Schedule No. NB-136
NET BILLING SERVICE

APPLICABILITY
Applicable on a first-come, first-served basis to a residential, small commercial, commercial, industrial, or agricultural Customer that owns and operates, leases or purchases the output from a renewable electricity generation facility, a facility that uses biomass, solar thermal, photovoltaic, wind, geothermal, fuel cells using renewable fuels, small hydroelectric generation, digester gas, municipal solid waste conversion, landfill gas, ocean wave, ocean thermal, or tidal current, with a capacity of not more than one megawatt that is located on the Customer's owned, leased, or rented premises, is interconnected and operates in parallel with the Utility's transmission and distribution facilities, and is intended primarily to offset part or all of the Customer's own electrical requirements. Customer sites that receive service under this schedule may remain on Net Billing Service for at least 20 years following the date of interconnection.

TERRITORY
Within the entire territory served in California by the Utility.

DEFINITIONS
Customer-Generator: A Customer with a renewable electric generation system taking service under this schedule.

Imported Energy: Energy imported by the Customer-Generator from the Utility for use by the Customer-Generator.

Exported Energy: Energy exported by the Customer-Generator to the Utility to be used by the Utility to serve the Utility's load requirements.

On-Peak Period: Monday through Friday: 4:00 p.m. to 10:00 p.m.

Off-Peak Period: All hours that are not On-Peak hours.

METERING
Metering for service under this schedule must separately measure Imported Energy and Exported Energy. Such metering must be installed in accordance with the Utility's metering rules. Energy generated by the Customer-Generator and consumed on site by the Customer-Generator will not be measured by the Utility.

APPLICATION FEE
A non-refundable application fee of $75.00 per generation facility will be assessed to each Customer seeking to interconnect a generation facility to the Utility system. This fee will be charged at the time of application for interconnection.

BILLING FOR IMPORTED ENERGY
A Customer-Generator will be billed for all Imported Energy at the applicable standard tariff rate.

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CREDITS FOR EXPORTED ENERGY

A Customer-Generator will be credited for all Exported Energy at the credit rates set forth in this schedule. Except for Customer-Generators billed for Imported Energy under rates with time varying energy charges, Exported Energy will be valued dependent upon the time of day in which the energy is exported. All kilowatt-hours exported during the On-Peak Period will be credited at On-Peak Energy Credit below. All kilowatt-hours exported during the Off-Peak Period will be credited at the Off-Peak Energy Credit below.

Exported Energy Credits:

- On-Peak Energy Credit, per kWh 5.044¢
- Off-Peak Energy Credit, per kWh 3.809¢

For Customer-Generators billed for Imported Energy under rates with time varying energy charges, all Exported Energy will be valued at the Flat Energy Credit below.

Exported Energy Credit for Customer Generators on Time-Varying Rates:

- Flat Energy Credit, per kWh 3.907¢

Credits for Exported Energy will be applied to the Customer’s energy bill from the Utility to offset all charges, except Basic Charges, to the Customer for their Imported Energy.

Any Exported Energy Credits in excess of the charges eligible for offset on the Customer’s monthly energy bill will be rolled forward to a subsequent billing period and may be used to offset any eligible charges in that billing period. Unused Exported Energy Credits will expire at the end of the March billing period for all Net Billing Customers except Customers taking service under an agricultural pumping rate schedule. Unused Exported Energy Credits for Net Billing Customers taking service under an agricultural pumping rate schedule will expire at the end of the October billing period.

OPTIONAL RENEWABLE ATTRIBUTES ADDER

Net Billing Customers will have the option to receive an additional Renewable Attributes Adder (“RAA”) credit per kilowatt-hour of Exported Energy if they meet the following three conditions:

1) the Customer’s generation facility must be registered in the Western Renewable Energy Generation Information System (“WREGIS”)
2) the Customer’s generation facility must obtain renewable portfolio standard (“RPS”) certification from the California Energy Commission (“CEC”) and provide proof of this certification to the Utility
3) the Customer-Generator must transfer the Renewable Energy Certificates (“REC”s) associated with its Exported Energy to the Utility.

In order to receive the Renewable Attributes Adder credit, the Customer must request and complete the Utility’s Renewable Attributes Adder form. The customer must complete all requirements and are responsible for all costs related to certification and registration of the RECs with all required certification entities. The RAA will be credited to the customer after the transfer of the RECs to the utility is complete through a credit on the bill.

Renewable Attributes Adder, per kWh 0.200¢

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SPECIAL CONDITIONS

1. Customer must complete an interconnection agreement with the Utility prior to interconnecting a generation facility.

2. If the Utility is not the Customer's energy supplier, the Utility may recover from the Customer-Generator's energy supplier the incremental costs of metering and billing service related to net energy billing in an amount set by the Commission.

3. Customer shall furnish and install on Customer's side of the meter a safety disconnect switch which shall be capable of fully disconnecting the Customer’s energy generating equipment from the Utility's electric service. The disconnect switch shall be located adjacent to the Utility's meters and shall be of the visible break type in a metal enclosure which can be secured by a padlock. The disconnect switch shall be accessible to utility personnel at all times. The Utility shall have the right to disconnect the Facility from The Utility’s supply at the disconnect switch when necessary to maintain safe electrical operating conditions or, if in The Utility’s sole judgment, the Facility at any time adversely affects The Utility’s operation of its electrical system or the quality of The Utility’s service to other Customers.

4. A customer generation facility shall include, at the Customer’s own expense, all equipment necessary to meet applicable safety, power quality, and interconnection requirements established by the National Electrical Code, National Electrical Safety Code, the Institute of Electrical and Electronics Engineers, and Underwriters Laboratories. The Utility's written approval of the Customer’s protection-isolation method to ensure generator disconnection in case of a power interruption from the Utility is required before service is provided under this Schedule.

5. Any Customer with an existing electrical generation facility over 30 kilowatts and meter who enters into a new net energy billing contract shall complete and submit a copy of Form 3584, the NEM Inspection Report, to the Utility, unless the electrical generating facility and meter have been installed and inspected within the previous three years. The NEM Inspection Report shall be prepared by a California licensed contractor who is not the owner or operator of the facility and meter. A California licensed electrician shall perform the inspection of the electrical portion of the facility and meter and sign the NEM Inspection Report. If an inspection is required, the Customer shall submit the completed NEM Inspection Report to the Utility within 90 days of becoming the customer of record, or disconnect the generating facility and inform the Utility that the Customer will discontinue Schedule NB-136 service. The NEM Inspection Report shall be incorporated into the net energy billing contract.
5. Net Billing Aggregation

a) Except as otherwise provided for below under this Special Condition, all other terms and conditions of this schedule shall be applicable to Customers receiving service under this Special Condition. Under this Special Condition, an eligible Customer-Generator with multiple meters ("Aggregated Accounts") may elect to aggregate, for purposes of applying Exported Energy Credits under this Schedule, the meters located on the property where the renewable energy generation facility ("Generating Account") is located and on all property adjacent or contiguous to the property on which the renewable energy generating facility is located, provided that all properties are solely owned, leased, or rented by the eligible Customer-Generator that elects to aggregate its electric load pursuant to this Special Condition. All of the Aggregated Accounts, including a single Generating Account, that are billed together under this Special Condition are referred to as an Aggregation Arrangement.

b) For the purposes of Net Billing Aggregation only, parcels that are divided by a street, highway, or public thoroughfare are considered contiguous, provided they are within an unbroken chain of otherwise contiguous parcels and are all solely owned, leased or rented by the Customer. Customers are also eligible to participate in Net Billing Aggregation where all meters in an Aggregation Arrangement are located within an unbroken chain of contiguous parcels that are all solely owned, leased, or rented by the Customer. For example, if there are three parcels (A, B and C), all of which are solely owned, leased or rented by the Customer, where A contains the renewable electrical generation facility and A abuts B, B abuts C, but A and C are separated by B, then the loads of all three parcels shall be eligible to participate in Net Billing Aggregation. Refer to Diagram 1 (for illustrative purposes only). In addition, if there are five parcels (A, B, C, D and E) that form a cluster of contiguous parcels, where A contains the renewable electrical generation facility, and D and E are separated from A, B, and C by a street, highway or public thoroughfare, for the purposes of participating in Net Billing Aggregation only, all five parcels are considered contiguous, provided they are otherwise contiguous and all solely owned, leased or rented by the Customer. Refer to Diagram 2 (for illustrative purposes only). In addition, an irrevocable easement granting sole use and control to the Customer-Generator for an entire parcel can be used to establish contiguity. Otherwise, a Customer-Generator’s easement on a third party owned parcel will not be sufficient to establish parcel contiguity.
c) Billing Service Charges: An eligible Customer-Generator electing Net Billing Aggregation shall remit service charges for the cost of providing billing services as follows. These charges shall include:

i) One-time setup charge of $25.00 per Aggregated Account and for the Generating Account, and cumulatively, shall be limited to no more than $500 per Aggregation Arrangement. Any account added to an Aggregation Arrangement is subject to this one-time setup charge;

ii) Monthly charge of $5 per Aggregated Account and for the Generating Account;

iii) These billing service charges may be subject to change upon approval by the Commission on a going-forward basis.
SPECIAL CONDITIONS (continued)

d) The maximum capacity of the renewable electrical generation facility, or a combination of those facilities, eligible for participation under this Special condition is 1 MW. The Customer-Generator must provide Pacific Power with a list of additional Aggregated Accounts on the Net Billing Aggregation Form that are to be included in the Aggregation Arrangement.

e) A Customer-Generator may have more than one Aggregation Arrangement, but accounts may not be shared across multiple arrangements.

f) A Customer-Generator may elect to modify the Aggregated Accounts included in an Aggregation Arrangement provided a minimum of 60-days’ notice is provided to Pacific Power prior to the change taking effect, and such change remains in effect for a minimum of 12 months and doesn’t result in the renewable electrical generation facility being oversized compared to the electrical requirements of the Aggregation Arrangement.

g) All accounts in an Aggregation Arrangement will be placed on the same billing cycle, and will be billed individually pursuant to this schedule. The Exported Energy Credits earned by the renewable electrical generation facility in a monthly billing period will be applied on by a proportional allocation basis to each of the accounts in the Aggregation Arrangement. Under no circumstances will Exported Energy Credits be used to offset Basic Charges on any account.

h) Any Exported Energy Credits that exceed the amount of charges eligible for offset will be carried forward to a subsequent billing period as described above for non-aggregated accounts. Credits carried forward will be applied to Aggregated Accounts proportionally in the same manner as described above.

i) Accounts included in an Aggregation Arrangement are permitted to have non-net billing eligible generating facilities interconnected to them.

j) Existing Net Billing Customers electing to create an Aggregation Arrangement who also have executed an interconnection agreement and who are making no modifications to their renewable electrical generation facilities other than electing aggregation will not be required to complete a new interconnection agreement, nor conduct new interconnection studies.

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SPECIAL CONDITIONS (continued)

k) The Net Billing Aggregation Customer may elect to follow the standard Net Billing interconnection model where the renewable electrical generation facility is located behind an existing billing account meter. In this case no additional metering equipment is necessary. Customers may also request an additional service from Pacific Power for the purposes of interconnecting the renewable electrical generation facility. This additional service and associated metering must comply with the same locational constraints placed on all Aggregated Accounts by being located on the same or contiguous properties as the load of the Aggregated Accounts. The location must be approved by Pacific Power and must not result in adverse impacts to the electrical system, as determined by Pacific Power. No additional load other than the incidental load related to the inverters and support of the renewable electrical generation facility may be registered on this additional metered service. All costs associated with the installation of the new service location must be paid by the Customer.