File No. <u>161031</u>	Board Item No2
	D OF SUPERVISORS T CONTENTS LIST
Committee: Budget & Finance Commi	ttee Date October 26, 2016
Board of Supervisors Meeting	Date November 1 2016
Cmte Board    Motion   Resolution   Ordinance   Legislative Digest   Budget and Legislative A   Youth Commission Report   Introduction Form   Department/Agency Cov   MOU   Grant Information Form   Grant Budget   Subcontract Budget   Subcontract Budget   Award Letter   Application   Public Correspondence	ort er Letter and/or Report nission

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		SFPUC	Resolution	16-0193	

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Completed by:_	Victor Young	Date_	October 21, 2016
Completed by:_	Z.W.	Date_	October 27, 2016

[Customer Generation Agreement - Pacific Gas and Electric Company - Solar Power Project - 2055 Silver Avenue]

Resolution authorizing the General Manager of the Public Utilities Commission to enter into a Customer Generation Agreement with Pacific Gas and Electric Company for a Solar Power Project at Willie Brown Middle School at 2055 Silver Avenue, to continue indefinitely, unless terminated.

WHEREAS, The San Francisco Unified School District (SFUSD) owns and installed a 133.2kW rooftop Solar Photovoltaic System (Project) at Willie Brown Middle School located at 2055 Silver Avenue; and

WHEREAS, The San Francisco Public Utilities Commission (SFPUC) must enter into a Customer Generation Agreement—Third Party Generator on Premises Non-Exporting (Agreement) with Pacific Gas and Electric Company (PG&E) in order to interconnect the Project to the electrical grid; and

WHEREAS, The term of the Agreement is of an indefinite duration in order to ensure that the Project can remain interconnected to PG&E's electrical system for its useful life, which is expected to exceed ten (10) years; and

WHEREAS, The Agreement is subject to termination by the City for any reason upon sixty (60) day's notice; and

WHEREAS, SFUSD has agreed to reimburse the SFPUC for any charges incurred as a result of the Project, including any costs associated with the Customer Generation Agreement between the City and PG&E; and

Public Utilities Commission
BOARD OF SUPERVISORS

WHEREAS, The Agreement is on file with the Clerk of the Board of Supervisors in File No. 161031, which is hereby declared to be a part of this motion as if set forth fully herein; now, therefore, be it

RESOLVED, That the Board of Supervisors authorizes the General Manager of the SFPUC to enter into the Agreement with Pacific Gas and Electric Company for interconnection of the Project at Willie Brown Middle School, pursuant to San Francisco Charter, Section 9.118(b); and, be it

FURTHER RESOLVED, That within thirty (30) days of the agreement being fully executed by all parties, the General Manager of the SFPUC shall provide the final agreement to the Clerk of the Board for inclusion into the official file.



		ner Generation Agreement (3 <sup>rd</sup> Party G greement) is entered into by and betwee a Governmen	en City & County of San Francisco
and Findivio	G&E a	Sas and Electric Company (PG&E), a Cal re sometimes also referred to in this Ag is "Party." In consideration of the mut Agreement and its attachments, the Parti	ifornia Corporation. Customer reement jointly as "Parties" or ual promises and obligations
1.	SCOF	E, PURPOSE, AND RELATED AGREEN	IENTS
	Agree and a 2.2) t Gene of the	Agreement, in conjunction with the General Ment (3rd Party Non-Exporting (Form 79) ttached as Appendix A, allows the Procoutilize Customer's electrical facilities to rating Facility in parallel with PG&E's Dist Generating Facility is to serve the Custon identified in Section 2.1.	-988), identified in Section 2.2 lucer (as identified in Section interconnect and operate the ribution System. The purpose
2.		MARY AND DESCRIPTION OF THE PARATING FACILITY	ARTIES AND LOCATION OF
	2.1	The name and address used by PG& electric service account where the Gerwith PG&E's Distribution System is:	
		City & County of San Francisco - Willie E	rown Middle School
		2055 Silver Avenue	
	•	San Francisco, CA 94124	
	2.2	Distribution System pursuant to the General Agreement (3 <sup>rd</sup> Party Non-Exporting San Francisco Unified School District (Producer) dated Agreement).	ng) between PG&E and its successors or assigns (Producer
Automa	ated Docu	ment, Preliminary Statement Part A	Page 1 of 8 Form 79-992

Advice 3609-G/4674-E

July 2015



### 2.3 Producer's contact information:

San Francisco Unified School District Attn: David Goldin, Chief Facilities Officer 135 Van Ness Avenue, 2nd Floor San Francisco, CA 94102 Tel. No.: (415) 241-4308

Email: goldind@sfusd.edu

### 3. CUSTOMER ACKNOWLEDGEMENTS AND OBLIGATIONS

- 3.1 Customer acknowledges that it has authorized the Generating Facility to be installed and operated by Producer in accordance with PG&E's Electric Rule 21 on or adjacent to Customer's premises. Such Generating Facility shall be used to serve all or a portion of Customer's electrical loads associated with the electric service provided by PG&E at the location identified in Section 2.1, above, and any other purpose permitted under the *Producer Agreement*. Customer shall be solely responsible for the terms of any agreement between it and Producer.
- 3.2 Customer shall be solely responsible for any charges incurred under PG&E's electric service tariffs for the services provided to Customer by PG&E. Customer acknowledges that it is the sole end-use consumer of such tariffed services. This Agreement does not constitute an agreement by PG&E to provide any tariffed service to Producer.
- 3.3 Customer acknowledges the Generating Facility shall be operated in compliance with all PG&E tariffs, including but not limited to PG&E's Electric Rule 21, and any other regulations and laws governing the interconnection of the Generating Facility. Customer further acknowledges that it has been made aware of the charges and conditions related to the operation of the Generating Facility including, but not limited to Standby Tariff, Preliminary Statement "BB" Non-Bypassable Charges Tariff, and Electric Rule 2, and that the performance or lack of performance of the Generating Facility may affect the rates and charges billed by PG&E for the electric power delivered to Customer. Copies of such tariffs are available at www.PGE.com or by request to PG&E.
- 3.4 Any amounts to be paid, or refunded to, PG&E for the services received by Customer as a result of the Producer failing to operate the Generating Facility in accordance with the terms of the representations and warranties made under the *Producer Agreement* shall be paid to PG&E in accordance with PG&E's electric tariffs.



3.5 Customer shall make the Generating Facility reasonably accessible to PG&E's personnel, contractors or agents to perform PG&E's duties under Electric Rule 21.

### 4. TERMS AND TERMINATION

- 4.1 This Agreement shall become effective as of the last date entered in Section 13 below. The Agreement shall continue in full force and effect until the earliest date that one of the following events occurs:
  - (a) The Parties agree in writing to terminate the Agreement.
  - (b) Unless otherwise agreed in writing by the Parties, at 12:01 A.M. on the day following the date the Customer's electric service account through which the Generating Facility is interconnected to PG&E's Distribution System is closed or terminated.
  - (c) Unless otherwise agreed in writing by the Parties, at 12:01 A.M. on the 31<sup>st</sup> day following the date the *Producer Agreement* is terminated, unless the responsibility for such *Producer Agreement* is assigned to or replaced by a subsequent Producer. The Parties shall cooperate in obtaining an assignment or replacement agreement.
  - (d) At 12:01 A.M. on the 61<sup>st</sup> day after Customer or PG&E provides written Notice pursuant to Section 6 below to the other Party of the Customer or PG&E's intent to terminate this Agreement.
- 4.2 Customer may elect to terminate this Agreement pursuant to the terms of Section 4.1(d) for any reason. PG&E may elect to terminate this Agreement pursuant to the terms of Section 4.1(d) for one or more of the following reasons:
  - (a) A change in PG&E's applicable tariffs, as approved or directed by the Commission, or a change in any local, state or federal law, statute or regulation, either of which materially alters or otherwise affects PG&E's ability or obligation to perform PG&E's duties under this Agreement; or,
  - (b) Unless otherwise agreed in writing by the Parties, Customer fails to take all corrective actions specified in PG&E's Notice provided in accordance with Section 6 that Customer is out of compliance with the terms of this Agreement within the time frame set forth in such Notice.

#### 5. LIMITATION OF LIABILITY

- 5.1 Each Party's liability to the other Party for any loss, cost, claim, injury, liability, or expense, including reasonable attorney's fees, relating to or arising from any act or omission in its performance of this Agreement shall be limited to the amount of direct damage actually incurred. In no event shall either Party be liable to the other Party for any indirect, special, consequential, or punitive damages of any kind whatsoever.
- 5.2 PG&E shall not be liable to Customer in any manner, whether in tort or contract or under any other theory, for loss or damages of any kind sustained by Customer resulting from termination of the *Producer Agreement* between Producer and PG&E, provided such termination is consistent with the terms of the *Producer Agreement*.

### 6. NOTICES

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

If to PG&E: [Contact information to be supplied]

### If to Customer:

San Francisco Public Utilities Commission

Attn: Barbara Hale, Assistant General Manager for Power

525 Golden Gate Avenue, 13th Floor

San Francisco CA, 94102

Tel. No.: (415) 554-2483

Email: BHale@sfwater.org

6.2 A Party may change its address for Notices at any time by providing the other Party Notice of the change in accordance with Section 6.1.



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

#### 7. RELEASE OF DATA

Customer authorizes PG&E to release to the California Energy Commission (CEC) and/or the California Public Utilities Commission (Commission) information regarding the Generating Facility, including Customer's name and location, and the size, location and operational characteristics of the Generating Facility, as may be requested from time to time pursuant to the CEC's or Commission's rules and regulations.

Customer shall not voluntarily assign its rights nor delegate its duties under this Agreement without PG&E's written consent. Any assignment or delegation Customer makes without PG&E's written consent shall not be valid. PG&E shall not unreasonably withhold its consent to Customer's assignment of this Agreement.

#### 9. NON-WAIVER

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

### 10. GOVERNING LAW, JURISDICTION OF COMMISSION, INCLUSION OF PG&E's TARIFFS, DEFINED TERMS

- 10.1 This Agreement shall be interpreted, governed, and construed under the laws of the State of California as if executed and to be performed wholly within the State of California without giving effect to choice of law provisions that might apply to the law of a different jurisdiction.
- 10.2 This Agreement shall, at all times, be subject to such changes or modifications by the Commission as it may from time to time direct in the exercise of its jurisdiction.



- 10.3 The interconnection and services provided under this Agreement shall at all times be subject to the terms and conditions set forth in the tariffs applicable to the electric service provided by PG&E. Copies of such tariffs are available at <a href="www.PGE.com">www.PGE.com</a> or by request to PG&E and are incorporated into this Agreement by this reference.
- 10.4 Notwithstanding any other provisions of this Agreement, PG&E shall have the right to unilaterally file with the Commission, pursuant to the Commission's rules and regulations, an application for change in tariffs, rates, charges, classification, service, or any agreement relating thereto.
- 10.5 When initially capitalized, whether in the singular or in the plural, the terms used herein shall have the meanings assigned to them either in this Agreement or in PG&E's Rule 1 or Electric Rule 21 Section C. If any term is defined in both Rule 1 and Electric Rule 21, the definition in Electric Rule 21 shall prevail.

### 11. AMENDMENTS AND MODIFICATION

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

#### 12. ENTIRE AGREEMENT

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



### 13. SIGNATURES

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

City and County of San Francisco, acting by and through its
Public Utilities Commission ("SFPUC")

(Company Name)

(Signature)

Harlan Kelly

(Print Name)

General Manager, SFPUC

(Title)

(Date)

(Date)

PACIFIC GAS AND ELECTRIC COMPANY

(Signature)

(Print Name)

(Print Name)

(Print Name)

(Date)



### **APPENDIX A**

Generating Facility Interconnection Agreement
(3<sup>rd</sup> Party Non-Exporting)

**BETWEEN** 

PRODUCER AND PACIFIC GAS AND ELECTRIC COMPANY

# INTERCONNECTION COST RESPONSIBILITY AGREEMENT BETWEEN THE CITY AND COUNTY OF SAN FRANCISCO AND THE SAN FRANCISCO UNIFIED SCHOOL DISTRICT

This Interconnection Cost Responsibility Agreement (herein "Agreement") dated \_\_\_\_\_\_\_, 2016, is entered into by and between the City and County of San Francisco (the "City"), acting by and through its Public Utilities Commission ("SFPUC"), and the San Francisco Unified School District ("SFUSD"), hereinafter sometimes referred to individually as a "Party" and collectively as the "Parties."

### RECITALS

- A. The City currently serves SFUSD electricity loads using the transmission and distribution system of Pacific Gas & Electric Company ("PG&E");
- B. The SFUSD will install, own, and operate a rooftop solar photovoltaic generating facility ("Facility") at the Willie Brown Middle School located at 2055 Silver Avenue in San Francisco, California 94124 ("Property");
- C. In order to interconnect and operate the Facility in parallel with PG&E's distribution system, SFUSD (the energy producer) and PG&E will execute a Third Party Non-Exporting Generating Facility Interconnection Agreement ("GFIA");
- D. In order to utilize the City's electrical facilities to interconnect and operate the Facility in parallel with the PG&E distribution system, PG&E and the City will execute a Third Party Non-Exporting Customer Generation Agreement ("CGA") pursuant to which the City may be held responsible for certain costs and charges related to the ownership and operation of the Facility.

NOW, THEREFORE, in consideration of the foregoing and of the covenants and agreements contained herein, the SFUSD and City hereby agree as follows:

1. Term. This Agreement shall commence as of the effective date of the CGA and expire on the termination date of the CGA.

### 2. The Facility.

- (a) SFUSD is the owner of the Property and is solely responsible for installing, interconnecting, owning, operating, and maintaining the Facility. SFUSD has obtained, or will obtain, at its own expense, all licenses, permits, rights, authorizations, and approvals necessary to install, interconnect, own, and operate the Facility at the Property.
- (b) The design capacity of the Facility (CEC-AC) is 133 kilowatts ("kW") and the total expected annual generation is 176483 kilowatt-hours ("kWh"). SFUSD represents that the

Facility is sized to offset the annual electricity usage of the Property and not for surplus generation.

#### Costs and Charges. 3.

- SFUSD agrees that it is solely responsible for all costs, charges, and liabilities associated with installing, interconnecting, owning, operating, and maintaining the Facility, including but not limited to, all costs, charges, and liabilities arising from the CGA between CCSF and PG&E related to the interconnection of the Facility.
- If the City is assessed any costs or charges related to the Facility pursuant to the (b) CGA, the City shall promptly notify SFUSD and transmit any supporting documentation to SFUSD for payment to PG&E.
- **Indemnification and Hold Harmless.** SFUSD shall indemnify, protect, defend and hold harmless the City and County of San Francisco, the Public Utilities Commission, and its officials, employees, and agents from and against any and all losses, costs, liabilities and damages arising from, in connection with or caused directly or indirectly by any act or omission of the SFUSD or its employees, subcontractors or agents in relation to the Facility.
- **Dispute Resolution.** The SFUSD and City will cooperate to attempt to resolve issues that arise under this Agreement informally, promptly and fairly. If the Parties' staff are unable to resolve an issue after good faith attempts to do so, either Party may request a meeting of the SFPUC's Assistant General Manager for Power and the SFUSD Deputy Director of Facilities to address the issue. If such a meeting is requested, it shall be held within two weeks unless the Parties agree to a later date.
- **Notices.** All notices, demand, consents or approvals which are or may be required to be 6. given by either Party to the other under this Agreement shall be in writing and shall be deemed to have been fully given when delivered in person to such representatives of the SFUSD and City as shall from time to time be designated by the Parties for the receipt of notices, or when deposited in the United States mail, postage prepaid, and addressed to:

San Francisco Public Utilities Commission 525 Golden Gate Avenue, 13th Floor San Francisco CA, 94102

Attn: Barbara Hale, Assistant General Manager for Power

Tel. No.: (415) 554-2483 Email: BHale@sfwater.org

San Francisco Unified School District 135 Van Ness Avenue, 2<sup>nd</sup> Floor San Francisco, CA 94102

Attn: David Goldin, Chief Facilities Officer

Tel. No.: (415) 241-4308 Email: goldind@sfusd.edu or such other address with respect to either Party as that Party may from time to time designate by notice to the other given pursuant to the provisions of this Section.

### 7. Miscellaneous.

- (a) <u>Waiver</u>. Either Party's failure at any time to enforce any default or right reserved to it, or to require performance of any of the terms, covenants, or provisions of this Agreement by the other Party at the time designated, shall not be a waiver of any such default or right to which the Party is entitled, nor shall it in any way affect the right of the Party to enforce such provisions thereafter.
- (b) <u>Applicable Laws</u>. All transactions described herein are subject to and must be conducted in accordance with the applicable requirements of the City's Charter and codes and applicable state and federal laws.
- (c) <u>Entire Agreement</u>. This Agreement contains the entire agreement between the parties and supersedes all other oral or written provisions.
- (d) <u>Survival.</u> SFUSD's obligations under sections 3 and 4 of this Agreement shall survive the termination of this Agreement.
- (e) <u>Amendments</u>. This Agreement may be amended or modified only by a written agreement signed by the SFUSD and City.
- (f) <u>Execution</u>. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.
- (g) <u>Severability</u>. If any term or provision of this Agreement shall be found illegal or unenforceable, this Agreement shall remain in full force and effect and such term or provision shall be deemed stricken.

IN WITNESS WHEREOF, the Parties have caused this agreement to be executed as of the date first written above.

SAN FRANCISCO UNIFIED SCHOOL DISTRICT	CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation operating by and through its PUBLIC UTILITIES COMMISSION
By: Richard Carranza Superintendent	By: Harlan Kelly General Manager
Date:	Date:
	Approved as to form:
	DENNIS HERERRA City Attorney
	By: Deputy City Attorney



Revised Cancelling Revised Cal. P.U.C. Sheet No. Cal. P.U.C. Sheet No.

35464-E 32040-E\*

### Electric Sample Form No. 79-988

Generating Facility Interconnection Agreement (Third Party Non-Exporting)

Please Refer to Attached Sample Form

Advice Letter No: Decision No. 4674-E

Issued by
Steven Malnight
Senior Vice President
Regulatory Affairs

Date Filed Effective Resolution No. July 24, 2015 August 23, 2015



		ng Facility Interconnection Agreement (3 <sup>rd</sup> Party Non-Exporting) (Agreement) by and between
Electri also r	c Comp eferred eration	(Producer), and Pacific Gas and rany (PG&E), a California corporation. Producer and PG&E are sometimes to in this Agreement jointly as "Parties" or individually as "Party." In of the mutual promises and obligations stated in this Agreement and its he Parties agree as follows:
1.	SCOP	E, PURPOSE, AND RELATED AGREEMENT
	1.1	This Agreement, in conjunction with the <i>Customer Generation Agreement (3<sup>rd</sup> Party Generator on Premises, Non-Exporting)</i> (Form 79-992) identified in Section 1.2 and attached as Appendix E, provides for Producer to interconnect and operate a Generating Facility in parallel with PG&E's Distribution System to serve the electrical loads at the location identified in Section 2.2. This Agreement does not provide for Producer to deliver electric power to PG&E's Distribution System, nor does this Agreement constitute an agreement by PG&E to provide retail electrical service to Producer. Such arrangements must be made separately between PG&E and Producer.  The Generating Facility shall be interconnected with PG&E's Distribution
		System consistent with, and pursuant to, the Customer Generation Agreement (3rd Party Generator on Premises, Non-Exporting) between PG&E and City & County Of San Francisco (Customer) its successors or assigns dated (Customer Agreement).
2.	SUMN	MARY AND DESCRIPTION OF PRODUCER'S GENERATING FACILITY
	2.1	A description of the Generating Facility, including a summary of its significant components and a single-line diagram showing the general arrangement of how Producer's Generating Facility and Customer's loads are Interconnected with PG&E's Distribution System, are attached to and made a part of this Agreement.
·	2.2	Name and address used by PG&E to locate the Customer's Electric Service Account(s) used to interconnect the Generating Facility with PG&E's Distribution System:
	•	City & County Of San Francisco
		2055 Silver Avenue
		San Francisco, CA 94124



3.

4.

## GENERATING FACILITY INTERCONNECTION AGREEMENT 3<sup>rd</sup> PARTY NON-EXPORTING

2.3	The G	oss Nameplate Rating of the Generating Facility is 133.2 kW.
2.4	The Ne	et Nameplate Rating of the Generating Facility is 118.08 kW.
2.5	The ar	nnual energy production of the Generating Facility is expected to be kWh.
2.6	The ex	enerating Facility's expected date of Initial Operation is  spected date of Initial Operation shall be within two years of the date of preement.
2.7	the Ca	e purpose of securing certain tariff charge exemptions available under lifornia Public Utilities Code (PU Code), Producer hereby declares that enerating Facility:
	(a) [	does / Modes not meet the requirements for Cogeneration as such erm is used in Section 216.6 of the PU Code.
	F	does / does not meet the requirements for Distributed Energy Resource Generation as such term is used in Section 353.1 of the PU Code.
DOCU	JMENTS	SINCLUDED
		ent includes the following exhibits, which are specifically incorporated ade a part of this Agreement.
Apper	ndix A -	Description of Generating Facility and Single-Line Diagram (Supplied by Producer).
Apper	ndix B -	A Copy of PG&E's Agreement for Installation of Allocation of Special Facilities for Parallel Operation of Nonutility-Owned Generation and/or Electrical Standby Service (Form 79-280, Special Facility Agreement) (If applicable, and formed by the parties).
Apper	ndix C -	Producer's warranty that the Generating Facility meets the requirements for a Cogeneration facility pursuant to Section 216.6 of the Public Utilities Code (when applicable).
Appe	ndix D -	Producer's warranty that the Generating Facility meets the requirements for Distributed Energy Resources Generation as defined in Section 353.1 of the Public Utilities Code (When applicable).
Appe	ndix E -	Customer Generation Agreement (3rd Party Generator on Premises, Non-Exporting) (Form 79-992).

**TERM AND TERMINATION** 



- 4.1 This Agreement shall become effective as of the last date entered in Section 16 of this Agreement. The Agreement shall continue in full force and effect until the earliest date that one of the following events occurs:
  - (a) The Parties agree in writing to terminate the Agreement.
  - (b) Unless otherwise agreed in writing by the Parties, at 12:01 A.M. on the 31<sup>st</sup> day following the date the *Customer Agreement* is terminated unless such *Customer Agreement* is assigned to another party or replaced by a subsequent agreement. The Parties shall cooperate in obtaining an assignment or replacement agreement.
  - (c) At 12:01 A.M. on the 61<sup>st</sup> day after Producer or PG&E provides written Notice pursuant to Section 9 of this Agreement to the other Party of Producer or PG&E's intent to terminate this Agreement.
- 4.2 Producer may elect to terminate this Agreement pursuant to the terms of Section 4.1(c) for any reason. PG&E may elect to terminate this Agreement pursuant to the terms of Section 4.1(c) for one or more of the following reasons:
  - (a) A change in applicable tariffs, as approved or directed by the Commission, or a change in any local, state or federal law, statute or regulation, either of which materially alters or otherwise affects PG&E's ability or obligation to perform PG&E's duties under this Agreement; or,
  - (b) Unless otherwise agreed in writing by the Parties, Producer fails to take all corrective actions specified in PG&E's Notice that Producer's Generating Facility is out of compliance with the terms of this Agreement within the time frame set forth in such Notice; or,
  - (c) Producer fails to interconnect and operate the Generating Facility per the terms of this Agreement prior to 120 days after the date set forth in Section 2.6 of this Agreement as the Generating Facility's expected date of Initial Operation; or,
  - (d) Producer abandons the Generating Facility. PG&E shall deem the Generating Facility to be abandoned if PG&E determines, in its sole opinion, the Generating Facility is non-operational and Producer does not provide a substantive response to PG&E's Notice of its intent to terminate this Agreement as a result of Producer's apparent abandonment of the Generating Facility affirming Producer's intent and ability to continue to operate the Generating Facility.
- 4.3 Notwithstanding any other provisions of this Agreement, PG&E shall have the right to unilaterally file an application to terminate this Agreement with the Commission pursuant to the Commission's rules and regulations.



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

#### 5. GENERATING FACILITY OPERATION

- 5.1 Producer is responsible for operating the Generating Facility in compliance with all of PG&E's tariffs, including but not limited to PG&E's Electric Rule 21, and any other regulations and laws governing the interconnection of the Generating Facility.
- 5.2 The electric power produced by Producer's Generating Facility shall be used solely to serve electrical loads connected to the electric service account that PG&E uses to interconnect Producer's Generating Facility. Producer shall not use the Generating Facility to serve electrical loads that will cause Producer to be considered an "electrical corporation" as such term is used in Section 218 of the PU Code.
- Producer shall regulate the electric power output of Producer's Generating Facility so as to prevent the flow of electric energy from the Generating Facility to PG&E's electric system. Unless otherwise agreed upon in writing by the Parties, this Agreement does not provide for, nor otherwise require PG&E to receive, purchase, transmit, distribute, or store the electrical power produced by Producer's Generating Facility.
- 5.4 The Generating Facility shall be operated with all of Producer's Protective Functions in service whenever the Generating Facility is operated in parallel with PG&E's Distribution System. Any deviation from these requirements may occur only when the Parties have agreed to such deviations in writing.
- 5.5 Producer shall not operate the Generation Facility in parallel with PG&E's Distribution System unless the *Customer Agreement* is in effect. If the *Customer Agreement* identified in Section 1.2 is terminated, Producer agrees to cease operating the Generating Facility in parallel with PG&E's Distribution System.

#### 6. INTERCONNECTION FACILITIES

- 6.1 Producer and/or PG&E, as appropriate, shall provide Interconnection Facilities that adequately protect PG&E's Distribution System, personnel, and other persons from damage or injury which may be caused by the operation of Producer's Generating Facility.
- 6.2 Producer shall be solely responsible for the costs, design, purchase, construction, operation, and maintenance of the Interconnection Facilities that Producer owns.



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

#### 7. LIMITATION OF LIABILITY

- 7.1 Each Party's liability to the other Party for any loss, cost, claim, injury, liability, or expense, including reasonable attorney's fees, relating to or arising from any act or omission in its performance of this agreement, shall be limited to the amount of direct damage actually incurred. In no event shall either Party be liable to the other Party for any indirect, special, consequential, or punitive damages of any kind whatsoever.
- 7.2 PG&E shall not be liable to Producer in any manner, whether in tort or contract or under any other theory, for loss or damages of any kind sustained by Producer resulting from termination of the Customer Agreement provided such termination is consistent with the terms of the Customer Agreement.

#### 8. INSURANCE

- 8.1 In connection with Producer's performance of its duties and obligations under this Agreement, Producer shall maintain, during the term of this Agreement, general liability insurance with a combined single limit of not less than:
  - (a) Two million dollars (\$2,000,000) for each occurrence if the Gross Nameplate Rating of Producer's Generating Facility is greater than one hundred (100) kW;
  - (b) One million dollars (\$1,000,000) for each occurrence if the Gross Nameplate Rating of Producer's Generating Facility is greater than twenty (20) kW and less than or equal to one hundred (100) kW; and
  - (c) Five hundred thousand dollars (\$500,000) for each occurrence if the Gross Nameplate Rating of Producer's Generating Facility is twenty (20) kW or less.
  - (d) Two hundred thousand dollars (\$200,000) for each occurrence if the Gross Nameplate Rating of Producer's Generating Facility is ten (10) kW or less and Producer's Generating Facility is connected to an account receiving residential service from PG&E.

Such general liability insurance shall include coverage for "Premises-Operations, Owners and Contractors Protective, Products/Completed Operations Hazard, Explosion, Collapse, Underground, Contractual Liability,



and Broad Form Property Damage including Completed Operations."

- 8.2 The general liability insurance required in Section 8.1 shall, by endorsement to the policy or policies, (a) include PG&E as an additional insured; (b) contain a severability of interest clause or cross-liability clause; (c) provide that PG&E shall not by reason of its inclusion as an additional insured incur liability to the insurance carrier for payment of premium for such insurance; and (d) provide for thirty (30) calendar days' written notice to PG&E prior to cancellation, termination, alteration, or material change of such insurance.
- 8.3 If Producer's Generating Facility is connected to an account receiving residential service from PG&E and the requirement of Section 8.2(a) prevents Producer from obtaining the insurance required in Section 8.1, then upon Producer's written Notice to PG&E in accordance with Section 9.1, the requirements of Section 8.2(a) shall be waived.
- 8.4 Evidence of the insurance required in Section 8.2 shall state that coverage provided is primary and is not in excess to or contributing with any insurance or self-insurance maintained by PG&E.
- 8.5 Producer agrees to furnish the required certificates and endorsements to PG&E prior to Initial Operation. PG&E shall have the right to inspect or obtain a copy of the original policy or policies of insurance.
- 8.6 If Producer is self-insured with an established record of self-insurance, Producer may comply with the following in lieu of Sections 8.1 through 8.4:
  - (a) Producer shall provide to PG&E, at least thirty (30) calendar days prior to the date of Initial Operation, evidence of an acceptable plan to self-insure to a level of coverage equivalent to that required under Section 8.1.
  - (b) If Producer ceases to self-insure to the level required hereunder, or if Producer is unable to provide continuing evidence of Producer's ability to self-insure, Producer agrees to immediately obtain the coverage required under Section 8.1.



8.7 All insurance certificates, statements of self insurance, endorsements, cancellations, terminations, alterations, and material changes of such insurance shall be issued and submitted via email or fax to the following:

Pacific Gas and Electric Company c/o EXIGIS LLC <a href="mailto:support@exigis.com">support@exigis.com</a>
Fax: 646-755-3327

#### 9. NOTICES

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

If to PG&E: [Contact information to be supplied]

If to Producer: [Contact information to be supplied]

- 9.2 A Party may change its address for Notices at any time by providing the other Party Notice of the change in accordance with Section 9.1.
- 9.3 The Parties may also designate operating representatives to conduct the daily communications, which may be necessary or convenient for the administration of this Agreement. Such designations, including names, addresses, and phone numbers may be communicated or revised by one Party's Notice to the other.

#### 10. REVIEW OF RECORDS AND DATA

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



Producer authorizes PG&E to release to the California Energy Commission (CEC) and/or the California Public Utilities Commission (Commission) information regarding the Generating Facility, including the Producer's name and location, and the size, location and operational characteristics of the generating facility, as requested from time to time pursuant to the CEC's or Commission's rules and regulations.

#### 11. ASSIGNMENT

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

#### 12. NON-WAIVER

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

### 13. GOVERNING LAW, JURISDICTION OF COMMISSION, INCLUSION OF PG&E'S TARIFF SCHEDULES, DEFINED TERMS

- 13.1 This Agreement shall be interpreted, governed, and construed under the laws of the State of California as if executed and to be performed wholly within the State of California without giving effect to choice of law provisions that might apply to the law of a different jurisdiction.
- 13.2 This Agreement shall, at all times, be subject to such changes or modifications by the Commission as it may from time to time direct in the exercise of its jurisdiction.
- 13.3 The Interconnection and services provided under this Agreement shall at all times be subject to the terms and conditions set forth in the tariffs applicable to the electric service provided by PG&E. Copies of such tariffs are available at <a href="www.PGE.com">www.PGE.com</a> or by request to PG&E and are incorporated into this Agreement by this reference.
- 13.4 Notwithstanding any other provisions of this Agreement, PG&E shall have the right to unilaterally file with the Commission, pursuant to the Commission's rules and regulations, an application for change in tariffs, rates, charges, classification, service, or any agreement relating thereto.
- 13.5 When initially capitalized, whether in the singular or in the plural, the terms used herein shall have the meanings assigned to them either in this



Agreement or in PG&E's Rule 1 or Electric Rule 21, Section C. If any term is defined in both Rule 1 and Electric Rule 21, the definition in Electric Rule 21 shall prevail.

### 14. AMENDMENTS AND MODIFICATION

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

#### 15. ENTIRE AGREEMENT

This Agreement and the *Customer Agreement* referenced in Section 1.2, including any incorporated tariffs, contains the entire agreement and understanding between the Parties, their agents, and employees as to the subject matter of this Agreement. Each party also represents that in entering into this Agreement, it has not relied on any promise, inducement, representation, warranty, agreement or other statement not set forth in this Agreement, the *Customer Agreement* or in the incorporated tariffs.

#### 16. SIGNATURES

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

	PACIFIC GAS AND ELECTRIC COMPANY
(Company Name)	
(Signature)	(Signature)
(Print Name)	(Print Name)
(Title)	(Title)
•	
(Date)	(Date)



### **APPENDIX A**

DESCRIPTION OF GENERATING FACILITY

AND SINGLE-LINE DIAGRAM

(Supplied by Producer)



### APPENDIX B

A Copy of PG&E's:

Agreement for Installation or Allocation of Special Facilities for Parallel Operation of Nonutility-Owned Generation and/or Electrical Standby Service

Form 79-280, Special Facility Agreement

(if applicable, and formed by the Parties)



### APPENDIX C

PRODUCER'S WARRANTY THAT THE GENERATING FACILITY IS A "COGENERATION FACILITY" PURSUANT TO SECTION 216.6 OF THE CALIFORNIA PUBLIC UTILITIES CODE

For the purpose of securing the Competition Transition Charge exemption available under Section 372 of the California Public Utilities Code (PU Code), Producer hereby declares that the Generating Facility meets the requirements for Cogeneration as such term is used in Section 216.6 of the PU Code (Cogeneration Requirements).

Producer warrants that, beginning on the date of Initial Operation and continuing throughout the term of this Agreement, the Generating Facility shall continue to meet the Cogeneration Requirements. If Producer becomes aware that its Generating Facility has ceased to meet the Cogeneration Requirements, Producer shall promptly provide PG&E with Notice of such change pursuant to Section 9.1 of the Agreement. If at any time during the term of this Agreement PG&E determines in its sole discretion that Producer's Generating Facility may no longer meet the Cogeneration Requirements, PG&E may require Producer to provide evidence that the Generating Facility continues to meet the Cogeneration Requirements within 15 business days of PG&E's request for such evidence. Additionally, PG&E may periodically (typically, once per year) inspect Producer's Generating Facility and/or require documentation from Producer to monitor the Generating Facility's compliance with the Cogeneration Requirements. If PG&E determines in its sole judgment that Producer either failed to provide evidence in a timely manner or that it provided insufficient evidence that its Generating Facility continues to meet the Cogeneration Requirements, then the Cogeneration status of the Generating Facility shall be deemed ineffective until such time as Producer again demonstrates to PG&E's reasonable satisfaction that the Generating Facility meets the requirements for a Cogeneration facility (the Cogeneration Status Change).

PG&E shall revise its records and the administration of this Agreement to reflect the Cogeneration Status Change and provide Notice to Producer of the Cogeneration Status Change pursuant to Section 9.1 of this Agreement. Such Notice shall specify the effective date of the Cogeneration Status Change. This date shall be the first day of the calendar year for which PG&E determines in its sole discretion that the Generating Facility first ceased to meet the Cogeneration Requirements. PG&E shall invoice the Producer's electric Service Account through which the Generating Facility is Interconnected with PG&E's Distribution System for Competition Transition Charges (CTCs) that were not previously billed during the period between the effective date of the Status Change and the date of the Notice in reliance upon Producer's representations that the Generating Facility complied with the Cogeneration Requirements and therefore was eligible for the exemption from CTCs available under Section 372 of the PU Code.

Any amounts to be paid or refunded by Producer, as may be invoiced by PG&E pursuant to the terms of this warranty, shall be paid to PG&E within 30 days of Producer's receipt of such invoice.



### APPENDIX D

### PRODUCER'S WARRANTY THAT THE GENERATING FACILITY IS A "DISTRIBUTED ENERGY RESOURCES GENERATION" FACILITY PURSUANT TO SECTION 353.1 OF THE CALIFORNIA PUBLIC UTILITIES CODE

For the purpose of securing the tariff charge exemption available under Section 353.3 of the California Public Utilities Code (PU Code), Producer hereby declares that the Generating Facility meets the requirements for Distributed Energy Resources Generation as such term is used in Section 353.1 of the PU Code (DERG Requirements).

Producer warrants that, beginning on the date of Initial Operation and continuing throughout the term of this Agreement, its Generating Facility shall continue to meet the DERG Requirements. If Producer becomes aware that the Generating Facility has ceased to meet the DERG Requirements, Producer shall promptly provide PG&E with Notice of such change pursuant to Section 9.1 of the Agreement. If at any time during the term of this Agreement PG&E determines in its sole discretion that Producer's Generating Facility may no longer meet the DERG Requirements, PG&E may require Producer to provide evidence that the Generating Facility continues to meet the DERG Requirements within 15 business days of PG&E's request for such evidence. Additionally, PG&E may periodically (typically, once per year) inspect Producer's Generating Facility and/or require documentation from Producer to monitor the Generating Facility's compliance with the DERG Requirements. If PG&E determines in its sole judgment that Producer either failed to provide evidence in a timely manner or that it provided insufficient evidence that its Generating Facility continues to meet the DERG Requirements, then the Distributed Energy Resources Generation status of the Generating Facility shall be deemed ineffective until such time as Producer again demonstrates to PG&E's reasonable satisfaction that the Generating Facility meets the requirements for a Distributed Energy Resources Generation facility (the DERG Status Change).

PG&E shall revise its records and the administration of this Agreement to reflect the DERG Status Change and provide Notice to Producer of the DERG Status Change pursuant to Section 9.1 of this Agreement. Such Notice shall specify the effective date of the DERG Status Change. This date shall be the first day of the calendar year for which PG&E determines in its sole discretion that the Generating Facility first ceased to meet the DERG Requirements. PG&E shall invoice the Producer electric Service Account through which the Generating Facility is Interconnected with PG&E's Distribution System for any tariff charges that were not previously billed during the period between the effective date of the DERG Status Change and the date of the Notice in reliance upon Producer's representations that the Generating Facility complied with the DERG Requirements and therefore was eligible for the exemption from tariff charges available under Section 353.3 of the PU Code.

Any amounts to be paid or refunded by Producer, as may be invoiced by PG&E pursuant to the terms of this warranty, shall be paid to PG&E within 30 days of Producer's receipt of such invoice.



### **APPENDIX E**

CUSTOMER GENERATION AGREEMENT (3RD PARTY GENERATOR ON PREMISES) (NON-EXPORTING)

### PUBLIC UTILITIES COMMISSION

City and County of San Francisco

RESOLUTION NO.	16-0193

WHEREAS, The SFPUC is responsible for development of renewable energy generating facilities for the City; and

WHEREAS, the SFUSD owns the Willie Brown Jr. Middle School located at 2055 Silver Avenue in San Francisco, California and installed a 133 kilowatt rooftop solar PV system; and

WHEREAS, The SFPUC must enter into an ICR Agreement with the SFUSD and a CGA with PG&E in order to interconnect and operate the solar PV system to the local electrical grid; and

WHEREAS, The terms of the ICR Agreement and CGA are indefinite in duration to ensure that the solar PV system can remain operational and interconnected to PG&E's electrical system for the duration of its useful life, which is expected to exceed ten (10) years; and

WHEREAS, The ICR Agreement and CGA require the approval of the City and County of San Francisco ("The City") Board of Supervisors; and

WHEREAS, The CGA with PG&E is a PG&E form agreement approved by the California Public Utilities Commission that is not subject to negotiation; and

WHEREAS, The CGA has a limitation of liability language provision in section 7 that has been approved by the City Attorney; and

WHEREAS. The CGA has an insurance provision in section 8 that has been approved by the City's Risk Manager; and

WHEREAS, The ICR Agreement and CGA are subject to termination by the SFPUC for any reason upon sixty (60) days of notice; and

WHEREAS, SFUSD agreed in the ICR Agreement to reimburse the SFPUC for any charges incurred as a result of the interconnection and operation of the solar PV system, including any costs associated with the CGA; and

WHEREAS, On December 13, 2011, the Board of Education certified a categorical exemption for the project classified as a Public Resources Code Section 21084, Class 2 Exemption and Section 15302 (a) of the CEQA Guidelines, Replacement or Reconstruction; now, therefore, be it

RESOLVED, That this Commission hereby authorizes the General Manager of the SFPUC to execute an ICR Agreement with the SFUSD and a CGA with PG&E subject to the approval of the Board of Supervisors for contracts with a term exceeding ten (10) years, to connect and operate the new solar PV system at the Willie Brown Jr. Middle School in San Francisco, California.

I hereby certify that the foregoing resolution was adopted by the Public Utilities Commission at its meeting of September 13, 2016.

Secretary, Public Utilities Commission



525 Golden Gate Avenue, 13th Floor San Francisco, CA 94102 T 415.554.3155 F 415.554.3161 TTY 415.554.3488

TO:

Angela Calvillo, Clerk of the Board

FROM:

John Scarpulla, Policy and Government Affairs

DATE:

**September 23, 2016** 

**SUBJECT:** 

Customer Generation Agreement - Pacific Gas and Electric

Company - Solar Power Project - 2055 Silver Avenue

Attached please find an original and one copy of a proposed resolution authorizing the General Manager of the San Francisco Public Utilities Commission to enter into a Customer Generation Agreement with Pacific Gas and Electric Company for a Solar Power Project at Willie Brown Middle School at 2055 Silver Avenue, to continue indefinitely, unless terminated.

The following is a list of accompanying documents (2 sets):

1. Board of Supervisors Resolution

2. Customer Generation Agreement (Third Party Generator on Premises, Non-Exporting) 79-992

3. Interconnection Cost Responsibility Agreement

4. Generating Facility Interconnection Agreement (Third-Party Non-Exporting) 79-988

5. SFPUC Resolution No. 16-0193

Please contact John Scarpulla at (415) 934-5782 if you need additional information on these items.

SANFRANCISCA

2016 SEP 23 PM 1: 29

Edwin M. Lee Mayor

Francesca Vietor President

> Anson Moran Vice President

Ann Moller Caen Commissioner

Vince Courtney Commissioner

> Ike Kwon Commissioner

Harlan L. Kelly, Jr. General Manager



### **PUBLIC UTILITIES COMMISSION**

City and County of San Francisco

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