



ELECTRIC SAMPLE FORM 79-1154
AGREEMENT FOR ECONOMIC DEVELOPMENT
INCENTIVE ON ELECTRIC SERVICE

Sheet 1

**Please Refer to Attached
Sample Form**



AGREEMENT FOR ECONOMIC DEVELOPMENT RATE ON ELECTRIC SERVICE

DISTRIBUTION

- Customer (Original)
- Area
- Service Analysis (Original)
- Customer Billing
- _____

REFERENCES

SA #: _____
 Premises #: _____
 Control #: _____

This agreement is made between _____ a(n) _____ ("Applicant"), and PACIFIC GAS AND ELECTRIC COMPANY (PG&E), a California Corporation, and if applicable, shall be made part of PG&E's Electric Service Agreement, General Service - Time Metered.

RECITALS: The Economic Development Rate (Schedule EDR) was established and is made available to qualified customers in PG&E's service territory, subject to approval by PG&E and the California Governor's Office of Business Investment Services (GO-Biz). Schedule EDR is a five-year rate reduction.

AGREEMENT: Applicant and PG&E agree to the following terms and conditions:

1. QUALIFICATION CRITERIA.
(Please mark the appropriate space below)

a. _____ **Above 150 kW of demand:** Applicant is or will be a customer, eligible for and receiving service under Schedule A-10, E-19, E-20, B-10, B-19 or B-20 or its successor rate schedule. A customer with multiple service accounts within a single aggregation envelope, as defined in PG&E's Schedule EDR, may aggregate load from their Schedule A-1, A-6, A-10, B-1, B-6 and B-10 service accounts for purposes of meeting the minimum 150 kilowatts (kW) threshold required for eligibility under Schedule EDR, subject to the conditions in Schedule EDR. This customer must be a relocatable type of business; retail stores, hospitality services, schools, or government buildings are examples of customers types that cannot practicably relocate out-of-state. Customers receiving Direct Access service or service from a Community Choice Aggregator may also qualify for Schedule EDR.

The electric load subject to this agreement is a maximum billing demand of at least 150 kW of net new load to the state of California or of net retained load in the state of California, which is regularly supplied by PG&E. The minimum 150 kW of net new or retained load must be maintained for at least three consecutive months during the initial 12 months of this agreement. Only new or retained load that will be regularly served by PG&E will be eligible for this rate reduction.

b. _____ **150 kW of demand and below:** Applicant is or will be a Small Business Customer as defined herein, eligible for and receiving service under Schedule A-1, A-6, B-1 or B-6 or its successor rate schedule, with less than 150 kW of load. All other conditions of Schedule EDR apply. This customer must be a relocatable type of business; retail stores, hospitality services, schools, or government buildings are examples of customers types that cannot practicably relocate out-of-state. Customers receiving Direct Access service or service from a Community Choice Aggregator may also qualify for Schedule EDR. Only new or retained load

† Information collected on this form is used in accordance with PG&E's Privacy Policy. The Privacy Policy is available at pge.com/privacy.

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that will be regularly served by PG&E will be eligible for this rate reduction.

Applicant eligibility shall be subject to the review and approval of the California Governor's Office of Business and Economic Development (GO-Biz), without which approval PG&E shall not be required to provide the rate reduction.

2. RATE REDUCTION. Electric service to Applicant's premises shall be delivered under Applicant's otherwise applicable tariff (OAT), which is _____. Subject to the customer's qualifications and availability under the program limits as set forth in Schedule EDR, *Economic Development Rate*, the applicable rate option will be one of the following (*Please mark the appropriate space below*):

- a. _____ The Standard EDR Option provides a rate reduction of twelve (12) percent off the customer's bundled net OAT charges (excluding taxes) for five years.
- b. _____ The Mid-Enhanced EDR Option provides a rate reduction of eighteen (18) percent off the customer's bundled net OAT charges (excluding taxes) for five years for a customer (a) located in (i) a county with an annual unemployment rate between 130 percent and 150 percent of the state's average annual unemployment rate as reported on the most recent Report 400 C Monthly Labor Force Data for Counties, Annual Average Revised or (ii) a city with annual unemployment rates between 130 percent and 150 percent of the state's annual unemployment rate as reported on the most recent Monthly Labor Force Data for Cities and Census Designated Places Annual Average Revised, issued annually by the State of California Employment Development Department, and (b) either the county or city has an unemployment rate above five (5) percent.
- c. _____ The Enhanced EDR Option provides a rate reduction of twenty-five (25) percent off the customer's bundled net OAT charges (excluding taxes) for five years for a customer (a) located in (i) a county with annual unemployment rates greater than 150 percent of the state's average annual unemployment rate as reported on the most recent Report 400 C Monthly Labor Force Data for Counties, Annual Average Revised or (ii) in a city with annual unemployment rates greater than 150 percent of the State's annual unemployment rate as reported on the most recent Monthly Labor Force Data for Cities and Census Designated Places, Annual Average Revised, issued annually by the State of California Employment Development Department, and (b) either the county or city has an unemployment rate above five (5) percent. Customers locating in a county or city where the unemployment rate is above 11 percent (based on the same State of California labor reports listed immediately above), even if the local unemployment rate is less than 150 percent of the state's unemployment rate, are also eligible for the Enhanced EDR Option.

This rate reduction shall be calculated in the manner set forth in Schedule EDR. The rate reduction percentage shall be _____ percent for this agreement.

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3. APPLICABLE LOAD. PG&E reserves the right to reduce the contracted demands stated by the Applicant below, if it is determined that the Applicant's actual load at full operation of the facility after the Commencement Date of this Agreement, is more than 10% less than the contracted maximum demands stated below.

[Please mark the appropriate space below, indicating whether this is an agreement for the Applicant's entire load or only a portion of the Applicant's load.]

- a. _____ New Customer Locating or Existing Customer Retaining (includes avoidance of business closure) Entire Load in PG&E's Service Territory.

The Customer's entire load will be eligible for the rate reduction. The maximum contracted demand is estimated to be _____ kW.

- b. _____ Retention of Customer's Partial Load or Expansion of Existing Customer's Load.

For expansion and retention cases for only part of a customer's load, the rate reduction will be calculated only on that portion of demand and usage added or retained. The contracted demand of the partially retained or expanded load is estimated to be _____ kW.

The Excluded Demands are determined by averaging the Applicant's four highest measured maximum demands during each of the two seasonal 6-month periods preceding the execution date of this agreement, if available. If Applicant separately meters the Reserved Demand, Applicant's Excluded Demand will be zero (0) for both seasons. PG&E and Applicant agree that the Excluded Demand is:

Summer period: _____ kW

Winter period: _____ kW

The EDR Ratio for each month is defined as the difference between the Applicant's maximum demand for that month and the Excluded Demand divided by that same month's maximum demand. If the EDR Ratio is negative, there will be no rate reduction for that month, or in other words, the EDR Ratio will be zero (0). The EDR Ratio shall be a fraction no greater than one (1) or less than zero (0).

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4. **COMMENCEMENT DATE.** The rate reduction shall commence on the Applicant's regularly scheduled meter read day in the month of _____, 20____ which is within a 24-month period of the date of execution of this agreement as required by rate Schedule EDR, Special Condition 2.

5. **METERING.** Applicant agrees to be responsible for all costs associated with providing separate electric metering if PG&E, at its sole discretion, deems such metering a necessary condition to implement this rate. If Applicant is deemed to require separately metered reserved demand, Applicant must have metering in place before the rate reduction will apply. Applicant's inability to have required metering in place shall not delay the commencement date provided for in Section 4 by which Applicant would have otherwise received the rate reduction.

6. **TERM OF AGREEMENT & NO RENEWALS.** This agreement shall take effect immediately and remain in effect for a term of five (5) years following the commencement date of the rate reduction, subject to all of the other conditions of this agreement Applicant will not be eligible to receive a renewed EDR rate reduction agreement in the future for any load previously served under this agreement, or any previous PG&E Economic Development Program..

7. **TERMINATION OF AGREEMENT.** Applicant may terminate this agreement upon 30 days written notice. PG&E may also terminate this agreement upon 30 days written notice in the event Applicant no longer meets the qualifications described elsewhere in this Agreement and in rate Schedule EDR. Notwithstanding these rights of termination, the Applicant shall be subject to Liquidated Damages as provided for in Section 13 of this agreement

8. **TRANSFERS OFF OF SCHEDULES A-10, E-19, E-20, B-10, B-19 AND B-20 (Does not apply to a Small Business Customer).** If Applicant's maximum demand drops for a period of time so that the Applicant is no longer eligible for A-10, E-19, E-20, B-10, B-19 or B-20, or its successor rate schedule, or if the Applicant's maximum billing demand falls under 150 kW for twelve consecutive months, the Applicant will be ineligible for continuing service under rate Schedule EDR, unless Applicant can establish – to PG&E's satisfaction – that the reduction was due to Applicant's energy usage reduction efforts.

9. **ENERGY USAGE REDUCTION REQUIREMENT AND AUDIT.** Applicant hereby grants to PG&E the right to conduct a plan review, site inspection and/or energy audit for the purpose of identifying and making available applicable energy usage reduction options. PG&E will advise Applicant of cost-effective energy usage reduction options, which may include. any energy efficiency projects, demand-side management solutions, participation in demand-response programs that reduce energy use by 5% over a year cumulatively, savings-by-design for new builds that exceed California's building requirements for energy reductions of 5% or more, on-site renewables generation, among other methods (but excluding fossil-fuel, on-site generation). Applicants for all three types of EDR rate reductions shall implement measures, such as those presented by PG&E, to achieve a 5% energy usage reduction during the term of this EDR agreement. Compliance with this energy usage reduction requirement will be determined through an on-site audit performed by PG&E during year three of this agreement. If the audit shows the Applicant has not yet achieved a 5% energy usage reduction, PG&E may discontinue the rate reduction benefit for the remainder of the term of this agreement, or at PG&E's discretion,

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PG&E may establish an action plan to achieve at least a 5% energy usage reduction, and the plan shall include an additional audit to verify achievement of at least a 5% energy usage reduction within the fifth year of the agreement.

10. **JOBS REPORTING.** Applicant will report to PG&E by January 15 (or the first business day thereafter) of each year a listing of each job retained or created during the previous calendar year of the life of this agreement that is attributable to the Applicant's participation in the economic development rate program. Applicant will also include the amount of wage and benefits attributable to each job so listed.

11. **THIRD-PARTY VERIFICATION.** Applicants who are projected by PG&E to receive over one hundred thousand (100,000) dollars of savings per year from the EDR are subject to an annual, third-party, after-the-fact EDR audit. The purpose of the audit is to verify contribution to margin, the number of jobs created, wages and benefit information, and document other indirect economic benefits to the community. (See also Section 9 above regarding separate audit of 5% or more energy usage reduction, to take place during year three of the agreement.)

12. **"BUT FOR" TEST.** Applicant attests that "but for" the terms of this agreement, either on its own or in combination with a package of offerings and/or other incentives and consideration factors made available to the Applicant from other sources, the Applicant would not have moved its operations to California from elsewhere, or retained, or expanded its operations within California. Applicant shall sign the attached affidavit to that effect.

13. **LIQUIDATED DAMAGES.** If this agreement is terminated due to Applicant's misrepresentation or fraud, Applicant shall be liable for liquidated damages that equal 200% of the cumulative difference between (i) the bills calculated under the Schedule EDR rate to the date of termination; and (ii) bills that would have been calculated under the OAT.

14. **ASSIGNMENT.** Applicant may assign this agreement only if PG&E consents in writing and the party to whom the agreement is assigned agrees in writing to be bound by this agreement in all respects.

15. **COMMISSION JURISDICTION.** This contract shall at all times be subject to such 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. In addition, this contract shall be subject to all of PG&E's tariffs on file with and authorized by the Commission. This contract also shall be subject to review in any proceeding the Commission may conduct regarding PG&E's Economic Development Rate program implementation.



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16. ATTESTATION AND VERIFICATION. Applicant attests and verifies that the information Applicant supplied to PG&E and any other reviewing agency used to qualify Applicant for Schedule EDR is true and correct to the best of Applicant's knowledge.

Executed this _____ day of _____, 20_____.

BY:

BY:

PACIFIC GAS AND ELECTRIC COMPANY

(Customer)

(Signature)

(Signature)

(Type/Print Name)

(Type/Print Name)

(Title)

(Title)



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AFFIDAVIT FOR ECONOMIC DEVELOPMENT RATE

By signing this affidavit, an Applicant who retains or expands load in the service territory of Pacific Gas and Electric Company (PG&E), or moves its operations to California from elsewhere, hereby certifies and declares under penalty of perjury under the laws of the state of California that the statements in the following paragraphs are true and correct:

1. But for the receipt of the economic development rate reduction and the terms of the Agreement, either on its own or in combination with an economic development incentive package, the Applicant's load would not have been retained or expanded within California, or moved to California from elsewhere.

2. The load to which the Agreement applies represents kilowatt-hours (kWh) and kilowatts (kW) that the Applicant is either:

- a. Using at a business which Applicant is considering closing in the state of California; or
- b. Expanded load at an existing business which Applicant is already operating, which Application was considering not expanding in the State of California; or
- c. Load which the Applicant did not have in the State of California but is considering moving to California from elsewhere.

3. Applicant has discussed with PG&E options for cost-effective energy usage reduction measures. The Applicant understands that during the term of this Agreement, Applicant must make energy usage reductions of at least 5% relative to existing building codes, which will in turn reduce their electric bills as well as the load they place on the Utility System.

Executed this _____ day of _____, 20_____.

Applicant

BY: _____
Signature

(Type or print name)

TITLE: _____