BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Continue Implementation and Administration of California Renewables Portfolio Standard

Dated: January 18, 2013

R.11-05-005 (Filed May 5, 2011)

PACIFIC GAS AND ELECTRIC COMPANY'S (U-39-E) PROPOSED REVISED ELECTRIC SCHEDULE E-REMAT TARIFF FOR THE SECTION 399.20 FEED IN TARIFF PROGRAM

MARIA N. VANKO CHARLES R. MIDDLEKAUFF Pacific Gas and Electric Company 77 Beale Street, B30A San Francisco, CA 94105 Telephone: (415) 973-5639

Facsimile: (415) 972-5952 E-Mail: MNVA@pge.com

Attorneys for

PACIFIC GAS AND ELECTRIC COMPANY

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In response to the January 7, 2013 *Ruling on Draft Tariffs* ("Ruling"), issued by Administrative Law Judge ("ALJ") DeAngelis in this proceeding, Pacific Gas and Electric Company ("PG&E") respectfully submits its revised proposed tariff, the Electric Renewable Market Adjusting Tariff ("E-ReMAT"), for the Public Utilities Code Section 399.20 ("Section 399.20") Feed-In Tariff ("FIT") Program. The Ruling directed PG&E, Southern California Edison Company ("SCE") and San Diego Gas & Electric Company ("SDG&E") (collectively, "Joint IOUs") to file revised tariffs with provisions that are consistent, to the extent possible, across all three tariffs taking into consideration comments previously filed on draft E-ReMAT Program.

PG&E's E-ReMAT is intended to incorporate the requirements for the FIT Program adopted by the Commission in Decision ("D.") 12-05-035. This cover pleading is intended to explain how the revised E-ReMAT incorporates comments received from parties and provide an overview of the revised E-ReMAT, which incorporates modifications proposed by the Joint IOUs to ensure that E-ReMAT tariffs are harmonized among the IOUs. Attached as Appendix A is the revised E-ReMAT tariff, which provides significantly more detail concerning each of the areas described herein.

I. BACKGROUND

On May 31, 2012, the Commission issued D.12-05-035, which implemented amendments to the Section 399.20 FIT Program. On June 26, 2012, ALJ DeAngelis e-mailed the service list directing the Joint IOUs to file a revised Joint IOU Power Purchase Agreement ("PPA") and file respective tariffs to implement D.12-05-035 and the Section 399.20 Renewable Market Adjusting Tariff FIT Program. The IOUs submitted initial E-ReMAT tariffs on July 18, 2012. ALJ DeAngelis also directed parties to file comments on the Joint IOUs' respective tariffs on August 15, 2012 and file reply comments on August 29, 2012. On August 15, 2012, three parties submitted comments on PG&E's proposed E-ReMAT tariff: the Solar Energy Industries Association ("SEIA"), the Interstate Renewable Energy Council, Inc. ("IREC"), and L. Jan Reid ("Reid").

On August 29, 2012, PG&E replied to the three parties submitting comments on PG&E's proposed E-ReMAT tariff. In the January 7, 2013 Ruling, ALJ DeAngelis emailed the service list directing the Joint IOUs to file revised Section 399.20 tariffs that are consistent, to the extent possible on January 18, 2013. ALJ DeAngelis also directed parties to file comments on the revised tariffs on or before January 25, 2013.

II. THE REVISED E-REMAT

Attached as Appendix A is PG&E's revised E-ReMAT. E-ReMAT is intended to reflect the Commission's direction in D.12-05-035, provide consistent provisions across the Joint IOUs, and incorporate parties' comments to PG&E's proposed E-Re-MAT tariff that was filed on July 18, 2012. The Joint IOUs made significant efforts to harmonize tariffs so the provisions are as consistent as possible among the Joint IOUs. Differences between the IOU's revised tariffs are generally limited to IOU-specific implementation aspects of the Section 399.20 FIT Program.

A. The Tariff Minimizes Duplication between Tariff Terms and the PPA.

The E-ReMAT modifications proposed by Reid indicated that duplication between the terms in E-ReMAT and the PPA should be minimized to avoid confusion, potential

inconsistencies, and possible disputes. 1/ To facilitate consistency among documents, PG&E revised the tariff to include references in the E-ReMAT tariff to PPA terms, including PPA terms for Commercial Operation Date and Permitted Extension. E-ReMAT further clarifies that capitalized terms in the E-ReMAT tariff have the same meaning as the defined term in the E-ReMAT form PPA, unless the term is otherwise defined in the E-ReMAT Tariff to provide clarity to program participants.

B. Joint IOU E-ReMAT Effective Date and of Program Periods Are Consistent.

SEIA commented that the E-ReMAT effective date and FIT Program start-up period should be clear and expedient, and that all IOUs should apply PG&E's proposed timing.^{2/} Balancing SEIA's comment with ALJ Ruling directing the Joint IOUs to harmonize tariffs, the Joint IOUs agreed upon a uniform schedule applicable to all aspects of the FIT Program, despite having different internal processes and systems. All E-ReMAT tariff timing periods are consistent among the Joint IOU tariffs, including the program Effective Date, Initial Program Participation Request ("PPR") Submission Date, and the beginning of Period 1 of the Initial Program Phase.

PG&E acknowledges that the Effective Date of its revised E-ReMAT Tariff will be determined by the Commission's Decision, but requests that it be no earlier than the date that the Commission's approval of the E-ReMAT tariff is final-and non-appealable (at which time the E-SRG and E-PWF tariffs would be closed). Applicants will be able to submit PPRs for a Project on the first business day of the month that is no earlier than sixty (60) days after the Effective Date of E-ReMAT ("Initial PPR Submission Date"). The first program period (Period 1) will begin on the first business day of the month that is no earlier than sixty (60) days after the Initial PPR Submission Date.

 $[\]underline{1}$ / Reid Comments at pp. 8-9.

^{2/} SEIA Comments at p. 2-3.

The proposed timing is necessary for PG&E and the Joint IOUs to adequately implement the E-ReMAT program. In addition to any potential filings required to conform the E-ReMAT tariff and PPA to the final Commission Decision, the IOUs will need to configure their processes, systems, and materials to reflect the final Decision.

In addition, given the nature of the program, in which applicants receive a E-ReMAT queue number on a first-come first-serve basis, it is absolutely critical that the Joint IOUs have sufficient time to communicate E-ReMAT program terms and application processes to the potential applicants, including not limited to holding a webinar and making application materials available for review prior to the Initial PPR Submission Date. Finally, because PG&E expects that a large volume of PPRs will be submitted at the beginning of the E-ReMAT program, PG&E requests that the first program period ("Period 1") begin no earlier than sixty (60) days after the Initial PPR Submission Date. It is critical that the Joint IOUs have sufficient time to review and process PPRs between the Initial PPR Submission Date and the beginning of Period 1.

C. Seller Concentration Limit is Based on Sponsor Equity.

In its comments, SEIA³/ highlighted the complexity of project financing structures and requested that the Commission provide detailed specifications for the application of the seller concentration limit, assuming the limit remains a FIT program eligibility requirement.⁴/ PG&E recognizes the complexity of project financing structures and proposes that ownership be based on sponsor equity in the project. Calculation of ownership will be made by the tariff Applicant, based on project financing conventions and/or accounting standards. PG&E understands that debt and tax equity that are passive in nature should be excluded from the basis of the ownership calculation for the purposes of the seller concentration requirement. PG&E will rely on the Applicant's attestation, but reserves the right to request supporting documentation for the

^{3/} SEIA Comments at 3-4.

On July 31, 2012, SEIA filed a Petition for Modification of Decision ("D.") 12-05-035 ("PFM") in which it requested the removal of the seller concentration limit. PG&E and SCE responded to this petition on August 30, 2012.

attestation being made. PG&E will not have an obligation to advise an Applicant on the percentage ownership that an Applicant has in a Project.

D. 10-Day Cure Period is Proposed for Minor Deficiencies.

SEIA proposed that all IOUs be required to adopt a ten (10) business day period for Applicants to cure a deficiency in a submitted PPR. 5/ The Revised E-ReMAT tariff proposes such a cure period, however limits the applicable cure period to minor deficiencies in a PPR. This approach is intended to eliminate the risk of Applicant submitting an incomplete Application in order to secure a higher queue position, knowing that the Applicant would have ten business days to complete the PPR later.

E. Interconnection Requirements Reflect the Timing of Commission Rule 21.

SEIA proposed that a project have the option of choosing the interconnection process set forth in the existing Rule 21 or the Federal Energy Regulatory Commission ("FERC") interconnection procedures under the Wholesale Distribution Tariff ("WDT") until the Commission issues its final decision in Rulemaking 11-09-011 on the Revised Rule 21 Tariff. Separately, IREC proposed that a project that had applied for interconnection under the WDT prior to the Commission issuing a final decision on Rule 21 revisions in Rulemaking 11-09-011 should be allowed to continue under that process under the WDT. PG&E updated its E-ReMAT tariff to clarify these points as requested by SEIA and IREC.

F. Definition of Similar Capacity for Purpose of Developer Experience is Clearly Articulated.

Reid suggested that there is little difference in the complexity between a 1 MW project and a 3 MW project for the purpose of the developer experience requirement. PG&E updated E-ReMAT to clarify ambiguity concerning developer experience to simplify the review process. The E-ReMAT clarifies that projects below 1 MW will deemed to be of similar capacity to each other and that projects from 1-3 MW will be deemed to be of similar capacity to each other.

 $[\]underline{5}$ / SEIA Comments at p. 7.

 $[\]underline{6}$ / Reid Comments at pp. 8-9.

G. Overview of Tariff.

Attached as Appendix A is the proposed revised E-ReMAT, which provides significantly more detail concerning each of the areas described in this overview. The Joint IOUs adopted the same section heading conventions and uniform text to the extent possible. The standardized revised E-ReMAT will promote the user-friendliness of the E-ReMAT for market participants and facilitate administrative efficiency.

The first section of E-ReMAT, "Applicability," explains generally that the tariff is intended to implement Section 399.20 and D.12-05-035. The section also clarifies that PG&E's Electric – Small Renewable Generator (E-SRG) and Electric Public Water and Wastewater Facilities (E-PWF) schedules will be closed to new applicants upon the E-ReMAT Effective Date.

The second section, "Effective Date", explains that the Effective Date of E-ReMAT be specified by the Commission in its final decision on the tariff, and no earlier than date the Commission's decision is final and non-appealable.

The third section "Service Territory" explains that the tariff is applicable to PG&E's service territory.

The fourth section, "Eligibility Criteria", includes the various project viability and FIT Program project criteria identified in D.12-05-035. A developer is required to satisfy these criteria in order to participate in the FIT Program. The criteria include project viability and location, contract capacity, the requirement that the project is an Eligible Renewable Energy Resource, prohibitions against daisy chaining and seller concentration, and requirements concerning other incentive programs, such as the California Solar Initiative.

The fifth section, "Program Participation Request", explains the PPR requirements and outlines the steps that a developer is required to fulfill in order to participate in the FIT Program under the E-ReMAT. These requirements include filling out a Program Participation Request, paying the bid fee approved in D.12-05-035, and providing certain supporting documentation.

This section also describes the timing and process that PG&E will use for reviewing submitted PPRs and identifying any deficiencies in a request.

The sixth section, "Dates and Program Periods", explains that Applicants may submit a PPR the first business day of the month that is at least sixty (60) days after the date E-ReMAT becomes effective. The section describes the two E-ReMAT periods – the Initial Program Phase and the Second Program Phase. The Initial Program Phase is a two-year period that is divided into a maximum of twelve bi-monthly Periods. The Second Program Phase is also a two-year period that is divided into a maximum of twelve bi-monthly Program Periods. E-ReMAT closes to new applicants at the end of the Second Program Phase.

The seventh section, "Capacity Allocation", describes how the total E-ReMAT capacity will initially be determined, and how this capacity will then be allocated among the three product types for each of the twelve Program periods in the Initial Program Phase. This section also describes how unallocated E-ReMAT capacity and capacity associated with terminated E-SRG, E-PWF, and E-ReMAT PPAs during the Initial Program Phase, will be allocated during the Second Program Phase.

The eighth section, "Price", establishes the initial E-ReMAT price for each product type and then provides a detailed explanation of how the initial price will be adjusted for each product type during the Initial and Second Program Phases. This section describes the requirements for price increases or decreases, as approved in D.12-05-035, and explains how PG&E will provide notice of these increases or decreases for each Period. This section also refers to the Payment Allocation Factors included in the E-ReMAT PPA for energy-only and full capacity deliverability projects.

The ninth section, "Subscription", explains the process for an eligible developer in a product type queue to indicate that it is interested or not interested in executing an E-ReMAT PPA at the established price in each Period. This section also explains how PG&E will award the capacity available in a Bi-Monthly Program Period and how a specific period will be

"deemed fully subscribed" if the remaining capacity in that period is less than the capacity requested by the next eligible developer in a product type queue.

The tenth section, "E-ReMAT PPA", describes generally the process for the execution of a PPA, if a developer were awarded an E-ReMAT PPA, and the type of information that will need to be included in the form PPA, which will be completed by PG&E for execution by the Applicant.

The eleventh section, "Metering", clarifies that projects must be electrically independent and separately metered.

The twelfth section, "Special Conditions", provides that the E-ReMAT may be suspended under certain circumstances. This section also explains that PG&E will enforce E-ReMAT PPA provisions concerning extensions.

The thirteenth section, "Denial of E-ReMAT service", addresses the circumstances upon which PG&E may deny a request for service under the tariff.

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Finally, the fourteenth section, "Definitions", defines the Product Types and explains generally that other capitalized terms are either defined in the E-ReMAT tariff or the E-ReMAT PPA.

Respectfully Submitted,

MARIA N. VANKO CHARLES R. MIDDLEKAUFF

By: /s/ Maria N. Vanko

MARIA N. VANKO

Pacific Gas and Electric Company 77 Beale Street, B30A San Francisco, CA 94105 Telephone: (415) 973-5639 Facsimile: (415) 972-5952

E-Mail: MNVA@pge.com

Attorneys for PACIFIC GAS AND ELECTRIC COMPANY

Dated: January 18, 2013

Appendix A Proposed E-ReMAT

ELECTRIC SCHEDULE E-REMAT

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RENEWABLE MARKET ADJUSTING TARIFF(REMAT)

A. APPLICABILITY:

The Electric - Renewable Market Adjusting Tariff schedule (E-ReMAT or this Schedule) implements the renewable resource Feed -In Tariff Program pursuant to California Public Utilities Code (PUC) Section 399.20 and California Public Utilities Commission (CPUC) Decision (D.) 12-05-035. The Schedule is available, on a first -come, first-served basis, to Applicants that own or control a Facility (or Project), meet the eligibility criteria below, and submit a complete Program Participation Request (PPR).

Service under E-ReMAT will be closed to new applicants when the combined contract capacities of participating Facilities under E-ReMAT, E-SRG, and E-PWF reach 218.2 megawatts (MW) (Program Cap), which represents PG&E's allocated share of the total statewide program cap of 750 MW, as provided for in PUC Section 399.20 and CPUC D.12-05-035.

B. EFFECTIVE DATE:

The Effective Date of E-ReMAT shall be [insert], as determined in CPUC D. XX-XX-XXX. In no event shall the Effective Date of E-Re-MAT be prior to the date in which CPUC D. XX-XX-XXX becomes final and non-appealable.

C. TERRITORY

PG&E's electric service territory.

D. ELIGIBILITY CRITERIA:

An applicant for E -ReMAT (Applicant) must own or control the Project and the Applicant's proposed Project must meet the following eligibility criteria for Re-MAT (Eligibility Criteria):

- Territory: The Project must be physically located within PG&E's electric service territory and must be interconnected to PG&E's electric distribution system.
- 2. <u>Eligible Renewable Energy Resource</u>: The Project must be an Eligible Renewable Energy Resource as defined in PUC Section 399.12.
- 3. Qualifying Facility: The Project must be registered with the Federal Energy Regulatory Commission as a Qualifying Facility, as defined by the Federal Energy Regulatory Commission. See 16 U.S.C. § 824a 3(b); 18 C.F.R. § 292.304(a) (2).
- 4. Contract Capacity: The Contract Capacity for the Project cannot exceed 3.0 MW.
- 5. Interconnection Study/Strategically Located: An Applicant must have passed the Fast Track screens, passed Supplemental Review, completed a PG&E System Im pact Study in the Independent Study Process, or completed a PG&E Phase 1 Study in the Cluster Study Process for its Project (Interconnection Study)
 - Process for its Project (Interconnection Study).

 a. The Project must be interconnected to PG&E's distribution system, and the Project's most recent Interconnection Study or Interconnection Agreement must affirmatively support the Project's ability to interconnect (a) within twenty four (24) months of the execution of the E -ReMAT power purchase agreement (PPA) and (b) without requiring transmission system Network Upgrades in excess of \$300,000.

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Regulatory Relations

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- b. Projects can choose between PG&E's Rule 21 or PG&E's Wholesale Distribution Tariff (WDT) and must follow these procedures until the Commission makes a final and non appealable determination in Rulemaking (R.) 11 -09-01' revising PG&E's Rule 21, after which the Project must interconnect as stipulated in that CPUC determination. Those Projects that request interconnection pursuant to PG&E's WDT and have submitted a PPR under this Schedule prior to any such final CPUC determ ination in R.11-09-011 will continue to be eligible to receive service under this Schedule, provided the Project is otherwise eligible.
- 6. Site Control: The Applicant must provide to PG&E an attestation that it has 100% site control for the Project through: (a) direct ownership; (b) lease; or (c) an option to lease or purchase that may be exercised upon execution of the Re -MAT power purchase agreement (PPA). The Applicant is required to submit a map showing the boundary of the Site for which the Applicant has control as part of the PPR. PG&E reserves the right to request additional information.
- 7. Developer Experience: The Applicant must provide to PG&E an attestation that at least one member of its development team has: (a) completed the development of at least one project of similar technology and capacity; or (b) begun construction of at least one other project of similar technology and capacity. A project less than 1 MW will be deemed to be similar capacity to a Project up to 1 MW. A project between 1 MW to 3 MW will be deemed to be a similar capacity to a Project up to 3 MW. For example, for a 3 MW Project, a project of similar capacity cannot be smaller than 1 MW.
- 8. Daisy Chaining: The Applicant must provide to PG&E an attestation that the Project is the only exporting project being developed, owned or controlled by the Applicant on any single or contiguous pieces of property. PG&E may, at its sole discretion, determine that the Applicant does not satisfy this Eligibility Criteria if the Project appears to be part of a larger installation in the same general location that has been or is being developed by the Applicant or the Applicant's Affiliates.
- 9. Other Incentives: An Applicant that previously received incentives under the California Solar Initiative (CSI) or the Small Generator Interconnection Program (SGIP) for the Project is ineligible for EREMAT if the incentives were received within ten (10) years or less of the date that Applicant submits a PPR for E-REMAT. An Applicant that previously received incentive payments under CSI, SGIP or a similar program for the Project must provide an attestation to PG&E stating that, as of the date the Applicant submits the PPR, the Project has been operating for at least ten (10) years from the date the Applicant first received ratepayer-funded incentive payments under SGIP, CSI, or a similar program for the Project.
- 10. Net Energy Metering: An Applicant that is a net energy metering (NEM) customer can only participate in E -ReMAT if the Applicant provides a n attestation to PG&E stating that, as of the date the Applicant submits

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the PPR, the Applicant has terminated its participation in the NEM program for the Project.

11. <u>Seller Concentration</u>: The Applicant and Applicant's Affiliates may not have already exe cuted with PG&E E -ReMAT PPAs for more than 10 MW. With each PPR, the Applicant must provide to PG&E an attestation that includes the percentage ownership that the Applicant and Applicant's Affiliates have in each Project for which an E -ReMAT PPA has been executed or a PPR submitted. The attestation must also provide a calculation of the total capacity (MWs) of executed E -ReMAT PPAs in which the Applicant has any ownership. Ownership in a Project should be based on "sponsor equity." The determination of the percentage of ownership or "sponsor equity" of an Applicant in a Project will be made by the Applicant, based on project financing conventions and/or accounting standards. PG&E will not have an obligation to review materials or documents related to an Applicar ownership or financing of a Project and will not have an obligation to advise an Applicant on the percentage ownership that an Applicant has in a Project. PG&E shall have the right to request and review the Applicant's ownership calculations and supporting documentation. The Applicant must submit an updated attestation within five (5) business days if changes occur.

E. PROGRAM **PARTICIPATION** REQUEST:

The PPR requirements and review process are described below.

- 1. An Applicant must submit a complete PPR to be eligible for E -ReMAT and must submit the following PPR items. Information on how to submit the PPR will be available on PG&E's website. A PPR must include:
 - a. PPR Fee: Applicant must pay a \$2/kilowatt (kW) non application fee as part of each PPR submission. The PPR fee will not be applicable towards the Collateral Requirement under a E ReMAT PPA. The manner and form of payment will be specified by PG&E on its website and/or information technology system.
 - b.PPR Form: Applicant must submit the PPR form in a manner and form specified by PG&E.
 - c. Supporting Documentation: Supporting documentation, including but not limited to the items below, must be submitted.
 - (1) Copy of the most recent Interconnection Study for the Project. Any new or amended Interconnection Study or Interconnection Agreement must be submitted to PG&E within five (5) business days of receipt of the study or agreement.
 - (2) A completed copy of Appendix E of the E -ReMAT PPA, including (but not limited to) a single line diagram and a site map clearly outlining the border of the Project site for which site control exists.
 - (3) The attestations required in this Schedule.

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- (4) Such other information and docu mentation that PG&E may request to verify compliance with the Eligibility Criteria.
- d. Review Period and E -ReMAT Queue Number Assignment: Within twenty (20) business days of receiving a PPR, PG& discretion, will confirm whether the Applicant's PPR is deemed complete and satisfies the Eligibility Criteria. Applicants will be assigned a program position (E -ReMAT Queue Number) once the PPR is deemed complete. If the PPR is deemed complete, the E-ReMAT Queue Number assignment will be based on the date and time that the PPR was received by PG&E.
- e.PPR Rejection: If an Applicant's PPR is deemed incomplete, or the Applicant is otherwise ineligible for a Re-MAT PPA, PG&E will notify the Applicant that the PPR has been rejected (i.e., the PPR is null and void). If rejected, the Applicant will be required to submit a new, correct and complete PPR demonstrating the Applicant's eligibility. The Applicant's E-ReMAT Queue Number will be based on the date and time of the re-submitted, correct and complete PPR.
- f. <u>Cure Period</u>: PG&E, in its sole discretion, may permit the Applicant to cure minor deficiencies, as determined by PG&E, by re-submitting the PPR (or a subset thereof) within ten (10) business days of notice from PG&E of the deficiency. To be permitted to cure the deficiencies identified by PG&E, the Applicant's original PPR must demonstrate that the Applicant's project was eligible at the time of submittal. Applicants whose PPRs contain manual aterial substantive issues with program eligibility will be deemed incomplete and rejected. PG&E will review a re -submitted PPR within twenty (20) business days of receipt of the re -submitted PPR. If the re submitted PPR is deemed complete after the seco nd review, the E-ReMAT Queue Number assignment will be based on the date that the PPR was initially received by PG&E. Failure to re -submit the PPR within ten (10) business days of notice from PG&E to correct the minor deficiency shall result in the PPR bei ng rejected, as described in Program Participation Request, Section E.1.e. above.
- g. <u>Change in Eligibility</u>: If an Applicant and/or Project previously deemed eligible to participate in E -ReMAT no longer meets -ReMAT no longer meets the Eligibility Criteria, the Applicant must immed jately notify PG&E and shall relinguish its E-ReMAT Queue Number for the applicable PPR. The PPR will be deemed to be rejected, as described in Program Participation Request, Section E.1.e. above.
- 2. Once an Applicant has an E -ReMAT Queue Number for it s proposed Project, the information provided in the PPR regarding the Project may not be modified, unless permitted or approved by PG&E, and shall be used for the completion of the E-ReMAT PPA. PG&E will indicate what information, if any, in the PPR can b e modified in its PPR materials, website, and/or information technology system.
- 3. An Applicant may contest a determination of ineligibility through the CPUC's standard complaint procedure set forth in the CPUC's Rules of Practice and Procedure.

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ELECTRIC SCHEDULE E-REMAT RENEWABLE MARKET ADJUSTING TARIFF(REMAT)

F. DATES AND PROGRAM PERIODS:

- 1. Initial PPR Submission Date: Applicants will be able to submit a PPR for a Project beginning at 9:00 a.m. Pacific Time (PT) on the first business day that is no earlier than sixty (60) days after the Effective Date of E-ReMAT (Initial PPR Submission Date).
- 2. Initial Program Phase: The Initial Program Phase shall be up to twenty-four (24) months total, which will be divided into twelve (12) bi -monthly program periods (Periods). Period 1 will begin on the first business day of the month that is no earlier than sixty (60) days after the Initial PPR Submission Date. Each subsequent Period during the Initial Program Phase shall be numbered sequentially (e.g., Period 2, Period 3, etc.) and shall occur on the first business day of the second month following the beginning of the previous Period.
 - a. After the conclusion of the Initial Program Phase, there shall be a Second Program Phase that will be a maximum of t wenty-four (24) months total. The Second Program Phase will be divided into twelve (12) Periods and shall start with Period 13. Each subsequent Period during the Second Program Phase shall be numbered sequentially (e.g., Period 14, Period 15, etc.) and shall occur on the first business day of the second month following the beginning of the previous Period.
 - b.E-ReMAT shall be closed to new applicants and shall no longer be available at the end of the Second Program Phase.

G. CAPACITY ALLOCATION:

E-ReMAT capacity shall be allocated as follows:

- 1. On the Effective Date of E -ReMAT, the initial program capacity will be calculated by subtracting the sum of the capacity of then existing contracts under E -SRG and E -PWF from the Program Cap (Initial Program Capacity). The Initial Program Capacity and its calculation will be published on PG&E's website.
- 2. On the Effective Date of E -ReMAT, PG&E will assign an equal portion of the Initial Program Capacity to three Product Types: 1) Baseload, 2) As-Available Pe aking, and 3) As -Available Non -Peaking. The Initial Program Capacity that is allocated to each Product Type shall then be allocated equally among the twelve Periods of the Initial Program Phase (Initial Allocation). The Initial Allocations will be publis hed on PG&E's website. The amount of capacity available for Subscription for each Product Type for any Period throughout the Initial Program Phase will be the greater of the Initial Allocation rounded up to the nearest 0.1 MW, or a minimum of 3 MW (unless the remaining program capacity for such Product Type is less than 3 MW, in which case the minimum for such Period shall be the remaining program capacity for such Product Type) (Available Allocation). To maintain the 3 MW minimum and comply with the Program Cap, one or more Periods in the Initial Program Phase may have zero capacity.
- 3. On the first business day of each Period during the Initial Program Phase, PG&E shall publish the Available Allocation for each Product Type on PG&E's website.

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Resolution No.	

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- 4. The unsub scribed (*i.e.*, uncontracted) portion of Available Allocation during the Initial Program Phase will be allocated to the same Product Type in the Second Program Phase using the same methodology set forth in Capacity Allocation, Section G.2.
- 5. Any capacity a ssociated with E-SRG, E-PWF, or E-ReMAT PPAs that are terminated prior to delivering electricity during the Initial Program Phase will be allocated by PG&E to one or more Product Types and Periods beginning in an Initial Program Phase Period that has less than the Initial Allocation (or the 3 MW minimum) or to the Second Program Phase. Any capacity associated with E-SRG, E-PWF, or E-ReMAT PPAs that are terminated after delivering electricity or during the Second Program Phase will not be re-allocated.

H. PRICE:

The prices for E-ReMAT PPAs will be determined as follows:

- The initial E -ReMAT Contract Price offered for each Product Type in Period 1 will equal \$89.23/Megawatt -hour (MWh), pre - time of delivery adjustments. See the E -ReMAT PPA for contractual terms related to Contract Price.
- The Contract Price for each P roduct Type will be published on PG&E's website on the first business day of every Period. After Period 1, the Contract Price for each Product Type will adjust independently for each Period as follows:
 - a. A Contract Price adjustment will be triggered only if there are at least five (5) eligible Projects from five (5) different Applicants (including Applicant's Affiliates) with E -ReMAT Queue Numbers for a specific Product Type. If an Applicant or its Affiliates have any ownership interest (based on the same methodology used section in Eligibility Criteria, Seller Concentration, Section D.11, in a Project, the Project will be attributed to the Applicant(s) for purposes of this provision. If there are fewer than (5) eligible Projects from five (5) different Applicants in the queue for any Product Type at the beginning of any Period, then the Contract Price for that Product Type will remain the same in the next Period. If at least five (5) eligible Projects from five (5) different Applicants are in the queue fo r a Product Type, the Contract Price for that Product Type may increase or decrease in the next Period based on the criteria described below in Price Sections H.2.b and H.2.d.
 - b. Price Increase: If the Subscription for a Period is less than 50% of the Available Allocation for Period 1 of the Initial Program Phase for that Product Type, the Contract Price for that Product Type for the next Period will be increased by the following amounts for each Period in which the Subscription for the Period is less than 5 0% of the Available Allocation for Period 1 of the Initial Program Phase for that Product Type and the criteria in Price Section H.2.a above are satisfied in an uninterrupted series of increases:
 - (1) First increase in a series: +\$4/MWh

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Regulatory Relations

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(2) Second increase in a series: +\$8/MWh

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- (3) Third increase in a series: +\$12/MWh
- (4) Fourth increase in a series: +\$16/MWh
- (5) Fifth increase in a series: +\$20/MWh
- (6) All subsequent increases in a series: Previous Period increase with an additional + \$4/MWh increase.
- (7) Increases that occur after a Period in which the Contract Price was unchanged or decreased will reset and begin at \$4/MWh and proceed as described above.
- c. Price Unchanged: If the Subscription for a Period is at least 50% of the Available Allocation for Period 1 of the Initial Program Phase for that Product Type but the price decrease in Price Section H.2.d below was not triggered, the Contract Price is unchanged in the next Period. The Contract Price will remain unchanged in any circumstance if the criteria in Price Section H .2.a above are not satisfied.
- d. Price Decreases: If the Subscription for a Period is at least 100% of the Available Allocation for Period 1 of the Initial Program Phase for that Product Type or it is Deemed Fully Subscribed (as that term is defined in Subscription Section I.3 below), the Contract Price for that Product Type for the next Period will be decreased by the following amounts for each Period in which the Subscription for that Period is at least 100% of the Available Allocation for Period 1 of Program Phase for that Product Type or Deemed Fully Subscribed and the criteria in Price Section H.2.a. above are satisfied in an uninterrupted series of decreases:
 - (1) First decrease in a series: -\$4/MWh
 - (2) Second decrease in a series: -\$8/MWh
 - (3) Third decrease in a series: -\$12/MWh
 - (4) Fourth decrease in a series: -\$16/MWh
 - (5) Fifth decrease in a series: -\$20/MWh
 - (6) All subsequent decreases in series: Previous month decrease with an additional -\$4/MWh decrease
 - (7) Decreases that occur after a Period in which the price was unchanged or increased will reset at -\$4/MWh and proceed as described above.
- 3. <u>Second Program Phase Starting Contract Price</u>: In Period 13, the Contract Price for all Product Types will be set at the lowest Contract Price among all three Pr oduct Types in Period 12. Price adjustments for each Period during the Second Program Phase will be made consistent with the price adjustment mechanism for the Initial Program

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Phase.

4. Payment Allocation Factors: Contract Prices will be adjusted by the Payment Allocation Factors included in the E -ReMAT PPA in accordance of the terms of the E-ReMAT PPA. The Payment Allocation Factors are based on time -of-delivery periods and whether the Project is an energy -only facility or has full capacity deliverability. The E -ReMAT PPA provides further detail regarding monthly payment calculations and the Payment Allocation Factors.

I. SUBSCRIPTION: Subscription shall occur as follows:

- Within ten (10) business days after the first business day of each Period, Applicants must provide PG&E with notice indicating whether or not the Applicant is willing to execute a E -ReMAT PPA based on the applicable Contract Price (Accept the Contract Pric e or Reject the Contract Price). PG&E's website, information technology systems, or materials shall specify how Applicant shall provide written notice to PG&E.
- 2. Failure to provide PG&E with written notice by 5:00 p.m. PT on the tenth (10th) business day after the first business day of a Period will be deemed to be notice that the Applicant Rejects the Contract Price for that Period.
- 3. PG&E will award E -ReMAT PPAs to Applicants that meet the Eligibility Criteria in E-ReMAT Queue Number order until the Ava ilable Allocation is met or Deemed Fully Subscribed. PG&E will input information from the PPR into the E -ReMAT PPA for execution. PG&E will provide written notice to Applicants that are awarded a E -ReMAT PPA for a Period directing the Applicant to provid e to PG&E an executed PPA within ten (10) business days following the deadline for Applicants to Reject the Contract Price or Accept the Contract Price. If the Contract Capacity of the next Project, in E -ReMAT Queue Number order, for a Product Type is larger than the remaining Available Allocation, that next Applicant will not be awarded a E-ReMAT PPA and PG&E will deem the Available Allocation to be fully subscribed (Deemed Fully Subscribed).
- 4. Applicants who Reject the Contract Price or Accept the Contract Price but are not awarded a E-ReMAT PPA will retain their E-ReMAT Queue Number, except as otherwise specified in this Schedule.
- 5. Applicants that are awarded a E-ReMAT PPA for a Period must submit an executed E-ReMAT PPA to PG&E within ten (10) business days of receiving written notice of the E-ReMAT PPA award from PG&E. If the Applicant fails to return an executed E-ReMAT PPA to PG&E within ten (10) business days of PG&E's written notice, the Applicant will be deemed to have rejected the E-ReMAT PPA and the Applicant's E-ReMAT Queue Number will be revoked. The capacity associated with the Applicant's Project will be allocated per Capacity Allocation Section G.4 of this Schedule.
- 6. The Project may not have an existing PPA or other contract for energy and/or capacity deliveries to PG&E from the same Project at the time of

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execution of the E -ReMAT PPA or, if allowed per the terms of the existing contract, the Seller must provide documentation demonstrating that the existing contract will be terminated on a date certain that is within the Commercial Operation Date (COD) timing allowed in the E -ReMAT PPA prior to the execution of the E-ReMAT PPA.

 Within ten (10) business days of the execution of the E-ReMAT PPA by both the Applicant and PG&E, PG&E shall provi de on its website information regarding the executed E -ReMAT PPA as required by the CPUC in D.12-05-035.

J. E-ReMAT PPA:

The Re -MAT PPA will be completed by PG&E for execution by the Applicant and shall include the information submitted in the PPR, which includes, but is not limited to, the information listed below.

- 1. Seller Name: Must be a legal entity
- 2. Project Name
- 3. Facility street address (or nearest intersection) (or coordinates if no intersection or street address)
- 4. Type of Facility: Baseload or As-Available
- 5. Renewable Resource Type: Solar PV, Biogas, etc.
- 6. Interconnection Queue Position
- 7. Interconnection Point
- 8. Service Voltage
- 9. Delivery Point
- Expected Commercial Operation Date: No later than twenty -four (24) months from execution date of the E-ReMAT PPA
- 11. Contract Capacity
- 12. Delivery Term: 10, 15, or 20 years
- 13. Transaction: Full Buy/Sell or Excess Sale
- 14. Contract Quantity: Provide estimates in kWh/year, net of Station Use and Site Host Load for each year of the Delivery Term

K. METERING:

Projects must be electrically independent and separately metered. Metering requirements are described in the E-ReMAT PPA.

L. SPECIAL CONDITIONS:

The following special conditions apply to E -ReMAT and the E -ReMAT program:

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ELECTRIC SCHEDULE E-REMAT RENEWABLE MARKET ADJUSTING TARIFF(REMAT)

- 1. COD Extension Policy: The COD for the E -ReMAT PPA may only be extended pursuant to the terms in the E -ReMAT PPA. The E -ReMAT PPA requires that the Project achieve its COD within twenty -four (24) after the Execution Date of the E -ReMAT PPA, with the possibility of one six (6) month extension for Permitted Extensions as set forth in the E-ReMAT PPA.
- 2. Termination of Service: Unless terminated earlier pursuant to the E ReMAT PPA, the E -ReMAT PPA automatically terminates immediately following the last day of the Delivery Term.
- 3. E-ReMAT Suspension: PG&E may file a motion with the CPUC to suspend E -ReMAT when evidence of mar ket manipulation or malfunction exists. The motion must be filed on the applicable CPUC service list. The motion shall identify the portion of the program suspended, the specific behavior and reasons for the suspension, and PG&E's proposal for resolving the problem. Any requested suspension will be implemented by PG&E immediately upon filing and shall not be modified or changed unless directed by the CPUC.

M. DENIAL OF E-REMAT SERVICE

PG&E may deny a request for service, upon written notice, under this Schedule if it makes any of the following findings:

- The Project does not meet the requirements of PUC Section 399.20 or any applicable CPUC decision.
- The transmission or distribution grid that would serve as the point of interconnection is inadequate.
- The Project does not meet all applicable state and local laws and building standards, and utility interconnection requirements.
- 4. The aggregate of all electric generation facilities on a distribution circuit would adversely impact utility operation and load restoration efforts of the distribution system.
- 5. The Applicant or its Affiliates will have an excess of 10 MW of executed Re-MAT PPAs with PG&E under this Schedule.
- 6. The Project appears t o be part of a larger overall installation by the same company or consortium in the same general location.
- 7. There exist any outstanding obligations owed to PG&E by the Applicant under a previously executed Re -MAT PPA or other agreement related to the sale o f energy, capacity, green attributes, or other related products, in each case, that relates to either any portion of the site or the interconnection queue position to be utilized by the Project seeking service.
- 8. The Applicant does not otherwise meet the req uirements of this

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Schedule.

Upon receipt of a notice of denial from PG&E, the Applicant may appeal the decision to the CPUC.

N. DEFINITIONS:

Capitalized terms in this Schedule shall have the same meaning as the defined term in the E-ReMAT PPA (Form XX), unless the term is otherwise defined in this Schedule.

- 1. Baseload: For the purposes of this Schedule, Baseload shall have the same meaning as the defined term "Baseload Facility" in Appendix A of the E-ReMAT PPA.
- 2. As-Available Peaking: For the purposes of this Schedule, As -Available Peaking shall have the same meaning as the defined term "As Available Facility" in Appendix A of the E -ReMAT PPA and have a generation profile demonstrating intermittent energy delivery with 95% or more of the expected output generated in the super shoulder-peak periods. PG&E reserves the right to request a generation profile and supporting information for the Project to confirm the generation profile.
- 3. <u>As-Available Non-Peaking</u>: For the purpose's of this tariff, As -Available Non-Peaking shall have the same meaning as the defined term "As -Available Facility" in Appendix A of the PPA and have a generation profile demonstrating intermittent energy delivery with less than 95% of the expected output in the super -peak and shoulder -peak periods. PG&E reserves the right to request a generation profile and any supporting information for the Project to confirm the generation profile.
- 4. Subscription: For the purposes of this Schedule, Subscription is defined as the total capacity of Applicants willing to accept the Contract Price in a Period.

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VERIFICATION

I am an employee of PACIFIC GAS AND ELECTRIC COMPANY, a corporation, and am authorized to make this verification on its behalf. I have read the foregoing *PACIFIC GAS AND ELECTRIC COMPANY'S (U 39-E) PROPOSED REVISED ELECTRIC SCHEDULE E-REMAT TARIFF FOR THE SECTION 399.20 FEED-IN TARIFF PROGRAM.* The statements in the foregoing document are true of my own knowledge, except as to matters which are therein stated on information and belief, and as to those matters I believe them to be true. I declare under penalty of perjury that the foregoing is true and correct.

Executed on this 18th day of January, 2013 at San Francisco, California.

/s/ Carlos Abreu

CARLOS ABREU
Principal, Competitive Solicitations
Renewable Energy Department
Pacific Gas and Electric Company