

**Form No. 29**

FIRM/NON-FIRM SERVICE AGREEMENT FOR CUSTOMERS  
SERVED UNDER TARIFF RATE SCHEDULE NO. A-5 TOU

This Service Agreement ("Agreement") is entered into by and between \_\_\_\_\_ "Customer" having an account served under Tariff Rate Schedule No. A-5 TOU ("A-5 TOU Rate") and Golden State Water Company ("GSWC") and Bear Valley Electric Service ("BVES"), a Division of GSWC, sometimes referred to herein jointly as "Parties" or individually as "Party". This Agreement is applicable only to electric use for the account served under the A-5 TOU Rate (either "Primary" or "Secondary" as further identified below). The A-5 TOU Rate may be amended from time to time as approved by the California Public Utilities Commission.

Customer understands that to qualify for the "Non-Firm" demand charges specified under the A-5 TOU Rate, Customer must permit BVES to interrupt either the entire electric service to the Customer (100% Non-Firm), or some lesser amount, but no less than 100 kW of electric service provided to the meter identified below in this Agreement. Further, in the event Customer does not voluntarily interrupt the load in excess of the "Firm" level identified below as requested by BVES, Customer's entire service at the meter specified below may be disconnected without notice by BVES.

Accordingly, the Parties agree as follow:

**1. THE IDENTITY AND LOCATION OF INTERRUPTIBLE ACCOUNT**

This Agreement is applicable only to the account identified below:

Customer Address: \_\_\_\_\_ (Assigned by BVES)

Customer Meter Number: \_\_\_\_\_ (Assigned by BVES)

Customer Account Number: \_\_\_\_\_ (Assigned by BVES)

Applicable A-5 TOU Schedule: **Primary**  or **Secondary**  (check one only)

**2. TERM**

This Agreement shall become effective on the latter of the two signatory dates contained in Section 11 below. This Agreement shall remain effective unless written termination is provided to the other Party once per year in the month of April, and no later than April 30 of any year, by the Customer or BVES. At that time, Customer may elect to modify the Firm Service Level or discontinue taking Non-Firm Service and thereby terminating this Agreement and foregoing the benefit of the lower rates provided under Non-Firm Service under the A-5 TOU Rate. Customer may elect to do so only once each year during the month of April as outlined here.

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(N)

Customer shall provide written notification of such changes to BVES to the person identified below:

Bear Valley Electric Service  
Energy Resource Manager  
42020 Garstin Road  
P.O. Box 1547  
Big Bear Lake, CA 92315-1547

**3. FIRM SERVICE LEVEL**

The Firm Service Level is defined as the base level of electric demand (kW) that will not be interrupted unless there is an electrical outage or other such event over which BVES has no control. Electric demand above the Firm Service Level is the Customer's Non-Firm load which, under normal operation conditions, is the amount of load subject to interruption during the identified period of BVES interruption. The Firm Service Level shall be specified by the Customer and agreed to by BVES.

The Firm Service Level may be zero or a level of demand (kW) representing key equipment that can be identified and isolated on the Customer's side of the meter from the Customer's total service such that it cannot be interrupted. The Parties agree with the following:

Firm Service Level will be \_\_\_\_\_ KW.

The remainder of Customer's electrical service is deemed Non-Firm and subject to interruption at BVES' discretion under this Agreement.

**4. INTERRUPTION REQUIREMENTS**

Notice of interruption, the duration of interruption and any required Customer control facilities (if required by BVES) are specified in BVES' Tariff. In addition, whether BVES or the Customer exercise control in initiating the interruption, it is solely at BVES' option as specified in the A-5 TOU Rate. However, depending upon the Firm Service Level elected above, the Customer may be asked by BVES to take one of the following actions, solely at the request of BVES and at BVES' discretion.

**a. The Customer may be requested by BVES to reduce electrical demand to the Firm Service Level.**

The Customer may be requested to reduce their entire load to zero only if the Firm Service Level as specified above is zero, in which case all of the Customer's electric demand (kW) will be billed under the Tariff's Non-Firm rates during the Term of this Agreement. If the Firm Service Level is other than zero, only that demand (kW) above the Firm Service Level will be billed under the Tariff's Non-Firm rates and the Firm Service rates will apply to a demand up to the Firm Service Level.

**b. The Customer may be requested by BVES to reduce electrical demand to a level above that identified herein as the Firm Service Level.**

The Customer may be requested by BVES to reduce the load to a level greater than the Firm Service Level only if the Customer has declared a Firm Service Level of zero and the reduction requested by BVES is deemed to be sufficient to meet emergencies. As in the action above, Customer with a zero Firm Service Level shall receive all electrical service and will be billed under the Tariff's Non-Firm rates during the Term of this Agreement.

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**5. BILLING WITH A SPECIFIED FIRM SERVICE LEVEL**

**A. Demand Charges**

**The Demand Charges in any month shall be the sum of the Firm and Non-Firm Demand Charges (Section 1+ Section 2 noted below):**

- 1. Firm Demand Charges: Will be equal to the Firm Service Level demand times the sum of the following Demand Charges specified in the A-5 TOU Rate by season. However, if the total metered Maximum Demand in any period is less than the Firm Service Level, the Firm service demand charge will be the metered demand by time period times the Demand Charges as specified in the A-5 TOU Rate by season.

The Demand Charges that apply to Firm Service as specified in the A-5 TOU Rate by season are:

- a) Maximum Monthly Demand Charge (Firm Service)
- b) On-Peak Supply (Firm Service)
- c) On-Peak Base (Firm Service)
- d) Mid-Peak Base (Firm Service)

- 2. Non-Firm Demand Charges: Will be equal to the demand recorded by the meter in each time period (e.g. On-peak, and Mid-peak) net of the Firm Service Level, times the Non-Firm Service rates specified by each time period in the A-5 TOU Rate by season. However, if the total metered Maximum Demand in any period is less than the Firm Service Level demand, the Non-Firm demand will be zero.

The Demand Charges that apply to Non-Firm Service as specified in the A-5 TOU Rate by season are:

- a) On-Peak Supply (Non Firm Service)
- b) On-Peak Base (Non-Firm Service)
- c) Mid-Peak Base (Non-Firm Service)

**B Energy Charges With A Firm Service Level Greater Than Zero**

Under the current A-5 TOU Rate, the Energy Charges for both Firm and Non-Firm are identical.

**6. ASSIGNMENT**

Customer shall not assign this Agreement without prior written consent of BVES.

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**7. DISCLAIMER OF WARRANTY**

No promise, representation, warranty, or covenant not included in the Agreement has been, or is relied on by either Party. Each Party has relied on its own examination of this Agreement, the counsel of its own advisors, and the warranties, representations, and covenants in the Agreement itself.

**8. LIMITATION OF LIABILITY**

The limitations of liability set forth below shall not apply to errors or omissions caused by willful misconduct, fraudulent conduct, or violations of law. In no event shall BVES, its parent company nor its subsidiaries and divisions as may be created in the future, its shareholders, directors, officers, employees, agents or subcontractors, assigns and successors in interest ("BVES and its Agents") be liable to Customer for any direct, indirect, consequential, special, incidental, or punitive damages under any other theories including, but not limited to, tort, contract, breach of warranty or strict liability for the failure or malfunction, operation, maintenance, performance of any of BVES' control equipment, or the failure of BVES to give notice of a disconnection or period of interruption. The Customer shall indemnify, defend, and hold harmless BVES and its Agents from and against any and all liability (including liability based upon negligence and liability without fault), damages, costs, losses, claims, demands, actions, causes of action, attorneys' fees and expenses, or any of them, resulting from the death or injury to any person or damage to any property, including the property and personnel of BVES and its Agents, to the extent caused by BVES initiating a period of interruption by notice or disconnecting the Customer without giving notice or reconnecting the Customer with or without giving notice. The control equipment includes any metering, meter communication equipment, Internet communication software, energy demand management software and related goods and services. BVES shall not be responsible for any business loss, actual or implied, as a result of the partial or complete failure of the equipment to operate.

**9. COMPLIANCE WITH LAWS**

The Parties shall comply with the terms and conditions of BVES' Tariff applicable TOU Rate, and all, local, state and federal rules, regulations and laws. The A-5 TOU Rate may be amended from time to time as approved by the California Public Utilities Commission

**10. COMMISSION AUTHORITY**

This Agreement shall at all times be subject to the California Public Utilities Commission and to any changes or modification that the Commission may, from time to time, direct in the exercise of its jurisdiction.

Notwithstanding any other provision of this Agreement, BVES shall have the right to unilaterally file with the Commission, pursuant to the Commission's rules and regulations, an application or any filing for a change in tariff, rates, charges, classification, or any rule, regulation, or agreement relating thereto.

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**GOLDEN STATE WATER COMPANY**

630 E. FOOTHILL BLVD., P. O. BOX 9016  
SAN DIMAS, CALIFORNIA 91773-9016

Original Cal. P.U.C. Sheet No. 1793-E

Canceling \_\_\_\_\_ Cal. P.U.C. Sheet No. \_\_\_\_\_

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**11. SIGNATURES**

IN WITNESS WHEREOF, the Parties hereto have caused two originals of this Contract to be executed by their duly authorized representatives.

CUSTOMER

BVES

By: \_\_\_\_\_  
(signature)

By: \_\_\_\_\_  
(signature)

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: Energy Resource Manager

Date: \_\_\_\_\_

Date: \_\_\_\_\_

(N)

(N)

Advice Letter No. 242-E  
Decision No. 09-10-028

ISSUED BY  
**R. J. Sprowls**  
President

Date Filed June 26, 2010  
Effective Date July 26, 2010  
Resolution No. \_\_\_\_\_