or unrecoverable prior to final disposal or release from Company's possession.
- i. Change management procedures and tracking mechanisms to ensure all changes to Company's technology and information assets are properly tested, approved and monitored.
- j. Incident management procedures to allow for the proper investigation, response, mitigation and notification of events related to Company's technology and information assets.
- k. Network security controls that provide for the use of enterprise firewalls and layered DMZ architectures, and intrusion detection systems and other traffic and event correlation procedures to protect systems from intrusion and limit the scope of any successful attack.
- l. Vulnerability assessment, patch management, and threat protection technologies and scheduled monitoring procedures to identify, assess, mitigate and protect against identified security threats, viruses and other malicious code.
- m. Business continuity and disaster recovery procedures to ensure Company's ability to maintain service and/or recovery from foreseeable emergency situations or disasters.
- n. Controls to ensure any applicable Company software is securely developed in accordance with this DPA, such as design reviews, secure separation of development and production environments, code reviews, and quality assurance testing.

9. TRANSMISSION OF PERSONAL INFORMATION. Company shall not electronically transmit a record containing Personal Information outside a secure network environment other than by a secure network connection or communications protected by appropriate encryption technology that is not less than 256-bits in length. Likewise, Company shall not require any individual to transmit Personal Information over the Internet unless the connection is secure or the Personal Information is protected by encryption technology meeting this standard. Company shall not print Personal Information on mailed material unless required by law and will not make Personal Information visible through any envelope window unless required by law. Notwithstanding the provisions of this Section, when strictly necessary to perform the contracted services and permitted by applicable Privacy Laws, Personal Information may be included in applications and forms sent by mail, including documents sent as part of an application or enrollment process, or to establish, amend or terminate an account, contract or policy, or to confirm the accuracy of the Personal Information.

10. SECURITY MANAGER. On the effective date of the Agreement, Company shall designate an individual as the primary security manager under this DPA. The security manager shall be responsible for managing and coordinating the performance of Company's privacy and data security obligations under this DPA.

- 11. SUBPOENAS AND LEGAL PROCEEDINGS.** Subject to applicable law, Company shall immediately notify PG&E of any subpoena or other judicial or administrative order by a court, tribunal, litigant, or government authority seeking access to or disclosure of Personal Information. Subject to applicable law, PG&E shall have the right take steps to assess and/or prevent such disclosure and to defend subpoena enforcement proceedings or motions to compel in lieu of and on behalf of Company, which still must provide reasonable cooperation to PG&E in connection with such defense.
- 12. DATA SECURITY BREACH NOTIFICATION AND INCIDENT RESPONSE.** Company shall notify PG&E, of: (a) any access, possession, use or disclosure of Personal information, or attempt thereof, not expressly permitted by this DPA; (b) any suspected breach or compromise of Personal Information, or Company’s systems or networks that directly or indirectly support Personal Information; or (c) claims or threats thereof made by any personnel, Agent or external person (each or the foregoing a “Data Security Breach”). Company shall notify PG&E of a Data Security Breach within twenty-four (24) hours after detecting or being notified of the Data Security Breach affecting Personal Information.
- a. **Data Security Breach Investigation.** Company shall immediately take measures to stop the Data Security Breach and in PG&E’s sole discretion, upon PG&E’s written request, and pursuant to PG&E’s instructions, Company shall cooperate with PG&E and any outside agents hired by PG&E in connection with: (i) conducting an investigation of any actual or suspected Data Security Breach and (ii) providing PG&E and its agents with administrative access to all affected systems or applications that store, process, transmit or otherwise access Personal Information. Company shall provide PG&E with the following information, at minimum: (i) a brief summary of the issue, facts and status of Company’s investigation; (ii) the potential number of individuals affected by the Data Security Breach; (iii) the Personal Information that has been or may have been implicated by the Data Security Breach; and (iv) any other information pertinent to PG&E’s understanding of the Data Security Breach and the exposure or potential exposure of Personal Information.
- b. **Other Parties.** Unless the Data Security Breach impacts the information of parties other than PG&E, Company shall not notify any parties other than PG&E and relevant law enforcement agencies of any Data Security Breach unless such notification is agreed to in advance by PG&E in writing.
- c. **Resolution.** For avoidance of doubt, any Data Security Breach vulnerability shall be resolved to PG&E’s satisfaction, at Company’s expense. If such vulnerability cannot be resolved to PG&E’s satisfaction within a reasonable period of time, as determined by PG&E, PG&E shall have the right to immediately terminate the Agreement without liability.
- d. **Notification.** Company will, upon PG&E’s written request and pursuant to PG&E’s instructions, at Company’s cost, notify any affected persons or entities provided that the method and content of such notice shall be agreed to in writing by PG&E prior to sending such notice. Company shall also cooperate with PG&E and any relevant authority in the event of litigation or regulatory inquiry concerning a Data Security Breach. Notwithstanding the foregoing, Company, at its sole expense shall investigate and remediate all Data Security Breaches.

e. **Indemnification.** In addition to Company's indemnification obligations set forth in Section 21 of this DPA, Company shall also indemnify, hold harmless, and defend PG&E and its respective directors, officer; employees, subcontractors and agents from any suits, claims, damages, demands, proceedings, and other actions brought by a third party, and all associated expenses and costs (including but not limited to: assessments, fines, losses, penalties, costs of investigating and responding to any Data Security Breach, costs of notifying affected individuals, and attorneys' fees), arising out of or related to Company's or its Agents collection, processing, storage, use transmission or destruction of Personal Information, including, but not limited to, a suspected or actual Data Security Breach. The remedies set forth herein shall be in addition to any other remedies available to PG&E at law or in equity, including but not limited to Company's general indemnification obligations set forth in this DPA.

13. CREDIT MONITORING. In the event of a Data Security Breach (including, without limitation, by an unauthorized employee or Agent of Company), at the sole discretion of PG&E, Company will offer Credit Monitoring Services (as defined below) as designated by company to any affected individual at Company's cost and expense. Affected individuals will be notified of the availability of Credit Monitoring Services as directed by PG&E, at Company's sole cost. "Credit Monitoring Services" mean credit monitoring services for two (2) years, beginning on the date the individual first registers for the service after the Data Security Breach or such period required by Privacy Laws and one (1) free credit report provided by Experian, Equifax, or TransUnion.

14. DESTRUCTION AND RETURN OF PERSONAL INFORMATION. As soon as possible after any of the Personal Information (or portion thereof) is no longer needed by Company to fulfill its obligations to PG&E or upon PG&E's written request, or in the event of termination or expiration of this DPA for any reason, Company shall, and shall cause its Agents, to immediately securely destroy and certify such secure destruction (and produce a written certification upon request by PG&E) of any or all of Personal Information and all records of Personal Information, (including, without limitation, all electronic copies such as on hard drives, backup tapes, portable devices, optical, magnetic, or other storage media, as well as all hard copies) or, if requested by PG&E, return Personal Information to PG&E through a secure method designated by PG&E. Company shall ensure that Personal Information is destroyed in accordance with the methods described in the Federal Trade Commission's Disposal Rule, 16 C.F.R § 682.3 and any other Privacy Law.

15. SECURITY AUDIT RIGHTS. At the request of PG&E and at PG&E's cost, Company shall provide PG&E, or an independent third-party auditor selected by PG&E, access to, and the right to conduct a security audit of, all records, security policies and procedures, and other practices relating to the use, processing, storage and disclosure of Personal Information. The audit results and Company's plan for addressing or resolving issues identified by the audit shall be shared with PG&E within ten (10) days of Company's receipt of the audit results. If Company fails to resolve the issues identified in its plan within a reasonable timeframe determined by PG&E, PG&E shall have the right to terminate the services contract between the Parties. In addition, subject to Company's advance approval as to scope and timing, PG&E also reserves the right to conduct, at its own cost, not more than twice per calendar year, technical security integrity reviews, and penetration tests and monthly Internet security scans to ensure Company remains compliant with this DPA (collectively, "Application Security Assessments"). PG&E will provide seven (7) days' notice prior to penetration testing or the commencement of monthly

scanning activities. Company shall correct any security flaw discovered by PG&E within eight (8) hours. Further, Company and any Agent that accesses, stores or collects Personal Information shall conduct, at its own cost, an Application Security Assessment annually using an independent third-party tester.

16. **MALICIOUS CODE.** Company will ensure that the contracted services will not result in the transmission to PG&E of any (a) ‘back door’, ‘time bomb’, ‘Trojan Horse,’ ‘worm’, ‘drop dead device,’ ‘virus’, ‘spyware’ or ‘malware;’ or (b) any computer code or software routine that: (i) permits unauthorized access to or use of PG&E’s or its users’ systems or any component thereof; or (ii) disables, damages, erases, disrupts or impairs the normal operation of PG&E’s or its users’ systems or any component thereof.
17. **INTERNATIONAL TRANSFER OF DATA.** Company shall not transfer Personal Information to, or allow access to Personal Information by, its employees or Agents in any location outside the United States without receiving the prior written consent of PG&E. To the extent that the parties agree to the transmission of Personal Information outside of the United States, prior to making any such transfer, the parties will negotiate in good faith and agree to the terms of a data transfer agreement that complies with applicable Privacy Laws governing the cross-border transfer of Personal Information.
18. **SUSPENSION OF DATA TRANSFERS.** PG&E reserves the right to suspend or stop data transfers to Company at any time. In the event that Company is unable to comply with the obligations stated in this DPA, Company shall within forty-eight (48) hours notify PG&E, and PG&E shall then be entitled (at its option) to suspend the transfer of Personal Information, require Company to cease using Personal Information and/or immediately terminate the Agreement PG&E may have with Company that requires the transfer of Personal Information for the contracted services.
19. **DATA SUBJECT REQUESTS.** Company shall promptly send PG&E within three (3) business days of receipt of any communication received from an individual relating to his or her request to access, modify or correct, or delete Personal Information relating to the individual or to opt-out of any program or communication and Company shall comply with instructions of PG&E before responding to such data subject requests.
20. **COOPERATION WITH GOVERNMENT ENFORCEMENT AUTHORITIES.** Company will provide reasonable cooperation to PG&E in connection with PG&E’s efforts to respond to any complaint filed with, or investigation conducted by, any government agency or data protection authority resenting the processing of Personal Information by Company.
21. **INDEMNIFICATION.** Notwithstanding anything to the contrary in any agreement between PG&E and Company, Company shall indemnify, hold harmless, and defend PG&E and its any and officers, employees, subcontractors, agents, successors, and assigns from and against any and all claims, losses, liabilities, damages, settlements, expenses and costs (including without limitation attorneys’ fees and court costs) and any and all threatened claims, losses, liabilities, damages, settlements, expenses and costs arising from, in connection with, or based on allegations of, in whole or in part, any of the following: (a) any violation of the requirements of this DPA; (b) any negligence or willful misconduct of Company, its personnel or Agents or any third party to whom Company provides access to Personal Information or systems, with respect to security or confidentiality of Personal is (c) any other costs incurred by PG&E with respect to PG&E’s rights in this DPA. Except as otherwise provided herein, Company shall be fully responsible

for, and shall pay, all costs and expenses incurred by Company or its personnel, third-party service providers of Company or Agents with respect to the obligations imposed under this DPA.

- 22. RELATION TO THE AGREEMENT.** A breach of any term of this DPA will be deemed a breach of the Agreement. The provisions of the Agreement regarding the subjects of Breach, Choice of Law, and Venue shall govern the parties' respective rights and obligations under this DPA. Notwithstanding the foregoing any indemnification rights of PG&E in this DPA are additive to any rights at law or in equity that PG&E has under the Agreement.
- 23. CONFLICTS.** In the event any term in this DPA is inconsistent or contradicts the terms in any other agreement between the Parties, the terms in this DPA shall apply.
- 24. MISCELLANEOUS.** This DPA constitutes the entire agreement and understanding of the Parties with respect to the subject matter hereof, and its terms shall govern the event of any inconsistency between this DPA and any other agreement between the Parties. This DPA shall be amended only by a written agreement between the Parties that specifically references this DPA by name. Company's obligations hereunder shall survive the termination of the service agreements between the parties and the completion of any and all services performed thereunder.

APPENDIX VII - Notices

| | |
|--|--|
| Name: _____ (“CMG Aggregator”) | Name: Pacific Gas and Electric Company, a California corporation (“PG&E”) |
| All Notices: | All Notices: |
| Delivery Address: | Delivery Address: |
| Street: | 300 Lakeside Drive, Suite 219 |
| City: | Oakland, CA 94612 |
| Mail Address: | Mail Address: |
| | 300 Lakeside Drive, Suite 200 Oakland, CA 94612 |
| Attn: | Attn: Sr. Director, Distribution Asset Management |
| Phone: | Phone: |
| Invoices and Payments: | Invoices and Payments: |
| Attn: | Attn: |
| Phone: | Phone: |
| Wire Transfer: | Wire Transfer: |
| BNK: | BNK: |
| ACCT Title: | ACC Title: |
| ABA: | ABA: |
| ACCT: | ACCT: |
| DUNS: | DUNS: |
| Federal Tax ID Number: | Federal Tax ID Number: |
| Credit and Collections: | Credit and Collections: |
| Attn: | Attn: Credit Risk Management PGERiskCredit@Exchange.pge.com |
| Phone: | Phone: (415) 972-5188 Fax: (415) 973-7301 |
| With additional Notices of an Event of Default to Contract Manager: | With additional Notices of an Event of Default to Contract Manager: |
| Attn: | Attn: |
| Phone: | Phone: |
| Designated CMET Project Operating Representative | Designated CMET Project Operating Representative |
| Attn: | Attn: |
| Phone: | Phone: |

APPENDIX VIII-A –Performance Testing Technical Criteria

{INCORPORATE PERFORMANCE TESTING TECHNICAL CRITERIA HERE}

APPENDIX VIII-B – Commissioning Test Plan

{INCORPORATE COMMISSIONING TEST PLAN HERE}

APPENDIX IX-A – CMET Project Safety Plan and Supporting Documentation

{ATTACH CMET PROJECT SAFETY PLAN AND SUPPORTING DOCUMENTATION}

CMG Aggregator shall develop and provide to PG&E a Safety Plan in accordance with (i) requirements stated in this Appendix IX, and (ii) pursuant to the schedule presented in Appendix III - Project Implementation Plan, and (iii) pursuant to the Safety Requirements. The Safety Plan will include but may not be limited to the following:

Part One: Safety Requirements and Safety Programs

Identify the applicable safety-related Codes, Standards, and regulations (CSR) which govern the design, construction, operation, maintenance of the Project using the proposed technology.

Describe the CMG Aggregator's and the CMG Aggregator's Contractor(s)' safety programs and policies. Describe CMG Aggregator's compliance with any safety-related industry standards or any industry certifications (American National Standards Institute (ANSI), International Organization for Standardization (ISO), etc.), if applicable.

Part Two: Project Design and Description

Describe CMG Aggregator's safety engineering approach to select equipment and design systems and the Project to reduce risks and mitigate the impacts of safety-related incidents, including cascading failures, excessive temperatures, thermal runaways, fires, explosions, pressure relief rupture disk fractures, hazardous chemical releases.

Describe the results of or similar safety engineering evaluations. In the case of lithium-ion batteries, describe the safety-related reasons, including design features and historical safety records, for selecting particular anode and cathode materials and a particular manufacturer.

In addition to the information provided in the CMET Project Description Appendix II, provide a list which includes but is not limited to, the following information:

- a) Arc Flash Studies
- b) Ground Grid Designs
- c) Step and Touch Potential Analysis
- d) Equipment safety-related certifications (e.g. UL), and
- e) Safety-related systems

Part Three: Project Safety Management

Identify and describe any hazards and risks to life, safety, public health, property, or the environment due to or arising from the CMET Project. Describe the CMG Aggregator's applicable site-specific safety plans, risk mitigation, Safeguards and layers of protection, including but not necessarily limited to:

- a) Engineering controls,

- b) Work practices,
- c) Administrative controls,
- d) Personal protective equipment and procedures,
- e) Incident response and recovery plans,
- f) Contractor management,
- g) Operating procedures,
- h) Emergency plans,
- i) Training and qualification programs,
- j) Disposal, recycle, transportation and reuse procedures, and
- k) Physical security measures.

Part Four: Project Hazardous Materials Business Plan

- A.** SDS/Manufacturer spec sheets for all materials onsite (batteries, transformers, equipment that houses oils or coolants) and;
- B.** An inventory of each material (i.e. how many batteries of any one type are onsite).

Please also provide a site plan that demonstrates where these assets are located and that identifies Ownership of each asset (CMET Project Resource Owner vs PG&E)

Contact Sheilah Lillie for more information on the HMBP: SMLZ@pge.com.

APPENDIX IX-B – CMET Project Emergency Response Plan

{ATTACH CMET PROJECT EMERGENCY RESPONSE PLAN}

CMG Aggregator shall develop and provide to PG&E a CMET Project Emergency Response Plan in accordance with (i) requirements stated in this Appendix IX-B, and (ii) pursuant to the schedule presented in Appendix III - Project Implementation Plan, and (iii) pursuant to the Safety Requirements. The Emergency Response Plan will include but may not be limited to the following:

- a) Project location,
- b) Facility description,
- c) Description and location of key hazards,
- d) Emergency Response Procedures for key hazards,
- e) Plan modifications and response to Remediation Events,
- f) Smoke & fire suppression systems as required by code,
- g) Primary emergency contacts, and
- h) Safety Data Sheets

“Remediation Event” means the occurrence of any of the following with respect to the CMET Project or a Site: (a) an Exigent Circumstance (b) a Serious Incident; (c) a change in the nature, scope, or requirements of applicable Laws, Permits, codes, standards, or regulations issued by Governmental Authorities which requires modifications to the Safeguards; (d) a material change to the manufacturer’s guidelines that requires modification to equipment or the Project’s operating procedures; (e) a failure or compromise of an existing Safeguard; (f) Notice by PG&E, in its sole discretion, that CME Aggregator, the Project Safety Plan, Safety Attestation, as applicable, is not consistent with the Safety Requirements; or (g) any actual condition related to the CMET Project or a Site with the potential to adversely impact the safe construction, operation, or maintenance of the CMET Project or a Site.

“Exigent Circumstance” means a situation in which there is actual or imminent harm to life or safety, public health, third-party owned property, or the environment due to or arising from the CMET Project or portion thereof.

“Serious Incident” means a harmful event that occurs on a Site during the Term arising out of, related to, or connected with the CMET Project or the Site that results in any of the following outcomes: (a) any injury to or death of a member of the general public; (b) the death or permanent disabling injury to operating personnel, CMG Aggregator’s Contractors or subcontractors, CMG Aggregator’s employees, agents, or consultants, or authorized visitors to the Site; (c) any property damage greater than one hundred thousand dollars (\$100,000.00); (d) release of hazardous material above the limits, or violating the requirements, established by Permits, codes, standards, regulations, Laws or Governmental Authorities; (e) environmental impacts exceeding those authorized by Permits or applicable Law

“Safety Remediation Plan” means a written Notice from CMG Aggregator to PG&E containing information about a Remediation Event, including (a) the date, time and location of first occurrence, (b) the circumstances surrounding cause, (c) impacts, and (d) detailed information about CMG Aggregator’s plans to resolve the Remediation Event.

APPENDIX X-A – Safety Attestation

This Safety Attestation is delivered by _____ (“Licensed Professional Engineer”) to Pacific Gas and Electric Company (“PG&E”) in accordance with Section 2.1.B(h) of the Microgrid Operating Agreement with an Effective Date of _____ (“Agreement”) by and between _____ (“CMG Aggregator”) and PG&E. All capitalized terms used in this Safety Attestation but not otherwise defined herein shall have the respective meanings assigned to such terms in the Agreement.

Licensed Professional Engineer _____ hereby certifies the following:

- (1) The Project is able to operate in a manner consistent with the Safety Requirements;
- (2) The Project Safety Plan demonstrates compliance with all applicable Safety Requirements and reasonably takes into account the items in Appendix IX to the Agreement; and
- (3) The Project Safety Plan includes a Safety Remediation Plan that meets the required response to a Remediation Event as described in Appendix IX.

[Licensed Professional Engineer] _____

Signature: _____

Name: _____

Title: _____

Date: _____

License Number and LPE Stamp: _____

APPENDIX X-B – Multiple Use Attestation

[Applicable only to CMET Projects that include energy storage among the CMET Project Resources]

This Multiple-Use Attestation is delivered by _____ (“CMG Aggregator”) to Pacific Gas and Electric Company (“PG&E”) in accordance with Section 2.1.B(e) of the Microgrid Operating Agreement with an Effective Date of _____ (“Agreement”) by and between CMG Aggregator and PG&E. All capitalized terms used in this attestation but not otherwise defined herein shall have the respective meanings assigned to such terms in the Agreement.

CMG Aggregator hereby certifies and represents to PG&E, as of the date set forth below, that with regard to the Project, CMG Aggregator is following all the rules set forth in Appendix A of CPUC Decision 18-01-003.

EXECUTED by CMG Aggregator this _____ day of _____, 20__.

Signature: _____

Name: _____

Title: _____

APPENDIX XI-A – Permission to Island CMET Project Confirmation Letter

In accordance with the terms of CMET Microgrid Operating Agreement, dated _____ (“Agreement”) by and between _____ (“PG&E”) and _____ (“CMG Aggregator”), and Section 2.1 and Section 2.2 of that Agreement, this letter (“Permission to Island CMET Project Confirmation Letter”) serves to document the Parties’ further agreement that the Development Conditions prescribed in the Agreement at Section 2.1 have been satisfied or waived in writing by PG&E. All capitalized terms not defined herein shall have the meaning set forth in the Agreement.

IN WITNESS WHEREOF, each Party has caused this Permission to Island CMET Project Confirmation Letter to be duly executed by its Authorized Representative as of the date of last signature provided below:

[INSERT CMG Aggregator’s NAME HERE] **PACIFIC GAS AND ELECTRIC COMPANY**

| | |
|------------------|------------------|
| Signature: _____ | Signature: _____ |
| Name: _____ | Name: _____ |
| Title: _____ | Title: _____ |
| Date: _____ | Date: _____ |

APPENDIX XI-B – CMET Project Islanding Operation Date Confirmation Letter

In accordance with the terms of CMET Microgrid Operating Agreement, dated _____ (“Agreement”) by and between _____ (“PG&E”) and _____ (“CMG Aggregator”), and Section 2.2 of that Agreement, this letter (“Islanding Operation Date Confirmation Letter”) serves to document the Parties’ further agreement that the Development Conditions to the Islanding Operation Date have been satisfied or waived in writing by PG&E. All capitalized terms not defined herein shall have the meaning set forth in the Agreement.

IN WITNESS WHEREOF, each Party has caused this Islanding Operation Date Confirmation Letter to be duly executed by its Authorized Representative as of the date of last signature provided below:

[INSERT CMG Aggregator’s NAME HERE] **PACIFIC GAS AND ELECTRIC COMPANY**

| | |
|------------------|------------------|
| Signature: _____ | Signature: _____ |
| Name: _____ | Name: _____ |
| Title: _____ | Title: _____ |
| Date: _____ | Date: _____ |

APPENDIX XII – Operating Performance Requirements, Procedures and Protocols

{ATTACH CMET PROJECT OPERATING PERFORMANCE REQUIREMENTS, PROCEDURES AND PROTOCOLS DOCUMENT & FINAL DESCRIPTION OF OPERATIONS AS APPROPRIATE}

Pursuant to the Operating Performance Requirements, Procedures and Protocols described in Section 2.1 of this Agreement, this Appendix XII will incorporate the following:

Part 1: Jurisdictional Boundaries Letter of Agreement: An agreement between PG&E distribution operators and the CMG Aggregator defining roles and responsibilities for operating and maintaining the CMET Project, notification protocols, and operating protocols and procedures.

Part 2: CMET Project Performance Requirements: Describes operational requirements necessary to meet CMET Project performance requirements including but not limited to PG&E's Electric Rule 2 or any PG&E cost-offset or grant program requirements.

Part 3: PG&E CMET Project Description of Operations: Provides CMG Aggregator personnel with a description of operations for the CMET Project operations and coordination with PG&E. This document includes but is not limited to CMET project description, control mode descriptions, alarm descriptions, and procedures requiring coordination with PG&E.

Part 4: CMG Aggregator CMET Project Description of Operations: Document for PG&E electric distribution operations regarding the CMET Project including but not limited to project overview, description of microgrid modes of operation (e.g., microgrid enabled mode and disabled mode), operation and configuration descriptions (e.g., fault responses), and alarms and responses.

For Information Only – The Following are Articles in the Agreement that point to this Appendix:

- 1.3 Term & Termination: CMET Project Suspension (lock out procedures)
- 2.1 CMET Project Development Conditions
- 3.2 Roles and Responsibilities – General
- 3.3 Roles and Responsibilities – Modes of Operation
- 3.4 Operational Coordination
- 3.5 Operating Performance Requirements
- 4.1 & 4.2 – System Change
- 7.2 Covenants of CMG Aggregator

END OF AGREEMENT

**PG&E Gas and Electric
Advice Submittal List
General Order 96-B, Section IV**

AT&T
Albion Power Company

Alta Power Group, LLC
Anderson & Poole

Atlas ReFuel
BART

Barkovich & Yap, Inc.
Braun Blaising Smith Wynne, P.C.
California Community Choice Association
California Cotton Ginners & Growers Assn
California Energy Commission

California Hub for Energy Efficiency
Financing

California Alternative Energy and
Advanced Transportation Financing
Authority
California Public Utilities Commission
Calpine

Cameron-Daniel, P.C.
Casner, Steve
Center for Biological Diversity

Chevron Pipeline and Power
City of Palo Alto

City of San Jose
Clean Power Research
Coast Economic Consulting
Commercial Energy
Crossborder Energy
Crown Road Energy, LLC
Davis Wright Tremaine LLP
Day Carter Murphy

Dept of General Services
Don Pickett & Associates, Inc.
Douglass & Liddell
Downey Brand LLP
Dish Wireless L.L.C.

East Bay Community Energy Ellison
Schneider & Harris LLP

Electrical Power Systems, Inc.
Fresno
Engineers and Scientists of California

GenOn Energy, Inc.
Green Power Institute
Hanna & Morton
ICF

iCommLaw
International Power Technology
Intertie

Intestate Gas Services, Inc.

Johnston, Kevin
Kelly Group
Ken Bohn Consulting
Keyes & Fox LLP
Leviton Manufacturing Co., Inc.

Los Angeles County Integrated
Waste Management Task Force
MRW & Associates
Manatt Phelps Phillips
Marin Energy Authority
McClintock IP
McKenzie & Associates

Modesto Irrigation District
NRG Solar

OnGrid Solar
Pacific Gas and Electric Company
Peninsula Clean Energy

Pioneer Community Energy

Public Advocates Office

Redwood Coast Energy Authority
Regulatory & Cogeneration Service, Inc.

Resource Innovations

SCD Energy Solutions
San Diego Gas & Electric Company

SPURR
San Francisco Water Power and Sewer
Sempra Utilities

Sierra Telephone Company, Inc.
Southern California Edison Company
Southern California Gas Company
Spark Energy
Sun Light & Power
Sunshine Design
Stoel Rives LLP

Tecogen, Inc.
TerraVerde Renewable Partners
Tiger Natural Gas, Inc.

TransCanada
Utility Cost Management
Utility Power Solutions
Water and Energy Consulting Wellhead
Electric Company
Western Manufactured Housing
Communities Association (WMA)
Yep Energy