Original

CAL. P.U.C. SHEET NO. CAL. P.U.C. SHEET NO.

LOS ANGELES, CALIFORNIA CANCELING

Schedule No. GO-CIP CUSTOMER INCENTIVE PROGRAM

Sheet 1

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A. APPLICABILITY

The terms and conditions of this Tariff shall apply to the shareholder-funded incentives applicable to the purchase of new or replacement technology to be installed and used by nonresidential qualifying customers within the Utility's service territory. Additionally, the customer shall be required to sign an affidavit (Form 6700-1B) attesting that the incentive was a material factor in the decision to utilize the technology identified in the agreement. Service under this Schedule is optional subject to the terms and conditions set forth herein.

B. TERRITORY

Applicable throughout the service territory.

C. <u>INCENTIVES</u>

Customers purchasing technology that meets the Tariff eligibility requirements specified below are able to receive either (i) a one-time payment incentive or (ii) a transmission charge discount. In addition, the customer will also be held to a Minimum Annual Quantity (MAQ) of gas that must be used, as detailed in Form 6700-1A. The use of renewable natural gas (RNG) may qualify the customer for an additional 5% discount off the transmission charge for every therm of RNG used above the baseline if and only if the customer meets their MAQ usage, as detailed in Form 6700-1C. Only new or incremental usage as defined in Special Condition 1 of this Schedule, is eligible for discount or to be considered towards fulfilling the MAQ.

D. RATES

As determined by SoCalGas and unless otherwise stated in this Schedule or the Customer Incentive Program Agreement and Affidavit (Agreement), all charges and provisions of a customer's otherwise applicable tariff rate schedule shall apply. The discount shall apply only to the transmission component of the rate and shall not cause the rate to drop below the CPUC-authorized floor. The discounted rates are based upon a specific customer's otherwise applicable tariff determined by that customer's specified new usage as set forth in the Agreement. At the end of each year of the Agreement term, the discounted rate shall be compared to the floor and trued-up so that the overall rate does not drop below the CPUC- authorized floor.

The discount does not apply to revenues collected for the California Alternate Rates for Energy (CARE), the Public Utilities Commission Reimbursement Fee, taxes, Procurement Charge or other flow-through charges.

(Continued)

(TO BE INSERTED BY UTILITY) ADVICE LETTER NO. GO-CIP DECISION NO.

ISSUED BY **Dan Skopec**Vice President

Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

DATE FILED

EFFECTIVE

RESOLUTION NO.

1D0

LOS ANGELES, CALIFORNIA CANCELING

Schedule No. GO-CIP CUSTOMER INCENTIVE PROGRAM

Sheet 2

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(Continued)

D. RATES (Continued)

The procurement charge is determined as set forth in Schedule No. G-CP, in the manner approved by D.96-08-037, and subject to change monthly. The procurement charge cannot be discounted.

The transmission component of the rate will be discounted in the following manner: For customers with new usage flowing through a new meter, all gas load through the new meter shall be discounted as a volumetric rate discount or a one-time payment. For customers with new usage flowing through an existing meter, only the incremental usage will be discounted. The discounted rate will be compared to the floor and trued-up annually so that the overall rate does not drop below the CPUC-authorized floor.

1. Customer Charge

Per the otherwise applicable tariff rate schedule.

2. Other Charges

Customer shall be subject to annual adjustments if consumption falls below agreed upon volumes set forth in Form 6700-1A of the Agreement.

3. Minimum Charge

The minimum monthly charge shall consist of the monthly Customer Charge and any throughput penalty charges as stipulated in the Agreement.

The number of therms to be billed shall be determined in accordance with Rule No. 2.

E. ELIGIBILITY

To be eligible for participation in this tariff, the customer must meet the following criteria:

- a. The customer must have an active gas account or have an application for new service;
- b. The customer must sign an affidavit attesting to the fact that the incentive, either (i) a transmission charge discount or (ii) a one-time payment, is a material factor in the customer's decision to purchase the natural gas technology;
- c. The customer must demonstrate intent to install a technology that uses natural gas; and,
- d. The technology must improve energy efficiency, or reduce GHG emissions and/or criteria air pollutants by meeting one of the following standards:

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(TO BE INSERTED BY UTILITY) ADVICE LETTER NO. $\begin{tabular}{ll} GO\text{-}CIP \\ DECISION NO. \end{tabular}$

ISSUED BY **Dan Skopec**Vice President

Regulatory Affairs

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RESOLUTION NO.

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LOS ANGELES, CALIFORNIA CANCELING

Schedule No. GO-CIP **CUSTOMER INCENTIVE PROGRAM**

Sheet 3

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E. ELIGIBILITY (Continued)

- i. Technology must be at least 10% more efficient than a lower cost alternative.
- ii. The technology must meet the Federal Energy Regulatory Commission (FERC) efficiency standards.
- iii. The technology must qualify for a Leadership in Energy and Environmental Design (LEED) point.
- iv. The technology must demonstrate that it reduces GHG emissions or criteria air pollutants.

F. CUSTOMER SELECTION

Qualifying nonresidential customers, subject to the availability of funds, may apply for and receive one shareholder-funded incentive per technology per year. The minimum term of obligation for a customer receiving a shareholder-funded incentive is to operate the technology as specified in the contract. The Utility has the option of seeking Commission approval for contracts of five or more years before making such commitments.

G. DETERMINING THE LEVEL OF INCENTIVE

The level or amount of incentive must be consistent with the following:

- a. One-Time Payment Incentive: up to 50% of the project cost.
- b. Discounted Transmission Charge rate shall not drop below the CPUC authorized floor.

H. VERIFYING CONTRACT PERFORMANCE

Customer's incentive is premised upon the customer installing and using the natural gas technology as disclosed to the Utility. Customer could be subject to additional charges if the technology is not installed and utilized as per Agreement and Form No. 6700-1A, when applicable. To verify contract performance, Utility may require some or all of the following, from time to time, upon request:

- 1. Proof of purchase, delivery and installation;
- 2. Utility's visual verification of the technology installation and operation;
- 3. Separate metering of affected technology;
- 4. Establishment of a facility-wide baseload gas consumption, normally based on the previous 24month period (Form 6700-1D); and,
- 5. Additional information as necessary to complete Utility's annual program report to the Commission.

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(TO BE INSERTED BY UTILITY) ADVICE LETTER NO. GO-CIP DECISION NO.

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Regulatory Affairs

DATE FILED **EFFECTIVE** RESOLUTION NO.

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LOS ANGELES, CALIFORNIA CANCELING

Schedule No. GO-CIP **CUSTOMER INCENTIVE PROGRAM**

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(Continued)

SPECIAL CONDITIONS

- 1. Definitions of the principal terms used in this Schedule are contained in Rule No. 1 unless otherwise defined within this Schedule. For the purposes of this Customer Incentive Program, a customer is defined as a new gas load not previously served, or a reconnected load that has been off the SoCalGas system for at least 12 months. New usage is defined as new gas load to the SoCalGas system either through a new or existing meter. Incremental usage is defined as additional gas load above the baseload volume as established and agreed to in Section 7.1 of the Agreement and remains unchanged for the life of the Agreement. Baseload volume is defined as the usage in the prior 24-month period to signing the Agreement.
- 2. Any additional, altered, or replaced service and measurement-related facilities deemed necessary by SoCalGas to adequately measure service hereunder shall be installed, owned, and operated by SoCalGas and the installation and materials of such facilities shall be at the customer's expense.
- 3. Discounts for the Customer Incentive Program rate schedule can be volumetric rate discounts or onetime payments. These discounts may be offered in addition to DSM incentives, line extension allowances, core transport agent incentives, third party incentives, third party financing, etc.
- 4. As a condition precedent to service under this Schedule, a signed Agreement shall be required. As part of the Agreement, the customer acknowledges under penalty of perjury, that the terms and conditions of this Schedule are a material factor in its decision to locate new load within the SoCalGas service territory.
- 5. All contracts, agreements, rates, and conditions are subject to revision and modification as a result of CPUC order.
- 6. The term for service under this Schedule shall be set forth in the Agreement and in compliance with the conditions set forth in Rule No. 19.
- 7. Unless otherwise stated in this Schedule and Agreement, all conditions of otherwise applicable tariff shall remain in effect.

(TO BE INSERTED BY UTILITY) ADVICE LETTER NO. GO-CIP DECISION NO.

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ISSUED BY Dan Skopec Vice President Regulatory Affairs

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