

CITY of GLENDALE WATER & POWER

Feed-in Tariff (FIT) Regulations

Effective Date: July 26, 2013

1.0 Background

These Feed in Tariff (FIT) Regulations (Regulations) define the process and criteria for entities to sell power to the City of Glendale *Water & Power* (GWP) in compliance with Section 13.44.380 of the Glendale Municipal Code, 1995, and the provisions of the Standard Form Feed in Tariff Power Purchase Agreement (PPA) for renewable generation.

These Regulations satisfy GWP's obligations under California Public Utilities Code Section 399.32 as may be amended or supplemented from time to time.

2.0 Applicability

Under the FIT, Glendale *Water & Power* offers published rates and standard contract terms to customers selling generation from qualifying Eligible Renewable Energy Resources subject to the process and criteria defined in these Regulations.

3.0 Definitions

For the sole purpose of these Regulations, the capitalized terms used shall have the specific meanings ascribed to them in this Section.

- 3.1 "Agreements" means the FIT Power PPA and the FIT Interconnection Agreement.
- 3.2 "Applicant" means the entity submitting the Feed-In Tariff Application.
- 3.3 "Application" means submission of GWP FIT Application Form and related required documentation to initiate the process of entering into standard contracts to interconnect and sell Products from an eligible renewable Facility to GWP via interconnection with GWP's distribution system.
- 3.4 "Application Fee" means a non-refundable fee to review the Application.
- 3.5 "Capacity Attributes" shall be defined as set forth in the PPA.
- 3.6 "CEC" means the California Energy Resources Conservation and Development Commission, also known as the California Energy Commission, or its successor agency.
- 3.7 "Commercial Operation" means the period of operation of the Facility once the Commercial Operation Date has occurred.

- 3.8 “Commercial Operation Date” or “COD” means the date the Facility has successfully completed a test period of 168 hours of continuous operation. During this test, the Facility must meet the following conditions:
- a) Comply with all applicable interconnection and system protection requirements;
 - b) Demonstrate the capability of delivering the Contract Capacity at the Delivery Point on a reliable and continuous basis; and
 - c) Demonstrate that all Facility components operate and are available during the 168-hour period.
- 3.9 “Contract Capacity” means the installed electrical capacity available upon commercial operation of the Facility and specified in the PPA between the city and the FIT generator. Contract Capacity is measured at GWP’s power purchase meter at the Delivery Point, and shall be the Facility’s output in kilowatts and any reporting rights associated with such.
- 3.10 “Customer” means an existing GWP customer or a third party who becomes a GWP customer upon interconnection to GWP’s Distribution System.
- 3.11 “Date & Time Stamp” means the date and time assigned to an Application upon receipt by GWP. The GWP Representative will Date and Time Stamp the Application Documents in the order they are received.
- 3.12 “Day” means Monday through Friday, excluding holidays recognized by the North American Electric Reliability Corporation.
- 3.13 “Delivery Point” means the point of interconnection to GWP’s distribution system where GWP accepts title to the Facility power.
- 3.14 “Eligible Renewable Energy Resource” for the sole purpose of this FIT Program means a generating resource that has been certified as such by the CEC under California Public Utilities Code Section 399.12 and California Public Resources Code Section 25471, as either code may be amended or supplemented from time to time.
- 3.15 “Energy” shall be defined as set forth in the PPA.
- 3.16 “Facility” means the specific Eligible Renewable Energy Resource as proposed by Applicant on GWP’s FIT Application Form, including all property interests and related electrical and non-electrical equipment, and that meets all of the following criteria:
- a. Has an effective capacity of not more than 1.4 megawatts (AC) measured at the Delivery Point;
 - b. Is interconnected and operates in parallel with the city’s electrical transmission and distribution grid; and
 - c. Is strategically located and interconnected to the electrical transmission and distribution grid in a manner that optimizes the deliverability of electricity generated at the facility to load centers; and
 - d. Is located within the service territory of GWP, and developed to sell 100% of the Products from the Facility to GWP.

- 3.17 “Facility Capacity” means the maximum potential amount of electricity that a Facility can produce, measured at the Delivery Point, measured in kilowatts or Megawatts (AC).
- 3.18 “Feed-In Tariff Available Capacity” means the total amount of rated capacity that GWP will sign up under the Feed-In-Tariff program, initially set at 4.2 MW AC, and as may be revised from time to time, in accordance with the Feed-In Tariff itself.
- 3.19 “Green Attributes” means those environmental attributes and credits as defined in the PPA that shall be provided to GWP from any Feed-In Tariff Facility.
- 3.20 “GWP Distribution System” means the wires, transformers, and related equipment used by GWP to deliver electric power to its retail customers, typically at distribution level voltages and lower.
- 3.21 “GWP’s Rates, Rules and Regulations” means GLENDALE’s Charter and Municipal Code, GLENDALE’s Electric Rates, Rules and Regulations, and GLENDALE’s Electric Service Requirements as the same may be amended from time to time.
- 3.22 “Host Customer” means the GWP customer at whose locale the Facility is sited.
- 3.23 “Interconnection Study Fee” means the fee submitted by the Applicant to GLENDALE to cover the cost of GLENDALE’s review of the proposed Feed-in-Tariff interconnection.
- 3.24 “Off-Peak Period” or “Off-Peak” shall be defined as set forth in Section 13.44.380 of the Glendale Municipal Code, 1995.
- 3.25 “On-Peak Period” or “On-Peak” shall be defined as set forth in Section 13.44.380 of the Glendale Municipal Code, 1995.
- 3.26 “Participant” means an Applicant that has satisfied all Application requirements and entered into a Power Purchase Agreement with GWP.
- 3.27 “Portfolio Content Category 1 (PCC 1) shall be defined as set forth in Section 13.44.380 of the Glendale Municipal Code, 1995.
- 3.28 “Product” or “Products” means Energy, Contract Capacity, Capacity Attributes, and the Green Attributes from the Facility and delivered to the city in accordance with the PPA.
- 3.29 “Project” is interchangeable with the term “Facility” that is subject to an Application.
- 3.30 “Queue” means an ordered list of Applications based on Date & Time Stamps.
- 3.31 “Renewable Energy Credit” or “REC” shall be defined as set forth in the PPA.
- 3.32 “Reservation Deposit” means the monetary payment made by an Applicant to secure a Reserved Position in the Queue.

- 3.33 “Reserved Position” means a numbered position in the Queue, with an allotted share of the Feed-In Tariff Available Capacity. An Applicant must comply with the requirements of these Regulations and the requirements of the Power Purchase Agreement, to maintain its Reserved Position. The Reserved Position will be identified in the FIT Queue as one of the following: “Application Accepted, Feasibility Study in Progress, Contracts Issued, Contracts Executed or Operational.”
- 3.34 “Scheduled Commercial Operation Date” means the planned Commercial Operation Date of the Facility declared by Applicant.
- 3.35 “Site” means the real property (including all fixtures and appurtenances thereto) and related physical and tangible property generally owned or leased by the Applicant where the Electric Generation Facility is located or will be located, and including any easements, rights of way or contractual rights held or to be held by Applicant for the transmission lines and/or roadways servicing such Site or the Facility located (or to be located) thereon.
- 3.36 “Site Control” means that the Applicant shall (i) own the Site; or (ii) be the lessee of the Site under a lease which permits the Applicant to perform its obligations under the Agreement and FIT program.

4.0 General Rules, Rights and Obligations

- 4.1 Arrangement for other services. A Facility requiring other electric services from GWP including, but not limited to, Distribution Service during periods of curtailment or interruption of its Facility, must sign separate agreements with GWP for such services, in accordance with GWP’s approved Rates, Rules and Regulations and tariffs governing service.
- 4.2 Compliance with laws, rules, and tariffs. An Applicant shall comply with applicable City Council approved tariffs; applicable Federal Energy Regulatory Commission-approved rules, tariffs, and regulations; and any local, state or federal law, statute or regulation which applies to the Facility, including its design, siting, construction, installation and operation.
- 4.3 Interconnection. Facility interconnection on GWP’s system will fully comply with the interconnection guidelines for Feed-in-Tariff facilities, as set forth in the GLENDALE Electric Service Requirements.
- 4.4 Costs. All upfront or ongoing costs, including costs to GWP resulting from such interconnection shall be the responsibility of the Customer.
- 4.5 Location. Only one Facility per parcel will qualify for participation in the FIT. Applicants may not aggregate several renewable generators from other parcels to make up the Facility. If a Project is constructed in phases, an Application must be submitted for the entire Project output. The renewable generator(s) that constitute the Facility shall be within the boundaries of one legal parcel identified by the assessor’s parcel number on the Application Form. Multiple Applications by different Applicants for the same parcel or address will not be eligible. Projects must be located within GWP’s electric service territory.

5.0 Application Process

The following procedure will be observed to manage the Feed-In Tariff application process. Forms are available at www.glendalewaterandpower.com.

5.1 Applicant submits Application Package. Applications may be submitted in person, by U.S. Mail, or via overnight mail. Applicants shall submit one (1) original Application package in paper format and one copy in electronic format in Adobe format (pdf) on a CD-ROM. The Applications shall be enclosed in a sealed package or envelope, plainly marked in the upper left hand corner with the name and the address of the Applicant. The package or envelope shall bear the words "Application for" followed by the Application's title. Applications submitted via electronic mail or facsimile will not be accepted. The following materials must be submitted as an Application Package:

- a) A completed and signed Feed-in Tariff Application Form.
- b) The Application Fee, the Reservation Deposit, and the Interconnection Study Fee each in amounts as approved from time to time by the City Council.
- c) A single-line drawing showing the electrical relationship and descriptions of the significant electrical components such as the primary switchgear, secondary switchgear, protective relays, transformers, generators, and circuit breakers. The single-line diagram shall include operating voltages, capacities, and protective functions of the Generating Facility, the Customer's loads, and the interconnection with GWP's Distribution System.
- d) Site plans and diagrams showing the physical relationship of the significant electrical components of the Facility such as generators, transformers, primary switchgear/secondary switchgear, and control panels, the Customer's loads and the interconnection with GWP's Distribution System.
- e) If transformers are used to interconnect the Facility with GWP's Distribution System, transformer nameplate information (voltages, capacity, winding arrangements, connections, impedance, etc.)
- f) If a transfer switch or scheme is used to interconnect the Facility with GWP's Distribution System, component descriptions, capacity ratings, and a technical description of how the transfer scheme is intended to operate.
- g) If protective relays are used to control the interconnection, protection diagrams or elementary drawings showing relay wiring and connections, proposed relay settings, and a description of how the protection scheme is intended to function.

All of the documents listed above must be submitted or the Application will be rejected as incomplete. Drawings must conform to accepted engineering standards and must be legible; 11"x17" drawings are preferred. All submitted documents shall be considered public records and may be incorporated into a

contract between GWP and the selected Applicant.

- 5.2 GWP Review of Application. GWP will assign a Date and Time Stamp to each Application upon receipt. All Applications will be reviewed for completeness in the order received. If GWP determines that the Application is complete, GWP will then assign the Application to the FIT Queue. Incomplete Applications will be returned to the Applicant with the Reservation Deposit and Interconnection Study Fee. Any complete applications that would result in a Reserved Position with MW in excess of the Feed-In Tariff Available Capacity will be returned together with the associated Application Fee, Reservation Deposit and the Interconnection Study Fee.
- 5.3 GWP Response. GWP will indicate by electronic mail to Applicant whether the Application has been accepted or rejected. If the application has been accepted the Applicant will also be given a FIT Record Number as confirmation of acceptance in the FIT program. The FIT Record Number will also identify the position of the Applicant in the FIT Queue.
- 5.4 GWP Interconnection review. GWP will perform initial and, if necessary, supplemental reviews of the proposed interconnection to verify interconnection availability, and will develop preliminary cost estimates and interconnection requirements. GWP reserves the right to modify the interconnection review timeline at any time.
- 5.5 Application for CEC Certification. Applicant shall apply to the CEC for RPS certification on the COD date and shall provide GWP with proof of submission of such application. See also section 13.0.
- 5.6 Preparation of Final Agreements. GWP will request detailed project information from Applicant in order to complete the Agreements for a given FIT Application. Should Applicant not respond and provide the requested data within 15 Days, GWP will send Applicant a written notice of deficiency, giving Applicant 10 Days in which to provide this information or lose its FIT Queue Position. If Applicant fails to respond within 10 Days, Applicant will lose its FIT Queue Position and 100 percent of the Reservation Deposit will be returned to the Applicant.
- 5.7 Presentation of Agreements. The Standard Form FIT PPA and the Standard Form FIT Interconnection Agreement are available online at www.glendalewaterandpower.com. GWP will prepare and issue executable copies of the Standard Form FIT Agreements for Applicant's signature.
- 5.8 Applicant returns executed Agreements. Applicant will have 30 Days to return executed Agreements, or it will lose its FIT Queue position and 100 percent of the Reservation Deposit will be returned to Applicant. At this stage, the following items must be submitted to GWP:
 - a) Executed Standard Form FIT Power Purchase Agreement.
 - b) Executed Standard Form FIT Interconnection Agreement.
 - c) A check for ten percent of the estimated interconnection costs, as specified in section 5.4.
 - d) Evidence of Site Control acceptable to the City Attorney.
 - e) Proof of submission of an application to the CEC for pre-certification of the Facility as RPS-Eligible and proof of submission of an application to Western Renewable Energy Generation Information System (WREGIS) for a WREGIS account number.
 - f) Evidence of development expertise, which at a minimum is defined as at least one

project completed and operational, or one project under development following execution of relevant Agreements.

- 5.9 GWP executes Agreements. GWP will perform a final review of returned Agreements and the evidence of Site Control and expertise, and will deposit the funds for ten percent of the estimated interconnection costs specified in Section 5.8. GWP will then execute the Agreements, and confirm to Applicant via written notification the acceptance of completed Agreements. GWP will prepare detailed interconnection designs and provide a final cost estimate to the Applicant.
- 5.10 Applicant submits a check to GWP for the balance of the cost estimate. If the actual cost of the interconnection exceeds the final cost estimate. The Applicant must pay the difference. If the actual cost of the interconnection is less than the final cost estimate, the balance will be refunded to the Applicant upon completion of the interconnection.
- 5.11 Work proceeds on Facility. Applicant will proceed with development and construction of the Facility and will coordinate with GWP to complete interconnection facilities. Applicant will work with GWP to get the Facility info into WREGIS to create an account for test energy. GWP will provide Applicant with a successful WREGIS account number.
- 5.12 Line-work and “Meter & Service” Work. Because generators under the Feed-In Tariff are not interconnected behind an existing meter, all interconnections will require, at a minimum, “Meter & Service” work. In addition, distribution line extensions to the metering location and system reinforcements may be required, and are billable to the Applicant. This work will be designed and constructed by GWP, and may require the Applicant to install civil infrastructure at its cost to accommodate such extensions. All GWP design and construction costs associated with the interconnection, including but not limited to the cost of the meter, are billable to the Applicant.
- 5.13 Facility achieves Commercial Operation. Commercial Operations begin in accordance with the terms of the Power Purchase Agreement. Upon Commercial Operation, the Participant must provide GWP with proof that the CEC has certified the Facility as RPS Eligible.
- 5.14 Payments. The City of Glendale Finance Department will process billing and payments for Products purchased by GWP under the Power Purchase Agreement. GWP’s Customer Services will manage billing and payments on the Participant’s retail account, if applicable.

6.0 Feed-In Tariff Available Capacity

The combined total of reserved and installed Facility Capacity under the FIT cannot exceed the initial Feed-In Tariff Available Capacity, unless GWP determines in its sole discretion that the Feed-In Tariff Available Capacity should increase.

- 6.1 The capacity of any individual Facility cannot exceed 1.4 MW (AC) as measured at the proposed Delivery Point.

7.0 Eligibility Requirements

- 7.1 The Facility must meet the definition of a “Facility” as set forth in these Regulations and must

meet the FIT Program Criteria as defined in Section 13.44.380 of the Glendale Municipal Code, 1995.

- 7.2 Applicant must be the owner or operator of a Facility, must comply with these Regulations, including the submission of the documents, fees, information and Agreements as required by these Regulations.
- 7.3 The Facility must be an Eligible Renewable Energy Resource, selling one hundred percent (100%) of the Products, including its Energy output and Green Attributes associated with that energy, under contract to GWP. In order to be eligible for the FIT program, the Products produced by the Project may only be sold to GWP.
- 7.4 The Facility must be connected to the GWP Distribution System.
- 7.5 Facilities taking service under the Feed-In Tariff may not receive benefits from any of the following for the same Facility:
 - a) Incentives from GWP under customer programs implemented in compliance with SB 1 requirements or a similar program; or
 - b) If the Facility is an Eligible Renewable Energy Resource, use of the net metering option for energy deliveries in excess of Host Customer load.
- 7.6 The Facility must be, and remain for the duration of the PPA, an Eligible Renewable Resource, certified as RPS Eligible by the CEC. If the Facility loses its status as an Eligible Renewable Resource or fails to achieve such status, then the Project shall be disqualified from the FIT program and GWP may, at its option, terminate the Agreements or purchase power at the FIT Rate minus the renewable energy component.

8.0 Fees

Applicants must submit an Application Fee, Feed-In Tariff Reservation Deposit and Interconnection Study Fee along with their Feed-In Tariff Application. The amounts of such fees are established by Resolution of the City Council and may be changed from time to time.

- 8.1 Applications made without the Application Fee, Reservation Deposit and Interconnection Study Fee will be rejected.
- 8.2 At the time of determining the completeness of an Application, GWP will assume that any checks made for payment of the fees will be honored by Applicant's financial institution and that Applicant has sufficient funds to cover the check(s).
- 8.3 Should Applicant's check(s) be returned for insufficient funds, GWP will release the Applicant from the FIT Queue and deem that the Application is rejected. The Applicant will lose any Queue status and will have to resubmit the Application in its entirety.
- 8.4 Should a project be rejected or terminated any time before Standard Form FIT Power Purchase Agreement is executed, 100 percent of the Reservation Deposit shall be returned to Applicant and the Interconnection Study Fee will be refunded if GWP has not yet undertaken the Interconnection Study; if GWP has begun the Interconnection Study, the Interconnection Study

Fee will not be refunded. The Application Fee is non-refundable, unless at the time of Application submittal, all Available FIT Capacity for GWP has been reserved.

9.0 Reservation Queue Management

GWP will maintain a Reservation Queue for Feed-In Tariff Applications in order to establish Reserved Positions.

- 9.1 GWP will assign Reserved Positions to Complete Applications on a first-come-first-served basis until maximum available capacity has been met.
- 9.2 Receipt of Application. When delivered to the GWP, Applications will be time-stamped in the order in which Applications were received by GWP.
- a) GWP cannot guarantee the rank ordering of Applications delivered via US Postal Service or by overnight or air express.
 - b) Should Applicant wish to ensure a timely rank ordering, GWP recommends that Applicant hand deliver the Application to GWP at GWP Administration, 141 N. Glendale Avenue, Level 4, Glendale, California 91206.
 - c) Within ten (10) Days of receipt, GWP will post a copy of Applicant's request on its website located at: <http://www.Glendalewaterandpower.com>. Such information shall be provided pursuant to Public Utilities Code (PUC) §399.32(i), and shall not include confidential customer information; nor shall it include any proprietary Facility information, if such information is clearly designed in the Application as proprietary or confidential.
- 9.3 Queue information will be posted on GWP's website, <http://www.Glendalewaterandpower.com>. Each Facility will be given a FIT Queue ID and status code. Status codes will be as follows:
- a) **Application Accepted.** An initial determination by GWP that Applicant has provided all required documents, information and funds.
 - b) **Interconnection Study in Progress.** An indication that GWP is conducting the Interconnection Study for the Facility.
 - c) **Withdrawn.** An indication that Applicant has withdrawn its Application.
 - d) **Contracts Issued.** An indication that GWP has issued a Standard Form FIT Power Purchase Agreement and an Interconnection Agreement to Applicant.
 - e) **Contracts Executed.** An indication that Applicant has returned executed contracts to GWP, along with all required information and funds, and that GWP has executed the contracts.
 - f) **Terminated.** An indication that the Reserved Position for Applicant has been terminated, either because of failure to return executed contracts in a timely manner, or because the FIT Agreements were terminated under its own terms.
 - g) **Operational.** An indication that the Facility has achieved Commercial Operation.

10.0 Posting of Queue Information

GWP will post Queue information on its website, www.Glendalewaterandpower.com. Once an Application that has been submitted is complete and is deemed Accepted by GWP, information on that Application shall be made available, along with the information of other Applications, in the Queue. Note that irrespective of the confidentiality language in GWP's Feed-In-Tariff Agreement or Interconnection Agreement, the following Application information will be made available to the public on the posting:

- 10.1 FIT Record Number. (Date + Time + Seq Number) (mm-dd-yy-hh-###)
- 10.2 Application received date.
- 10.3 Facility Capacity.
- 10.4 Application status.
- 10.5 Technology Type
- 10.6 Contract Term

11.0 Power Purchase Agreement (PPA)

Applicants that are assigned Reserved Positions will be offered the Standard Form FIT PPA and FIT Interconnection Agreement, both of which must be executed in order for sales to GWP under the Feed-In Tariff to take place.

- 11.1 Contract terms are available for 10, 15, or 20 years at the Applicant's option, but subject to verification of Site Control and consent of the Facility owner to the proposed contract term.
- 11.2 The Standard Form FIT PPA terms and conditions incorporate these Regulations, as may be amended from time to time.
- 11.3 The Standard Form FIT PPA will conform at all times to GWP's Rates, Rules and Regulations, as amended from time to time. Any changes to GWP's Rates, Rules and Regulations which would act to modify this Agreement shall automatically be incorporated herein without a formal amendment.
- 11.4 A Facility shall be no larger than 1.4 kW AC. Under the FIT, an Eligible Renewable Energy Resource must sell to GWP all of the Products from the Facility, including all energy output and Green Attributes associated with that energy.
- 11.5 Should an Applicant propose a Facility configuration or deal structure requiring negotiation of the Standard Form FIT PPA terms and conditions that are different from those included in the standard form PPA, GWP will reject the Application.

12.0 Commercial Operation Date

Applicant must specify the Scheduled Commercial Operation Date at the time the Application is submitted. The Scheduled Commercial Operation Date must meet the following criteria:

- 12.1 The Scheduled Commercial Operation Date proposed by Applicant must be no later than twelve months after execution of the PPA.
- 12.2 Acceptance of any change in Commercial Operation Date requires GWP's prior written approval.
- 12.3 Delay of the Commercial Operation Date prior to the execution of the PPA. Delay of COD prior to execution of a PPA with GWP may be allowed if Applicant can document reasonable causes for delay. In no case will delays in COD longer than six months be permitted. Acceleration in COD will require the agreement of GWP.

- 12.4 Revision of Commercial Operation Date after execution of the PPA.
- 12.4.1 If a Standard Form FIT Standard Form FIT PPA is executed between GWP and Applicant, under the terms of the PPA, the Scheduled Commercial Operation Date can be modified once, unless otherwise agreed by GWP and Applicant.
- 12.4.2 Applicant must provide notice of the revised Scheduled Commercial Operation Date at least 90 calendar days prior to the initial Scheduled Commercial Operation Date.
- 12.4.3 The revised Scheduled Commercial Operation Date cannot be earlier than 90 calendar days prior to the initial Scheduled Commercial Operation Date.
- 12.4.4 The revised Scheduled Commercial Operation Date cannot be later than 90 calendar days after the initial Scheduled Commercial Operation Date.
- 12.5 Under the terms of the PPA, GWP will terminate the Agreement if the Facility has not achieved Commercial Operation within ninety (90) calendar days following the Scheduled Commercial Operation Date as revised.
- 12.6 Changes. No changes in Facility Capacity, expected energy output or Project location are allowed. An Applicant may change the technology or equipment provider, such as the manufacturer of solar panels, provided that the Applicant obtains written approval from GWP prior to making the change, and provided further, that the change does not change the Facility's status as an Eligible Renewable Resource.

13.0 Certification as Renewable

To qualify for the Feed-In Tariff program, prior to Commercial Operation the Facility shall obtain a valid WREGIS account for test energy. GWP will register the Project in its WREGIS account. On the Commercial Operations date the Facility will apply for certification from the California Energy Commission as an Eligible Renewable Energy Resource, receive an approval for certification from the CEC, and shall maintain such certification throughout the term of the PPA. Participants must send proof and documentation that the system has been certified with the CEC. All renewable energy credits (RECs) and environmental attributes of the Project shall be transferred automatically to GWP. GWP will register the system with the Energy Information Administration if necessary.

14.0 Permitting

Applicants shall obtain all necessary permits, and comply with all applicable regulatory requirements including but not limited to the California Environmental Quality Act (CEQA) to construct and operate the Facility at their own expense. Applicants shall be responsible for complying with all applicable City, County, State and Federal regulatory requirements. Failure to obtain proper permits from any applicable agency will result in forfeiture of the Reservation Deposit, Interconnection Study Fee and Interconnection Deposit and termination of the Power Purchase Agreement and Interconnection Agreement.

15.0 Pricing under the Feed-In Tariff

The Feed-In Tariff prices will be posted on the GWP Web site <http://www.Glendalewaterandpower.com>.

15.1 The time-differentiated rates shall be calculated and posted quarterly based on the following formula:

- (1) For energy delivered to GWP during the peak [offpeak] period, the avoided peak [offpeak] period cost of energy that would otherwise be purchased from the spot or short-term market during the upcoming calendar quarter, using the MEAD_ON [MEAD_OFF] forward curve (\$/MWh), as posted by the IntercontinentalExchange (Mead 230 Day Ahead Clearing Price) for on-peak and off-peak periods, respectively; plus
- (2) the value of Portfolio Content Category One (PCC1) Renewable Energy Credits (RECs) based on recent actual transactions by GWP (\$/MWh); plus
- (3) the avoided greenhouse gas (GHG) compliance costs, which are the product of (a) the default carbon emissions rate expressed in carbon allowances/MWh times (b) the price of carbon allowances from the most recent auction conducted by the California Energy Commission (\$/MWh); plus
- (4) the value of avoided transmission and distribution losses that would occur if energy were purchased on the spot or short-term market and imported into Glendale (eight percent (8%) multiplied by the avoided peak [offpeak] period cost of energy).

No later than ten (10) Days prior to the beginning of each calendar quarter, the rates for the upcoming quarter shall be posted at <http://www.Glendalewaterandpower.com>.

Subject to GWP's rights under the PPA, for facilities that have not (yet) achieved status as an Eligible Renewable Resource and/or that lose that status during the term of the PPA, the rate will be reduced by eliminating the renewable energy premium for deliveries of energy during periods without RPS certification, unless the PPA is terminated.

15.2 Subject to the approval of the City Council, GWP reserves the right to change the pricing methodology as industry circumstances warrant.

16.0 Interconnection

Feed-In Tariff interconnections and the interconnection review process for Feed-In Tariff Applications will be managed using these Regulations.

16.1 During the interconnection review process, GWP may determine that the Facility Capacity proposed by Applicant is too large for the proposed interconnection location. In this event, GWP will allow Applicant to reduce the proposed Facility Capacity to a size that can be accommodated at the proposed interconnection location. In addition, when optional distribution system improvements can reasonably be made that will increase GWP's ability to receive energy from the Applicant's proposed location, the Applicant will have the option of

proceeding at the proposed capacity if Applicant pays the costs of these optional improvements.

- 16.2 In no event will GWP allow Applicant to increase the proposed Facility Capacity of the Application.
- 16.3 Should an Applicant propose a Facility configuration requiring deviations from the GWP's FIT interconnection standards, GWP will reject the Application.

17.0 Authorized GWP Representative

Feed-In Tariff Applications must be addressed to the GWP Feed-In-Tariff Program Manager. Applicants should ensure that the GWP representative in the Administration Department, Level 4, Time and Date Stamps the Application. The Time and Date Stamp given by the GWP representative will be the official time and date of receipt of the Application.

Glendale Water & Power Administration
141 North Glendale Ave., Level 4
Glendale, CA 91206

For inquiries regarding the status of an Application:

Email: FIT_Program_Manager@Glendalewaterandpower.com **Phone:** 818-548-3874