March 9, 2006

Advice Letter 1945-E

Akbar Jazayeri
Director of Revenue and Tariffs
Southern California Edison Company
P O Box 800
Rosemead, CA 91770


Dear Mr. Jazayeri:

Advice Letter 1945-E is effective January 1, 2006. A copy of the advice letter is included herewith for your records.

Sincerely,

[Signature]

Sean H. Gallagher, Director
Energy Division

jjr
ADVICE 1945-E
(U 338-E)

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA
ENERGY DIVISION

SUBJECT: Revisions to Tariff Schedules BG-NEM, Biogas Net Energy Metering, and FC-NEM, Fuel Cell Net Energy Metering in Compliance with Assembly Bills 67 and 728

Southern California Edison Company (SCE) hereby submits for filing the following changes to its tariff schedules. The revised tariff sheets and filed forms are listed on Attachment A and are attached hereto.

PURPOSE

The purpose of this Advice Letter is to revise tariff Schedules BG-NEM and FC-NEM in compliance with Assembly Bills (AB) 67 and 728. In addition, filed Form 14-750, Biogas Digester Net Energy Metering and Interconnection Agreement, and filed Form 14-755, Fuel Cell Net Energy Metering and Interconnection Agreement have been modified as necessary.

BACKGROUND

Existing law requires the California electric investor owned utilities to provide net energy metering to eligible biogas digester customer-generators and eligible fuel cell customer-generators as a method to encourage the installation of livestock air emission controls that the State Air Resources Board believes may produce multiple environmental benefits and to enhance the continued diversification of California’s energy resource mix.

AB 67 was signed into law on October 6, 2005, amending Public Utilities (PU) Code Section 2827.10(f) to provide that an eligible fuel cell electrical generating facility commencing operation after December 31, 2009, shall not be eligible for net energy metering (NEM) tariff participation, and that eligible fuel cell electrical generating facilities that have commenced operation before January 1, 2010, shall remain NEM.
tariff eligible, for the operating life of such eligible fuel cell electrical generating facility. In addition, AB 67 amended PU Code Section 2827.10(b) by removing the January 1, 2006, fuel cell tariff schedule expiration date, thus no longer making tariff Schedule FC-NEM an experimental tariff schedule.

AB 728 was signed into law on September 29, 2005, amending PU Code Section 2827.9 as follows: 1) only eligible biogas digester electrical generating facility commencing operation on or before December 31, 2009, shall be eligible for NEM tariff participation; 2) eligible biogas digester electrical generating facilities commencing operation on or before December 31, 2009, shall remain eligible under the provisions of PU Code Section 2827.9, for the operating life of such eligible biogas digester electrical generating facility; 3) include in the definition of an eligible biogas digester customer-generator that up to 3 large biogas digester electrical generating facilities (statewide), with a capacity of more than 1 megawatt but not more than 10 megawatts, are eligible for participation under the biogas tariff provisions on a first come first served basis; 4) increase the statewide biogas tariff(s) participation megawatt cap from 15 megawatts to 50 megawatts, to be administered on a first come first served basis; and 5) all biogas digester electrical generating facilities subject to the best available control technology (BACT) are required to install the BACT prior to their eligibility for participation in the applicable NEM tariff schedule(s).

Attached are changes to tariff Schedules BG-NEM and FC-NEM, as well as filed Forms 14-750 and 14-755, in compliance with PU Code Sections 2827.9 and 2827.10, as mandated by AB 67 and 728, respectively.

No cost information is required for this advice filing.

This advice filing will not increase any rate or charge, cause the withdrawal of service, or conflict with any other schedule or rule.

**EFFECTIVE DATE**

In accordance with PU Code Sections 2827.9 and 2827.10, SCE proposes that the tariff changes submitted in this advice filing become effective on January 1, 2006, subject to the review and approval of the California Public Utilities Commission’s Energy Division.

**NOTICE**

Anyone wishing to protest this advice filing may do so by letter via U.S. Mail, facsimile, or electronically, any of which must be received no later than 20 days after the date of this advice filing. Protests should be mailed to:
CPUC, Energy Division
Attention: Tariff Unit
505 Van Ness Avenue
San Francisco, California 94102
E-mail: jjr@cpuc.ca.gov and jnj@cpuc.ca.gov

Copies should also be mailed to the attention of the Director, Energy Division, Room 4004 (same address above).

In addition, protests and all other correspondence regarding this advice letter should also be sent by letter and transmitted via facsimile or electronically to the attention of:

Akbar Jazayeri
Director of Revenue and Tariffs
Southern California Edison Company
2244 Walnut Grove Avenue
Rosemead, California 91770
Facsimile: (626) 302-4829
E-mail: AdviceTariffManager@sce.com

Bruce Foster
Vice President of Regulatory Operations
c/o Karyn Gansecki
Southern California Edison Company
601 Van Ness Avenue, Suite 2040
San Francisco, California 94102
Facsimile: (415) 673-1116
E-mail: Karyn.Gansecki@sce.com

There are no restrictions on who may file a protest, but the protest shall set forth specifically the grounds upon which it is based and shall be submitted expeditiously.

In accordance with Section III, Paragraph G, of General Order No. 96-A, SCE is serving copies of this advice filing to the interested parties shown on the attached GO 96-A service list. Address change requests to the GO 96-A service list should be directed by electronic mail to AdviceTariffManager@sce.com or at (626) 302-2930. For changes to all other service lists, please contact the Commission’s Process Office at (415) 703-2021 or by electronic mail at Process_Office@cpuc.ca.gov.

Further, in accordance with Public Utilities Code Section 491, notice to the public is hereby given by filing and keeping the advice filing at SCE’s corporate headquarters. To view other SCE advice letters filed with the Commission, log on to SCE’s web site at http://www.sce.com/AboutSCE/Regulatory/adviceletters.
For questions, please contact George Couts at (626) 302-6568 or by electronic mail at George.Couts@sce.com.

Southern California Edison Company

Akbar Jazayeri

AJ:gc:sq
Enclosures
Company name/CPUC Utility No.: Southern California Edison Company (U 338-E)

<table>
<thead>
<tr>
<th>Utility type:</th>
<th>Contact Person: James Yee</th>
</tr>
</thead>
<tbody>
<tr>
<td>☑ ELC</td>
<td>Phone #: (626) 302-2509</td>
</tr>
<tr>
<td>☐ GAS</td>
<td>E-mail: <a href="mailto:James.Yee@sce.com">James.Yee@sce.com</a></td>
</tr>
<tr>
<td>☐ PLC</td>
<td></td>
</tr>
<tr>
<td>☐ HEAT</td>
<td></td>
</tr>
<tr>
<td>☐ WATER</td>
<td></td>
</tr>
</tbody>
</table>

**EXPLANATION OF UTILITY TYPE**

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

Advice Letter (AL) #: 1945-E
Subject of AL: Revisions to Tariff Schedules BG-NEM, Biogas Net Energy Metering, and FC-NEM, Fuel Cell Net Energy Metering in Compliance with Assembly Bills 67 and 728

Keywords (choose from CPUC listing): Compliance, Forms, Metering

AL filing type: ☑ Monthly ☐ Quarterly ☐ Annual ☑ One-Time ☐ Other

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #:

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL:

Summarize differences between the AL and the prior withdrawn or rejected AL:

Resolution Required? ☐ Yes ☑ No

Requested effective date: 1/1/06 No. of tariff sheets: -17-

Estimated system annual revenue effect (%):

Estimated system average rate effect (%):

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: Schedule BG-NEM, Schedule FC-NEM, Form 14-750, Form 14-755,

Service affected and changes proposed:

Pending advice letters that revise the same tariff sheets:

---

1 Discuss in AL if more space is needed.
Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this filing, unless otherwise authorized by the Commission, and shall be sent to:

CPUC, Energy Division
Attention: Tariff Unit
505 Van Ness Ave.,
San Francisco, CA 94102
jjr@cpuc.ca.gov and jnj@cpuc.ca.gov

Akbar Jazayeri
Director of Revenue and Tariffs
Southern California Edison Company
2244 Walnut Grove Avenue
Rosemead, California 91770
Facsimile: (626) 302-4829
E-mail: AdviceTariffManager@sce.com

Bruce Foster
Vice President of Regulatory Operations
c/o Karyn Gansecki
Southern California Edison Company
601 Van Ness Avenue, Suite 2040
San Francisco, California 94102
Facsimile: (415) 673-1116
E-mail: Karyn.Gansecki@sce.com
<table>
<thead>
<tr>
<th>Cal. P.U.C. Sheet No.</th>
<th>Title of Sheet</th>
<th>Cancelling Cal. P.U.C. Sheet No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revised 39618-E</td>
<td>Schedule BG-NEM</td>
<td>Original 33175-E**</td>
</tr>
<tr>
<td>Revised 39619-E</td>
<td>Schedule BG-NEM</td>
<td>Original 33176-E**</td>
</tr>
<tr>
<td>Revised 39620-E</td>
<td>Schedule BG-NEM</td>
<td>Original 33177-E**</td>
</tr>
<tr>
<td>Revised 39621-E</td>
<td>Schedule BG-NEM</td>
<td>Original 33178-E**</td>
</tr>
<tr>
<td>Revised 39622-E</td>
<td>Schedule BG-NEM</td>
<td>Original 33179-E</td>
</tr>
<tr>
<td>Revised 39623-E</td>
<td>Schedule FC-NEM</td>
<td>Original 36245-E</td>
</tr>
<tr>
<td>Revised 39624-E</td>
<td>Schedule FC-NEM</td>
<td>Original 36246-E</td>
</tr>
<tr>
<td>Revised 39625-E</td>
<td>Schedule FC-NEM</td>
<td>Revised 38734-E</td>
</tr>
<tr>
<td>Revised 39626-E</td>
<td>Schedule FC-NEM - WITHDRAW SHEET</td>
<td>Original 36248-E</td>
</tr>
<tr>
<td>Revised 39627-E</td>
<td>Schedule FC-NEM - WITHDRAW SHEET</td>
<td>Original 36249-E</td>
</tr>
<tr>
<td>Revised 39628-E</td>
<td>Schedule FC-NEM - WITHDRAW SHEET</td>
<td>Original 36250-E</td>
</tr>
<tr>
<td>Revised 39629-E</td>
<td>Schedule FC-NEM - WITHDRAW SHEET</td>
<td>Original 36251-E</td>
</tr>
<tr>
<td>Revised 39630-E</td>
<td>Form 14-750</td>
<td>Original 35221-E</td>
</tr>
<tr>
<td>Revised 39631-E</td>
<td>Form 14-755</td>
<td>Original 36253-E</td>
</tr>
<tr>
<td>Revised 39632-E</td>
<td>Table of Contents</td>
<td>Revised 39607-E</td>
</tr>
<tr>
<td><strong>Revised 39633-E</strong></td>
<td><strong>Table of Contents</strong></td>
<td><strong>Revised 39594-E</strong></td>
</tr>
<tr>
<td>Revised 39634-E</td>
<td>Table of Contents</td>
<td>Revised 39376-E</td>
</tr>
</tbody>
</table>
Applicable to Bundled Service Customers served under a Time-of-Use (TOU) rate schedule who:
(1) interconnect and operate in parallel with SCE’s electrical system an Eligible Biogas Digester Electrical Generating Facility, as defined herein below pursuant to PU Code Section 2827.9, with a generating capacity no greater than 1,000 kW, located on or adjacent to the customer’s premises as the sole source of customer generation, intended to offset part or all of the customer’s electrical requirements, and (2) is the recipient of local, state, or federal funds, or who self-finance projects designed to encourage the development of Eligible Biogas Digester Electrical Generating Facilities, and (3) have commenced operation of their Eligible Biogas Digester Electrical Generating Facility on or before December 31, 2009. Customers eligible for service under this Schedule are exempt from: (1) any new or additional charges not included in their Otherwise Applicable Tariff (OAT), and (2) Standby Charges.

Pursuant to PU Code Section 2827.9, this Schedule is available on a first-come, first-served basis but will be closed to new customers once the combined cumulative rated generating capacity served under the provisions of Net Energy Metering for all Eligible Biogas Digester Electrical Generating Facilities of the state’s three large investor owned utilities (e.g., SCE, PG&E, and SDG&E) reaches 50 MWs. Notwithstanding all other requirements for participation under this Schedule, up to three large Eligible Biogas Digester Electrical Generating Facilities, each with a capacity of more than one MW and not more than 10 MWs, will be eligible for service under this Schedule on a first come first-served basis, until there are three large Eligible Biogas Digester Electrical Generating Facilities receiving service under the provisions of Biogas Net Energy Metering from the state’s three large investor owned utilities combined, or until the 50 MW cap has been reached.

In addition to meeting all other requirements for participation on this Schedule, and prior to participation on this Schedule, an Eligible Biogas Digester Electrical Generation Facility required to operate using the best available control technology (BACT) must provide SCE with documentation that the BACT has been installed and is operational in accordance with the regional Air-Pollution Control District.

TERRITORY

Within the entire territory served.

RATES

The following rates are applicable to all Eligible Biogas Digester customer-generators on this Schedule.

NET CONSUMERS OF ENERGY

When an Eligible Biogas Digester customer-generator is a net consumer, \(E_S\) is greater than \(E_F\), where \(E_S\) is energy supplied by SCE and \(E_F\) is energy generated by the eligible customer and fed back into SCE’s system, measured over an entire Relevant Period, as defined in Special Condition 6.e, the total net consumed kWh will be a generation charge, calculated by multiplying the total net consumed kWh by the generation rate component of the customer’s OAT, in each TOU period when such customer was a net consumer of energy (\(E_S\) exceeds \(E_F\)). At the end of the Relevant Period Special Condition 5.b shall be invoked. Additionally, all other charges shall be calculated in accordance with the customer’s OAT, for \(E_S\) (energy supplied by SCE) and shall be due and payable monthly, in accordance with SCE’s normal monthly billing cycle.
When an Eligible Biogas Digester customer-generator is a net producer, \( E_F \) is greater than \( E_S \) where \( E_S \) is energy supplied by SCE and \( E_F \) is energy generated by the eligible customer and fed back into SCE’s system, measured over an entire Relevant Period, as defined in Special Condition 6.e, the total net produced kWh will be a generation credit, calculated by multiplying the total net produced kWh by the generation rate component of the customer’s OAT, in each TOU period when such customer was a net producer of energy (\( E_F \) exceeds \( E_S \)), excluding any portion of the generation rate component of the customer’s OAT that represents generation surcharges in effect after January 3, 2001. At the end of the Relevant Period Special Condition 5.b shall be invoked. Additionally, all other charges shall be calculated in accordance with the customer’s OAT, for \( E_S \) (energy supplied by SCE) and shall be due and payable monthly, in accordance with SCE’s normal monthly billing cycle.

SPECIAL CONDITIONS

1. Required Contract: A Biogas Digester Net Energy Metering and Interconnection Agreement (Form 14-750) is required for service under this Schedule.

2. Load Aggregation: Customers served under this Schedule that have dairy operations with more than one TOU metered service account, located on the property adjacent or continuous to the customer-generator’s Eligible Biogas Digester Electrical Generating Facility with load serving, but not limited to, the milking operations, milk refrigeration, and water pumping of the customer-generator’s dairy operations shall have such TOU metered service accounts’ generation energy charges, along with each TOU metered service accounts’ corresponding consumed kWh, as measured in each TOU period, accumulate until the end of the Relevant Period, as defined in Special Condition 6.e. At the end of the Relevant Period, if the customer’s service account serving the interconnected Biogas Digester Generating Facility with SCE’s electrical system, has any remaining generation credits after Special Condition 5.b.2 has been invoked, such remaining generation credits will be converted back into net produced kWh by dividing the remaining generation credit, in each TOU period a generation credit exist, by the corresponding generation rate component excluding any generation surcharges. These remaining net produced kWh, as calculated above, will be applied to the customer’s dairy operations TOU metered service accounts that qualify for this Special Condition, in a sequential order specified in the Required Contract (Form 14-750), and these remaining net produced kWh will converted back into generation credits calculated in accordance with the Rates Section of this Schedule until all net produced kWh have been used. If there are unused net produced kWh at the end of the Relevant Period after invoking this Special Condition to all of the customer’s dairy operations TOU metered service accounts, Special Condition 5.b.3 shall apply. All other charges shall be calculated monthly on all customer service accounts eligible for this Special Condition and shall be due and payable monthly, in accordance with SCE’s normal monthly billing cycle.
SPECIAL CONDITIONS (Continued)

3. Metering:
   a. Biogas Digester Net Energy shall be measured (metered) using a TOU meter capable of separately registering the flow of electricity in two directions. If the customer’s existing meter is not capable of satisfying the requirements to participate on this Schedule, such meter shall be installed by SCE at the customer’s expense prior to interconnection to SCE’s electric system.
   
   b. If SCE determines that dual metering is required for the purposes set forth herein, such customer shall consent to, and pay all costs associated with the installation of dual metering, prior to interconnecting to SCE’s electrical system.
   
   c. Dairy operations with service accounts that qualify for Special Condition 2 are required to meet the provisions of Special Condition 3.a and 3.b for the account serving the Eligible Biogas Digester Electrical Generating Facility only, all other service accounts are only required to be TOU.

4. Grandfathered Biogas Digester Electrical Generating Facilities:

   An Eligible Biogas Digester customer-generator with an Eligible Biogas Digester Electrical Generating Facility that has commenced operation on or before December 31, 2009, and is currently receiving service under this Schedule, shall remain eligible to receive service under this Schedule for the duration of the operating life of the Eligible Biogas Digester-Electrical Generating Facility.

5. Billing:
   a. SCE shall provide the customer with both energy supplied by SCE, and energy generated by the eligible Customer and fed back into SCE’s system in each TOU period, over the applicable Relevant Period, on each monthly bill. Such monthly bills shall include accumulated net kWh produced, along with the corresponding generation credit, and/or accumulated net kWh consumed, along with the corresponding generation charge for each TOU period, over the applicable Relevant Period. All charges except the generation charge shall be due and payable monthly, in accordance to SCE’s normal monthly billing cycle for all accounts served on this Schedule. This Special Condition applies to all eligible Load Aggregation dairy operations TOU service accounts, as defined in Special Condition 2.
SPECIAL CONDITIONS (Continued)

5. Billing: (Continued)

b. At the end of each Relevant Period, as defined in Special Condition 6.e, following the Date of Final Interconnection of the customer’s generator to SCE’s electric system, SCE shall proceed as follows:

1. SCE will present the customer with their annual Relevant Period bill, which will include the current month’s charges in addition to any outstanding accumulated Relevant Period generation charges and shall be due and payable in accordance to SCE’s normal billing cycle.

2. Where a customer’s net generation credits exceed their net generation charges, during any TOU period, as calculated in the Rates Section of this Schedule, such excess generation credits will be applied to any remaining generation charges in other TOU periods, at the end of a Relevant Period.

3. Any remaining generation credits, and/or unused generation kWh for qualified Load Aggregation TOU service accounts, after Special Condition 5.b.2 above has been applied, shall be zeroed out without compensation to the customer and a new Relevant Period shall commence.

c. If a customer terminates service under this Schedule prior to the end of the Relevant Period Special Condition 5.b shall be invoked.

6. Definitions: The following definitions are applicable to service provided under this Schedule.

a. Eligible Biogas Digester Electrical Generating Facility: A generating facility used to produce electricity by a manure methane production project or as a byproduct of the anaerobic digestion of bio-solids and livestock waste that meets all applicable safety and performance standards established by the National Electrical Code, the Institute of Electrical and Electronics Engineers, and accredited testing laboratories such as Underwriters Laboratories and, where applicable, rules of the Public Utilities Commission regarding safety and reliability.

b. Date of Final Interconnection: The date SCE provides the customer with SCE’s written approval to commence parallel operation of the Generating Facility for purposes of participating on this Schedule.
SPECIAL CONDITIONS (Continued)

6. Definitions: (Continued)

c. Net Energy: The difference between the electricity supplied and/or delivered through SCE, and the electricity generated by the customer and fed back into SCE’s electric system, measured over the Relevant Period. Thus, where $E_S$ is energy supplied and/or delivered by SCE, and $E_F$ is energy generated by the customer and fed back into SCE’s system:

$$\text{Net Energy} = E_S \text{ minus } E_F$$

d. Otherwise Applicable Tariff (OAT): The customer’s regularly filed rate schedule under which service is rendered.

e. Relevant Period: A twelve-month period, or portion thereof, commencing on the anniversary Date of Final Interconnection of the customer’s generator to SCE’s electric system.
FUEL CELL NET ENERGY METERING

APPLICABILITY

Applicable to Bundled Service Customers served under a Time-of-Use (TOU) rate schedule who:
(1) interconnect and operate in parallel with SCE’s electrical system an Eligible Fuel Cell Electrical Generating Facility, as defined herein below pursuant to Public Utilities (PU) Code Section 2827.10, with a generating capacity no greater than 1,000 kW, located on or adjacent to the customer’s premises as the sole source of customer generation, intended to offset part or all of the customer’s electrical requirements, and (2) is the recipient of local, state, or federal funds, or who self-finance projects designed to encourage the development of fuel cell electrical generating facilities, and (3) uses technology that meets the definition of an “ultra-clean and low-emission distributed generation”, as defined in subdivision (a) of PU Code Section 353.2 and (4) have commenced operation of their Eligible Fuel Cell Electrical Generating Facility on or before December 31, 2009. Customers eligible for service under this Schedule are exempt from: (1) any new or additional charges not included in their Otherwise Applicable Tariff (OAT), and (2) Standby Charges.

Pursuant to PU Code Section 2827.10, this Schedule is available on a first-come, first-serve basis and will be closed to new customers once 45,000 kW of rated generating capacity is served under this Schedule.

TERRITORY

Within the entire territory served.

RATES

The following rates are applicable to all Eligible Fuel Cell customer-generators on this Schedule.

NET CONSUMERS OF ENERGY

When an Eligible Fuel Cell customer-generator is a net consumer, $E_S$ is greater than $E_F$ where $E_S$ is energy supplied by SCE and $E_F$ is energy generated by the eligible customer and fed back into SCE’s system, measured over an entire Relevant Period, as defined in Special Condition 5.e, the total net consumed kWh will be a generation charge, calculated by multiplying the total net consumed kWh by the generation rate component of the customer’s OAT, in each TOU period when such customer was a net consumer of energy ($E_S$ exceeds $E_F$). At the end of the Relevant Period Special Condition 3.b shall be invoked. Additionally, all other charges shall be calculated in accordance with the customer’s OAT, for $E_S$ (energy supplied by SCE) and shall be due and payable monthly, in accordance with SCE’s normal monthly billing cycle.
Schedule FC-NEM

FUEL CELL NET ENERGY METERING

RATES

(Continued)

NET PRODUCERS OF ENERGY

When an Eligible Fuel Cell customer-generator is a net producer, $E_F$ is greater than $E_S$, where $E_S$ is energy supplied by SCE and $E_F$ is energy generated by the eligible customer and fed back into SCE’s system, measured over an entire Relevant Period, as defined in Special Condition 5.e, the total net produced kWh will be a generation credit, calculated by multiplying the total net produced kWh by the generation rate component of the customer’s OAT, in each TOU period when such customer was a net producer of energy ($E_F$ exceeds $E_S$). At the end of each Relevant Period Special Condition 3.b shall be invoked. Additionally, all other charges shall be calculated in accordance with the customer’s OAT, for $E_S$ (energy supplied by SCE) and shall be due and payable monthly, in accordance with SCE’s normal monthly billing cycle.

SPECIAL CONDITIONS


2. Metering:
   a. Fuel Cell Net Energy shall be measured (metered) using a TOU meter capable of separately registering the flow of electricity in two directions. If the customer’s existing meter is not capable of satisfying the requirements to participate on this Schedule, such meter shall be installed by SCE at the customer’s expense prior to interconnection to SCE’s electric system.
   b. If SCE determines that dual metering is required for the purposes set forth herein, such customer shall consent to, and pay all costs associated with the installation of dual metering, prior to interconnecting to SCE’s electrical system.

3. Billing:
   a. SCE shall provide the customer with both energy supplied by SCE, and energy generated by the Eligible Fuel Cell customer-generator and fed back into SCE’s system in each TOU period, over the applicable Relevant Period, with each monthly bill. Such monthly bill(s) shall include accumulated net kWh produced, along with the corresponding generation credit, and/or accumulated net kWh consumed, along with the corresponding generation charge for each TOU period, over the applicable Relevant Period. All charges except the generation charge shall be due and payable monthly, in accordance to SCE’s normal monthly billing cycle for all accounts served on this Schedule.
   b. At the end of each Relevant Period, as defined in Special Condition 5.e, following the Date of Final Interconnection of the customer’s generator to SCE’s electric system, SCE shall proceed as follows:

(Continued)
Schedule FC-NEM
Sheet 3
FUEL CELL NET ENERGY METERING

(Continued)

BILLING (Continued)

1. SCE will present the customer with their annual Relevant Period bill, which will include the current month’s charges in addition to any outstanding accumulated Relevant Period generation charges and shall be due and payable in accordance to SCE’s normal billing cycle.

2. Where a customer’s net generation credits exceed their net generation charges, during any TOU period, as calculated in the Rates Section of this Schedule, such excess generation credits will be applied to any remaining generation charges in other TOU periods, at the end of a Relevant Period.

   c. If a customer terminates service under this Schedule prior to the end of the Relevant Period Special Condition 3.b shall be invoked.

4. Grandfathered Fuel Cell Electrical Generating Facilities:

   An Eligible Fuel Cell customer-generator with an Eligible Fuel Cell Electrical Generating Facility that has commenced operation on or before December 31, 2009, and is currently receiving service under this Schedule, shall remain eligible to receive service under this Schedule for the duration of the operating life of the Eligible Fuel Cell Electrical Generating Facility.

5. Definitions: The following definitions are applicable to service provided under this Schedule.

   a. Eligible Fuel Cell Electrical Generating Facility: A generating facility that includes the following:

      1. Integrated powerplant systems containing a stack, tubular array, or other functionally similar configuration used to electrochemically convert fuel to electric energy.

      2. An inverter and fuel processing system where necessary.

      3. Other plant equipment, including heat recovery equipment, necessary to support the powerplant’s operation or its energy conversion.

   b. Date of Final Interconnection: The date SCE provides the customer with SCE’s written approval to commence parallel operation of the Generating Facility for purposes of participating on this Schedule.

   c. Net Energy: The difference between the electricity supplied and/or delivered through SCE, and the electricity generated by the customer and fed back into SCE’s electric system, measured over the Relevant Period. Thus, where $E_S$ is energy supplied and/or delivered by SCE, and $E_F$ is energy generated by the customer and fed back into SCE’s system:

      $$\text{Net Energy} = E_S - E_F$$

   d. Otherwise Applicable Tariff (OAT): The customer’s regularly filed rate schedule under which service is rendered.

   e. Relevant Period: A twelve-month period, or portion thereof, commencing on the anniversary Date of Final Interconnection of the customer’s generator to SCE’s electric system.

(Continued)

(To be inserted by utility)  Issued by (To be inserted by Cal. PUC)
Advice 1945-E  John R. Fielder  Date Filed Dec 21, 2005
Decision  President  Effective Jan 1, 2006
Resolution

3H21
SPECIAL CONDITIONS (Continued)

6. Customers with Service Metered and Delivered at Voltages above 50 kV (Sub-transmission customers) Included in Rotating Outages.

Sub-transmission customers, except for those customers exempt from rotating outages, are to be included in controlled, rotating outages when required by the Independent System Operator (ISO). To the extent feasible, SCE will coordinate rotating outages applicable to Sub-transmission customers who are fossil fuel producers and pipeline operators and users to minimize disruption to public health and safety. SCE shall not include a Sub-transmission customer in an applicable rotating outage group if the customer’s inclusion would jeopardize electric system integrity. Sub-transmission customers who are not exempt from rotating outages, and seek such exemption, may submit an Optional Binding Mandatory Curtailment (OBMC) Plan to SCE in accordance with Schedule OBMC. If SCE approves a customer’s OBMC Plan, the customer will become exempt from rotating outages and will be subject to the terms and conditions of Schedule OBMC and its associated contract.

Non-exempt Sub-transmission customers shall be required to drop their entire electrical load during applicable rotating outages by either (1) implementing the load reduction on their own initiative, in accordance with subsection a, below; or (2) having SCE implement the load reduction through remote-controlled load drop equipment (control equipment) in accordance with subsection b, below. A Sub-transmission customer shall normally be subject to the provisions of subsection a. If SCE approves a customer’s request to have SCE implement the load reduction or if the customer does not comply with prior required load reductions, as specified in subsection c, the customer will be subject to the provisions of subsection b.

a. Customer-Implemented Load Reduction.

(i) Notification of Required Load Reduction. At the direction of the ISO, SCE shall notify each Sub-transmission customer in an affected rotating outage group to drop its entire load. Within 30 minutes of such notification, the customer must drop its entire load. The customer shall not return the dropped load to service until 90 minutes after SCE sent the notification to the customer to drop its load, unless SCE notifies the customer that it may return its load to service prior to the expiration of the 90 minutes.

(ii) Method of Notification. SCE will notify Sub-transmission customers who are required to implement their own load reduction via telephone, by either an automated calling system or a manual call to a business telephone number or cellular phone number designated by the customer. The designated telephone number will be used for the sole purpose of receiving SCE’s rotating outage notification and must be available to receive the notification at all times. When SCE sends the notification to the designated telephone number the customer is responsible for dropping its entire load in accordance with subsection a. (i), above. The customer is responsible for informing SCE, in writing, of the telephone number and contact name for purposes of receiving the notification of a rotating outage.
SPECIAL CONDITIONS (Continued)

6. Customers with Service Metered and Delivered at Voltages above 50 kV (Sub-transmission customers) Included in Rotating Outages. (Continued)

a. Customer-Implemented Load Reduction. (Continued)

(iii) Excess Energy Charges. If a Sub-transmission customer fails to drop its entire load within 30 minutes of notification by SCE, and/or fails to maintain the entire load drop until 90 minutes after the time notification was sent to the customer, unless SCE otherwise notified the customer that it may return its load to service earlier in accordance with subsection a. (i) above, SCE shall assess Excess Energy Charges of $6 per kWh for all kWh usage in excess of the Authorized Residual Ancillary Load. Such charges will be based on the total kWh usage during the applicable rotating outage penalty period, less the product of Authorized Residual Ancillary Load in kW and the applicable rotating outage penalty period in hours. Excess Energy Charges will be determined and applied by SCE subsequent to the Sub-transmission customer’s regularly scheduled meter read date following the applicable rotating outage.

For customers with net-generators, Excess Energy Charges shall not apply during periods of verifiable scheduled generator maintenance or if the customer’s generator suffers a verified forced outage. The scheduled maintenance must be approved in advance by both the ISO and SCE, but approval may not be unreasonably held.

(iv) Authorized Residual Ancillary Load. Authorized Residual Ancillary Load is load that is deemed to be equivalent to five percent of the Sub-transmission customer’s prior billing month’s recorded Maximum Demand. This minimum load level is used as a proxy to allow for no-load transformer losses and load attributed to minimum grid parallel operation for generators connected under Rule 21.

b. SCE-Implemented Load Reduction.

Non-exempt Sub-transmission customers may request, in writing, to have SCE drop the customer’s entire load during all applicable rotating outages using SCE’s remote-controlled load drop equipment (control equipment). If SCE agrees to such arrangement, SCE will implement the load drop by using one of the following methods:

(Continued)
6. Customers with Service Metered and Delivered at Voltages above 50 kV (Sub-transmission customers) Included in Rotating Outages. (Continued)

b. SCE-Implemented Load Reduction. (Continued)

(i) Control Equipment Installed. For a Sub-transmission customer whose load can be dropped by SCE’s existing control equipment, SCE will implement the load drop during a rotating outage applicable to the customer. The customer will not be subject to the Notification and Excess Energy Charge provisions set forth in subsection a, above.

(ii) Control Equipment Pending Installation. For a Sub-transmission customer whose load can not be dropped by SCE’s existing control equipment, the customer must request the installation of such equipment at the customer’s expense in accordance with SCE’s Rule 2, Section H, Added Facilities. Pending the installation of the control equipment, the customer will be responsible for dropping load in accordance with the provisions of subsection a, above, including the Notification and Excess Energy Charge provisions.

c. Non-compliance: A non-exempt Sub-transmission customer subject to subsection a, above, who fails to drop load during three rotating outages in a three year period to a level of at least 20% of the customer’s prior billing month’s recorded Maximum Demand averaged over the applicable rotating outage period, is not in compliance with this tariff. The three year period shall commence with the first failure to drop load as specified in this subsection. A customer not in compliance with this condition will be placed at the top of the Sub-transmission customer rotating outage group list and will be expected to comply with subsequent applicable rotating outages. In addition, the customer must select one of the two options below within fifteen days after receiving written notice of non-compliance from SCE. A customer failing to make a selection within the specified time frame will be subject to subsection c. (ii) below.

(i) Subject to Schedule OBMC: The customer shall submit an OBMC Plan, in accordance with Schedule OBMC, within 30 calendar days of receiving written notice of non-compliance from SCE. Pending the submittal of the OBMC Plan by the customer and pending the review and acceptance of the OBMC Plan by SCE, the customer will remain responsible for dropping load in accordance with the provisions of subsection a, above, including the Notification and Excess Energy charge provisions. If the customer fails to submit an OBMC Plan within 30 days of receiving notice of non-compliance from SCE, or if the customer’s OBMC Plan is not approved by SCE, or if the customer fails to meet the requirements of Schedule OBMC once the OBMC Plan is approved, the customer shall be subject subsection c. (ii), below.

(Continued)
SPECIAL CONDITIONS (Continued)

6. Customers with Service Metered and Delivered at Voltages above 50 kV (Sub-transmission customers) Included in Rotating Outages.

   c. Non-compliance: (Continued)

      (ii) Installation of Control Equipment. The customer shall be subject to the installation of control equipment at the customer’s expense in accordance with SCE’s Rule 2, Section H, Added Facilities, if such equipment is not currently installed. If such switching capability is installed, SCE will drop the customer’s load for all applicable subsequent rotating outages in accordance with the provisions of subsection b, above. Pending the installation of control equipment, the customer will remain responsible for dropping load in accordance with the provisions of subsection a, above, including the Notification and Excess Energy Charge provisions.
BIOGAS DIGESTER ELECTRICAL GENERATING FACILITY
NET ENERGY METERING
AND INTERCONNECTION AGREEMENT

Form 14-750

(To be inserted by utility)
Advice 1945-E
Decision

Issued by John R. Fielder

(To be inserted by Cal. PUC)
Date Filed Dec 21, 2005
Effective Jan 1, 2006
Resolution
This Biogas Digester Electrical Generating Facility Net Energy Metering and Interconnection Agreement ("Agreement") is entered into by and between (Producer’s Name) a (form of entity & state of registration) ("Producer"), and Southern California Edison Company ("SCE"), a California corporation. For the purposes of this Agreement, Producer must be the same entity as the Customer taking electric service from SCE at the Host Facility’s Location identified in Section 2.2, herein. Producer and SCE are sometimes also referred to in this Agreement jointly as “Parties” or individually as “Party.” In consideration of the mutual promises and obligations stated in this Agreement and its attachments, the Parties agree as follows:

1. SCOPE AND PURPOSE

This Agreement provides for Producer, as an “Eligible biogas digester customer-generator” to interconnect and operate an “Eligible biogas digester electrical generating facility (“Generating Facility”), as both terms are defined in section 2827.9 of the California Public Utilities Code, in parallel with SCE’s Distribution System to serve the electrical loads at the location identified in Section 2.2, below. Further, if the amount of energy produced by the Generating Facility exceeds the amount of energy consumed by the electrical loads directly connected to the Generating Facility, Producer may deliver surplus energy to SCE’s Distribution System in conformance with the Net Energy Metering provisions of SCE’s Schedule BG-NEM, Biogas Net Energy Metering, and accrue credits to be used pursuant to the terms and conditions of Schedule BG-NEM. This Agreement does not constitute an agreement by SCE to provide retail electrical service to Producer. Such arrangements must be made separately between SCE and Producer.

2. SUMMARY AND DESCRIPTION OF PRODUCER’S GENERATING FACILITY

2.1 A description of the Generating Facility, including a summary of its significant components and a single-line diagram showing the general arrangement of how Producer’s Generating Facility and loads are interconnected with SCE’s Distribution System are attached as Appendix A and made a part of this Agreement.

2.2 Name and address used by SCE to locate the Electric Service Account(s) used to interconnect the Generating Facility with SCE’s Distribution System:


2.3 The Gross Nameplate Rating of the Generating Facility is _________ kW.

2.4 The Net Nameplate Rating of the Generating Facility is _________ kW.

2.5 The annual energy production of the Generating Facility is expected to be _________ kWh.

2.6 The annual amount of surplus energy to be delivered to SCE’s Distribution System is expected to be _________ kWh.

2.7 The maximum (instantaneous) level of power that may be delivered to SCE’s Distribution System is _________ kW.
2.8 The Generating Facility’s expected date of Initial Operation is ___________________. The expected date of Initial Operation shall be within one year of the date of this Agreement, and must commence operation no later than December 31, 2009.

2.9 Producer hereby declares that it meets the requirements for an Eligible biogas digester customer-generator and that the Generating Facility meets the requirements for an “Eligible Biogas Digester Electrical Generating Facility,” as both terms are defined in section 2827.9 of the California Public Utilities Code.

3. DOCUMENTS INCLUDED
This Agreement includes the following exhibits, which are specifically incorporated herein and made a part of this Agreement.

Appendix A - Description of Generating Facility and Single-Line Diagram
Appendix B - Interconnection Facility Financing and Ownership Agreement
Appendix C - Schedule BG-NEM, Biogas Net Energy Metering
Appendix D - Listing of eligible service accounts, as defined in Schedule BG-NEM Special Condition 2, to be included in Net Energy Metering allocations
Appendix E - Producer’s warranty that it meets the requirements for an “eligible biogas digester customer-generator” and that the Generating Facility meets the requirements for an “Eligible Biogas digester electrical generating facility,” both as defined in Section 2827.9 of the California Public Utilities Code.

4. TERM AND TERMINATION

4.1 This Agreement shall become effective as of the last date entered in Section 16 of this Agreement. The Agreement shall continue in full force and effect until the earliest date that one of the following events occurs:

(a) The Parties agree in writing to terminate the Agreement, or

(b) Unless otherwise agreed in writing by the Parties, at 12:01 A.M. on the day following the date the electric service account through which Producer’s Generating Facility is Interconnected to SCE’s Distribution System is closed or terminated, or

(c) At 12:01 A.M. on the 61st day after Producer or SCE provides written Notice pursuant to Section 9 of this Agreement to the other Party of Producer or SCE’s intent to terminate this Agreement.

(d) The operating life of the Eligible Biogas Digester Electrical Generating Facility has been exceeded.

4.2 Producer may elect to terminate this Agreement pursuant to the terms of Section 4.1(c) for any reason. SCE may elect to terminate this Agreement pursuant to the terms of Section 4.1(c) for one or more of the following reasons:

(a) A change in applicable tariffs as approved or directed by the Commission or a change in any local, state or federal law, statute or regulation, either of which materially alters or otherwise affects SCE’s ability or obligation to perform SCE’s duties under this Agreement; or,
(b) Unless otherwise agreed in writing by the Parties, Producer fails to take all corrective actions specified in SCE’s Notice that Producer’s Generating Facility is out of compliance with the terms of this Agreement within the time frame set forth in such Notice; or

(c) Producer fails to interconnect and operate the Generating Facility per the terms of this Agreement prior to 120 days after the date set forth in Section 2.8 of this Agreement as the Generating Facility’s expected date of Initial Operation; or

(d) Producer abandons the Generating Facility. SCE shall deem the Generating Facility to be abandoned if SCE determines, in its sole opinion, the Generating Facility is non-operational and Producer does not provide a substantive response to SCE’s Notice of its intent to terminate this Agreement as a result of Producer’s apparent abandonment of the Generating Facility affirming Producer’s intent and ability to continue to operate the Generating Facility.

4.3 Notwithstanding any other provisions of this Agreement, SCE shall have the right to unilaterally file with the Commission, pursuant to the Commission’s rules and regulations, an application to terminate this Agreement.

4.4 Any agreements attached to and incorporated into this Agreement shall terminate concurrently with this Agreement unless the Parties have agreed otherwise in writing.

5. GENERATING FACILITY OPERATION

5.1 Producer shall operate the Generating Facility in compliance with all of SCE’s tariffs, including but not limited to SCE’s Rule 21, and any other regulations and laws governing the Interconnection of the Generating Facility.

5.2 The electric power produced by Producer’s Generating Facility shall first be used to serve electrical loads connected to the electric service account that SCE uses to interconnect Producer’s Generating Facility. Whenever the amount of electrical power produced by the Generating Facility exceeds Producer’s directly connected loads, SCE shall receive and utilize all excess production, and the Producer shall accrue a credit, as determined by SCE under the terms and conditions of Schedule BG-NEM, for such surplus power delivered to SCE’s Distribution System.

5.3 Unless the Parties have agreed otherwise in writing, energy delivered to and/or received from SCE under this Agreement shall be measured using electrical meter(s) and equipment owned, operated, and maintained by SCE. Such meter(s) shall be located or compensated so as to appear to be located at SCE’s Distribution System side of any transformers installed at the Point of Common Coupling.

5.4 In no event shall the rate of delivery of electric power to SCE’s Distribution System exceed the kilowatt level specified in Section 2.7, herein. If Producer does not regulate its Generating Facility in compliance with this limitation, SCE may require Producer to disconnect its Generating Facility from SCE’s Distribution System until Producer demonstrates to SCE’s sole satisfaction that Producer has taken adequate measures to regulate the output of its Generating Facility and control its deliveries of power to SCE. Further, should SCE determine that Producer’s operation of the Generating Facility is causing an unsafe condition or is adversely affecting SCE’s ability to utilize its Distribution System in any manner, even if Producer’s deliveries of electric power to SCE’s
Distribution System are within the specified capacity limit, SCE may require Producer to temporarily or permanently reduce or cease deliveries of electric power to SCE’s Distribution System. Alternatively, the Parties may agree to other corrective measures so as to mitigate the effect of electric power flowing from the Generating Facility to SCE’s Distribution System. Producer’s failure to comply with the terms of this Section shall constitute a material breach of this Agreement and SCE may initiate termination in accordance with the terms of Section 4.2.

5.5 Producer shall not deliver reactive power to SCE’s Distribution System unless the Parties have agreed otherwise in writing.

5.6 The Generating Facility shall be operated with all of Producer’s Protective Functions in service whenever the Generating Facility is operated in parallel with SCE’s Distribution System. Any deviation from these requirements may occur only when the Parties have agreed to such deviations in writing.

6. INTERCONNECTION FACILITIES

6.1 Producer and/or SCE, as appropriate, shall provide Interconnection Facilities that adequately protect SCE’s Distribution System, personnel, and other persons from damage or injury which may be caused by the operation of Producer’s Generating Facility.

6.2 Producer shall be solely responsible for the costs, design, purchase, construction, operation, and maintenance of the Interconnection Facilities that Producer owns.

6.3 If the provisions of SCE’s Rule 21, or any other tariff approved by the Commission, require SCE to own and operate a portion of the Interconnection Facilities, Producer and SCE shall promptly execute an agreement that establishes and allocates responsibility for the design, installation, operation, maintenance, and ownership of the Interconnection Facilities. This agreement shall be attached to and made a part of this Agreement as Appendix B.

7. LIMITATION OF LIABILITY

Each Party’s liability to the other Party for any loss, cost, claim, injury, liability, or expense, including reasonable attorney’s fees, relating to or arising from any act or omission in its performance of this agreement, shall be limited to the amount of direct damage actually incurred. In no event shall either Party be liable to the other Party for any indirect, special, consequential, or punitive damages of any kind whatsoever.

8. INSURANCE

8.1 In connection with Producer’s performance of its duties and obligations under this Agreement, Producer shall maintain, during the term of this Agreement, general liability insurance with a combined single limit of not less than:

(a) Two million dollars ($2,000,000) for each occurrence if the Gross Nameplate Rating of Producer’s Generating Facility is greater than one hundred (100) kW; or

(b) One million dollars ($1,000,000) for each occurrence if the Gross Nameplate Rating of Producer’s Generating Facility is greater than twenty (20) kW and less than or equal to one hundred (100) kW; or
(c) Five hundred thousand dollars ($500,000) for each occurrence if the Gross Nameplate Rating of Producer’s Generating Facility is twenty (20) kW or less; or

(d) Two hundred thousand dollars ($200,000) for each occurrence if the Gross Nameplate Rating of Producer’s Generating Facility is ten (10) kW or less and Producer’s Generating Facility is connected to an account receiving residential service from SCE.

Such general liability insurance shall include coverage for “Premises-Operations, Owners and Contractors Protective, Products/Completed Operations Hazard, Explosion, Collapse, Underground, Contractual Liability, and Broad Form Property Damage including Completed Operations.”

8.2 The general liability insurance required in Section 8.1 shall, by endorsement to the policy or policies, (a) include SCE as an additional insured; (b) contain a severability of interest clause or cross-liability clause; (c) provide that SCE shall not by reason of its inclusion as an additional insured incur liability to the insurance carrier for payment of premium for such insurance; and (d) provide for thirty (30) calendar days’ written notice to SCE prior to cancellation, termination, alteration, or material change of such insurance.

8.3 If Producer’s Generating Facility is connected to an account receiving residential service from SCE and the requirement of Section 8.2(a) prevents Producer from obtaining the insurance required in Section 8.1, then upon Producer’s written Notice to SCE in accordance with Section 9.1, the requirements of Section 8.2(a) shall be waived.

8.4 Evidence of the insurance required in Section 8.2 shall state that coverage provided is primary and is not in excess to or contributing with any insurance or self-insurance maintained by SCE.

8.5 Producer agrees to furnish the required certificates and endorsements to SCE prior to Initial Operation. SCE shall have the right to inspect or obtain a copy of the original policy or policies of insurance.

8.6 If Producer is self-insured with an established record of self-insurance, Producer may comply with the following in lieu of Sections 8.1 through 8.4:

(a) Producer shall provide to SCE, at least thirty (30) calendar days prior to the date of Initial Operation, evidence of an acceptable plan to self-insure to a level of coverage equivalent to that required under Section 8.1.

(b) If Producer ceases to self-insure to the level required hereunder, or if Producer is unable to provide continuing evidence of Producer’s ability to self-insure, Producer agrees to immediately obtain the coverage required under Section 8.1.
8.7 All insurance certificates, statements of self insurance, endorsements, cancellations, terminations, alterations, and material changes of such insurance shall be issued and submitted to the following:

Southern California Edison Company
Attention: Director, QF Resources
2244 Walnut Grove Avenue
P.O. Box 800
Rosemead, CA  91770

9.  NOTICES

9.1 Any written notice, demand, or request required or authorized in connection with this Agreement (“Notice”) shall be deemed properly given if delivered in person or sent by first class mail, postage prepaid, to the person specified below:

If to SCE: Southern California Edison Company
Attention: Director, QF Resources
2244 Walnut Grove Avenue
P.O. Box 800
Rosemead, CA  91779
Phone: (626) 302-1212
FAX: (626) 302-9622

If to Producer: Producer Name
Address:__________________
City:  __________________
Phone: (   ) ________________
FAX:    (   ) ________________

9.2 A Party may change its address for Notices at any time by providing the other Party Notice of the change in accordance with Section 9.1.

9.3 The Parties may also designate operating representatives to conduct the daily communications, which may be necessary or convenient for the administration of this Agreement. Such designations, including names, addresses, and phone numbers may be communicated or revised by one Party’s Notice to the other.

10. REVIEW OF RECORDS AND DATA

10.1 SCE shall have the right to review and obtain copies of Producer’s operations and maintenance records, logs, or other information such as, unit availability, maintenance outages, circuit breaker operation requiring manual reset, relay targets and unusual events pertaining to Producer’s Generating Facility or its Interconnection with SCE’s Distribution System.

10.2 Producer authorizes SCE to release to the California Energy Commission (CEC) and/or the California Public Utilities Commission (Commission) information regarding the Generating Facility, including the Producer’s name and location, and the size, location and operational characteristics of the Generating Facility, as requested from time to time pursuant to the CEC’s or Commission’s rules and regulations.
11. ASSIGNMENT
Producer shall not voluntarily assign its rights nor delegate its duties under this Agreement without SCE’s written consent. Any assignment or delegation Producer makes without SCE’s written consent shall not be valid. SCE shall not unreasonably withhold its consent to Producer’s assignment of this Agreement.

12. NON-WAIVER
None of the provisions of this Agreement shall be considered waived by a Party unless such waiver is given in writing. The failure of a Party to insist in any one or more instances upon strict performance of any of the provisions of this Agreement or to take advantage of any of its rights hereunder shall not be construed as a waiver of any such provisions or the relinquishment of any such rights for the future, but the same shall continue and remain in full force and effect.

13. GOVERNING LAW, JURISDICTION OF COMMISSION, INCLUSION OF SCE’s TARIFF SCHEDULES, DEFINED TERMS
13.1 This Agreement shall be interpreted, governed, and construed under the laws of the State of California as if executed and to be performed wholly within the State of California without giving effect to choice of law provisions that might apply to the law of a different jurisdiction.

13.2 This Agreement shall, at all times, be subject to changes or modifications by the Commission as it may from time to time direct in the exercise of its jurisdiction.

13.3 The interconnection and services provided under this Agreement shall at all times be subject to the terms and conditions set forth in the tariffs applicable to the electric service provided by SCE. Copies of such tariffs are available at SCE’s Internet site: www.sce.com or by request to SCE and are incorporated into this Agreement by this reference.

13.4 Notwithstanding any other provisions of this Agreement, SCE shall have the right to unilaterally file with the Commission, pursuant to the Commission’s rules and regulations, an application for change in tariffs, rates, charges, classification, service, or any agreement relating thereto.

13.5 When initially capitalized, whether in the singular or in the plural, the terms used herein shall have the meanings assigned to them either in this Agreement or in SCE’s Rule 1 or Rule 21, Section H. If any term is defined in both Rule 1 and Rule 21, the definition in Rule 21 shall prevail.

14. AMENDMENTS AND MODIFICATION
This Agreement can only be amended or modified by a written agreement signed by both Parties. SCE shall determine in its sole discretion whether prior commission approval is required for such amendments or modifications.
15. ENTIRE AGREEMENT

This Agreement, including any incorporated tariffs and rules, contains the entire agreement and understanding between the Parties, their agents, and employees as to the subject matter of this Agreement. Each party also represents that in entering into this Agreement; it has not relied on any promise, inducement, representation, warranty, agreement or other statement not set forth in this Agreement, or in the incorporated tariffs and rules.

16. SIGNATURES

IN WITNESS WHEREOF, the Parties hereto have caused two originals of this Agreement to be executed by their duly authorized representatives. This Agreement is effective as of the last date set forth below.

PRODUCER’S NAME

By: SAMPLE*  
Name:  
Title:  
Date:  

SOUTHERN CALIFORNIA EDISON COMPANY

By:  
Name:  
Title:  
Date:  

* This form is a sample only. Contact SCE for an Application to interconnect your Generating Facility.
APPENDIX A

DESCRIPTION OF GENERATING FACILITY
AND SINGLE-LINE DIAGRAM

(Provided by Producer)
APPENDIX B
(If Applicable)
INTERCONNECTION FACILITIES
FINANCING AND OWNERSHIP
AGREEMENT
(Provided by SCE)
APPENDIX C

SCHEDULE BG-NEM
BIOGAS NET ENERGY METERING

(T)
APPENDIX D

(If Applicable)

LIST OF ELIGIBLE LOAD AGGREGATION SERVICE ACCOUNTS
TO BE INCLUDED IN NET ENERGY METERING CALCULATIONS
PURSUANT TO SCHEDULE BG-NEM SPECIAL CONDITION 2
APPENDIX E

PRODUCER’S WARRANTY THAT IT MEETS THE REQUIREMENTS FOR AN ELIGIBLE BIOGAS DIGESTER CUSTOMER-GENERATOR AND THE GENERATING FACILITY IS AN ELIGIBLE BIOGAS ELECTRICAL GENERATING FACILITY PURSUANT TO SECTION 2827.9 OF THE CALIFORNIA PUBLIC UTILITIES CODE

Producer has declared that it meets the requirements for an Eligible biogas digester customer-generator and the Generating Facility meets the requirements of an “Eligible Biogas Electrical Generating Facility”, as defined section 2827.9 of the California Public Utilities Code. (“Eligibility Requirements”)

Producer warrants that, beginning on the date of Initial Operation and continuing throughout the term of this Agreement, Producer and the Generating Facility shall continue to meet the Eligibility Requirements. If Producer or the Generating Facility cease to meet the Eligibility Requirements, Producer shall promptly provide SCE with Notice of such change pursuant to Section 9.1 of this Agreement. If at any time during the term of this Agreement SCE determines, in its sole discretion, that Producer or Generating Facility may no longer meet the Eligibility Requirements, SCE may require Producer to provide evidence, that Producer and/or Generating Facility continues to meet the Eligibility Requirements, within 15 business days of SCE’s request for such evidence. Additionally, SCE may periodically (typically, once per year) inspect Producer’s Generating Facility and/or require documentation from Producer to monitor the Generating Facility’s compliance with the Eligibility Requirements. If SCE determines in its sole judgment that Producer either failed to provide evidence in a timely manner or that it provided insufficient evidence that its Generating Facility continues to meet the Eligibility Requirements, then the Eligibility Status shall be deemed ineffective until such time as Producer again demonstrates to SCE’s reasonable satisfaction that Producer meets the requirements for an Eligible biogas digester customer–generator and/or the Generating Facility meets the requirements for a Eligible biogas electrical generating facility (the “Eligibility Status Change”).

SCE shall revise its records and the administration of this Agreement to reflect the Eligibility Status Change and provide Notice to Producer of the Eligibility Status Change pursuant to Section 9.1 of this Agreement. Such Notice shall specify the effective date of the Eligibility Status Change. This date shall be the first day of the calendar year for which SCE determines in its sole discretion that the Producer and/or Generating Facility first ceased to meet the Eligibility Requirements. SCE shall invoice the Producer for any tariff charges that were not previously billed during the period between the effective date of the Eligibility Status Change and the date of the Notice in reliance upon Producer's representations that Producer and/or Generating Facility complied with the Eligibility Requirements and therefore was eligible for the rate treatment available under the Net Energy Metering provisions of SCE’s Schedule BG-NEM, Biogas Net Energy Metering.

Any amounts to be paid or refunded by Producer, as may be invoiced by SCE pursuant to the terms of this warranty, shall be paid to SCE within 30 days of Producer’s receipt of such invoice.
FUEL CELL ELECTRICAL GENERATING FACILITY
NET ENERGY METERING
AND INTERCONNECTION AGREEMENT

Form 14-755

(Continued)
This Fuel Cell Electrical Generating Facility Net Energy Metering and Interconnection Agreement ("Agreement") is entered into by and between (Producer’s Name), a (form of entity & state of registration) ("Producer"), and Southern California Edison Company ("SCE"), a California corporation. For the purposes of this Agreement, Producer must be the same entity as the Customer taking electric service from SCE at the Host Facility’s Location identified in Section 2.2, herein. Producer and SCE are sometimes also referred to in this Agreement jointly as “Parties” or individually as “Party.” In consideration of the mutual promises and obligations stated in this Agreement and its attachments, the Parties agree as follows:

1. SCOPE AND PURPOSE

This Agreement provides for Producer, as an “Eligible Fuel Cell customer-generator” to interconnect and operate an “Eligible Fuel Cell electrical generating facility” ("Generating Facility"), as both terms are defined in section 2827.10 of the California Public Utilities Code, in parallel with SCE’s Distribution System to serve the electrical loads at the location identified in Section 2.2, below. Further, if the amount of energy produced by the Generating Facility exceeds the amount of energy consumed by the electrical loads directly connected to the Generating Facility, Producer may deliver surplus energy to SCE’s Distribution System in conformance with the Net Energy Metering provisions of SCE’s Schedule FC-NEM, Fuel Cell Net Energy Metering, and accrue credits to be used pursuant to the terms and conditions of Schedule FC-NEM. This Agreement does not constitute an agreement by SCE to provide retail electrical service to Producer. Such arrangements must be made separately between SCE and Producer.

2. SUMMARY AND DESCRIPTION OF PRODUCER’S GENERATING FACILITY

2.1 A description of the Generating Facility, including a summary of its significant components and a single-line diagram showing the general arrangement of how Producer’s Generating Facility and loads are interconnected with SCE’s Distribution System are attached as Appendix A and made a part of this Agreement.

2.2 Name and address used by SCE to locate the Electric Service Account(s) used to interconnect the Generating Facility with SCE’s Distribution System:

2.3 The Gross Nameplate Rating of the Generating Facility is _________ kW.

2.4 The Net Nameplate Rating of the Generating Facility is _________ kW.

2.5 The annual energy production of the Generating Facility is expected to be _________ kWh.

2.6 The annual amount of surplus energy to be delivered to SCE’s Distribution System is expected to be _________ kWh.

2.7 The maximum (instantaneous) level of power that may be delivered to SCE’s Distribution System is _________ kW.
2.8 The Generating Facility’s expected date of Initial Operation is _________________. The expected date of Initial Operation shall be within one year of the date of this Agreement, and must commence operation no later than December 31, 2009.

2.9 Producer hereby declares that it meets the requirements for an Eligible Fuel Cell customer-generator and that the Generating Facility meets the requirements for an “Fuel Cell Electrical Generating Facility”, as both terms are defined in section 2827.10 of the California Public Utilities Code.

3. DOCUMENTS INCLUDED

This Agreement includes the following exhibits, which are specifically incorporated herein and made a part of this Agreement:

Appendix A - Description of Generating Facility and Single-Line Diagram
Appendix B - Interconnection Facility Financing and Ownership Agreement
Appendix C - Schedule FC-NEM, Fuel Cell Net Energy Metering
Appendix D - Producer’s warranty that it meets the requirements for an “Eligible Fuel Cell customer-generator” and that the Generating Facility meets the requirements for an “Eligible Fuel Cell electrical generating facility,” both as defined in Section 2827.10 of the California Public Utilities Code.

4. TERM AND TERMINATION

4.1 This Agreement shall become effective as of the last date entered in Section 16 of this Agreement. The Agreement shall continue in full force and effect until the earliest date that one of the following events occurs:

(a) The Parties agree in writing to terminate the Agreement; or
(b) Unless otherwise agreed in writing by the Parties, at 12:01 A.M. on the day following the date the electric service account through which Producer’s Generating Facility is interconnected to SCE’s Distribution System is closed or terminated; or
(c) At 12:01 A.M. on the 61st day after Producer or SCE provides written Notice pursuant to Section 9 of this Agreement to the other Party of Producer or SCE’s intent to terminate this Agreement; or
(d) The operating life of the Eligible Fuel Cell Electrical Generating Facility has been exceeded.

4.2 Producer may elect to terminate this Agreement pursuant to the terms of Section 4.1(c) for any reason. SCE may elect to terminate this Agreement pursuant to the terms of Section 4.1(c) for one or more of the following reasons:

(a) A change in applicable tariffs as approved or directed by the Commission or a change in any local, state or federal law, statute or regulation, either of which materially alters or otherwise affects SCE’s ability or obligation to perform SCE’s duties under this Agreement; or
(b) Unless otherwise agreed in writing by the Parties, Producer fails to take all corrective actions specified in SCE’s Notice that Producer’s Generating Facility is out of compliance with the terms of this Agreement within the time frame set forth in such Notice; or
(c) Producer fails to interconnect and operate the Generating Facility per the terms of this Agreement prior to 120 days after the date set forth in Section 2.8 of this Agreement as the Generating Facility’s expected date of Initial Operation; or

(d) Producer abandons the Generating Facility. SCE shall deem the Generating Facility to be abandoned if SCE determines, in its sole opinion, the Generating Facility is non-operational and Producer does not provide a substantive response to SCE’s Notice of its intent to terminate this Agreement as a result of Producer’s apparent abandonment of the Generating Facility affirming Producer’s intent and ability to continue to operate the Generating Facility.

4.3 Notwithstanding any other provisions of this Agreement, SCE shall have the right to unilaterally file with the Commission, pursuant to the Commission’s rules and regulations, an application to terminate this Agreement.

4.4 Any agreements attached to and incorporated into this Agreement shall terminate concurrently with this Agreement unless the Parties have agreed otherwise in writing.

5. GENERATING FACILITY OPERATION

5.1 Producer shall operate the Generating Facility in compliance with all of SCE’s tariffs, including but not limited to SCE’s Rule 21, and any other regulations and laws governing the Interconnection of the Generating Facility.

5.2 The electric power produced by Producer’s Generating Facility shall first be used to serve electrical loads connected to the electric service account that SCE uses to interconnect Producer’s Generating Facility. Whenever the amount of electrical power produced by the Generating Facility exceeds Producer’s directly connected loads, SCE shall receive and utilize all excess production, and the Producer shall accrue a credit, as determined by SCE under the terms and conditions of Schedule FC-NEM, for such surplus power delivered to SCE’s Distribution System.

5.3 Unless the Parties have agreed otherwise in writing, energy delivered to and/or received from SCE under this Agreement shall be measured using electrical meter(s) and equipment owned, operated, and maintained by SCE. Such meter(s) shall be located or compensated so as to appear to be located at SCE’s Distribution System side of any transformers installed at the Point of Common Coupling.

5.4 In no event shall the rate of delivery of electric power to SCE’s Distribution System exceed the kilowatt level specified in Section 2.7, herein. If Producer does not regulate its Generating Facility in compliance with this limitation, SCE may require Producer to disconnect its Generating Facility from SCE’s Distribution System until Producer demonstrates to SCE’s sole satisfaction that Producer has taken adequate measures to regulate the output of its Generating Facility and control its deliveries of power to SCE. Further, should SCE determine that Producer’s operation of the Generating Facility is causing an unsafe condition or is adversely affecting SCE’s ability to utilize its Distribution System in any manner, even if Producer’s deliveries of electric power to SCE’s Distribution System are within the specified capacity limit, SCE may require Producer to temporarily or permanently reduce or cease deliveries of electric
power to SCE’s Distribution System. Alternatively, the Parties may agree to other corrective measures so as to mitigate the effect of electric power flowing from the Generating Facility to SCE’s Distribution System. Producer’s failure to comply with the terms of this Section shall constitute a material breach of this Agreement and SCE may initiate termination in accordance with the terms of Section 4.2.

5.5 Producer shall not deliver reactive power to SCE’s Distribution System unless the Parties have agreed otherwise in writing.

5.6 The Generating Facility shall be operated with all of Producer’s Protective Functions in service whenever the Generating Facility is operated in parallel with SCE’s Distribution System. Any deviation from these requirements may occur only when the Parties have agreed to such deviations in writing.

6. INTERCONNECTION FACILITIES

6.1 Producer and/or SCE, as appropriate, shall provide Interconnection Facilities that adequately protect SCE’s Distribution System, personnel, and other persons from damage or injury which may be caused by the operation of Producer’s Generating Facility.

6.2 Producer shall be solely responsible for the costs, design, purchase, construction, operation, and maintenance of the Interconnection Facilities that Producer owns.

6.3 If the provisions of SCE’s Rule 21, or any other tariff approved by the Commission, require SCE to own and operate a portion of the Interconnection Facilities, Producer and SCE shall promptly execute an agreement that establishes and allocates responsibility for the design, installation, operation, maintenance, and ownership of the Interconnection Facilities. This agreement shall be attached to and made a part of this Agreement as Appendix B.

7. LIMITATION OF LIABILITY

Each Party’s liability to the other Party for any loss, cost, claim, injury, liability, or expense, including reasonable attorney’s fees, relating to or arising from any act or omission in its performance of this agreement, shall be limited to the amount of direct damage actually incurred. In no event shall either Party be liable to the other Party for any indirect, special, consequential, or punitive damages of any kind whatsoever.

8. INSURANCE

8.1 In connection with Producer’s performance of its duties and obligations under this Agreement, Producer shall maintain, during the term of this Agreement, general liability insurance with a combined single limit of not less than:

(a) Two million dollars ($2,000,000) for each occurrence if the Gross Nameplate Rating of Producer’s Generating Facility is greater than one hundred (100) kW; or

(b) One million dollars ($1,000,000) for each occurrence if the Gross Nameplate Rating of Producer’s Generating Facility is greater than twenty (20) kW and less than or equal to one hundred (100) kW; or
(c) Five hundred thousand dollars ($500,000) for each occurrence if the Gross Nameplate Rating of Producer’s Generating Facility is twenty (20) kW or less; or

(d) Two hundred thousand dollars ($200,000) for each occurrence if the Gross Nameplate Rating of Producer’s Generating Facility is ten (10) kW or less and Producer’s Generating Facility is connected to an account receiving residential service from SCE.

Such general liability insurance shall include coverage for “Premises-Operations, Owners and Contractors Protective, Products/Completed Operations Hazard, Explosion, Collapse, Underground, Contractual Liability, and Broad Form Property Damage including Completed Operations.”

8.2 The general liability insurance required in Section 8.1 shall, by endorsement to the policy or policies, (a) include SCE as an additional insured; (b) contain a severability of interest clause or cross-liability clause; (c) provide that SCE shall not by reason of its inclusion as an additional insured incur liability to the insurance carrier for payment of premium for such insurance; and (d) provide for thirty (30) calendar days’ written notice to SCE prior to cancellation, termination, alteration, or material change of such insurance.

8.3 If Producer’s Generating Facility is connected to an account receiving residential service from SCE and the requirement of Section 8.2(a) prevents Producer from obtaining the insurance required in Section 8.1, then upon Producer’s written Notice to SCE in accordance with Section 9.1, the requirements of Section 8.2(a) shall be waived.

8.4 Evidence of the insurance required in Section 8.2 shall state that coverage provided is primary and is not in excess to or contributing with any insurance or self-insurance maintained by SCE.

8.5 Producer agrees to furnish the required certificates and endorsements to SCE prior to Initial Operation. SCE shall have the right to inspect or obtain a copy of the original policy or policies of insurance.

8.6 If Producer is self-insured with an established record of self-insurance, Producer may comply with the following in lieu of Sections 8.1 through 8.4:

(a) Producer shall provide to SCE, at least thirty (30) calendar days prior to the date of Initial Operation, evidence of an acceptable plan to self-insure to a level of coverage equivalent to that required under Section 8.1.

(b) If Producer ceases to self-insure to the level required hereunder, or if Producer is unable to provide continuing evidence of Producer’s ability to self-insure, Producer agrees to immediately obtain the coverage required under Section 8.1.
8.7 All insurance certificates, statements of self insurance, endorsements, cancellations, terminations, alterations, and material changes of such insurance shall be issued and submitted to the following:

Southern California Edison Company
Attention: Director, QF Resources
2244 Walnut Grove Avenue
P.O. Box 800
Rosemead, CA 91770

9. NOTICES

9.1 Any written notice, demand, or request required or authorized in connection with this Agreement ("Notice") shall be deemed properly given if delivered in person or sent by first class mail, postage prepaid, to the person specified below:

If to SCE: Southern California Edison Company
Attention: Director, QF Resources
2244 Walnut Grove Avenue
P.O. Box 800
Rosemead, CA 91779
Phone: (626) 302-1212
FAX: (626) 302-9622

If to Producer: Producer Name
Address: ______________________
City: ______________________
Phone: (   ) ________________
FAX: (   ) ________________

9.2 A Party may change its address for Notices at any time by providing the other Party Notice of the change in accordance with Section 9.1.

9.3 The Parties may also designate operating representatives to conduct the daily communications, which may be necessary or convenient for the administration of this Agreement. Such designations, including names, addresses, and phone numbers may be communicated or revised by one Party’s Notice to the other.

10. REVIEW OF RECORDS AND DATA

10.1 SCE shall have the right to review and obtain copies of Producer’s operations and maintenance records, logs, or other information such as, unit availability, maintenance outages, circuit breaker operation requiring manual reset, relay targets and unusual events pertaining to Producer’s Generating Facility or its Interconnection with SCE’s Distribution System.

10.2 Producer authorizes SCE to release to the California Energy Commission (CEC) and/or the California Public Utilities Commission (Commission) information regarding the Generating Facility, including the Producer’s name and location, and the size, location and operational characteristics of the Generating Facility, as requested from time to time pursuant to the CEC’s or Commission’s rules and regulations.
11. **ASSIGNMENT**

Producer shall not voluntarily assign its rights nor delegate its duties under this Agreement without SCE’s written consent. Any assignment or delegation Producer makes without SCE’s written consent shall not be valid. SCE shall not unreasonably withhold its consent to Producer’s assignment of this Agreement.

12. **NON-WAIVER**

None of the provisions of this Agreement shall be considered waived by a Party unless such waiver is given in writing. The failure of a Party to insist in any one or more instances upon strict performance of any of the provisions of this Agreement or to take advantage of any of its rights hereunder shall not be construed as a waiver of any such provisions or the relinquishment of any such rights for the future, but the same shall continue and remain in full force and effect.

13. **GOVERNING LAW, JURISDICTION OF COMMISSION, INCLUSION OF SCE’s TARIFF SCHEDULES, DEFINED TERMS**

13.1 This Agreement shall be interpreted, governed, and construed under the laws of the State of California as if executed and to be performed wholly within the State of California without giving effect to choice of law provisions that might apply to the law of a different jurisdiction.

13.2 This Agreement shall, at all times, be subject to changes or modifications by the Commission as it may from time to time direct in the exercise of its jurisdiction.

13.3 The interconnection and services provided under this Agreement shall at all times be subject to the terms and conditions set forth in the tariffs applicable to the electric service provided by SCE. Copies of such tariffs are available at SCE’s Internet site: www.sce.com or by request to SCE and are incorporated into this Agreement by this reference.

13.4 Notwithstanding any other provisions of this Agreement, SCE shall have the right to unilaterally file with the Commission, pursuant to the Commission’s rules and regulations, an application for change in tariffs, rates, charges, classification, service, or any agreement relating thereto.

13.5 When initially capitalized, whether in the singular or in the plural, the terms used herein shall have the meanings assigned to them either in this Agreement, or in SCE’s Rule 1, or Rule 21, Section H. If any term is defined in both Rule 1 and Rule 21, the definition in Rule 21 shall prevail.

14. **AMENDMENTS AND MODIFICATION**

This Agreement can only be amended or modified by a written agreement signed by both Parties. SCE shall determine in its sole discretion whether prior commission approval is required for such amendments or modifications.
15. ENTIRE AGREEMENT

This Agreement, including any incorporated tariffs and rules, contains the entire agreement and understanding between the Parties, their agents, and employees as to the subject matter of this Agreement. Each party also represents that in entering into this Agreement; it has not relied on any promise, inducement, representation, warranty, agreement or other statement not set forth in this Agreement, or in the incorporated tariffs and rules.

16. SIGNATURES

IN WITNESS WHEREOF, the Parties hereto have caused two originals of this Agreement to be executed by their duly authorized representatives. This Agreement is effective as of the last date set forth below.

<table>
<thead>
<tr>
<th>PRODUCER’S NAME</th>
<th>SOUTHERN CALIFORNIA EDISON COMPANY</th>
</tr>
</thead>
<tbody>
<tr>
<td>By:</td>
<td>By:</td>
</tr>
<tr>
<td>SAMPLE*</td>
<td></td>
</tr>
<tr>
<td>Name:</td>
<td>Name:</td>
</tr>
<tr>
<td>Title:</td>
<td>Title:</td>
</tr>
<tr>
<td>Date:</td>
<td>Date:</td>
</tr>
</tbody>
</table>

* This form is a sample only. Contact SCE for an Application to interconnect your Generating Facility.
APPENDIX A

DESCRIPTION OF GENERATING FACILITY
AND SINGLE-LINE DIAGRAM

(Provided by Producer)
APPENDIX B
(If Applicable)
INTERCONNECTION FACILITIES
FINANCING AND OWNERSHIP
AGREEMENT
(Provided by SCE)
APPENDIX C

SCHEDULE FC-NEM
FUEL CELL NET ENERGY METERING
APPENDIX D

PRODUCER’S WARRANTY THAT IT MEETS THE REQUIREMENTS FOR AN ELIGIBLE FUEL CELL CUSTOMER-GENERATOR AND THE GENERATING FACILITY IS AN ELIGIBLE FUEL CELL ELECTRICAL GENERATING FACILITY PURSUANT TO SECTION 2827.10 OF THE CALIFORNIA PUBLIC UTILITIES CODE

Producer has declared that it meets the requirements for an Eligible Fuel Cell customer-generator and the Generating Facility meets the requirements of an “Eligible Fuel Cell Electrical Generating Facility”, as defined section 2827.10 of the California Public Utilities Code. (“Eligibility Requirements”)

Producer warrants that, beginning on the date of Initial Operation and continuing throughout the term of this Agreement, Producer and the Generating Facility shall continue to meet the Eligibility Requirements. If Producer or the Generating Facility ceases to meet the Eligibility Requirements, Producer shall promptly provide SCE with Notice of such change pursuant to Section 9.1 of this Agreement. If at any time during the term of this Agreement SCE determines, in its sole discretion, that Producer or Generating Facility may no longer meet the Eligibility Requirements, SCE may require Producer to provide evidence, that Producer and/or Generating Facility continues to meet the Eligibility Requirements, within 15 business days of SCE’s request for such evidence. Additionally, SCE may periodically (typically, once per year) inspect Producer’s Generating Facility and/or require documentation from Producer to monitor the Generating Facility’s compliance with the Eligibility Requirements. If SCE determines in its sole judgment that Producer either failed to provide evidence in a timely manner or that it provided insufficient evidence that its Generating Facility continues to meet the Eligibility Requirements, then the Eligibility Status shall be deemed ineffective until such time as Producer again demonstrates to SCE’s reasonable satisfaction that Producer meets the requirements for an Eligible Fuel Cell customer–generator and/or the Generating Facility meets the requirements for a Eligible Fuel Cell electrical generating facility (the “Eligibility Status Change”).

SCE shall revise its records and the administration of this Agreement to reflect the Eligibility Status Change and provide Notice to Producer of the Eligibility Status Change pursuant to Section 9.1 of this Agreement. Such Notice shall specify the effective date of the Eligibility Status Change. This date shall be the first day of the calendar year for which SCE determines in its sole discretion that the Producer and/or Generating Facility first ceased to meet the Eligibility Requirements. SCE shall invoice the Producer for any tariff charges that were not previously billed during the period between the effective date of the Eligibility Status Change and the date of the Notice in reliance upon Producer’s representations that Producer and/or Generating Facility complied with the Eligibility Requirements and therefore was eligible for the rate treatment available under the Net Energy Metering provisions of SCE’s Schedule FC-NEM, Fuel Cell Net Energy Metering.

Any amounts to be paid or refunded by Producer, as may be invoiced by SCE pursuant to the terms of this warranty, shall be paid to SCE within 30 days of Producer’s receipt of such invoice.
TABLE OF CONTENTS

TITLE PAGE ..................................................................................................................................11431-E
TABLE OF CONTENTS - RATE SCHEDULES ..... 39632-39483-39590-39591-39592-39593-39633-E (T)
TABLE OF CONTENTS - LIST OF CONTRACTS AND DEVIATIONS ...........................................39633-E (T)
TABLE OF CONTENTS - RULES ................................................................................................38662-E
TABLE OF CONTENTS - BASELINE REGIONS ........................................................................38663-E
TABLE OF CONTENTS - SAMPLE FORMS ...........................................................................38664-39634-37804-38796-35196-36853-E (T)

PRELIMINARY STATEMENT:
A. Territory Served ...............................................................................................................22909-E
B. Description of Service ......................................................................................................22909-E
C. Procedure to Obtain Service ...........................................................................................22909-E
D. Establishment of Credit and Deposits .............................................................................22909-E
E. General............................................................................................................................22909-27629-27630-38292-E
F. Symbols ............................................................................................................................27630-E
G. Gross Revenue Sharing Mechanism ..............................................................................26584-26585-26586-26587-27195-27196-27197-E
.................................................................................................................................27198-27199-27200-27201-E
H. Baseline Service ..........................................................................................................11457-31455-11880-11881-31679-E
I. NOT IN USE....................................................................................................................E
J. Employee-Related Balancing Account.........................................................................36295-E
K. Nuclear Decommissioning Adjustment Mechanism ....................................................36582-36583-E
L. Performance-Based Ratemaking Exclusions Distribution Adjustment Mechanism ....36584-36585-36297-E
M. Income Tax Component of Contributions ................................................................34071-27632-E
N. Memorandum Accounts..................................................................................21344-39605-39144-39473-37770-31526-36784-36506-34416-E
  26596-36797-21960-34441-34442-22546-27658-23703-29774-29775-29776-29777-E
  27663-36599-36597-30057-30058-30059-30060-26484-26485-23212-28280-24197-29470-E
  .................................................................................................................................36595-32988-39474-36596-39475-31665-31936-32936-33531-37830-E
P. Optional Pricing Adjustment Clause (OPAC)..................................................27670-27671-27672-27673-27674-E

(Continued)
### TABLE OF CONTENTS

**RATE SCHEDULES (Continued)**

<table>
<thead>
<tr>
<th>Schedule No.</th>
<th>Title of Sheet</th>
<th>Cal. P.U.C. Sheet No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>20/20</td>
<td>SCE Rebate Program</td>
<td>37785-37786-E</td>
</tr>
<tr>
<td>BG-NEM</td>
<td>Biogas Net Energy Metering</td>
<td>39619-39620-39621-39622-E</td>
</tr>
<tr>
<td>BSC-IMO</td>
<td>Bundled Service Customer-Interval Meter Ownership</td>
<td>25699-25700-25701-E</td>
</tr>
<tr>
<td>CCA-CRS-INTERIM</td>
<td>Community Choice Aggregation Cost Responsibility Surcharge Interim</td>
<td>39575-38132-E</td>
</tr>
<tr>
<td>CC-DSF</td>
<td>Customer Choice - Discretionary Service Fees</td>
<td>26202-25172-26204-26205-E</td>
</tr>
<tr>
<td>CGDL-CRS</td>
<td>Customer Generation Departing Load - Cost Responsibility Surcharge</td>
<td>39002-E</td>
</tr>
<tr>
<td>DA-CRS</td>
<td>Direct Access - Cost Responsibility Surcharge</td>
<td>37288-39576-36735-36736-E</td>
</tr>
<tr>
<td>DA-RCSC</td>
<td>Direct Access Revenue Cycle Services Credits</td>
<td>38625-38626-38627-38628-E</td>
</tr>
<tr>
<td>DA-SF</td>
<td>Direct Access Service Fee</td>
<td>38629-38630-38631-E</td>
</tr>
<tr>
<td>DBP</td>
<td>Demand Bidding Program</td>
<td>37787-37788-37789-37790-37791-38632-37793-E</td>
</tr>
<tr>
<td>DL-NBC</td>
<td>Departing Load - Nonbypassable Charges</td>
<td>37794-37795-37796-E</td>
</tr>
<tr>
<td>ESP-DSF</td>
<td>Energy Service Provider - Discretionary Service Fees</td>
<td>26215-26216-26217-E</td>
</tr>
<tr>
<td>ESP-NDSF</td>
<td>Energy Service Provider - Non Discretionary Service Fees</td>
<td>39019-26219-26220-32533-39020-26223-26224-26225-26226-E</td>
</tr>
<tr>
<td>FC-NEM</td>
<td>Fuel Cell Net Energy Metering</td>
<td>39623-39624-39625-E</td>
</tr>
<tr>
<td>GSN</td>
<td>EnvestSCE Equipment Service</td>
<td>17880-17881-17882-17883-E</td>
</tr>
<tr>
<td>OBMC</td>
<td>Optional Binding Mandatory Curtailment</td>
<td>38635-29799-34393-33926-E</td>
</tr>
<tr>
<td>PC-TBS</td>
<td>Procurement Charge Transitional Bundled Service</td>
<td>37128-36230-34096-34097-E</td>
</tr>
<tr>
<td>PVS</td>
<td>Experimental Photovoltaic Service</td>
<td>19770-19771-E</td>
</tr>
<tr>
<td>PVS-2</td>
<td>On-Grid Photovoltaic Service</td>
<td>19518-19519-E</td>
</tr>
<tr>
<td>RF-E</td>
<td>Surcharge to Fund Public Utilities Commission Reimbursement Fee</td>
<td>39533-E</td>
</tr>
<tr>
<td>RRB</td>
<td>Rate Reduction Bonds - Bill Credit and FTAC</td>
<td>36337-36338-E</td>
</tr>
<tr>
<td>S</td>
<td>Standby</td>
<td>38639-39577-39576-39577-E</td>
</tr>
<tr>
<td>SE</td>
<td>Service Establishment Charge</td>
<td>39580-39581-39582-39583-39584-39585-39586-39587-E</td>
</tr>
<tr>
<td>UCLT</td>
<td>Utility-Controlled Load Tests</td>
<td>11737-E</td>
</tr>
<tr>
<td>VPRC</td>
<td>Voluntary Power Reduction Credit</td>
<td>26738-26739-26740-26741-26742-E</td>
</tr>
<tr>
<td>WTR</td>
<td>Wireless Technology Rate</td>
<td>39588-36767-36768-36773-E</td>
</tr>
</tbody>
</table>

**LIST OF CONTRACTS AND DEVIATIONS**

<table>
<thead>
<tr>
<th>LIST OF CONTRACTS AND DEVIATIONS</th>
<th>31106-31079-36202-35452-28418-36203-24944-E</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>17894-17895-17896-17897-27171-18103-33545-36572-26971-E</td>
</tr>
</tbody>
</table>

---

(To be inserted by utility)  
Issued by: John R. Fielder  
Date Filed: Dec 21, 2005  
Effective: Jan 1, 2006  
Resolution:
TABLE OF CONTENTS

(Continued)

SAMPLE FORMS
(Continued)

<table>
<thead>
<tr>
<th>Form No.</th>
<th>Applications and Agreements for Service</th>
<th>Cal. P.U.C. Sheet No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>14-739</td>
<td>Scheduled Load Reduction Program Agreement Between Customer and Southern California Edison Company</td>
<td>31485-E</td>
</tr>
<tr>
<td>14-740</td>
<td>Optional Binding Mandatory Curtailment Agreement</td>
<td>29806-E</td>
</tr>
<tr>
<td>14-741</td>
<td>Demand Bidding Program</td>
<td>36541-E</td>
</tr>
<tr>
<td>14-742</td>
<td>Generating Facility Interconnection Agreement (3rd Party Non-Exporting)</td>
<td>31121-E</td>
</tr>
<tr>
<td>14-743</td>
<td>Generating Facility Interconnection Agreement (3rd Party Inadvertent-Exporting)</td>
<td>31122-E</td>
</tr>
<tr>
<td>14-744</td>
<td>Customer Generation Agreement</td>
<td>31123-E</td>
</tr>
<tr>
<td>14-745</td>
<td>Generating Facility Interconnection Agreement (Inadvertent-Export)</td>
<td>31124-E</td>
</tr>
<tr>
<td>14-746</td>
<td>Medical Baseline Allowance Application</td>
<td>31680-E</td>
</tr>
<tr>
<td>14-747SC</td>
<td>Medical Baseline Allowance Self Certification</td>
<td>31681-E</td>
</tr>
<tr>
<td>14-748</td>
<td>SCE Bill Manager®, Service Agreement</td>
<td>39022-E</td>
</tr>
<tr>
<td>14-749</td>
<td>Customer Physical Assurance Agreement</td>
<td>38654-E</td>
</tr>
<tr>
<td>14-750</td>
<td>Biogas Digester Electrical Generating Facility Net Energy Metering and Interconnection Agreement</td>
<td>39630-E</td>
</tr>
<tr>
<td>14-752</td>
<td>Technical Assistance Incentive Application</td>
<td>35208-E</td>
</tr>
<tr>
<td>14-756</td>
<td>Direct Access Customer Relocation/Replacement Declaration</td>
<td>36269-E</td>
</tr>
<tr>
<td>14-757</td>
<td>Economic Development Rate-Attraction Agreement</td>
<td>39121-E</td>
</tr>
<tr>
<td>14-759</td>
<td>Economic Development Rate-Expansion Agreement</td>
<td>39122-E</td>
</tr>
<tr>
<td>14-760</td>
<td>Economic Development Rate-Retention Agreement</td>
<td>39123-E</td>
</tr>
<tr>
<td>14-772</td>
<td>Affidavit For Economic Development Rates</td>
<td>39116-E</td>
</tr>
<tr>
<td>14-782</td>
<td>California Alternate Rates for Energy (FERA) Program (Single Family Dwelling with SCE Meter)</td>
<td>39368-E</td>
</tr>
<tr>
<td>14-782-1</td>
<td>Recertification CARE/FERA</td>
<td>39369-E</td>
</tr>
<tr>
<td>14-783</td>
<td>California Alternate Rates for Energy (FERA)/Family Electric Rate Assistance</td>
<td>39370-E</td>
</tr>
<tr>
<td>16-323</td>
<td>Service Adjustment Agreement (Military Base Closures)</td>
<td>18753-E</td>
</tr>
<tr>
<td>16-324</td>
<td>Agricultural and Pumping Real Time Pricing, Schedule PA-RTP, Participation Agreement, Form 16-324</td>
<td>26140-E</td>
</tr>
<tr>
<td>16-325</td>
<td>Real Time Pricing Interruptible, Schedule RTP-2-I, Participation Agreement</td>
<td>26141-E</td>
</tr>
<tr>
<td>16-326</td>
<td>Schedule TOU-PA-6, Agricultural Water Pumping, Large, Alternative Power Source</td>
<td>19421-E</td>
</tr>
<tr>
<td>16-335</td>
<td>Experimental Interruptible Load Aggregation Option Agreement</td>
<td>20407-E</td>
</tr>
<tr>
<td>16-339</td>
<td>Schedule TOU-PA-7, Agricultural Water Pumping - Large, Alternate Power Source</td>
<td>27762-E</td>
</tr>
<tr>
<td>16-340</td>
<td>Interconnection Agreement for Residential Photovoltaic Solar-Electric Generating Facilities of 10 Kilowatts or Less</td>
<td>21726-E</td>
</tr>
<tr>
<td>16-342</td>
<td>Power Purchase Agreement for Residential Photovoltaic Solar-Electric Generating Facilities of 10 Kilowatts or Less</td>
<td>21727-E</td>
</tr>
</tbody>
</table>

(Continued)
March 16, 2006

California Public Utilities Commission
505 Van Ness Avenue, Room 4005
San Francisco, CA 94102

Attn: Jerry Royer
Energy Division

Re: Substitute Sheets for Advice 1945-E

Dear Mr. Royer:

Enclosed are an original and four copies of Attachment A, Table of Contents Sheet No. 39633-E*. This Substitute Sheet is necessary due to Advice Letters becoming effective out of order and Sheet Nos. 39626-E, 39627-E, 39628-E, and 39629-E were inadvertently included in the filing and are now being withdrawn. These changes ensure that all approved revisions are contained in the affected tariff sheets.

Please include the enclosed sheets in your master Advice 1945-E file. If you have any questions, please contact Ruby Diaz at (626) 302-2010.

Sincerely,

Enclosures
1945-ESub.doc
Internal copies:

1945-E File Chrono (Pastehl Kaballah)
Ruby Diaz
Lisa Vellanoweth
Craig Keen
Dara Morgan
Susan Quon
Melinda Martinez
Jim Yee
George Couts