Schedule No. DGS
DISTRIBUTED GENERATION SERVICE PROGRAM

**APPLICABLITY**

Applicable to eligible Distributed Generation Service Customer Generators ("DGS CGs" or "customers"). Eligible DGS CGs must not currently be net energy metering under the BVES Net Metering Tariffs (Schedule Nos. NEM-S and NEM-L). Eligible generating capacity must not exceed 1,000kW. This schedule applies in conjunction with DGS CG's Otherwise Applicable Tariff ("OAT"). Eligible DGS CG's renewable electricity generation facility must be owned, operated or leased by the DGS CG. Customers who purchase the output of a renewable electricity generation facility through a third-party power purchase agreement are also eligible provided all other program requirements are met. The DGS CG shall be connected for parallel operation with the service of BVES and be located on the DGS CG's owned, leased, or rented premises and intended to primarily offset part of the DGS CG's electrical requirements.

**TERRITORY**

Big Bear Lake and vicinity, San Bernardino County.

**RATES**

| | | |
|---|---|---|
| Interconnection Fee ($/connection) | | |
| Interconnection Fee | $150.00 | |
| Compensation Rates ($/kWh) | | |
| Avoided Energy Cost | 0.01598 | (R) |
| Avoided Transmission Access Charge | 0.01460 | (I) |
| Avoided Line Losses | 0.00055 | (R) |
| Renewable Attribute Adder - See special condition K | 0.06245 | (R) |

**SPECIAL CONDITIONS**

A. Required Application Contract: An Application for Interconnection (Form. No 71) and an executed Interconnection Agreement (Form No. 72) are required for service under this schedule.
B. Receipt and Acknowledgement of Solar Energy System Disclosure Documents and the California Solar Consumer Protection Guide: Before taking service under the DGS program, customer must receive and acknowledge receipt of the Solar Energy System Disclosure Document and the California Solar Consumer Protection Guide.
C. The DGS program is only open to BVES customers who are not currently NEM customers under BVES Net Metering tariffs.
D. The DGS program has a maximum installed capacity of 2 megawatts ("MW"). BVES will close the DGS program when installation of renewable energy generation reaches this limit.
E. Eligible customers will be subject to a one time Interconnection Fee, per connection.
F. Eligible customer's premises where the facility is located must be owned, leased, or rented by the customer.
G. Pursuant to D.20-01-008, customers receiving service under the DGS program are eligible to continue receiving service on this Schedule for a period of 20 years from the date of interconnection for the Facility.
H. Metering Equipment:

(Continued)

Schedule No. DGS
DISTRIBUTED GENERATION SERVICE PROGRAM

a. Received Power and Delivered Power shall be measured (metered) using a single meter capable of registering the flow of electricity in two directions. If the DGS CG's existing meter is not capable of measuring the flow of electricity in two directions, an appropriate standard meter shall be provided at BVES's expense. Any upgraded meter, if requested by the DGS CG in writing, will be installed at the DGS CG's expense. BVES may elect to install an additional meter or meters, at its expense, with the DGS CG's consent which shall not be unreasonably withheld. Such additional metering shall be used only to provide the information necessary to accurately bill or credit the DGS CG and for load profile purposes. (N)
b. For all DGS CGs served under this schedule, when BVES determines that dual metering is required and such DGS CG refuses consent for installation of dual metering, BVES shall have the right to refuse interconnection.

I. Billing:
   a. The DGS CG will be billed each month for the applicable billing period.
   b. For each billing period, BVES shall measure the Delivered Power and Received Power on an hourly basis in kilowatt-hours after the DGS CG serves its own instantaneous load.
   c. BVES shall bill the DGS CG each billing month for the Delivered Power in accordance with its applicable OAT.
   d. All applicable charges under the DGS CG's OAT shall apply.
   e. The DGS CG shall receive a credit each billing month for Received Power at the compensation rates listed in this schedule.
   f. Any Received Power generated in excess of the DGS CG's electric consumption shall not be carried forward to other billing months.
   g. Any excess compensation credit will not be carried forward to other billing months.
   h. DGS CG charges shall be paid in accordance with the BVES normal monthly billing cycle and OAT.

J. BVES may review and update its net billing export credits (compensation rate) by May 1 of each year.

K. In order to receive Renewable Attribute Adder compensation DGS CG must meet the following requirements: (1) register the Facility in the Western Renewable Energy Generation Information System ("WREGIS"); (2) obtain Renewable Portfolio Standard ("RPS") certification from the California Energy Commission ("CEC") for the facility and provides proof of this certification to BVES; and (3) allow for the ownership of the Renewable Energy Credits ("RECs") associated with the Received Power to be transferred to BVES.

**DEFINITIONS**

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

A. Customer's Premises: The rented, leased or owned establishment to which the Facility is connected.
B. Received Power: All electricity (measured in kWh) exported to BVES's grid by the DGS CG.
C. Delivered Power: Electricity provided (measured in kWh) to the DGS CG by BVES.
D. Distributed Generation Service Customer Generator (DGS CG): Customers under Schedule No. DGS. Includes all eligible Customers who use a Facility that is (i) owned and operated by the customer or leased by customer through a third-party, (ii) not more than 1,000 kW, (iii) located on (N)

(Continued)

Schedule No. DGS
DISTRIBUTED GENERATION SERVICE PROGRAM

the Customer's Premises, (iv) interconnected and operates in parallel with BVES' electric system, and (v) intended primarily to offset part or all of the Customer's own electrical requirements. (N)

E. Facility: A renewable energy technology power production distributed generating facility up to a limit of 1,000 kW.

F. Other Applicable Tariff ("OAT"): A customer's regularly applicable filed rates schedule under which normal service is rendered.

G. Avoided Energy Cost Compensation: The avoided energy cost compensation rate for Received Power is the previous year's 12-month average Net Surplus Compensation Rate ("NSCR") utilized by Southern California Edison Company ("SCE"). The NSCR is applied to all eligible DGS CGs, irrespective of their rate class. The NSCR is posted on SCE's website and updated monthly. This also affects line loss compensation discussed below. The NSCR price reflects the costs SCE avoids in procuring power during the time DGS CGs are likely to produce excess power with their renewable energy technology generating facilities. BVES participates in the CAISO Day-Ahead Market and receives power from the CAISO at the SCE-DLAP when BVES system load exceeds the schedule specified in the BVES firm contracts. The power BVES receives from the DGS CGs allows BVES to avoid purchases in the day-Ahead Market. Therefore, DGS CGs should be compensated at the kWh rate of received power, which is equal to NSCR.

H. Avoided Transmission Access Charge: The avoided transmission access charge rate for Received Power is based on avoided CAISO charges for power delivered at the SCE-DLAP as BVES avoids CAISO charges for power delivered at the SCE-DLAP due to power received by BVES from the DGS CG.

I. Avoided Line Losses: The transmission and the distribution loss factor for BVES equates to 3.43%. Therefore, BVES will pay 3.43% of the Avoided Energy Cost compensation rate for avoided transmission and distribution losses compensation.

J. Renewable Attribute Adder: Certified DGS CGs as detailed in Special Condition K will receive Renewable Attribute Adder ("RAA") compensation. The Renewable Attribute Adder is calculated using the last published Western Electricity Coordinating Council ("WECC") average renewable premium, based on the United States Department of Energy ("DOE") published data. RAA will only be paid to those DGS CGs who provide RECs to BVES.

Value of RECs = Received Power (kWhs) x RAA (average renewable premium) (N)