



Electric

Tariff Schedules

Applicable to

Island Energy



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I. GENERAL INFORMATION

1. Territory Served. Island Energy (“the utility”) supplies all electric service in the entire area referred to as Mare Island, in the City of Vallejo, CA.

2. Measurement. Measurements will be made by use of a standard electric meter furnished by the utility unless otherwise specified on the rate schedule.

3. Confidentiality of Customer Information. The utility will maintain the confidentiality of all customer information, including identification information and all data associated with gas, electric and other service consumption. Customers may request such information for their own use in writing from the utility, and such data will be provided in a timely manner.

II. ELECTRIC RULES

1. DEFINITIONS

Applicant: A person or entity requesting the utility to supply electric service, relocate electric facilities, or upgrade electric facilities.

Billing Period: A period of time, during which utility services are measured and for which such services are invoiced to Customers. The billing period will generally be between 27 and 33 calendar days.

Cabling: Conductors, connectors, switches, and auxiliary equipment, as required by the utility for construction of distribution facilities, connection to the utility, relocation of facilities, or upgrade of electric facilities.

Conduit: Ducts, pipes or tubes of certain metals, plastics and other materials acceptable to the utility, for the installation and protection of electric wires or cables. This shall include concrete encasements unless otherwise specified by the utility's standards.

Customer: The person or entity in whose name service is rendered as evidenced by the signature on the application, contract, or agreement for that service, or, in the absence of a signed instrument, by the utility's receipt of payment of bills regularly issued in that person's name.

Customer Service Point: The point of connection where the facilities of the utility and the wiring of the Customer's premises meet and are connected.

Developer: A company (or individual) which develops land or changes and enhances the use of a parcel of land or an existing building for some new purpose within the service area of utility.

Electronic Transfer: Paper-less exchange of data and/or funds, usually involving computer and telecommunications technology.

Eligible Customer Generator: A residential or commercial Customer who is not a Developer and who has made all necessary applications, obtained all necessary permits and has completed construction of a solar energy system of less than 1 megawatt that is located on the Customer's owned, leased, or rented premises in accordance with all applicable regulations and this tariff and has entered into an Electrical Interconnection Agreement for Electric Net Metering Service under Section 24, Solar Incentive Program.

Eligible Expenses: Eligible Expenses are defined as all direct expenses incurred in the installation of new commercial electrical distribution systems, including transformers, switches and electric cabling, but not the relocation or rearrangement of the existing electrical system, pursuant to a Working Contract. Eligible Expenses do not include expenses incurred under the Working Contract

for excavation, conduits, substructures and protective structures. Applicant shall remain responsible for the cost of all relocation, rearrangement and removal work, unless the work qualifies for reimbursement under Section 22.

Inevitable Accident: An occurrence causing an interruption in service which is outside of the control of the utility and which the utility could not have prevented by the utility's reasonable diligence in its operation of the subject facilities. Occurrences caused by the age of the utility systems shall not be deemed preventable.

Mailed: Any notice or other communication will be considered "mailed" when it is sent by Electronic Transfer or enclosed in a sealed envelope, properly addressed, and deposited in any United States Post Office box, postage prepaid.

Maximum Demand: The maximum demand shall be the average kilowatt input during the fifteen-minute interval in which the consumption of electric energy is greater than during any other fifteen-minute interval in the billing period as indicated or recorded by instruments installed, owned and maintained by the utility. In the case of hoists, elevators, furnaces, or other loads where the energy demand is, in the utility's opinion, intermittent or subject to violent fluctuations, the utility may base the maximum demand on a 60 second, or 5 minute, interval instead of a fifteen minute interval. If the maximum demand has not been measured by utility, it may be determined by test, or estimated, at the option of the utility.

Mixed Use Residential/Commercial Development: Any development which incorporates both residential and commercial uses i.e. first floor retail or educational and second or third floor residential.

New Permanent Load: A New Permanent Load is a new load resulting from and/or benefited by the improvement or expansion of the existing electrical system pursuant to a Working Contract.

Paid or Payment: Funds received by the utility through postal service, the utility payment office, the utility authorized agent, or deposited in the utility bank account by electronic transfer.

Premises: All of the real property and apparatus employed in a single enterprise on an integral parcel of land undivided, excepting in the case of industrial, agricultural, oil field, resort enterprises and public or quasi-public institutions, by a dedicated or undedicated street, highway or other public thoroughfare or a railway. Automobile parking lots constituting a part of and adjacent to a single enterprise may be separated by an alley from the remainder of the premises served. In the case of a premises on which a master meter is installed, premises shall refer to all of those residences, dwelling units, mobile home spaces, stores, offices or other places of business for which the consumption of electricity is measured and assessed by the master meter.

Primary: Electric service that is taken at or above 2 kilovolts, but below 25 kilovolts provided that the service is taken from regularly available service voltages. The utility retains the right to change the voltage level that is to be considered to be regularly available upon reasonable notice to the Customer.

Protective Structures: Are curbs, fences, retaining walls, grading, sound barriers, posts, barricades and other structures as required by the utility to protect its facilities or equipment.

Ready Access to Premises: Access to the utility's facilities made available by the Customer or Applicant in a manner that is safe and unobstructed to the utility personnel and vehicles. The utility personnel will not come in contact with unrestrained animals while accessing utility equipment. The utility will have unobstructed ability to reach all utility equipment

Secondary: Electric service that is taken below 2,000 volts and service that does not qualify as primary.

Substructures: The surface and subsurface structures necessary to contain or support the utility's electric facilities. These include, but are not limited to such items as splice boxes, pull boxes, equipment vaults and enclosures, foundations or pads for surface mounted equipment.

Temporary Service: Service for enterprises or activities which are temporary in character or where it is known in advance that service will be of a limited duration. Service which, in the opinion of the utility, is for operations of a speculative character or the permanency of which has not been established, also is considered temporary service.

Vessel: A means of transportation on water used for recreational, navigational or commercial purposes.

Working Contract: The Working Contract shall be that contractual agreement entered into by and between the utility and an Applicant for performing electrical transmission or distribution system work under these Tariffs.

2. DESCRIPTION OF SERVICE

A. General

The character of service available at any particular location should be ascertained by inquiry at the utility's office. The utility's rate schedules are applicable for service where the Customer purchases its entire electrical requirements from the utility, except when such rate schedules specifically provide otherwise. Alternating current service of approximately 60-cycle frequency will be supplied. Voltages referred to in the tariff schedules are nominal voltages.

B. Phase and Voltage Specifications

1. Standard Voltages

Standard voltages of the utility are as follows:

a. Distribution Voltages

Distribution voltages are 120, 120/208, 120/240, 240, 480, 277/480, 2400, 4160, 6930 and 12,000 volts, where available and applicable.

b. Transmission Voltages

Voltages of 230,000 volts and above are transmission voltages. For its operating convenience, the utility may elect to supply a Customer from lines of transmission voltage.

c. Customer Utilization Voltages.

All Customer-owned utilization equipment must be designed and rated in accordance with the following utilization voltages specified by the American National Standard C84.1 if Customer equipment is to give satisfactory performance:

Normal Utilization Voltage	Minimum Utilization Voltage	Maximum Utilization Voltage
120	110	125
208	191	216
240	220	250
277	254	289
480	440	500

The differences between the service and utilization voltages are for voltage drop in Customer wiring and utility operations.

2. Single-phase Service

- a. For 120-volt services the maximum connected load allowed is one 15 amp plus one 20 amp branch circuit. The maximum motor allowed is a 1-1/2 hp motor.
- b. For 120/208 volt services the maximum connected load is a 400 amp main switch. Where the utility maintains 4-wire connected service, the single-phase service shall be limited to a 100 amp main switch.
- c. For 120/240 volt services the maximum connected load is a 400 amp main switch. The maximum motor load allowed is a 10-hp motor.
- d. For 480 volt services the minimum connected load is 15 kVA and the maximum connected load shall be a 400 amp main switch unless prior utility approval is obtained.
- e. For 2400 volt services, and above, the minimum connected load and the maximum connected load will vary by location and will be subject to utility approval.

3. Three-phase Service

- a. The minimum connected load requirement for 3-phase service is dependent on the nature and availability of the utility's facilities at any specific location.

Volts	Maximum Demand Allowed	Maximum Main Switch Capacity Allowed
208	1,000 kVA	4,000 amperes
240	1,000 kVA	4,000 amperes
480	3,000 kVA	4,000 amperes
> 480	varies by location	varies by location

- b. Loads on 3-phase service must be balanced between phases in accordance with good engineering practice, as determined by the utility. In no cases will the load on any one phase exceed twice that on any other phase.
- c. Loads in excess of the above stated loads may be served at the utility's discretion. Check with the utility for specifications required.
- d. Utility Authority to Modify Specifications
The utility may modify the voltage and phase specification due to service conditions at the location involved.
- e. Utility Authority to Limit Motor Size
The utility may limit the size, and other characteristics, of the largest motor that may be operated in any part of its system.

C. Motor Protection and Equipment

Customer's motor equipment must conform to the following requirements:

1. Motors and related equipment shall be equipped by the Customer to avoid any damage due to power outages and restorations of service, power surges, or high or low voltage fluctuations.
2. Motors shall be equipped with protective equipment needed to protect against damage due to overheating.

3. Three-phase motors shall be equipped to protect against damage due to reverse-phase and open-phase conditions.

D. Allowable Motor Starting Currents

1. The starting current drawn from the utility's lines shall be considered the nameplate locked rotor current, or that guaranteed by the manufacturer. At its option, the utility may determine the starting current by test, using a stop ammeter with not more than 15% over swing; or an oscillograph disregarding the value shown for the first 10 cycles subsequent to energizing the motor.
2. The maximum connected load by service voltage in the above sections shall include, in the case of motor load, the starting current drawn from the utility in addition to all other load.
3. At the utility's sole discretion, the Customer may be required, at the Customer's expense, to install reduced voltage starting or other suitable means that limit the starting current to any motor.

E. Interference with Service

1. Customers who operate equipment that causes detrimental voltage fluctuations (including, but not limited to hoists, welders, radio transmitters, X-ray apparatus, elevator motors, compressors, and furnaces) must reasonably limit such fluctuations upon request by the utility or discontinue service at the request of the utility. The Customer will be required to provide corrective measures necessary to limit voltage fluctuations at its expense. Any damage resulting from voltage fluctuations shall be the responsibility of the Customer causing such fluctuations.
2. Arc furnace service installations are subject to the utility's approval.
3. Any Customer who superimposes a current of any frequency upon any part of that Customer's electrical system, other than the current supplied by the utility, shall at that Customer's expense, prevent the transmission of such current beyond the Customer's electrical system.
4. Customers shall at all times comply with good engineering practices (such as the requirements of the Institute of Electrical and Electronics Engineer's (IEEE) Recommended Practice 519) in order to minimize any detrimental voltage disruption.

F. Welder Service

Where electric welders are served the utility may bill the Customer for any applicable demand charges based on the a 60 second, 5 minute, or 15 minute integrated demand basis in lieu of the normal demand billing period.

G. Power Factor

The utility may require the Customer to provide, at the Customer's expense, equipment to increase the operating power factor at the utility's service connection point to the Customer to not less than 90%, lagging or leading.

The utility, at its sole discretion, shall be authorized to install kVAR metering along with kW metering where the Customer is, in the utility's opinion, of sufficient size and may have a power factor such that billing in this manner is appropriate.

H. Wave Form

The utility may require that the waveform of current drawn by Customer equipment of any kind be in conformity with good engineering practices (such as the requirements of the Institute of Electrical and Electronics Engineer's (IEEE) Recommended Practice 519).

I. Liability

Customer shall be and remain liable for any and all damages caused to the utility facilities or third parties as a result of Customer's failure to comply with the requirements of these tariffs or the proper use of Customer's equipment.

3. APPLICATION FOR SERVICE

A. Application

1. An application for service is required. Each Applicant for service may be required to sign an application form provided by the utility. The application forms may vary depending upon the type of service requested by the Applicant. Applicants desiring special rates and/or services may be required to complete additional forms and/or contracts in accordance with the utility's applicable tariffs.
2. The application is a request for service and it does not bind the utility to serve except under its tariffs and under reasonable conditions. The application does not bind the Applicant to take service for a longer period than the minimum requirement of the utility's tariffs. The service tariffs constitute the terms and conditions of the agreement between the utility and the Customer for service rendered, unless otherwise agreed to in writing.
3. Pursuant to the tariffs, the utility may at its sole discretion assess the Applicant's ability to pay its electricity charges. Such assessment may include a credit check initiated by the utility at the Applicant's expense, contact of commercial references, or other measures, as discussed and agreed between the utility and Applicant.

B. Information Required on Application

In addition to the information the utility may require from Applicants in order to establish credit, all Applicants shall provide such other information as the utility may reasonably require for service. This information includes, but is not limited to, the legal name of the Applicant(s), the name of the Applicant's spouse or other adults residing at the premises, the service address, billing address, date service is wanted, whether electric service has previously been supplied to the premises, whether Applicant is the owner, agent or tenant of the premises, and the rate schedule desired (if optional schedules are available). In addition, the Applicant may be required to provide information necessary to the design, installation, maintenance and operation of the utility's facilities, including the proposed end use(s), the connected load, the number of residential dwelling units/spaces, the size or character of the appliance or apparatus to be installed, and other information required under the utility's applicable tariffs. The application may also request credit information and authorization to run a credit check. Commercial and industrial accounts may be required to provide commercial references in support of their establishment of credit.

C. Changes in Load or Operation

It is the Customer's responsibility to notify the utility in writing within 15 days if the Customer makes any change in the connected load, in the number of residential dwelling units/spaces, or in the size or character of its appliances or apparatus. Such change(s) may require a new application for service and/or a change in the utility's service facilities and may result in the Customer being transferred to a different tariff schedule and payment obligations for service upgrades.

D. Joint and Several Liability for Service/Beneficial Use

Where two or more Applicants join in one application or contract for utility service, they shall be jointly and severally liable under the terms of the application/contract and shall be billed by means of a single periodic bill mailed to the Customer designated to receive the bill.

Whether or not the utility obtained a joint application or contract for residential service, where there is evidence that an adult(s) other than the Applicant resided at the premises and benefited from utility service, the other adult(s) and the Applicant shall be jointly and severally liable for service rendered while such other adults resided at the premises.

E. False or Inaccurate Information

The utility may refuse to provide service or may discontinue or disconnect service and/or may re-bill the account when:

1. Information provided to the utility on the application is false, incomplete, or inaccurate; or
2. The Applicant has applied for service under a fictitious name or under the name of another to avoid payment of any utility bill; or, that the Applicant has requested service in his/her legal name to assist another in avoiding payment of any utility bill; or;
3. The Applicant and/or other adults residing with the Applicant have received the benefit of service without paying for it and are attempting to change the name on the account to avoid payment of any utility bill.

In the event of a re-bill, the utility shall provide the Customer with the reason for such a re-bill.

4. CONTRACTS

Whether or not these tariffs require a written contract, the utility may require, in its sole discretion, a Customer to enter into a written contract as a condition to providing service. Contracts will be required when service is delivered under different rates, terms and conditions than set forth within the tariffs, in which event the Customer and the utility shall acknowledge that the contract is in lieu of normal service.

5. SPECIAL INFORMATION AVAILABLE FOR CUSTOMERS

A. Tariffs Available

A copy of the Gas and Electric Tariffs are available at utility's office at 440 Walnut Avenue on Mare Island during normal work hours and can be viewed online at www.islandenergy.com.

B. Standards Available

The utility maintains approved standards for all materials, design, construction, and services. These standards are available at the utility's office during normal working hours.

6. ESTABLISHMENT AND RE-ESTABLISHMENT OF CREDIT

Each Applicant for metered service is required to establish their credit to the satisfaction of the utility before service will be rendered.

A. Establishment of Credit

The Applicant's credit will be deemed established:

1. If Applicant is the owner of record of and occupier in fact of the premises upon which the utility is requested to furnish service.

2. If the Applicant makes a cash deposit with the utility to secure the payment of any bills for service to be furnished by the utility under the application as provided in Section 7.
3. If the Applicant furnishes a guarantor or bond satisfactory to the utility for the payment to the utility of bills of Applicant for the service to be furnished by the utility under the application.
4. If the Applicant has previously been a Customer of the utility and has paid all bills for service for a period of 12 consecutive months immediately prior to the date when the Applicant for service previously ceased to take service from the utility, provided such service occurred within two years from date of the new application for service.

B. Re-establishment of Credit

1. An Applicant who has been an electric Customer of the utility and whose service has been discontinued for failure to pay their electric bills within the last 12 months of service may be required to re-establish their credit by making the regular cash deposit.
2. A Customer who fails to pay bills as provided in Section 9 may be required to pay said bills and re-establish credit by depositing, in cash, the amount provided for in Section 7.A.2. The requirement for the re-establishment of credit will apply regardless of whether or not service has been discontinued for such non-payment.
3. Where the financial condition of a Customer has changed so that the Customer represents a potential credit risk; or where the utility has received information that a Customer has left another utility's service territory with a bill that was unpaid 90 days or more after the billing date, the Customer may be required, as a condition of continued service, to re-establish credit pursuant to Section 7.A.2.

7. DEPOSITS

A. Amount of Deposit

1. Establishment of Credit

The amount of deposit required to establish credit may be established by the utility pursuant to an assessment of the Applicant's credit worthiness. For commercial accounts covering gas and/or electric service, a deposit is required, the amount of which shall normally be twice the Customer's maximum monthly bill, but may be as high as three times the Customer's monthly maximum bill, as estimated by the utility for a business of similar size and character. For residential accounts covering gas and/or electric service, a flat rate of \$200 deposit will apply. The utility will have sole discretion in determining the deposit amount, provided that the utility will not exercise undue economic hardship on Applicants.

2. Re-establishment of Credit

The amount of deposit required to re-establish credit shall normally be twice the maximum monthly bill, but may be as high as three times the Customer's maximum monthly bill, as determined by the utility and in conformance to the rules stated in Section 7.A.1. In addition, the Customer will be required to pay all amounts in arrears, all late payment fees, and a re-connection fee of \$15.00 if service has been disconnected. If service has been disconnected by any action other than the removal of a meter the reconnection fee shall be \$250.00 instead of \$15.00. These fees shall be doubled if reconnection is requested by the Customer during times outside of normal work hours.

B. Return of Deposit

The Customer's deposit will be applied to the Customer's bill during the first billing period after one (1) full year has elapsed, provided that the Customer has paid all utility bills on time and in full for the prior twelve months. The utility may retain the deposit longer than one (1) year if a Customer

demonstrates late payment practices. If the service is discontinued by request of the Customer while a deposit is held, then the balance of any deposit remaining after the closing bill for service has been settled will be returned to the Customer by draft. Any overdue bill may be deducted from the deposit and the service may be discontinued until the deposit is restored to the original amount. No interest will be earned on deposit.

8. NOTICES

A. Notices to Customers

1. Generally

When notices from the utility to a Customer are required, they will be given in writing, either mailed, as defined in Section II, 1, to the Customer's mailing address, or delivered to Customer's service address, except that in emergencies the utility may give verbal notices in person or by telephone.

2. Notice of Discontinuance of Service

a. Monthly bills for service are due and payable upon presentation and will be considered late if payment is not received by the utility within twenty (20) days after the postmark date. A fifteen (15) day notice of discontinuance of service for nonpayment of a delinquent account will be mailed at least fifteen (15) calendar days prior to termination of service, setting forth the date set for termination.

b. When no payment has been received by the utility within fourteen days after the 15-day notice set forth in subsection a. above was mailed, a written twenty-four (24) hour service termination notice shall be posted in a conspicuous place at the premises at least twenty-four (24) hours prior to termination of service.

c. The Utility reserves the right to report any delinquency of payment to any appropriate credit reporting agencies and potential new utility providers.

B. Third Party Notification

For residential Customers who are 65 years of age or older, or who are "dependant adults" as defined in section 15610.23 of the Welfare and Institutions Code (generally one who has physical or mental limitations that restrict his or her ability to carry out normal activities or to protect his or her rights), a third party notification service, whereby the utility will attempt to notify a person designated by the Customer to receive notification when the Customers account is past due and subject to termination. The consent of the third party shall be required and the third party shall not incur any liability for the account by virtue of the fact he or she consents to receive such third party notification.

C. Notices from Customers

Notices from a Customer to the utility may be given by written communication mailed to the utility's office, or physically delivered by the Customer, or the Customer's agent, at the utility's office, except when written notice is specifically required within these tariff's or in any written agreement.

Any Customer may initiate a complaint or request an investigation concerning service or charges by delivering a written complaint or request setting forth all of the facts necessary for utility to understand the nature of the complaint or request, including copies of any statements in issue.

9. RENDERING AND PAYMENT OF BILLS

A. Rendering of Bills

1. Bills for service will be rendered either once a month, or as otherwise required for opening and closing bills, or as provided under applicable tariff. When a monthly billing period is less than 27 days or more than 33 days the bill will be prorated.
2. Meters for Customers who receive metered service will be read as nearly as practical at regular intervals.
3. For billing purposes, each meter upon the Customer's premises will be considered separately and readings of two or more meters will not be combined except as follows:
 - a. Where combinations of meter readings are specifically provided for in rate schedules;
 - b. Where the maintenance of adequate service and/or where the utility's operating convenience require the installation of two or more meters upon the Customer's premises; or,
 - c. Customers are paying all of the cost of the wires between the meters.

B. Basis of Usage Used in Billings

1. All Customers who receive metered service will be billed on a regular basis. When meters are read at regular intervals, each bill will be based on meter registrations, except as provided for herein. Estimated consumption may be used as the basis for billings, except for the month ending with the actual meter read. The actual meter registrations shall be used, less the estimated consumption used to calculate the previously estimated bills.
2. If the utility is unable to read the Customer's meter on the scheduled reading date, the utility may bill the Customer for estimated consumption during the billing period, and make any necessary corrections when a reading is obtained. Estimated consumption for this purpose will be calculated considering the Customer's prior usage, the utility's experience with other Customers of the same class in that area, and the general characteristics of the Customer's operations. Adjustments for any underestimate or overestimate of a Customer's consumption will be reflected on the first regularly scheduled bill rendered and based on actual reading following the period of estimation.

C. Customer Requested Meter Re-reads

When a Customer requests that the utility re-read the same meter, after a meter reading has taken place on the normal reading date, the utility will charge the Customer \$15.00. The \$15.00 charge will be returned to the Customer if upon re-reading the meter is found that the meter was read inaccurately such that the Customer was over-billed.

D. Form of Bill Transfer

At the mutual option of the Customers and utility, bills may be transferred to Customers electronically. Customers requesting this service may be required to complete additional forms and agreements. Either party may discontinue electronic transfers with a 30 day written notice.

E. Payment of Bills

Bills for service are due and payable upon presentation. Payment shall be delivered to the office of the utility or to an authorized personnel of the utility. Bills rendered where the Customer's service is being removed, where the Customer is vacating the premises, or where the Customer is discontinuing the service shall be paid on presentation.

1. Late Payment Fee for Residential and Commercial Accounts
For residential and commercial accounts, unpaid balances on bills not received within twenty (20) days after being mailed to the Customer shall be subject to a ten percent (10%)

late payment fee assessed against the current month's charge shown on the bill. In addition, interest shall accrue on all overdue principal amounts at the lesser rate of ten (10%) percent per annum or the maximum allowable by law and which shall be assessed on a monthly basis.

2. Late Payment Fee for Municipal Accounts

For municipal accounts, unpaid balances on bills not postmarked or received within twenty-five(25) days after being mailed to the customer may be subject to a one and one-half percent (1 ½%) late payment fee or penalty.

3. Late Payment Fee for State Agencies

Where an account serves a state agency and payment is not received within 50 calendar days after the date of mailing of a bill, the late payment charge applicable to that account will be at a rate of one (1%) percent above the rate accrued on June 30th of the prior year by the Pooled Money Investment Account (PMIA), but not to exceed 15 percent, all as set forth in Government Code Section 926.17(b)(1). Such rate may be applied to and accrue on a state agency account only after 50 days from the date the bill was mailed. The State of California shall be responsible for notification to the utility as to which accounts serve state agencies. The provision of the above paragraph shall apply only after such notification.

4. Returned Checks

Bills paid by a check that is dishonored, shall be subject to \$25 returned check charge. This charge will be added to the Customer's bill for each occurrence.

5. Additional Service Charge

The utility may require the payment of an additional collection charge if the utility sends an authorized representative to the Customer's premises to (1) effect collection of or (2) discontinue service for non-payment on a past due account. The collection charge shall be twenty-five (\$25) per visit to the premises.

6. Waiving of Minimum Bills

In case the Customer is unable to use the utility's service by reason of strikes, accidents, fires, bankruptcy or any cause beyond the Customer's control, the payment of the minimum charge may be waived by the utility during the time the Customer is unable to use such service.

10. DISPUTES

A. Disputed Bill

When a Customer disputes or questions their bill, they should first request an explanation from the utility. If the Customer thereafter believes they have been billed incorrectly they will be required to bring or send the bill and a statement supporting their belief that their bill is not correct to:

Island Energy
440 Walnut Avenue
Mare Island, CA 94592-0001

To avoid having service turned off during the dispute, the Customer must enclose payment for the full amount of the bill made out to Island Energy. If the Customer is unable to pay the amount in dispute, they must inform the utility verbally or in writing of their inability to pay. Utility service will remain on until the utility completes its review of the Customer's bill. The utility will review the basis of the amount billed and communicate the results of its review to the Customer within 10 working days of receipt of the Customer's statement of dispute.

If it is found that the Customer's bill was not overstated by more than 2%, the Customer's payment will be disbursed accordingly, and the Customer will be assessed for a Twenty Five Dollar (\$25) disputed bill charge during the next billing period.

If it was found that the Customer's bill was overstated by more than 2%, the utility will bear the cost of the investigation, and the Customer's overpayment will be promptly refunded or credited to the next month's bill, per the Customer's choice.

B. Termination When Bill Disputed

A Customer who does not pay the full amount due, even when subject to dispute, shall be subject to the same termination for non-payment terms and conditions as any other Customer not disputing their bill.

11. DISCONTINUANCE OF SERVICE

A. Customer's Request for Service Discontinuance

When a Customer desires to terminate their service, they shall give the utility notice verbally or in writing two days before the desired termination date. . A Customer may be held responsible for all service furnished at the premises until two days after receipt of such notice by the utility, or until the date of termination specified in the notice, whichever date is later.

In the event that a Customer terminates service under any rate schedule and re-initiates service under the same, or any other, rate schedule at the same location within 12 months, there will be a reconnection charge equal to the minimum charge which would have been billed had the Customer not terminated service.

B. Non-Payment of Bills

A discontinuance of service notice for nonpayment of a delinquent account will be given in accordance with Section 8.a.2 above.

A Customer's service may be discontinued for non-payment of a bill for service provided at any location served by the utility if that bill is not paid in accordance with these tariffs.

If a Customer is receiving more than one service, any or all services may be discontinued when any service, regardless of location, is discontinued for non-payment.

The utility will not terminate service to a Customer on any Saturday, Sunday, legal holiday, or at any time during which the business offices of the utility are not accessible to the public. Service wrongfully terminated shall be restored without charge for the restoration of service, and a notification thereof shall be mailed to the Customer at the billing address.

C. Unsafe Equipment

1. The utility may deny or discontinue service to a Customer when

a. The utility determines, using commonly accepted industry standards including, but not limited to, those published by the National Fire Protection Association (NFPA), Institute of Electrical and Electronic Engineers (IEEE), and the National Electrical Manufacturers' Association (NEMA), that the premises' wiring, or other electrical equipment, or the use of either, is unsafe, or;

b. Any governmental agency, authorized to enforce laws, ordinances, or regulations involving electrical facilities and/or the use of electricity, notifies the utility in writing that the Customer's electrical facilities and/or use of electricity is unsafe or not in compliance with such laws, ordinance, or regulations.

2. Communications about Unsafe Equipment

At the time of denial or discontinuance of service as stated in Section 11.C the utility will

- a. Post a written notice, stating the reason for denial or discontinuance and referring to this rule, at a conspicuous place at the premises, or;
- b. Personally deliver the written notice to the occupant of the premises, and
- c. Within 24 hours of service termination or denial of service, send a copy of the written notice to the Customer in the mail to the billing address.

3. Restoration of Service

The utility will not connect or restore service until

- a. The utility determines the Customer's electrical wiring or equipment, or the use of either, has been made safe, or
- b. The utility has received written notice from the appropriate governmental agency that the premises meet applicable laws, ordinances or regulations. It is the Customer's responsibility to resolve any matter with a governmental agency.

4. Responsibility for Inspection

The utility does not assume any responsibility of inspecting or repairing the Customer's wiring or other equipment or any part thereof and assumes no liability therefore.

D. Unauthorized Use

The utility may discontinue service if the acts of the Customer or the conditions upon his/her premises indicate intent to deny the utility full compensation for services rendered, including, but not limited to, tampering or unauthorized use.

E. Fraud

The utility may refuse or discontinue service if the acts of the Customer or condition on his/her premises indicate intent to defraud the utility.

F. Non-Compliance with the Utility's Tariffs

The utility may discontinue service to a Customer in the event that Customer fails to comply with any provision of its tariffs if, after written notice delivered to the Customer's billing address of premises, the Customer fails to comply with the notice within seven (7) days. This notice may be waived when, in the opinion of the utility, either a dangerous condition has been discovered or a bona fide emergency is found to exist on a Customer's premises, or in the case of a Customer utilizing the service in such a manner as to make it dangerous for occupants of the premises, thus rendering the immediate discontinuance of service to the premises imperative.

G. Usage of Service Detrimental to Other Customers

The utility will not provide service to electrical equipment, the operation of which will be detrimental to other electric service, using commonly accepted Industry Standards including, but not limited to, those published by the National Fire Protection Association (NFPA), Institute of Electrical and Electronic Engineers (IEEE), and the National Electrical Manufacturers' Association (NEMA), and will discontinue electric service to any Customer who continues to operate such equipment after being notified by the utility to discontinue operation.

12. RATES

The rates to be charged by the utility for electric service will be the rates in effect and on file in the utility's office(s) and online at www.islandenergy.com at all times and available for public inspection.

13. TEMPORARY SERVICE

The utility shall, if it will not result in undue hardship to its existing Customers, such as limited system capacity or excessive voltage drop, furnish temporary service under the following conditions:

1. The Applicant shall pay, in advance or otherwise as required by the utility, the estimated cost of installation, plus the estimated cost of removal, less the estimated salvage of the facilities necessary for furnishing service.
2. The Applicant shall establish credit as required by Section 6, except that the amount of deposit prescribed by Section 7 shall not exceed the estimated bill for the duration of service.

14. SHORTAGE OF ELECTRICAL SUPPLY AND INTERRUPTION OF DELIVERY

A. Shortage and Interruption

The utility will exercise reasonable diligence and care to furnish and deliver a continuous and sufficient supply of electric energy to the Customer, and to avoid any shortage or interruption of delivery of same. The utility will not be liable for interruption or shortage or insufficiency of supply, or any loss or damage occasioned thereby, if same is caused by Inevitable Accident, Act of God, fire, strikes, riots, war or any other cause not within its control. It shall be deemed to be beyond the control of the utility where the interruption is due to an unanticipated failure of any part of the utility's systems.

B. Temporary Suspension for Repairs

The utility, whenever it shall find it necessary for the purpose of making repairs or improvements to its system, will have the right to suspend temporarily the delivery of electric energy. In all such cases, reasonable notice as circumstances will permit will be given to the Customer by telephone, communications mailed to the Customer, or publication in a local paper, and the making of such repairs or improvements will be prosecuted as rapidly as may be practicable, and, if practicable, at such times as will cause the least inconvenience to the Customers. In the event of a planned suspension of service for repairs or improvements where the utility has complied with the notice provisions of this Section or the Customer otherwise receives actual notice, utility shall not be liable for interruption or shortage or insufficiency of supply, or any loss or damage occasioned thereby.

C. Apportionment of Supply during Time of Shortage

Should a shortage of supply ever occur, the utility will apportion its available supply of electricity among its Customers in the manner that appears to the utility to be most equitable under conditions then prevailing.

D. Liability of the Utility

The utility shall not, by taking action pursuant to any portion of Section 14 or any other provision of these tariffs, be liable for any loss, damage, or injury, established or alleged, which may result or be claimed to result there from. In no event shall the utility be responsible for consequential, indirect, special, incidental, punitive or exemplary damages, or damage or loss caused by reason of loss of use, loss of profits or revenues, or cost of capital.

15. PRIMARY AND SECONDARY DISTRIBUTION LINE PROJECTS

This Section is applicable to changes to electric distribution lines of the utility's standard voltages necessary to furnish permanent electric service to Applicants.

A. Standards

The utility will be responsible for providing the Applicant with the utility's standards needed to allow the Applicant to plan, design, and engineer primary and secondary distribution line projects that will meet the utility's standards for material, design, and construction.

B. Ownership

The facilities installed under the provisions of this Section up to the Customer Service Point, shall be owned, operated, and maintained by the utility, except for Substructures and enclosures that are on, under, within, or part of a building or structure owned or under the control of Customer.

C. Point of Connection

The utility shall determine the point on the utility's system from which any extension will be made.

D. Private Lines

The utility may, at its sole discretion, serve an Applicant from connection facilities that are not owned, operated, and maintained by the utility.

E. Right of Way

Where new installations of, or changes to, electric distribution lines or facilities result in the need to locate such new facilities outside of utility's existing easements, Applicant shall, at its own cost, be responsible for conducting any engineering work or survey work necessary in order to provide utility with a description of the new location suitable for incorporation into a Grant of Easement or dedication of a PUE as part of a subdivision or other map, for the purpose of conveying to the utility an adequate easement for the maintenance, repair and replacement of the new or relocated facilities. If service facilities must cross property owned by a third party to serve Applicant, it is Applicant's responsibility to obtain and transfer to utility appropriate rights-of-way or easements, satisfactory to the utility for the maintenance, repair and replacement of the new or relocated facilities, at no cost to the utility.

F. Route of Line

The length and route of a primary or secondary distribution line project will be determined or approved by the utility based on the distance along the shortest most practical, available and acceptable route which is clear of obstructions from the utility's nearest permanent and available distribution facility.

G. Applications and Contracts; Exceptions

1. Each Applicant for a primary or secondary distribution line shall be required to submit to utility for its consideration and approval an application defining the project along with a deposit in the sum of Five Thousand Dollars (\$5,000), after which The Applicant shall execute a Working Contract prior to the utility approving and participating in the project. \$1,400 of the deposit will be used for project administrative support and is non-refundable. The remaining \$3,600 of the deposit will be returned to Applicant after all invoices issued by utility for the project are paid in full and Applicant's responsibilities under the Working Contract or other agreement with utility are fulfilled. The utility reserves the right to apply the refundable portion of the deposit towards unpaid project invoices.
2. In the event a project for a primary or secondary distribution line has an estimated overall cost of \$10,000 or less, a Working Contract may not be required provided 1) the Applicant signs a short form agreement which includes the obligation to maintain certain minimum insurance coverage and indemnify utility against claims or losses caused by Applicant during the course of the project for which the application is submitted, 2) the utility is to conduct all of the work necessary for completion of the project, including the design and installation of all new facilities, and 3) no transfer of title to facilities or easements is required.
3. Applicant and utility may agree that utility shall conduct all of the work necessary for completion of the project, including the design and installation of all new facilities.
4. If the utility is to conduct all of the work as set forth under Section 15(G)(2), Applicant shall remain responsible for all costs and expenses incurred by utility. Further, Sections 15(H)(2) through (9) shall not apply.

H. Applicant Responsibilities for New Distribution Facilities

Applicant is responsible for providing or installing the following items at Applicant's expense by Qualified Personnel, as defined herein, prior to the utility finalizing a primary or secondary distribution line, accepting dedication of the facilities, and connecting them to the utility's facilities:

1. All necessary information to the utility in order for the utility to design the new, relocated or expanded facilities, including but not limited to improvement plans, grading plans, load information for the overall project to be served, site map, and preferred meter and other facility locations. Any of these items that require approval of the City of Vallejo shall be so approved before any construction begins. Where utility agrees to allow Applicant to design the facilities, Applicant shall provide sufficient information to allow utility to review and approve the design submitted by Applicant.
2. Coordination in joint trench planning and engineering with Qualified Personnel in conformance with utility standards.
3. All necessary trenching, back-filling, and other digging as required, subject to utility inspection.
4. All substructures and conduits, subject to utility inspection.
5. All poles and superstructures, subject to utility inspection.
6. All wiring, cabling, switches, transformers, and other electrical equipment, all of which is to be completed by qualified personnel, and performed to the utility's standards, and are to be subject to utility inspection. The Applicant shall prepare the electrical connection to the utility's facilities, but, will not make the final connection to the utilities facilities.
7. All protective structures set forth in the utility's standards, subject to utility inspection.
8. All manufacturers' warranties commensurate with the utility's standards, including a one year warranty on all workmanship and normal operations on newly installed facilities.
9. Qualified Personnel shall mean personnel who:
 - a. Are technically competent to perform the work;
 - b. Have access to, and utilize the proper equipment to perform the work;
 - c. Have demonstrated financial responsibility commensurate with the scope of the work to be performed;
 - d. Have adequate insurance coverage, such as workers compensation, liability and property damage;
 - e. Furnish a surety bond for performance of the work if required;
 - f. Are licensed in California for the work being performed;
 - g. Are properly qualified for specific skill required including, but not limited to, the State of California High Voltage Safety Orders (Title 8, Chapter 4, Subchapter 5, Group 2); and
 - h. Comply with applicable laws including, but not limited to, Equal Opportunity Regulations, OSHA, and EPA.

I. Utility Responsibilities for New Distribution Facilities

The utility will, at Applicant's expense:

1. Specify the point, or points, on the utility system from which Applicant will extend distribution lines.
2. Design the distribution facilities such that they conform to the standards of the utility as well as all applicable federal, state and local codes and ordinances for utility installations (such as, but not limited to, the California Business and Professions Code). Where utility agrees to allow Applicant to design the facilities, utility shall review and approve the design submitted by Applicant.
3. Inspect facilities installed by Applicant.
4. Connect conductors to the utility's facilities.
5. Make any necessary arrangements of the utility's facilities to accommodate connection of Applicant's facilities.
6. Perform final testing prior to acceptance of the facilities.
7. Invoice Applicant on a monthly basis for all appropriate utility costs incurred, as defined herein, as the project is worked on and completed, with a final invoice upon completion.

J. Dedication of Facilities

Upon acceptable testing and acceptance by utility of the facilities for use in distribution of electricity, ownership of all such facilities shall be transferred to the utility by a bill of sale.

K. Early Contributions to Relocations of Facilities in New Residential Subdivisions

In the event a Qualified Developer (as defined under Section 22.D) engages in any residential redevelopment in residential areas identified in the Mare Island Re-use Plan, as amended from time to time, the utility will provide refunds to cover a portion of the development costs for newly connected residential load, on a per unit basis. The amount of the refund shall be strictly limited to \$301 per single-family unit; \$263 per multifamily unit of no more than eight units per building; and \$226 per unit for multifamily units of greater than eight units per building. Refunds will be specified in the contracts defining the connection project and will include all monies the Applicant will receive from the utility associated with the project. This one-time refund shall become applicable after 90 days of occupancy of each unit and payable within 45 days of receipt of notice from such Developer and the transfer of facilities and easements in accordance with the Working Contract. The fund from which the refunds are drawn from shall be identified as the "Residential Reimbursement Fund". The Residential Reimbursement Fund shall be funded through the collection of two percent (2%) of the Gross Annual Receipts for the electric services provided by utility. The Residential Reimbursement Fund shall have a maximum balance of One Hundred Thousand Dollars (\$100,000) at any given time. Once the balance in the Residential Reimbursement Fund reaches the maximum level the collection at the rate set forth herein shall be suspended until the fund level drops below One Hundred Thousand Dollars (\$100,000). Any obligation to contribute to development costs for newly connected residential loads under this provision shall terminate on June 30, 2013. If a refund is sought and payable under this Section 15 L for any given project, no other refund or reimbursement can be applied for under these tariffs.

L. Reimbursement Policy in New Commercial Development

Utility will provide a monetary reimbursement to an Applicant for a percentage of those Eligible Expenses associated with and incurred in the construction and placement into service of newly proposed electrical transmission or distribution system or systems which result in New Permanent Load, in amounts stated in Rate Schedule NCE. Such electrical transmission and/or distribution systems may serve commercial and industrial utility customers or may be constructed to serve Mixed Use Residential/Commercial Development. Section L herein applies to purely residential construction

whereas this Section M includes mixed Use Residential/Commercial Development. In addition, any reimbursement under this Section M shall be subject to the following:

1. Such reimbursements are subject to submission of approved Applications, execution of a Working Contract, utility acceptance of the electrical systems, transfers of facilities to utility, dedication or grant of necessary easements to utility and such other applicable terms and conditions set forth in these tariffs.
2. Nothing herein is intended to provide for multiple reimbursements, and reimbursable amounts contributed to or advanced to an Applicant under conditions of any other rule will be reimbursed in accordance with the provisions of that rule only. There shall be no duplicating reimbursements under these Tariffs. If reimbursement is being sought under either Section 15L or 22 no reimbursement can be provided hereunder. Reimbursements under the various sections are mutually exclusive.
3. When two (2) or more parties make joint contributions or advances on the same new electrical transmission or distribution system, reimbursements will be distributed to these parties in the same proportion as their individual contributions or advances bear to the total Eligible Expenses.
4. Any determination by the utility as to what constitutes an Eligible Expense shall be final and binding on all Applicants. Any relocation or rearrangement of utility's existing facilities, at the request of an Applicant, shall be at the Applicant's expense or reimbursable under Section 22.

M. Utility Expense; Contract Labor and Overhead

All costs and expenses incurred by the utility under this Section 15 shall be fully reimbursed to the utility by Applicant as such charges are incurred and billed for by the utility. The rate for contract labor and overhead is set forth in Rate Schedule MISC. All invoices shall include a detailed breakdown for the costs incurred.

16. SERVICE CONNECTIONS

This Section is applicable to the connection of new Customers to the utility's distribution system at standard utility primary and secondary voltages necessary to furnish electric service to Applicant.

A. Standards

The utility will be responsible for providing the Applicant with the utility's standards needed to allow the Applicant to plan, design, and engineer connections that will meet the utility's standards for material, design, and construction.

B. Ownership

The facilities installed under the provisions of this Section up to the Customer Service Point, shall be owned, operated, and maintained by the utility, except for Substructures and enclosures that are on, under, within, or part of a building or structure owned or under the control of Customer.

C. Private Lines

The utility may, at its sole discretion and under certain terms and conditions, serve an Applicant from connection facilities that are not owned, operated, and maintained by the utility.

D. Right of Way

Where new installations of, or changes to, electric distribution lines or facilities result in the need to locate such new facilities outside of utility's existing easements, Applicant shall, at its own cost, be responsible for conducting any engineering work or survey work necessary in order to provide utility with a description of the new location suitable for incorporation into a Grant of Easement or dedication of a PUE as part of a subdivision or other map, for the purpose of conveying to the utility

an adequate easement for the maintenance, repair and replacement of the new or relocated facilities. If service facilities must cross property owned by a third party to serve Applicant, it is Applicant's responsibility to obtain and transfer to utility appropriate rights-of-way or easements, satisfactory to the utility for the maintenance, repair and replacement of the new or relocated facilities, at no cost to the utility.

E. Temporary Service

Facilities for temporary service shall be installed in accordance with this Section 16. The Applicant shall be responsible for all costs related to the design, installation and removal of requested facilities.

F. Applications and Contracts; Exceptions

1. Each Applicant for a Customer connection shall be required to submit to utility for its consideration and approval an application defining the project along with a deposit in the sum of Five Thousand Dollars (\$5,000), after which The Applicant shall execute a Working Contract prior to the utility approving and participating in the project. \$1,400 of the deposit will be used for project administrative support and is non-refundable. The remaining \$3,600 of the deposit will be returned to Applicant after all invoices issued by utility for the project are paid in full and Applicant's responsibilities under the Working Contract or other agreement with utility are fulfilled. The application fee shall apply to the project, which may include both gas and electric components. The utility reserves the right to apply the refundable portion of the deposit towards unpaid project invoices.
2. In the event a project for a Customer connection has an estimated overall cost of \$10,000 or less, a Working Contract may not be required provided a) the Applicant signs a short form agreement which includes the obligation to maintain certain minimum insurance coverage and indemnify utility against claims or losses caused by Applicant during the course of the project for which the application is submitted, b) the utility is to conduct all of the work necessary for completion of the project, including the design and installation of all new facilities, and c) no transfer of title to facilities or easements is required.
3. Applicant and utility may agree that utility shall conduct all of the work necessary for completion of the project, including the design and installation of all new facilities.
4. If the utility is to conduct all of the work as set forth under Section 16(F)(2) or (3), Applicant shall remain responsible for all costs and expenses incurred by utility. Further, Sections 16(I)(2) through (9) shall not apply.

G. Obligation of Customer to Provide Access

1. The Applicant shall be responsible for providing the utility with ready access to the premises.
2. The utility shall at all times have the right to enter and leave Applicant's premises for any purpose connected with the furnishing of electric service. The purposes include, but are not limited to, meter reading, inspection, testing, routine repairs, replacement, maintenance, emergency work, and the exercise of any and all rights secured to it by law, or under the utility's tariffs.
3. If the utility determines that its access to premises is impaired then the Applicant or Customer will at their expense either correct the access or clearance infractions or pay the utility its costs to relocate the facility to a new location which is acceptable to the utility. Applicant or Customer will be responsible for the expense of such relocation along with any expense that is incurred in relocating non-utility facilities. Failure to comply with corrective measure within 30 days of notification by the utility can result in discontinuance of service.

H. Connections to Utility Equipment

Only personnel authorized by the utility are allowed to connect or disconnect service conductors to or from the utility's facilities, remove meters, remove the utility owned facilities, or perform any work upon the utility owned facilities. Failure to abide by this provision may result in discontinuance of service, and may result in additional legal actions taken by the utility.

I. Applicant Responsibilities for Service Installation

Applicant is responsible for providing and installing the following items at Applicants expense by Qualified Personnel (as defined in Section 15.H.9 hereinabove), conforming to the utility's standards, prior to the utility connecting the Customer to the utility's facilities:

1. All necessary information to the utility in order for the utility to design the new, relocated or expanded facilities. Such information may include but is not limited to: improvement plans, grading plans, load information for the overall project to be served, site map, and preferred meter and other facility locations. Any of these items that require approval of the City of Vallejo shall be so approved before any construction begins.
2. Coordination in joint trench planning and engineering with Qualified Personnel in conformance with utility standards.
3. All necessary trenching, back-filling, and other digging as required, subject to utility inspection.
4. All substructures and conduits, subject to utility inspection.
5. All poles and superstructures, subject to utility inspection.
6. All wiring, cabling, switches, transformers, meter bases and other electrical equipment required to complete the connection of the Applicant's facilities to the utility's distribution system, subject to utility inspection. The Applicant shall prepare the electrical connection to the utility's facilities but will not make the final connection to the utility's facilities.
7. All protective structures set forth in the utility's standards, subject to utility inspection.
8. All manufacturers' warranties commensurate with the utility's standards, including a one year warranty on all workmanship and normal operations on newly installed facilities.
9. Provide the utility with evidence that all required local government inspections have been satisfactorily cleared before requesting connection.

J. Utility Responsibilities for Service Installation

The utility will at Applicant's expense:

1. Determine the point on the utility's system at which the connection will be made.
2. Design the distribution facilities such that they conform to the standards of the utility as well as all applicable federal, state and local codes and ordinances for utility installations (such as, but not limited to the California Business and Professions Code).
3. Inspect facilities installed by Applicant.
4. Connect conductors to the utility's facilities.
5. Make all necessary arrangements for the utility's facilities to accommodate connection of Applicant's facilities.

6. Invoice Applicant on a monthly basis for all utility costs incurred as the project is worked on and completed. All invoices shall include a detailed breakdown for the costs incurred.

K. Dedication of Facilities

Upon acceptable testing and acceptance by the utility of the facilities for use in distribution of electricity, ownership of all such facilities shall be transferred to the utility.

L. Metering Facilities

1. General

- a. The Applicant is responsible for the installation of a meter base that meets the utility's standards and that will accommodate a utility meter(s) unless the service connection was installed by the utility.
- b. The utility will meter the delivery of all electric power and energy, unless otherwise provided for in the utility's tariffs.
- c. All utility meters and associated metering equipment shall be located at some protected location on the Applicant's premises as approved by the utility.
- d. The load served at each meter location will be clearly designated by the Customer. Load served behind one meter may not be transferred to be served by another meter unless the Customer received prior utility approval.

2. Number of Meters

A single meter is required for each single enterprise operating in one building or group of buildings or other development on a single premises such as, but not limited to, a commercial business, school campus, industrial manufacturer, residence, or recreational vehicle or mobile home park, unless otherwise approved by the utility.

The utility will normally install only one meter for each premises except:

- a. When otherwise required or allowed under the utility's rate schedules,
- b. When determined by the utility, for its operating convenience to be consistent with its engineering design,
- c. When required by law or local ordinance; or,
- d. When additional services are granted by the utility.

Master metering may be approved if, in the opinion of the utility, master metering is in the best interest of the parties involved. However, if the master meter Customer submeters and furnishes electricity to individual tenants, the rates and charges to the tenant must not exceed those charges that would apply if the tenant were purchasing electricity directly from the utility.

3. Multiple Occupancy

In a building with two or more tenants, or where the utility furnishes more than one meter on the same premises, the utility's meters shall normally be grouped at one central location or as otherwise specified by the utility. In such cases each meter position or socket shall be clearly and permanently marked by the Applicant, Customer, or owner of the premises to indicate the particular unit, occupancy, or load supplied by it.

M. Required Connection Equipment

The Applicant, or Customer, shall, at their sole liability, risk and expense, be responsible to furnish, install, own, maintain, inspect, and keep in good and safe condition, all facilities of any kind or character on Applicant's or Customer's premises that are not the responsibility of the utility but are required for the Applicant or Customer to receive service. Such equipment shall include but not be limited to termination equipment, conduits, conductors and all equipment within all buildings, connectors, meter bases and sockets, relays, meter and instrument transformer housing, service switches, circuit breakers, fuses, wire ways, metered conductors, machinery and apparatus of any kind or character.

N. Coordination

When, as determined by the utility, Applicant's or Customer's load is of sufficient size as to require coordination of response time characteristics between electrical devices (circuit breakers, fuses, relays, etc.), it will be the Applicant's responsibility to provide such coordination.

O. Liability

The utility shall incur no liability for damage, loss or injury occasioned by:

1. Applicant-owned equipment in support of Applicant's transmission and delivery of energy, or;
2. The negligence, omission of proper protective devices, want of proper care, or wrongful act of Applicant of any or Applicant's agents, employees or licensees in installing, maintaining, using, operating or interfering with the utility's equipment.

P. Facility Tampering

The Applicant or Customer shall provide a suitable means acceptable to the utility for placing the utility's seals on meter rings and covers of service enclosures and instrument enclosures that protect unmetered and energized conductors. Only utility authorized employees shall be authorized to break such seals once installed. However, in an emergency the utility may allow a public authority or other appropriate party to break the seal. Any unauthorized tampering with utility seals or connection of Applicant or Customer owned facilities to unmetered conductors is prohibited and is subject to discontinuance of service and other appropriate actions.

Q. Building Code Requirements

Any service equipment and other related equipment owned by the Applicant or Customer as well as any vault, room, enclosure, or lifting facilities for the installation of the utility equipment, shall conform to applicable laws, codes, and ordinance of all governmental authorities having jurisdiction.

R. Reasonable Care

Applicant or Customer shall exercise reasonable care to prevent the utility's electrical equipment and related facilities that are located on the Applicant's or Customer's premises from being damaged, destroyed or interfered with, and will inform the utility of any such damage, destruction or interference immediately. The Applicant or Customer may be required to install a mechanical protection (barrier posts, etc.) suitable to the utility if the utility deems it appropriate.

S. Government Inspection

The utility will only establish service to the Applicant or Customer following notice from the governmental authority having jurisdiction that the facilities have been installed and inspected in accordance with any applicable laws, codes, ordinances, rules or regulations, and are safe to energize.

T. Damaged Facilities

When others damage the utility's facilities, the repair will be made by the utility at the expense of the party responsible for the damage. Applicants and Customers are responsible for repairing their own facilities.

U. Relocations and Rearrangements

The Customer shall be responsible for the costs incurred by the utility for any relocation or rearrangement of utility equipment that is the result of any work conducted, or caused to be conducted within the utility's service territory. Any change to the utility's system required under this section will be subject to the application and construction process described in Section 15 as applicable.

V. Enlargements

The Customer shall be responsible for the costs incurred by the utility to meet any load increase at the Customer's facilities, plus any repair of any damage done due to the Customer overloading the utility's equipment.

W. Utility Expense; Contract Labor and Overhead

All costs and expenses incurred by the utility under this Section 16 shall be fully reimbursed to the utility by Customer as such charges are incurred and billed for by the utility. The rate for contract labor and overhead is set forth in Rate Schedule MISC. All invoices shall include a detailed breakdown for the costs incurred.

17. NON-STANDARD AND SPECIAL FACILITIES

A. General

Special facilities are considered to be existing, enlarged or new facilities installed, used and/or maintained by the utility at the Applicants request in addition to, as enlargements of, as alternate to, or in substitution for, the standard facilities which the utility would normally install, maintain or use and which represent additional costs to the utility over normally installed facilities. These facilities can include, but are not limited to, power quality conditioning equipment, peaking equipment, Customer connection costs, installation and/or maintenance of facilities downstream of the meter, facilities where the cost is in excess of the standard connection costs, and alternate service equipment. Except where provided by rate schedule, installation and/or maintenance of special facilities will be made at the utility's option, provided the type of special facilities requested is acceptable to the utility and the utility agrees to the installation and/or maintenance of the special facilities, under the conditions set forth in this Section.

B. Customer Status

A temporary service customer will not be eligible to apply for special facilities.

C. Utility Limitations

The utility shall install/maintain the requested facilities so long as the facilities do not pose, in the opinion of the utility, a hardship on the utility.

D. Basis of Cost

The Applicant will execute a contract covering the installation and/or maintenance of special facilities. In addition to providing for the payment of charges as determined under a rate schedule, the contract will provide for the following:

1. An estimate of the cost of the special facility that the Applicant is requesting the utility to install and/or maintain; and,
2. A one-time payment amount equal to the total estimated cost of the facility multiplied by a factor of 1.75. This payment shall not be refundable should Customer's use of the special facilities not last as long as initially projected for any reason.

E. Payment Schedule

At the mutual agreement of the utility and the Customer a contract may be entered into that will provide for extended payments of the amount calculated in Section 17.D.

F. Contract Responsibilities

If the utility is required to alter or rearrange the special facilities, including but not limited to the conversion of overhead facilities to underground, Applicant shall be notified of such necessity and shall be responsible for all costs the utility incurs in converting this service or shall terminate service under this agreement.

G. Ownership of Equipment

At all times, special facilities shall remain the property of the utility.

H. Termination Provisions

The Applicant may terminate a special facility contract upon 30 days notice to utility unless otherwise specified within a mutually agreed to contract between the Customer and the utility.

18. METER TESTS AND ADJUSTMENTS OF BILLS

A. General

When regular, accurate meter readings are not available or the electric usage has not been accurately measured, the utility may estimate the Customer's energy usage for billing purposes on the basis of information including, but not limited to, the physical condition of the metering equipment, available meter readings, records of historical use and the general characteristics of the Customer's load and operation.

B. Meter Tests

Any Customer may, upon not less than 15 working days' notice, require the utility to test the accuracy of any meter through which service is provided to the Customer. When a Customer requests a meter test within 24 months of the completion of a meter test finding that the meter is operating accurately and where the results of the prior test were provided to the Customer, the Customer shall pay the utility a meter test charge of fifty-five (55) dollars in advance for the meter test.

The amount so charged will be returned to the Customer, upon completion of the test, if the meter is found to register more than 2% fast or slow under conditions of normal operation.

The Customer shall have the right to require the utility to conduct the test on the meter serving that Customer in the Customer's presence, or in the presence of an expert or other representative appointed by the Customer at the time of the request for a meter test.

All meters will be tested at the time of their installation and no meter will be placed in service or allowed to remain in service that has an error in registration in excess of 2% under conditions of normal operation.

C. Adjustment of Bills for Meter Error

A meter error is incorrect kilowatt-hour, kilovar-hour, or demand registration resulting from a malfunctioning or defective meter. It does not include billing error, unauthorized use, or an error in registration caused by meter tampering by an unauthorized person. It also does not include conditions such as grounds, shorts, incorrect meter readings, meter dial-overs, improper load wiring (including other Customers' circuits connected to the wiring), accounting errors, switched meters, improper Customer wiring, blown fuse in one energized conductor, or incorrect meter sizing.

Where meter error is discovered as the result of a meter test initiated by either the Customer or the utility, the utility may render an adjusted bill to the Customer for the amount of the undercharge, and shall issue a refund or credit to the Customer for the amount of the overcharge, computed back to the date that the utility determines the meter error commenced, except that the period of adjustment shall not exceed one year. Such adjusted bill shall be computed in accordance with the following provisions.

1. Fast Meter - If a meter is found to be registering more than 2% fast, the utility shall refund to the Customer the amount of the overcharge based on the corrected meter readings or the utility's estimate of the energy usage either for the known period of meter error or, if the period of error is not known, for the period during which the meter was in use, in either situation not exceeding one year.

2. Slow Meter - If a meter is found to be registering more than 2% slow, the utility may bill the Customer for the amount of the undercharge based on corrected meter readings or the utility's estimate of the energy usage either for the known period of meter error or, if the period of meter error is not known, for the period the meter was in use, in either situation not exceeding one year.

3. Non-registering Meter - If a meter is found to be non-registering, the utility may bill the Customer for the amount of the undercharge based on the utility's estimate of the electric service used but not registered, for a period not exceeding one year.

D. Adjustment of Bills for Billing Error

A billing error is an error by the utility that results in incorrect billing charges to the Customer. Billing errors may include incorrect meter reads or clerical errors by a utility representative such as applying the wrong rate, wrong billing factor, or an incorrect calculation. Billing error does not include meter error or unauthorized use, nor any error in billing resulting from meter dial-over caused by other than the utility, switched or mismarked meters by other than the utility, inaccessible meter, failure of the Customer to notify the utility of changes in the Customer's equipment or operation, or failure of the Customer to take advantage of a rate or condition of service for which the Customer is eligible.

Where the utility overcharges or undercharges a Customer as the result of billing error, the utility may render an adjusted bill for the amount of the undercharge, and shall issue a refund or credit to the Customer for the amount of the overcharge, for the period of the billing error, but, not exceeding one year.

E. Adjustment of Bills for Unauthorized Use

Unauthorized use is the use of energy in noncompliance with the utility's tariffs or applicable law. It includes, but, is not limited to, meter tampering, unauthorized connection or reconnection, theft, fraud, intentional or unintentional use of energy whereby the utility is denied full compensation for electric service provided.

Where the utility determines that there has been unauthorized use of electric service, the utility may bill the Customer for the utility's estimate of such unauthorized use. Such estimated billing shall indicate unauthorized use for the most recent three years and, separately, unauthorized use beyond the three year period for collection as provided by law. However, nothing in this Section shall be interpreted as limiting the utility's rights and/or remedies in any provisions of any applicable law.

F. Limitation on Adjustment of Bills for Energy Use

For any error in billing not defined as billing error, meter error, or unauthorized use, the utility is not required to adjust the bill. However, any billing adjustment not specifically covered in the tariffs for an undercharge or overcharge shall not exceed one year.

G. Interest on Bills for Unauthorized Use

The utility will bill and collect interest at a rate which is the lesser of eighteen (18) percent per annum on unauthorized use billings from the date the unauthorized use commenced or the maximum interest allowed by law, as well as on any amortized repayment agreements.

H. Recovery of Associated Costs for Unauthorized Use

The utility will bill and collect the associated costs resulting from the unauthorized use including, but not limited to, investigative, repair and equipment damage costs.

19. SUPPLY TO SEPARATE PREMISES AND RESALE

A. Separate Metering

Separate premises, even though owned by the same Customer, will not be supplied through the same meter, except as may be specifically provided for in the rate schedules.

B. Furnishing and Metering of Electricity

Each single family dwelling unit, multi-family dwelling unit, mobile home park space, or non-residential tenant space shall be individually metered by the utility.

C. Marinas and Small Craft Harbors

1. The utility will furnish electrical service to a privately or publicly owned marina or small craft harbor through a master-meter. The master-meter Customer may sub-meter tenant usage aboard a vessel moored in an individual boat slip or berth at the marina or harbor but may not sub-meter any other tenant usage (e.g., stores, gas pumps on docks, or any land-based facility).
2. If the master meter Customer submeters and furnishes electricity to individual boat slips or berths for tenant usage aboard a vessel, the rates and charges to the tenant must not exceed those charges that would apply if the tenant were purchasing electricity directly from the utility.

D. Other Uses and Premises

1. A Customer shall not furnish or use electricity received from the utility upon other premises, except for the utility's operating convenience, or for other purposes than those specified in the Customer's application for service or in the applicable rate schedule.
2. Sub-metering of electricity is prohibited except as provided for in this Section.
3. In the event that electricity is sub-metered other than as provided for in this Section, the utility may either discontinue service to the Customer, or furnish electricity directly to the sub-metered entity at the utility's option.

20. SPECIAL SERVICE CHARGES

A. Customer Electrical System Faults

If a Customer contacts the utility concerning a lack of power, the utility shall provide the following services at no charge to the Customer:

1. The utility will verify whether or not power is being supplied to the Customer side of the meter base servicing the Customer.
2. The utility will inform the Customer that the lack of power, when power is being supplied to the Customer side of the meter base, is due to a problem on the Customer's side of the meter.

B. Special Services

The Customer may, at its discretion, request the utility, and the utility, at its discretion, may provide the service of investigation of the Customer's electrical system on the Customer's side of the meter to determine the cause of the lack of power. Any such investigation shall be conducted at a fee in accordance with rate schedule MISC. The Customer shall be informed of an estimate of these fees in advance of the inspection.

21. CUSTOMER-OWNED GENERATION-QUALIFIED FACILITIES

A written contract for service will be required wherein a Customer operates a cogeneration or small power production facility that meets the criteria for a qualifying facility (QF) as defined by Title 18, Code of Federal Regulations (CFR) Section 292.101(b)(1) and meets the design standards of the utility.

Any generation connected by a Customer must be approved in writing by the utility.

22. FACILITY RELOCATION FUND

A. General

As part of the ongoing efforts to redevelop Mare Island, a facility relocation fund ("Relocation Fund") will be established to provide financial assistance to the City of Vallejo ("City") or a Qualified Developer (as defined herein) for use in the relocation or reworking of electric and gas utility facilities in conjunction with City's redevelopment activities on Mare Island. There shall be but one fund from which both electric and gas relocation projects may receive funding. The same application procedure will be applicable to both and withdrawals from the Relocation Fund for gas projects will reduce the funds availability for electric projects and visa versa.

B. Contributions To Fund; Maximum Balance

The utility will commence regular contributions to the Relocation Fund by the collection of two percent (2%) of the gross annual receipts from the sale of electricity and gas by the utility. The Relocation Fund shall have a maximum balance of Three Hundred Fifty Thousand Dollars (\$350,000) at any one time. Contributions to the Relocation Fund shall continue on an ongoing basis until the maximum balance is attained. At such time the maximum balance is attained, all collections for this fund and contributions by the utility shall cease. If a withdrawal causes the balance in the Relocation Fund to drop below the maximum balance herein established, utility shall once again commence making contributions under these same terms beginning on the month following the month during which the Relocation Fund was so reduced. The Relocation Fund shall not be increased by receipt of interest on its balance at any time. Any interest earned on the principal balance shall be directed into utility's operational account for general purpose use. There shall be no monetary obligation by the utility under this Section 22 beyond the balance contained in the Relocation Fund.

C. Withdrawal From Fund

The City or any Developer under contract with the City for the redevelopment of any portion of Mare Island ("Qualified Developer") may request assistance from the Relocation Fund for use in utility relocation made necessary by redevelopment activities on Mare Island. Any application of funds from the Relocation Fund must be utility related and limited to relocating electric and gas facilities in conformance with Mare Island Reuse Plan, as amended from time to time. The amount of support under the Relocation Fund is limited to the balance of the Relocation Fund as determined hereunder.

D. Procedures for Withdrawal

The City or a Qualified Developer may request a withdrawal from the Relocation Fund for use consistent with Mare Island Reuse Plan under the following criteria:

1. The City or Qualified Developer may request funds in support of the relocation of electric and/or gas distribution facilities owned by the utility on a specific project-by-project basis.
2. Such request shall be tendered to the utility in writing, indicating the specific project, and the amount requested, the time frame during which relocation activities should be completed, and any other information or data pertaining to the project which is required by the utility to meet both the funding and relocation requirements associated with the project.
3. The City and the utility shall work together to develop a form of request satisfactory to

meet the needs of the City, any Qualified Developer and the utility.

4. The City and the utility shall endeavor to communicate on an ongoing basis so that any projects might be foreseen, and may be approached as efficiently as possible.
5. The City or any single Qualified Developer Shall not be entitled to a withdrawal of more than fifty percent (50%) of the Relocation Fund balance as it exists on the date and at the time of the submittal of the application under this section, after having deducted all amounts which are the subject of prior applications under consideration. In the event a prior application is denied prior to a final determination on the later application, the funds available to the later applicant shall be recalculated as if the prior application had not been made. Prior to payment hereunder, the City or a Qualified Developer must (a) have submitted a project application, (b) paid the application fee, (c) entered into a Working Contract with utility, (d) completed the project in compliance with all of the terms of its agreements with utility and (e) be in compliance with these tariffs. Any failure to comply with the requirements of this Section shall result in the restoration of the funds earmarked for the Qualified Developer to the Relocation Fund. The application for a withdrawal from the Relocation Fund will be processed in the order in which the applications are submitted.
6. In the event that the City or a Qualified Developer otherwise meets all of the criteria set forth in this Section 22 and the Executive Director has agreed to fund in whole or in part the relocation project, such Applicant may request to have the utility carry out the relocation project. The utility, if it accepts responsibility for the design and construction of the relocation project, shall charge the Relocation Fund for all engineering, design, construction, labor, equipment and other costs and expenses, to the extent Relocation Funds have been approved for use on the relocation project. Any costs above and beyond the funds available hereunder shall be the sole responsibility of the Applicant. For relocation project with estimated cost of \$10,000, or less the utility General Manager shall have sole discretion to decide whether the utility will take on the project or not. For relocation projects with an estimated cost of over \$10,000, the Executive Director shall have sole discretion to decide whether the utility will take on the project or not.
7. The Executive Director of Pittsburg Power Company ("PPC") shall review each request for withdrawal from the Relocation Fund for all projects with an estimated cost of more than \$10,000, and shall, at the Executive Director's sole discretion, decide to fund or not to fund all or part of the requested relocation project out of the Relocation Fund. The Executive Director's decision will be based on the finding of whether or not the project is viable and can be completed successfully, is consistent with the Reuse Plan, as amended from time to time, and is consistent with the conditions of this Section. For all projects with an estimated cost of \$10,000 or less, the General Manager shall be responsible for the review and determination whether or not to approve the application, and in making such determination shall exercise the same discretion as that exercised by the Executive Director on projects with an estimated cost of more than \$10,000.
8. For projects with an estimated cost of more than \$10,000, a City or Qualified Developer who is not satisfied with the decision of the Executive Director, has recourse by appeal to the full Board of Directors of PPC ("Board"). In which event the City or Qualified Developer shall, within ten (10) days of the mailing of the Executive Director's written decision, submit a written appeal containing all arguments in favor of the use of Relocation Funds for project, along with any relevant exhibits demonstrating compliance with the conditions of this Section to the Board. The Board will thereafter consider the appeal in a timely manner at a regular noticed meeting and its decision shall be final. For projects with an estimated cost of \$10,000 or less, the decision not to approve the use of funds from the Relocation Fund will, at the request of the Applicant, be reviewed by the Executive Director, who's determination shall be final.
9. The amount of funding available to the City or Qualified Developer under this procedure

is strictly limited to the amount determined under Section 22(F)(5) above.

10. All funds held in and distributed from the Relocation Fund are public funds within the meaning set forth in California Labor Code sections 1720, et seq., and may or may not be subject to the prevailing wage laws contained therein. The City or Qualified Developer shall indemnify the utility and PPC against any and all claims regarding any failure to pay prevailing wages.

E. Limited Obligation

Other than as set forth in this Section 22 and in Sections 15.L and 15.M, the utility shall incur no other obligation to fund the utility facility expenses incurred by the City or any developer.

F. Termination

The relocation fund shall terminate at the earlier of the following dates: a) the date on which those Qualified Developers having charge of redevelopment pursuant to the Reuse Plan, as amended from time to time, have completed their work or b) February 1, 2025.

23. CALIFORNIA PUBLIC BENEFITS PROGRAM

A. General

AB 1890 is California's comprehensive electric restructuring legislation which became effective on September 23, 1996. The passage of AB 1890 deregulated the electricity industry and established broad funding and allocation guidelines to support statewide Public Benefits Program in energy efficiency, renewable technology, low-income and RD&D that might not otherwise be funded in a more competitive environment. Public Utilities Code Section 385 requires each local publicly owned electric utility shall establish a nonbypassable, usage based charge on local distribution service to support the Public Benefits Program.

B. California Public Benefits Program Funding

Pursuant to Public Utilities Code Section 385, the minimum charge to be collected by the publicly owned utilities for the Public Benefits Program is the lowest expenditure level of the three largest investor owned electrical corporations in California on a percentage of revenue basis, taking other considerations into account, Based on the formula and numbers supplied by the California Energy Commission, it is suggested that the appropriate number for publicly owned utilities is 2.85% of their total revenue collected or, in the case of a partial or full discontinuation of service, what would have been collected.

C. Island Energy Public Benefits Fund

The Pittsburg City Council, acting as the Board of Director of Island Energy by resolution No. 07-177, has approved the establishment of Island Energy Public Benefits Fund on December 1, 2007. The requirement of Public Benefits Program is 2.85% of Island Energy's total electric revenue requirement The PBP charge per kWh is calculated based on the utility's forecasted sales and revenue requirement annually.

The Public Benefits Fund charge shall appear as a separate line item on the utility bills. The fee will be collected on the electric revenues of all Customers tied to Island Energy's distribution system. The collected funds should be maintained in a separate account and disbursed for the Public Benefits Program.

D. Island Energy Public Benefits Programs

The Island Energy Public Benefits Funds will be used to fund the following programs on a first come first serve basis subject to available funds:

1. Residential Energy Advisory Services Program
Island Energy provides free on-site residential energy analysis and advices on how to conserve energy. Also, Island Energy will provide free educational brochures and mailings to

its customers demonstrating how they can conserve energy through demand side management techniques.

2. Efficient Lighting Program

Island Energy promotes high efficiency by providing compact fluorescent light bulbs (CFLs) to residential and commercial customers in order to increase the utilization of high efficiency lighting products. Island Energy will provide up to five CFL light bulbs.

3. Appliance Efficiency Program

Island Energy offers rebates for Energy Star-rated appliance replacements, including dishwashers; clothes washers; refrigerators and air conditioners to eligible Island Energy residential or business customers. This program does not allow for reimbursements to developers of residential or commercial developments. It is the Customers' responsibilities to complete, sign and submit an Appliance Efficiency Program application form, along with an original or legible copy of the purchase receipt, to the utility's office for a rebate. A utility representative may call to schedule a physical inspection of the installed appliances prior to issuing a rebate. The utility may evaluate the energy efficiency of the particular appliance or appliances and determine the applicable rebate.

Qualifying Energy Star-rated products are listed on the Environmental Protection Agency's web site at www.energystar.gov. Application Form, terms and instructions are available at the utility's offices and on the utility's website.

The rebate amounts for qualifying Energy Star-rated appliances are:

Dishwasher	\$50
Clothes Washer	\$75
Refrigerator	\$50
Room Air Conditioner	\$50

4. Solar Incentive Program

Certain rebates will be provided for the purchase and installation of new Solar Energy Systems by residential and commercial customers who comply with the requirements of Section 24. This program does not allow for reimbursements to developers of residential or commercial developments. The terms and application process are fully described under Section 24: Solar Incentive Program.

5. Commercial Energy Efficiency Rebate Program

This program is designed to provide certain rebates for designated energy conservation measures to commercial customers who receive electric service from the Utility. Commercial customers who wish to improve energy efficiency within their facilities and seek to take advantage of this program may file an application with the utility in the form provided by the utility and posted on its website. The following additional requirements shall apply:

- a. The Applicant must be able to demonstrate that recently installed improvements or planned improvements, for which it seeks contribution to the expense of the improvements, will result in a reduction in the use of energy by at least 10%. The application must be accompanied by a) copies of any executed contract with a contractor who is going to install the energy efficiency improvement measures, b) copies of any reports demonstrating the actual or, in the event the improvements have not yet been installed, anticipated energy savings, c) invoices for qualified energy efficiency products purchased and installed, or to be installed, and, d) any other supporting information.
- b. A utility representative may call to schedule a physical inspection of the planned or installed improvements or request further information in order to evaluate if and to what extent the improvements may qualify for reimbursement under this program.

c. Funds originally earmarked under one application will be made available to other customers if the Applicant fails to submit all required supporting documents and install the proposed energy efficiency improvements within the required time period.

d. After installation and a three month window allowing the utility to collect electric consumption data from the service location which successfully demonstrates the requisite energy reduction, the utility will make the appropriate reimbursement. The utility has sole discretion to determine the applicable rebate and program eligibility and its determination shall be final in all cases.

e. Reimbursement is subject to funds available under the Public Benefits Fund Program and will be made available in the order in which all applications are received. The total rebate amount shall not exceed \$35,000 for any single application.

f. Currently there are catalogs providing specific information on requirements and rebates for the following three types improvements:

- Lighting Fixtures
- Compressed Air Systems
- Commercial Motors & Process Improvements

For energy efficient improvements which are other than Lighting Fixtures, Compressed Air Systems, Commercial Motors & Process Improvements, the available rebate shall be calculated under the formula applicable to Commercial Motors & Process Improvements.

6. Residential Low Income Assistance Program

This program is designed to provide discounted electric rates to assist eligible low-income residential customers with their utility bills. To be eligible to receive assistance from this program, an interested Customer must file an application with the utility and provide a copy of his/her U.S. Tax Return from the previous year along with other proof which is sufficient to establish all household income. To obtain the benefit under this program the total household income for any Applicant shall not exceed those amounts shown on the table below for the corresponding number of persons residing in the household. Eligible Applicants will receive a 10% discount on their residential electric rate at each tier. If a Customer's financial situation is changed and no longer fulfill the low-income eligibility criteria, the Customer must notify the utility within thirty (30) days after the change occurs. Each Customer receiving the reduced rate under this Program must reapply for eligibility at least once a year on or before the anniversary date of the first bill received showing a discount under this Program. In addition, the utility may request an updated verification of household income at its discretion. If Verification establishes that the Customer is no longer eligible for the program, the Customer will be removed from the program and the utility may render corrected billings under the full rate schedules hereunder for the period of ineligibility.

<u>Number of Persons in Household</u>	<u>Maximum Annual Household Income</u>
1-2	\$30,500
3	\$35,800
4	\$43,200
5	\$50,600
6	\$58,000
Each additional member, add:	\$7,400

24. SOLAR INCENTIVE PROGRAM

A. General.

The State of California set a goal to create 3,000 megawatts of new, solar- produced electricity by 2017. California Senate Bill 1 requires publicly owned utilities that sell electricity at the retail level, to adopt, implement, and fund a solar incentive program for the purpose of investing in, and encouraging the increased installation of, residential and commercial solar energy systems on or before January 1, 2008. Publicly owned utilities shall offer monetary incentives for up to the first megawatt of alternating current generated by an eligible solar energy system, within certain limitations, of at least \$2.80 per installed watt or at a rate determined by the publicly owned utility's governing board. The said incentive level shall decline each year thereafter at the rate of ten (10%) percent per annum and must be reduced to zero by the end of 2016. Further, all such utilities are required to provide net energy metering for solar installation with some limitations as noted herein.

B. Island Energy Solar Incentive Program.

Solar Incentive Program Rebates will be made available to all residential and commercial customers on a first come first serve basis, with the provision that all applications are approved by the utility and shall be consistent with all of the following:

1. All photovoltaic ("PV") solar systems installed within the utility's service area on Mare Island must be installed in conformance with the manufacturer's specifications and in compliance with the utility's engineering criteria for interconnection to the utility's electric distribution system and all applicable electrical and building code standards.
2. All eligible system shall be installed by individuals with a current A, B, C-10, or C-46 contractor license. Roofing contractors with a current C-39 license may place PV panels in accordance with the limitations of their license; however, electrical connections shall not be made by a roofing contractor. Installation by certified installers is encouraged, though not required. Systems may be self-installed by the purchaser.
3. The solar energy system should be located on the same premises where the consumer's own electricity demand is located. The system must be connected to the electrical distribution grid of the utility serving the customer's electrical load. A customer cannot interconnect a solar-electric system to Island Energy's distribution system without an executed Interconnection and Net Metering Agreement allowing the interconnection to proceed.
4. All components in the solar energy system must be new and unused and have not previously been placed in service in any location and for any other application. All solar energy system must have a minimum 10-year warranty to protect against defects and undue degradation of electrical generation output
5. Eligible solar technologies must primarily generate electricity. "PV" refers to flat-plate non-concentrating photovoltaic modules, and "other solar electric generating technologies" refers to all solar electric generating technologies except flat-plate non-concentrating photovoltaic modules.
6. The solar energy systems receiving monetary incentives are intended primarily to offset part of the consumer's own electricity demand. The solar system must produce at least 1 kilowatt (kW), and no more than 5 megawatts, alternating current rated peak electricity, accounting for all system losses, and meet or exceed the eligibility criteria established in this Tariff.
7. All major solar energy system components eligible for Public Benefits Fund under SB1 shall be included on the Energy Commission's Eligible Equipment Lists. This includes PV modules, other solar electric generating technologies, inverters, and meters. Information on solar energy system components can be found at <http://www.GoSolarCalifornia.org>.

8. For solar system installed at residential premises, the utility will provide an annually declining incentive beginning January 1, 2008 at a value of \$2.80 per installed watt rebate, up to \$11,200 or 50% of the installed cost for each installation, whichever is less, subject to funds available under the Public Benefits Program, with the customer being responsible for all other costs of installation, including the required meters;

9. For solar system installed at commercial premises, the utility will provide an annually declining incentive beginning January 1, 2008 at a value of \$2.80 per installed watt rebate, up to \$50,000 or 50% of the installed cost for each installation, whichever is less, subject to funds available under the Public Benefits Program, with the customer being responsible for all other costs of installation, including the required meters;

10. The utility uses the California Solar Incentive's (CSI) Expected Performance Based Buydown (EPBB) and Performance Based Incentive (PBI) calculators as reference to determine rebate amount. The EPBB incentive is a one-time payment paid at the time the system is installed and inspected by the utility and the payment is based on expected electrical output of the solar system. The PBI incentive is paid on a fixed dollar per kilowatt-hour of metered electrical output of the solar system over the course of five years. The EPBB and the PBI payment are intended to be financially equivalent.

11. Beginning January 1, 2010, solar system that is smaller than 30 kW in size is eligible to take the EPBB incentive. Any system eligible to take the EPBB incentive may opt to take the PBI incentive instead. All solar systems 30kW and greater are required to take the PBI incentive.

Declining Solar Incentive

2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
\$2.80	\$2.52	\$2.27	\$2.04	\$1.84	\$1.65	\$1.49	\$1.34	\$1.21	\$0.00

12. Additions to existing system are only allowed for systems that met program requirements at the time of installation. The newly added generating equipment shall be selected from the current lists of eligible equipment and meet the current requirements, including the requirement for a 10-year warranty. All of the current program eligibility criteria and documentation requirements apply to the added equipment.

13. The Solar Incentive Program rebate is a one-time rebate intended and limited for residential and commercial electric retail customers who install PV systems on their premises within the utility's services area. No rebate will be available for PV solar system installed by developers who build, construct, retrofit or rehabilitate real property for the purpose of resell or lease.

14. If a customer's solar PV system produces more electricity than can be used during any given month, the utility will credit the customer for the excess amount of electricity generated in that month to the customer's next bill for a period of up to twelve (12) months as described in Section D;

15. The utility will provide solar incentive program information as may be requested by customers and all forms and contracts for net metering service is available on the utility's website at www.islandenergy.com;

16. The solar energy system has meters or other devices in place to allow the utility to monitor and measure the system's performance and the flow of electricity in two directions by the system; and,

17. All rebate amounts offered shall be effective for 180 days from the time stamp on the customer's approved application. If a customer has not proceeded with the PV installation within 180 days of application approval the utility will assume the customer has abandoned the project and the approved application will expire, and offered rebate amount will be made available to other customers. The customer may reapply after the 180 days has expired. No other reimbursements shall be provided for hereunder than those specifically set forth herein and no reimbursements shall be made for amounts not available in the Island Energy Public Benefits Program created under Section 23.

C. Application Process.

1. Obtain a Solar PV Rebate Application Form and an Electrical Interconnection Agreement for Electric Net Metering Service online or from the utility's office. Fill out the application and return it to the utility's office with the required attachments. The utility will process all completed applications within thirty (30) days. The utility will provide the Customer an estimate of the rebate amount based on the size of the solar system, the availability of funds and the Customer's position in the queue.
2. Receive application approval from the utility and a building permit from the City of Vallejo. It is recommended to get application approval from the utility before obtaining the building permit because the design of the solar energy system must comply with the utility's engineering criteria for interconnection to the utility's electric distribution system.
3. After receiving the building permit, the Customer should begin the installation process within 180 days of receiving the utility's approval or the application will expire.
4. Upon completion of the installation, send or deliver a copy of the signed-off building permit to the utility. A visit to the Customer site will be made by a utility representative to ensure that the installation has been constructed per the approved application.
5. Upon notification from the utility that the installation has been approved, the Customer must sign the Interconnection and Net Metering Agreement for Electric Net Metering.
6. The utility will make a final determination of the rebate amount and timing of the rebate and notify the Customer if applicable.

D. Net Metering and Billing Process.

For Eligible Customer Generators, the net energy metering means measuring the difference between the electricity supplied to the Eligible Customer Generator and the electricity generated by the Eligible Customer Generator and fed back to the electric grid. Island Energy shall determine if the Eligible Customer Generator was a Net consumer or Net generator of electricity during any single billing period. The following rules shall apply to the net metering calculation:

1. In the event the electricity supplied by Island Energy during the billing period exceeds the electricity generated by the Eligible Customer Generator within the same period, the Eligible Customer Generator is a Net Energy Consumer. Island Energy shall bill the Net Energy Consumer for the net energy consumption based on the applicable Rate Schedule.
2. In the event the electricity generated by an Eligible Customer Generator during the billing period exceeds its consumption within the same period, the Eligible Customer Generator is a Net Energy Generator. The net kilowatt-hours generated shall be carried over to the following billing period up to a maximum of twelve consecutive months from the anniversary of the interconnection
3. At the end of each 12 month anniversary of the interconnection where the Eligible

Customer Generator is a Net Energy Generator, the credits of any excess kilowatt-hours carried over will expire. There shall be no compensation by the utility for any net kilowatt-hours. With each successive new-year, the Eligible Customer Generator shall be entitled to again accrue credits for any excess Kilowatt-hours generated as set forth in section D2 above.

4. The utility shall provide every Eligible Customer Generator with net electricity consumption information with each regular bill. That information shall include the current monetary balance owed the utility for net electricity consumed since the last bill. Each Customer-Generator shall pay monthly for net energy consumed.

5. Utilities are required to provide net energy metering for solar installations, except that the utility is not obligated to provide net metering to additional Customers once the combined total peak demand of all Customer-Generators in its service area exceeds 2.5% of the aggregate customer peak demand.

E. Non-Bypassable Charges.

Customer-Generators shall not be exempt from certain charges paid by other Customers in order to avoid any shortfall, resulting in a shifting of the burden of these charges to the remaining non-generating Customers. These charges may include all or some of the following: a) the Public Benefits Program (Section 23, California Public Benefits Program), b) Outstanding Power Purchase Costs ("OPPC") c) Capital Improvement Debt ("CID") (Repayment of loans for capital improvements made necessary as a result of the aging electrical system) and d) Operational Financial Assistance ("OFA") (Repayment of loans made necessary during periods where there are shortfalls in cash flow necessary to meet current obligations in between rate adjustments), and either appear as a line item on the monthly bill to all Customers or as a debt to be repaid as part of the yearly rate case.

25. INVESTMENT RECOVERY CHARGES

A. General

The provisions under this Section shall be applicable to Customers who were served by the utility on or after August 2nd, 2008 ("Starting Date"), but have commenced receiving all or a portion of their electrical load from energy supply parties other than Island Energy or self generation by cogeneration, renewable technologies or any other type of self generation that is dedicated wholly or in part to serve all or a portion of a Customer or group of Customers' load while the Customers physically located at the same location or remain within Island Energy's service area on or after August 2, 2008 ("Departing Load").

B. Purpose.

The purpose of this Section is to insure that the repayment of certain major expenses incurred by Island Energy in reliance on the committed Customer load at the Starting Date and the anticipated load growth due to the redevelopment of Mare Island do not shift to the remaining Customers as a result of a withdrawal from service in whole or in part by a Customer or group of Customers.

C. Investment Recovery Charges Definitions.

Investment Recovery Charges ("IRCs") consist of the following components:

1. Outstanding Power Purchase Costs ("OPPC") represent the difference between the resource costs under the power purchase contract in existence on the departure date and the market price as determined under section 6 below.¹ These are commitments that were entered into during the period of time the Departing Load Customer was served by the utility

¹ Negative values shall not be taken into consideration.

and that extended beyond the last day of service to the Departing Load Customer (“Departure Date”).

2. Capital Improvement Debt (“CID”) represents the costs of capital projects that the utility undertook to develop infrastructure to serve Customers during the period of time the Departing Load Customer was served by the utility. The cost of the CID is calculated by dividing the cumulative debt incurred by the utility for such projects by the anticipated load for the area.²

3. Operational Financial Assistance (“OFA”) are those financial assistances from Pittsburg Power Company made necessary to support Island Energy’s on-going operation and to provide safe and reliable services to Customers during periods of time when these necessary expenses were not covered by the revenues received by utility and the Departing Load Customer was served by the utility.

4. Public Benefits Program (“PBP”) charge is a usage-based and non-bypassable charge required by law to support energy related Public Benefits Programs in energy efficiency, renewable technology, low-income and RD&D that might not otherwise be funded.

D. Departing Load Period Profile

The Departing Load Customer’s OPPC, CID, OFA and PBP obligations will be calculated based on metered consumption. Customers should provide meter consumption data to the utility after their load being served by sources other than the utility, subject to the utility’s verification to assure reliability of such consumption data and/or information.

If metered consumption is not available, then the Departing Load Customer’s monthly consumption estimates will be based on the Customer’s historical load by one of the following methods:

1. For Departing Load Customers with a load history less than 12 months prior to receipt by the utility of the Notice of Departure, the average of previous usage history will be used to project future consumption.

2. For Departing load Customers with a minimal 12 months load history, the average of the 12-month period prior to the receipt by the utility of the Notice of Departure will be used to project future consumption.

3. For Departing Load Customers with 36 months or more of usage history, the average 12-month energy usage, with such average measured over the prior 36 months of usage, will be used to project future consumption.

In the event the 12-month average usage differs from the 36-month average usage by more than 25%, the 36-month average will be used unless there is sufficient evidence to demonstrate that the 12-month usage is more indicative of the Customer’s future electric usage, and then the 12-month average will be used to project the Customer’s future electric requirement.

E. Investment Recovery Charges Calculation

1. Outstanding Power Purchase Costs

OPPC is the monetary difference per kWh between power purchase price under committed contracts in effect as of the Departure Date and the Market Price Benchmark as determined pursuant to Section 6 below. The OPPC of Departing Load Customers is calculated by multiplying the Customer’s monthly consumption by the monetary difference between the utility’s prevailing rates (ES-1 and ES-2 Schedule for commercial and residential classes,

² Area is broken down into the north island and the south island, the dividing line being G Street. Capital improvement projects undertaken for the sole benefit of the north island shall be reimbursed by north island customers only. I.E. Section 15L. Otherwise the “Area” will be defined as the entire service area for Island Energy.

respectively) and market price benchmark per kWh. In the event that the OPPC calculation results in a value less than zero it will not be factored into the total calculation for the IRC.

2. Capital Improvement Debt

The annual debt service requirement on CID is determined by amortizing capital improvement expenditures at the prevailing interest rate. The applicable annual debt service requirements will be divided by the annual forecasted consumption on the anticipation of serving all Customers in the utility service area. The CID charge will be posted in Island Energy's tariff by July 1st for each fiscal year. The actual collection of debt service will be reconciled against the repayment schedule of CID. Charges or credits will be absorbed in the following year's repayment schedule.

3. Operational Financial Assistance

The OFA repayment obligation of the Departing Load Customer shall be calculated by dividing the annual debt service requirement for the OFA on the Departure Date by the annual forecasted consumption by all Customers in the utility service area. The OFA charge will be based on a per kWh amount and will be posted in the utility's tariff by July 1st for each fiscal year. The actual collection of debt service will be reconciled against the repayment schedule of OFA. Charges or credits will be absorbed in the following year's repayment schedule.

4. Public Benefits Program

The collection of PBP Fee from Island Energy's Customers is a state requirement. The current rate is 2.85% of Island Energy's total electric revenue. The PBP charge per kWh is calculated based on the Utility's annual forecasted sales and revenue requirement.

5. Total Investment Recovery Charge

The Total IRC, expressed as dollars per mWh, will be the summation of the OPPC, CID, OFA and PBP charges and multiplied by the Customer's average load as determined pursuant to Section D.

6. Market Price Benchmark

The market price benchmark will be based on an average of Megawatt Daily published forward price indications for the coming calendar year at NP15. The average will be calculated over the period of October 1 through October 31 of the year prior to that being considered. This average published price multiplied by 0.87 will be the market price benchmark for resources that the Utility classifies as base load. The 0.87 factor is the average ratio of 7x24 spot prices to 6x16 spot prices and is used to convert the published price, which is for 6x16 products, to a base load price. For resources that the Utility classifies as peaking, the market price benchmark will be the average published price without such adjustment.

F. Payments and Collections

1. Payments

Upon departing the utility, Departing Load Customers are obligated to make monthly payments to the utility over the duration of the IRC. The duration will be determined by the outstanding debts that the utility incurred to provide safe and reliable services and its amortization schedule. The utility will issue monthly bills in accordance with the provisions of this Schedule. Customers shall pay to the utility within 20 days of receipt of the bill. Failure to pay monthly IRC payments constitutes a violation of this tariff and breach of the Customer's obligation to the utility. Opportunity to cure this breach is described in Section G.

2. Procedures for Implementation

Departing Load Customers are obligated to notify the utility of their intent to discontinue or reduce utility electric service in accordance with the following procedure:

A Departing Load Customer shall notify the utility at least 30 days in advance in writing of its intent to displace all or a portion of its load with service from another utility (the "Notice of Departure") or, in the event of a reduction in load as a result of participating in the Solar Incentive Program notice will be deemed complete upon commencement of generation). The Departing Load Customer shall specify in its Notice of Departure the following:

- a. The date on which the Customer will reduce or discontinue its electric service ("Date of Departure");
- b. A description of the load that will be displaced;
- c. The name of the other utility or source from which the Departing Load Customer will acquire its electricity; and
- d. The Departing Load Customer should choose whether they will provide metered consumption data to the utility on a monthly basis or their average monthly consumption will be determined by the stated billing determinants as described in Section D. At the Departing Load Customer's election, metered data can be used on a prospective basis.

3. Opportunity to Cure

Failure to provide a Notice of Departure including all the elements specified above, or a failure to make two consecutive IRC payments hereunder will constitute a violation of this tariff and a breach of the Customer's obligations to the utility. Utility will provide a notice of the violation to the Customer, specifying the Customer's failure to comply with this tariff and providing the Customer with 30 days to take action to cure the breach as defined below.

- a. If the breach was a failure to provide a written Notice of Departure to the utility 30 days in advance, the Departing Load Customer is subject to a \$500 fine and will be required to pay a deposit equal to two monthly IRC payments.
- b. If the breach was a failure to pay two consecutive monthly IRC payments, to cure the breach the Customer must pay all delinquent monthly IRC payments plus a deposit equal to two monthly IRC payments.
- c. The utility will apply the deposit to the Customer's outstanding IRC balance and refund any remaining balance when the Departing Load Customer's obligation to the utility expires.

4. Demand for Lump Sum IRC Payment

If the Customer does not cure the breach and pay the deposit as described in Section F(3) the utility may issue a demand for a Lump Sum Payment of the unpaid IRC responsibility.

The amount of the Lump Sum Payment should be equal to the summation of respective net present values of all applicable OPPC, CIID, OFA and PBP payments over the IRC repayment period.

5. Enforceability

If a Departing Load Customer fails to honor the demand for Lump Sum Payment of for the unpaid IRC responsibility within 30 days of issuance, the utility shall be entitled to enforce this obligation by filing suit to enforce this tariff in any court of competent jurisdiction and recover its costs and attorneys fees incurred.

G. Departing Load Agreement

Departing Load Customers shall sign a Departing Load Agreement with the

utility at least 5 days before the Date of Departure. The utility shall provide the Departing Load Agreement to the Customer after the receipt of the Notice of Departure. Whether a Departing Load Customer signs the Departing Load Agreement or not, such Customer will be deemed to have agreed to the terms of the Departing Load Agreement and terms stated in this tariff by taking retail service from the utility on or after August 2nd. 2008.

H. New Occupancy in Departing Load Premises

When a Departing Load Customer moves to a new location outside the utility's service area as it existed on or after August 2nd 2008, the obligation of the Investment Recovery Charges to that Customer will cease. New occupants who move into the utility's service area and resume such services from sources other than Island Energy will be subject to the IRC.

I. Dispute Solution

Departing Load Customers may request an adjustment to the Investment Recovery Charges or an investigation into their determination. Any Departing Load Customer whose request for an adjustment or request for an investigation has resulted in an adverse determination may appeal the determination within ten (10) business days from the date of the notice of the adverse determination to the utility's Board of Directors by letter (Notice of Appeal) setting forth the basis for the appeal and the facts to be considered by the Board at the time of the hearing. A date for the hearing on the appeal will be calendared within fifteen (15) days following the date of receipt of the Notice of Appeal. The date of the hearing shall be no later than forty-five (45) days from the date of receipt of the Notice of Appeal. Any determination by the Board shall be final and not reviewable.

26. MEDICAL RESIDENTIAL ELECTRICAL SERVICE DISCOUNT PROGRAM

A. Program Outline.

This program is designed for residential Customers who require certain medically necessary life support devices to sustain life or enable mobility. To qualify under this rule, the device must be used in the home within the utility's service territory and the medical equipment must run on electricity supplied by the utility.

B. Life Support Devices.

For the purpose of this Section, life support devices include, but are not limited to, respiration, iron lungs, hemodialysis machines, suction machines, electric nerve stimulators, pressure pads and pumps, aerosol tents, electrostatic and ultrasonic nebulizers, compressors, IPPB machines and motorized wheelchairs ("Life Support Device"). Devices used for therapy rather than for life support generally do not qualify.

C. Qualification Requirements.

To qualify for the Medical Residential Electric Service Program, Applicant must provide certification by a physician or osteopath that the Applicant or a full-time resident in the Applicant's home is dependent on a Life Support Device used in Applicant's home or is a Paraplegic, Quadriplegic, Hemiplegic, or a Multiple Sclerosis patient with special electrical space heating needs or air condition needs. Medical conditions other than the Paraplegic, Quadriplegic, Hemiplegic, or a Multiple Sclerosis may also qualify for this program if electrically operated equipment is used to sustain, restore or supplant a vital function if approved by the utility.

D. Program Discount.

Qualified Customers will receive up to 16.438 additional kWh/Day (the equivalent of approximately 500 kWh per month) during each billing period at Tier 1 rates. The remaining kWh usage will be billed at the regularly applicable rates. See Rate Schedule M.

E. Customers Responsibility.

Although the utility makes every effort to supply uninterrupted service to all of its Customers, continuous service cannot be guaranteed. In the event of a power outage, patients requiring the use of life-support equipment are responsible for providing their own backup power system or calling for

medical emergency service. Customers are also required to complete a third party notification form for emergency purpose. The utility does not guarantee service on delinquent or past due accounts.

F. Funding.

The Medical Residential Electric Service Program will be funded through Island Energy's reserve.



Rate Schedule CES-1

METERED SMALL INDUSTRIAL/COMMERCIAL ELECTRICAL SERVICE

APPLICABILITY

This schedule is applicable to small industrial/commercial Customers whose meter indicates a maximum monthly demand no greater than 200kW, or no greater than the 86,000 kWh threshold in consumption based on a Load Factor of 60% in any particular month.

TERRITORY

Applicable throughout the service territory.

RATES

Basic Service Fee, per meter per day \$0.29569

Energy Charge, per kWh **\$0.18089**

The minimum charge on this rate schedule shall equal the Basic Service Fee.

SPECIAL CONDITIONS:

1. Definitions: The definitions of terms used in this Rate Schedule are found either herein or in Section 1 of the tariff.
2. Maximum Demand: Demand will be averaged over 15-minute intervals for Customers whose maximum demand exceeds 200 kW. "Maximum Demand" will be the highest of all the 15-minute averages for the billing month.
3. Load Factor: In the absence of an interval meter, industry standard rule-of-thumb Load Factor 60% is used to calculate monthly average demand and the 86,400 kWh consumption threshold for the CES-2 Rate Class.
4. Voltage: Service under this schedule normally will be supplied at a standard available voltage in accordance with Section 2 of the tariff.
5. Voltage Regulators: Voltage Regulators, if required by the Customer, shall be furnished, installed, owned, and maintained by the Customer.
6. Reconnection Charge: In the event that a Customer terminates service under this Rate Schedule and re-initiates service under this, or any other, Rate Schedule at the same location within 12 months, there will be a Reconnection Charge equal to the minimum charge which would have been billed had the Customer not terminated service.
7. FERC Adjustments: As FERC could potentially legally change the terms and conditions in PG&E's electricity purchase contracts, any resulting incremental rate increase of electricity to Island Energy will be added to the Energy Charge above as a Pass Through Rate.



Rate Schedule CES-2
METERED INDUSTRIAL/COMMERCIAL ELECTRICAL SERVICE

APPLICABILITY

This schedule is applicable to large industrial/commercial Customers whose single meter indicates a maximum monthly demand (as defined below) of 200kW or greater, or exceed 86,400 kWh in consumption based on a load factor of 60% in any particular month. Customers whose monthly consumption meets the 86,400 kWh threshold will be billed at this rate class for that particular month.

TERRITORY

Applicable throughout the service territory.

RATES

Basic Service Fee, per meter per day \$0.29569
Energy Charge, per kWh \$0.16013

The minimum charge on this rate schedule shall equal the Basic Service Fee.

SPECIAL CONDITIONS:

1. Definitions: The definitions of terms used in this Rate Schedule are found either herein or in Section 1 of the tariff.
2. Maximum Demand: Demand will be averaged over 15-minute intervals for Customers whose maximum demand exceeds 200 kW. "Maximum Demand" will be the highest of all the 15-minute averages for the billing month.
3. Load Factor: In the absence of an interval meter, industry standard rule-of-thumb Load Factor 60% is used to calculate monthly average demand and the 86,400 kWh consumption threshold for the CES-2 Rate Class.
4. Voltage: Service under this schedule normally will be supplied at a standard available voltage in accordance with Section 2 of the tariff.
5. Voltage Regulators: Voltage Regulators, if required by the Customer, shall be furnished, installed, owned, and maintained by the Customer.
6. Reconnection Charge: In the event that a Customer terminates service under this Rate Schedule and re-initiates service under this, or any other, Rate Schedule at the same location within 12 months, there will be a Reconnection Charge equal to the minimum charge which would have been billed had the Customer not terminated service.
7. FERC Adjustments: As FERC could potentially legally change the terms and conditions in PG&E's electricity purchase contracts, any resulting incremental rate increase of electricity to Island Energy will be added to the Energy Charge above as a Pass Through Rate.



Rate Schedule RES-1
METERED RESIDENTIAL ELECTRICAL SERVICE

APPLICABILITY

This schedule is applicable to all residential Customers receiving metered service. A residential Customer is defined as using a single-phase domestic service for lighting, heating, cooking, water heating, and power, or a combination thereof, in single family dwellings, flats, and apartments, separately metered by the utility and to single-phase service used in common for residential purposes by tenants in multi-family dwellings.

TERRITORY

Applicable throughout the service territory.

RATES

Basic Service Fee, per meter per day	\$0.15
Baseline Rate Schedule	
The Baseline for November 1 st to April 30 th :	12.6KWh/Day
The Baseline for May 1 st to October 31 st :	11.9Kwh/Day
Energy Usage Charge, all kWh, \$/kWh	
Tier 1-Baseline Quantities	\$0.12233
Tier 2-101% to 130% of Baseline	\$0.13907
Tier 3-131% to 200% of Baseline	\$0.29385
Tier 4-201% to 300% of Baseline	\$0.40352
Tier 5-Over 300% of Baseline	\$0.40352
The minimum charge on this rate schedule shall equal the Basic Service Fee.	
<u>SPECIAL CONDITIONS:</u>	

1. Definitions: The definitions of terms used in this Rate Schedule are found either herein or in Section 1 of the tariff.
2. Voltage: Service under this Rate Schedule normally will be supplied at a standard available voltage in accordance with Section 2 of the tariff.
3. Voltage Regulators: Voltage Regulators, if required by the Customer, shall be furnished, installed, owned, and maintained by the Customer.
4. Reconnection Charge: In the event that a Customer terminates service under this Rate Schedule and re-initiates service under this, or any other, Rate Schedule at the same location within 12 months, there will be a Reconnection Charge equal to the minimum charge which would have been billed had the Customer not terminated service.
5. FERC Adjustments: As FERC could potentially legally change the terms and conditions in PG&E's electricity purchase contracts, any resulting incremental rate increase of electricity to Island Energy will be added to the Energy Charge above as a Pass Through Rate.



Rate Schedule LS
LIGHTING SERVICE

APPLICABILITY

This rate schedule applies to all electric Customers receiving unmetered service from the utility for lighting facilities that are controlled by an electronic photo-sensitive switch. This rate schedule further applies only to Customers that own, operate and maintain the lighting fixtures and wiring connected to the utility's system, and is limited to the lamp types and wattage ranges listed below.

TERRITORY

This rate schedule is applicable through the utility's service territory.

RATES

The total monthly charge per lamp is equal to the sum of the facility charge and the energy charge:

Facility Charge Rate, per lamp per month\$0.18700

Energy Charge Rate, per kWh.....\$0.12153

Monthly energy charges per lamp are calculated using the following formula:

(Lamp-wattage + Ballast-wattage) x 4100/12/1000 x Energy-rate
Where: Ballast-wattage = Lamp-wattage x ballast-factor

Ballast Factors by Lamp Type and Wattage Range:

<u>Watt Range</u>	<u>Ballast Factor</u>	<u>Watt Range</u>	<u>Ballast Factor</u>
<u>INCANDESCENT</u>		<u>LIGHT EMITTING DIODES</u>	
0 to 200	0.00%	0 to 50	0.00%
<u>MERCURY VAPOR</u>		<u>HIGH PRESSURE SODIUM VAPOR (120 VOLT)</u>	
1 to 75	31.00%	1 to 40	25.44%
76 to 125	17.07%	41 to 60	22.93%
126 to 325	13.69%	61 to 85	21.25%
326 to 800	11.22%	86 to 125	20.00%
801 +	10.34%	126 +	17.07%



Rate Schedule LS
LIGHTING SERVICE
(CONTINUED)

<u>METAL HALIDE</u>			<u>HIGH PRESSURE SODIUM VAPOR (240 VOLT)</u>				
1	to	85	25.44%	1	to	60	40.49%
86	to	200	24.39%	61	to	85	42.16%
201	to	375	22.93%	86	to	125	37.56%
376	to	700	18.54%	126	to	175	34.63%
701	+		13.27%	176	to	225	18.54%
				226	to	280	17.07%
				281	to	380	14.35%
				381	+		12.68%
<u>LOW PRESSURE SODIUM VAPOR</u>							
1	to	40	75.61%				
41	to	75	54.32%				
76	to	110	46.34%				
111	to	160	34.42%				
161	+		26.83%				
				<u>INDUCTION</u>			
				0	to	200	3.45%
 <u>SPECIAL CONDITIONS</u>							
<ol style="list-style-type: none"> 1. <u>Type of Service</u>: Service under this rate schedule will normally be provided only to multiple lighting systems that are supplied by the utility at a standard secondary voltage of 120 volts or 240 volts single-phase. 2. <u>Photo Controls</u>: This schedule is predicated on electronic type photo controls meeting ANSI standard C136.10, with a turn-on value of 1.0 foot-candles and a turn-off value of 1.5 foot-candles. Electro-mechanical or thermal type photo controls are not acceptable for this rate schedule. 3. <u>Annual Operating Schedules</u>: The rates under this schedule assume 4100 operating hours per year (approximately 11 hours per night), and apply to lights which will turn on and off once each night. 4. <u>Light or Pole Numbering</u>: Pole number sequencing and coding for single lights or multiple lights on a single pole shall be provided by the Customer in a format acceptable to the utility. The Customer shall provide physical numbering on lights or poles in order to facilitate accurate billing and inventory reporting prior to energizing facilities. Numbering must be legible from the ground. 5. <u>Lighting Inventories</u>: The Customer shall submit an initial inventory of the location, type and wattage for each light, including any non-conforming loads connected to the lighting system, in a format acceptable to the utility before the lighting system is connected to the utility system. An updated inventory shall be submitted annually after the initial inventory. The Customer shall inform the utility in writing within 30 days of any changes to the inventory. 6. <u>Non-conforming loads</u>: Any load other than the lighting loads listed in this rate schedule is a non-conforming load, and shall require approval from the utility before they are connected to an unmetered lighting service. Non-conforming loads will only be approved for governmental agencies. Each non-conforming load shall not exceed 150 watts per circuit, or light for individually connected lights. Any non-conforming load exceeding this limitation requires metering of the Customer's system at the utility's connection point. The monthly billed charges for approved unmetered non-conforming loads will be based on the rated or measured full-load input wattage and verified hours of operation. 							



Rate Schedule MLS
MOTOR LOAD SERVICE

APPLICABILITY

This schedule is applicable to all electric Customers receiving unmetered service from the utility for electric motor load. This is further restricted to Customers that own, operate, and maintain the electrical wiring from the motor to the utility's primary, or secondary, circuits that are in place to service Customers other than the motor load Customer.

TERRITORY

Applicable throughout the service territory.

RATES

- Basic Service Fee, per meter per day \$0.15
- Rated Horsepower Charge, per Horsepower, per day \$6.00
1. Definitions: The definitions of terms used in this Rate Schedule are found either herein or in Section 1 of the tariff.
 2. Voltage: Service under this schedule normally will be supplied at a standard available voltage in accordance with Section 2 of the tariff.
 3. Voltage Regulators: Voltage Regulators, if required by the Customer, shall be furnished, installed, owned, and maintained by the Customer.
 4. Reconnection Charge: In the event that a Customer terminates service under this Rate Schedule and re-initiates service under this, or any other, Rate Schedule at the same location within 12 months, there will be a Reconnection Charge equal to the minimum charge which would have been billed had the Customer not terminated service.
 5. Ownership of Facilities: The utility may, at its option, with the agreement of the Customer, own the facilities connecting the lighting fixture to the utility's electrical system, provided that the Customer has made arrangements to pay for this service according to Section 17.
 6. The Horse Power: The Horsepower of the motor shall be determined by the utility.



Rate Schedule SE
SERVICE ESTABLISHMENT FEE

APPLICABILITY

This schedule is applicable to all electric Customers requesting service from the utility, where all facilities are in place to allow the establishment of service by a single meter.

TERRITORY

Applicable throughout the service territory.

Rates

Service Establishment Charges

During normal working hours	\$15.00
During normal working hours with less than Four hours notice	\$30.00
During non-working hours	\$60.00

SPECIAL CONDITIONS

1. The service establishment charge provided for herein is in addition to the charges calculated in accordance with all other charges and applicable tariffs. The charge will be made each time an account is opened, and will include a turn-on or reconnection of electric service requiring a meter set or change of name on the account, or additional meter read.



Rate Schedule MISC
PROJECT CHARGES AND FEES

APPLICABILITY

Applicable to any person or entity requesting the utility to supply electric service, relocate electric facilities, or upgrade electric facilities.

TERRITORY

Applicable throughout the service territory.

Rates

Project Application Fee

\$5,000 deposit is required at the time when a project application is submitted to Island Energy.
\$1,400 will be charged against this deposit as administrative fee.

Island Energy Labor Rates

During normal working Published City of Pittsburg Full Cost Hourly Rate
(7:30am to 4:00 pm) Monday through Friday and not holidays)

During non-normal working hours..... 1.5 times Published City of Pittsburg Full Cost Hourly Rate

There will be a 1 hour minimum charge per event, billed in increments of one-half hour thereafter.

Project Administration Charge

In the case that the Utility handles contractor contracts and materials for the Customer, project costs including but not limited to equipment, materials, engineering and contractor fees will be subject to a 15% mark up to cover project administration costs.



Rate Schedule NCE

NEW COMMERCIAL ELECTRICAL SYSTEMS REIMBURSEMENT

APPLICABILITY

Applicable to monetary reimbursement to an Applicant for a percentage of those Eligible Expenses associated with and incurred in the construction and placement of new electrical distribution system or systems which result in New Permanent Load under Section 15M of these tariffs.

TERRITORY

Applicable throughout the service territory

RATES

1. **MAXIMUM REIMBURSEMENT:** The total amount subject to reimbursement is Thirty-three Percent (33%) of Eligible Expenses of new commercial electrical systems.
2. **PAYMENT CALCULATION:** The amount of reimbursement owed to a Qualified Developer shall be determined based on the increase in incremental load (“Incremental Load Increase”) over the total load as determined during the 2008 fiscal year (“Base Year”). The amount to be collected and made available for reimbursement shall be calculated by applying a factor of \$0.005/kWhr to the Incremental Load Increase (“Commercial Reimbursement”). When two (2) or more parties make joint contributions or advances on the same new electrical transmission or distribution system, reimbursements will be distributed to these parties in the same proportion as their individual contributions or advances bear to the total Eligible Expense.
3. **TIMING OF PAYMENT:** Commercial Reimbursements shall be reconciled annually. Reimbursements hereunder shall be made without interest and shall be dispersed no later than September 30th following the fiscal year end for the fiscal year within which a claim for reimbursement hereunder has been made.
4. **FINAL DETERMINATION:** This is a voluntary program and may be terminated at any time. All collection and reimbursement shall in any event cease after the total of all obligations hereunder are paid or February 1, 2025, which ever event occurs first. All determinations relating to reimbursable amounts or credits made by utility shall be final.



Rate Schedule M
MEDICAL RESIDENTIAL ELECTRICAL SERVICE DISCOUNT

APPLICABILITY

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This schedule is applicable to all residential Customers receiving metered service and who qualify for the Medical Residential Electrical Service Discount.

TERRITORY

Applicable throughout the service territory

REQUIREMENTS

To qualify for the Medical Residential Electrical Service Discount you must provide certification by a physician or osteopath that you or a full time resident in your home is dependant on a medical equipment device used in your home, or is a Paraplegic, Quadriplegic, Hemiplegic, or a Multiple Sclerosis patient with special electric space heating needs or air conditioning needs. Medical conditions other than paraplegia, hemiplegia, quadriplegia, or multiple sclerosis may also qualify for this rate if electrically operated equipment is used to sustain, restore, or supplant a vital function if approved by the Utility.

RATES

Qualified Customers that participate in the Medical Emergency Number Discount Rate will receive 16.438 additional kWh/Day (the equivalent of approximately 500 kWh per month) at Tier 1 rates. The rate option will be effective in the month following utility's approval of the application.

MEDICAL EQUIPMENT DEVICE

A medical equipment device, for purposes of the Medical Residential Electrical Service Discount, is defined as any medical device requiring utility-supplied energy for its operation that is regularly required to sustain the life of a full-time resident in the home. Qualifying medical equipment includes, but is not limited to, respirators, iron lungs, hemodialysis machines, suction machines, electric nerve stimulators, pressure pads and pumps, aerosol tents, electrostatic and ultrasonic nebulizers, compressors, IPPB machines, and motorized wheelchairs. The term also includes air conditioning for all residential rate categories or electric heat for Customers on an electric space heat rate, for paraplegic, hemiplegic, or quadriplegic and multiple sclerosis patients. Devices used for therapy rather than for life support generally do not qualify.



Rate Schedule N
LOW INCOME RESIDENTIAL ELECTRICAL SERVICE

APPLICABILITY

This schedule is applicable to all residential Customers receiving metered service and who qualify for the Low Income Residential Electrical Service Rate.

TERRITORY

Applicable throughout the service territory

REQUIREMENTS

Customers must submit an Application in the form set forth on the Island Energy Web Site. Each such Application must be accompanied by a copy of his/her U.S. Tax Return from the previous year along with other proof acceptable to the utility which is sufficient to establish all household income..

Customers shall be recertified for eligibility at least once per year, but the utility may request an updated verification of income at its discretion. It is the responsibility of the Customer to reapply on the anniversary date of the first application of the reduced rate hereunder.

It is the Customer's obligation to notify the utility within thirty (30) days once the Customer is not longer eligible for the Low Income Residential Electrical Service Rate. In the event it is determined that the Customer was not entitled to the reduced rate because the Customer did not provide accurate information the utility shall be entitled to recover all amounts to which it was entitled to under the regular rate schedules set forth in these tariffs.

RATES

Customers that qualify for the Low Income Residential Electrical Service Rate will receive a 10% discount of residential electric rate at each tier. The rate option will be effective in the month following utility's approval of the application.

INCOME ELIGIBILITY

<u>Number of Persons in Household</u>	<u>Maximum Annual Household Income</u>
1-2	\$30,500
3	\$35,800
4	\$43,200
5	\$50,600
6	\$58,000
Each additional member, add:	\$7,400