

**THIS PRINT COVERS CALENDAR ITEM NO.: 10.3**

**SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY**

**DIVISION:** Capital Programs and Construction

**BRIEF DESCRIPTION:**

Authorizing the Director of Transportation to execute a long-term Generating Facility Interconnection Agreement (3rd Party Non-Exporting) with Pacific Gas and Electric Company (PG&E) for a solar power installation at the SFMTA Field Operations Facility at 1508 Bancroft Avenue; urging the Board of Supervisors to approve an ordinance submitted by the San Francisco Public Utilities Commission authorizing departments to enter into such agreements directly, without further approval by the Board of Supervisors; and subject to approval, and compliance with the conditions, of such an ordinance, the SFMTA Board authorizes the Director of Transportation to execute similar long-term Interconnection Agreements for other SFMTA facilities in the future.

**SUMMARY:**

- On February 27, 2017, on behalf of the SFMTA, San Francisco Public Works (SFPW) awarded Contract 8024A to Chiang C. M. Construction, to construct improvements at the SFMTA Facility at 1508 Bancroft Avenue.
- The Contract 8024A scope includes upgrading two existing freight elevators, improving building lighting and HVAC systems, adding insulation to the building envelope to meet California Building Code energy efficiency requirements, and installing a solar panel system on the roof.
- In order to activate the solar panel system, it must be connected to the existing PG&E power distribution system, for which the SFMTA must enter into a Generating Facility Interconnection Agreement (Interconnection Agreement) PG&E.
- In conjunction with the SFMTA Interconnection Agreement, the San Francisco Public Utilities Commission (SFPUC) will enter into a long-term Customer Generation Agreement with PG&E and plans to go to the Board of Supervisors for authority for SFPUC and other City departments, including the SFMTA, to enter into Interconnection Agreements with PG&E in the future.

**ENCLOSURES:**

1. SFMTAB Resolution
2. PG&E Generating Facility Interconnection Agreement Form 79-988

**APPROVALS:**

DIRECTOR



**DATE**

8/13/2018

SECRETARY



8/13/2018

**ASSIGNED SFMTAB CALENDAR DATE:** August 21, 2018

## **PAGE 2.**

### **PURPOSE**

The purpose of this calendar item is to authorize the Director of Transportation to execute a long-term Generating Facility Interconnection Agreement (3rd Party Non-Exporting) with PG&E for a solar power installation at the SFMTA Field Operations Facility at 1508 Bancroft Avenue; to urge the Board of Supervisors to approve an ordinance authorizing departments to enter into such agreements directly, without further approval by the Board of Supervisors; and subject to approval, and compliance with the conditions, of such an ordinance, authorizing the Director of Transportation to execute similar long-term Interconnection Agreements for other SFMTA facilities in the future.

### **STRATEGIC PLAN GOALS AND TRANSIT FIRST POLICY PRINCIPLES**

This action supports the following goals and objectives in the SFMTA Strategic Plan Principles:

Goal 3: Improve the quality of life and environment in San Francisco and the region.

Objective 3.4: Provide environmental stewardship to improve air quality, enhance resource efficiency, and address climate change.

Goal 4: Create a workplace that delivers outstanding service.

Objective 4.2: Improve the safety, security, and functionality of SFMTA work environments.

This action supports the following principle in the SFMTA Transit First Policy Principles:

10. The City and County shall encourage innovative solutions to meet public transportation needs wherever possible and where the provision of such service will not adversely affect the service provided by the Municipal Railway.

### **DESCRIPTION**

The SFMTA facility at 1508 Bancroft Avenue is a two-story, 90,000-square-foot pre-engineered metal building used by SFMTA's Sustainable Streets Division (SSD) Field Operations for shop, office and storage space. 130 employees of SSD's parking meter, sign, paint, and metal shops are all housed at the Bancroft facility. Though some tenant improvements were made to the facility when it was purchased by the SFMTA in 2012, several operational deficiencies require upgrades in order to provide an efficient, comfortable, and safe working environment for SFMTA staff.

The Project scope includes upgrading two existing freight elevators, improving building lighting and mechanical air ventilation, heating and cooling systems, and adding insulation to the building envelope to meet California Building Code energy efficiency requirements.

**PAGE 3.**

The Project scope also includes the addition of a new solar panel system on the roof, to support the City's goal of improving energy efficiency and overall sustainability of City facilities. The solar panel system will consist of 380 panels that will generate 175,000 kilowatts per year, supplying a significant portion of the electrical power for the Bancroft facility.

On February 27, 2017, on behalf of the SFMTA, San Francisco Public Works awarded Contract 8024A to Chiang C. M. Construction, to construct improvements at 1508 Bancroft Avenue, in the amount of \$4,935,813, and for a term of 360 days.

In order to activate the solar panel system, it must be connected to the existing PG&E power distribution system, and the City must enter into a Generating Facility Interconnection Agreement (3rd Party Non-Exporting) (hereafter, Interconnection Agreement(s)) with PG&E.

The SFPUC traditionally asks the Board of Supervisors for authority to enter into long-term Interconnection Agreements with PG&E, on behalf of itself and other City departments. For the Bancroft facility, SFPUC, as the City's electric utility, will enter into a separate Customer Generation Agreement with PG&E in conjunction with the SFMTA agreement.

For future City-owned solar power generation projects, in order to streamline the interconnection approval process, the SFPUC will also go to the Board of Supervisors with an ordinance seeking authority for City departments to enter into Interconnection Agreements with PG&E, directly, without further approval by the Board of Supervisors. The ordinance, which is still being drafted, may require departments to satisfy the following conditions prior to entering into an Interconnection Agreement:

- Except pursuant to San Francisco Charter Section 9.118(b) (contracts over ten years), the Interconnection Agreements would not otherwise require Board of Supervisors approval.
- The Interconnection Agreements are necessary to connect solar projects to the electrical grid.
- The renewable generation projects have been included in the department's capital plan and/or budget or have otherwise been approved by the City department.
- The Interconnection Agreements do not require the payment of any fees or costs by the City to PG&E unless such fees or costs have been included in the department's capital plan and/or budget or have otherwise been approved by the City department.
- Environmental review of the renewable generation projects is not required or has been completed and any necessary mitigation measures have been put in place.
- The City Attorney and the General Manager of the relevant City department or body determines that the Interconnection Agreements are for the same purpose as and substantially in the form as the Interconnection Agreements on file with the Clerk of the Board of Supervisors, and that the Interconnection Agreements do not materially increase the obligations and liabilities nor decrease the rights of the City.

**PAGE 4.**

## **STAKEHOLDER ENGAGEMENT**

As the work in the Bancroft facility does not impact transit service, public outreach has been limited to notifying residential and commercial neighbors adjacent to the construction site of intermittent and temporary parking and sidewalk closure impacts.

The solar panels are installed on the roof of the facility and do not have any negative impact to any neighbor's sightlines or sunlight. The panels will also not generate any noise issues.

SFMTA management and staff were consulted during the development of the project and are supportive of the solar panels as a way improve the energy efficiency of the facility, reduce facility energy costs, and contribute to the city-wide goal of increasing use of sustainable energy sources.

## **ALTERNATIVES CONSIDERED**

Because of poor lighting, inadequate air circulation and lack of thermal insulation protection from heat and cold, working conditions at Bancroft facility have had a negative impact on staff morale, productivity and safety. Making improvements to remedy these deficiencies was considered the only option.

Installing solar panels improves the energy efficiency of SFMTA facilities and enhances the Agency's ability to withstand future energy demands. Not proceeding with authorizing the Interconnection Agreement would render the solar panel system unusable and prevent these benefits from being realized by the Agency.

## **FUNDING IMPACT**

Public Works Contract 8024A is fully funded through SFMTA FY2019 Operating funds.

The PG&E Interconnection Agreement has no fees associated with it and will have no funding impact.

## **ENVIRONMENTAL REVIEW**

The 1508 Bancroft Improvement Project was subject to the California Environmental Quality Act (CEQA). Title 14 of the California Code of Regulations Section 15301 provides an exemption from environmental review for the operation, repair, maintenance, or minor alteration of existing public or private structures, including interior or exterior alterations.

On October 18, 2016, the SFMTA determined (Case Number 2016-014593ENV) that the 1508 Bancroft Improvement Project is exempt from CEQA as defined in Title 14 of the California Code of Regulations Section 15301. There have been no material changes to the Project since this CEQA determination.

**PAGE 5.**

A copy of the CEQA determination is on file with the Secretary to the SFMTA Board of Directors, and may be found in the records of the Planning Department at 1650 Mission Street in San Francisco, and is incorporated herein by reference.

**OTHER APPROVALS RECEIVED OR STILL REQUIRED**

Approval by the San Francisco Public Utilities Commission and the Board of Supervisors will be required.

The City Attorney's Office has reviewed this calendar item.

**RECOMMENDATION**

Staff recommends that the SFMTA Board of Directors authorize the Director of Transportation to execute a long-term Generating Facility Interconnection Agreement (3rd Party Non-Exporting) with PG&E for a solar power installation at the SFMTA Field Operations Facility at 1508 Bancroft Avenue; urge the Board of Supervisors to approve an ordinance authorizing departments to enter into such agreements directly, without further approval by the Board of Supervisors; and subject to approval, and compliance with the conditions, of such an ordinance, the authorize the Director of Transportation to execute similar long-term Interconnection Agreements for other SFMTA facilities in the future.

SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY  
BOARD OF DIRECTORS

RESOLUTION No. \_\_\_\_\_

WHEREAS, On February 27, 2017, on behalf of the SFMTA, San Francisco Public Works awarded Contract 8024A to Chiang C. M. Construction, Inc., to construct improvements at the SFMTA Facility at 1508 Bancroft Avenue; the improvements included upgrading two existing freight elevators, improving building lighting and HVAC systems, adding insulation to the building envelope to meet California Building Code energy efficiency requirements, and installing a solar panel system on the roof; and,

WHEREAS, In order to activate the solar panel system, it must be connected to the existing PG&E power distribution system, for which the SFMTA must enter into a Generating Facility Interconnection Agreement (3rd Party Non-Exporting) with PG&E; and,

WHEREAS, In conjunction with the SFMTA interconnection agreement, the SF Public Utilities Commission (SFPUC) will enter into a long-term third-party generation agreement with PG&E, and plans to go to the Board of Supervisors for authority to enter into such agreements on behalf of itself and other City departments, including the SFMTA; and,

WHEREAS, On October 18, 2016, the SFMTA determined (Case Number 2016-014593ENV) that the 1508 Bancroft Improvement Project is exempt from CEQA as defined in Title 14 of the California Code of Regulations Section 15301; and,

WHEREAS, A copy of the CEQA determination is on file with the Secretary to the SFMTA Board of Directors, and may be found in the records of the Planning Department at 1650 Mission Street in San Francisco, and is incorporated herein by reference; now, therefore, be it

RESOLVED, That the SFMTA Board of Directors authorizes the Director of Transportation to execute a long-term Generating Facility Interconnection Agreement (3rd Party Non-Exporting) with Pacific Gas and Electric Company for a solar power installation at the SFMTA Field Operations Facility at 1508 Bancroft Avenue; and be it further

RESOLVED, That the SFMTA Board urges the Board of Supervisors to approve an ordinance submitted by the SFPUC authorizing departments to enter into such agreements directly, without further approval by the Board of Supervisors; and be it further

RESOLVED, That subject to approval, and compliance with the conditions, of such an ordinance, the SFMTA Board authorizes the Director of Transportation to execute similar long-term Interconnection Agreements for other SFMTA facilities in the future.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of August 21, 2018.

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Secretary to the Board of Directors  
San Francisco Municipal Transportation Agency



**Electric Sample Form No. 79-988**  
Generating Facility Interconnection Agreement (Third Party Non-Exporting)

**Please Refer to Attached**  
Sample Form

Advice Letter No: 4674-E  
Decision No.

Issued by  
**Steven Mainight**  
Senior Vice President  
Regulatory Affairs

Date Filed  
Effective  
Resolution No.

July 24, 2015  
August 23, 2015





GENERATING FACILITY INTERCONNECTION AGREEMENT 3rd PARTY NON-EXPORTING

This Generating Facility Interconnection Agreement (3rd Party Non-Exporting) (Agreement) is entered into by and between City and County of San Francisco, a local government (Producer), and Pacific Gas and Electric Company (PG&E), a California corporation. Producer and PG&E are sometimes also referred to in this Agreement jointly as "Parties" or individually as "Party." In consideration of the mutual promises and obligations stated in this Agreement and its attachments, the Parties agree as follows:

1. SCOPE, PURPOSE, AND RELATED AGREEMENT

1.1 This Agreement, in conjunction with the Customer Generation Agreement (3rd Party Generator on Premises, Non-Exporting) (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.

1.2 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 and County of San Francisco, (Customer) its successors or assigns dated (TBD) \_\_\_\_\_, (Customer Agreement).

2. SUMMARY 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 and County of San Francisco
1508 Bancroft Avenue
San Francisco, CA 94124 \_



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

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- 2.3 The Gross Nameplate Rating of the Generating Facility is 124 kW.
- 2.4 The Net Nameplate Rating of the Generating Facility is 124 kW.
- 2.5 The annual energy production of the Generating Facility is expected to be 175,000 kWh.
- 2.6 The Generating Facility's expected date of Initial Operation is July 1, 2018. The expected date of Initial Operation shall be within two years of the date of this Agreement.
- 2.7 For the purpose of securing certain tariff charge exemptions available under the California Public Utilities Code (PU Code), Producer hereby declares that the Generating Facility:
- (a)  does /  does not meet the requirements for Cogeneration as such term is used in Section 216.6 of the PU Code.
- (b)  does /  does not meet the requirements for Distributed Energy Resource Generation as such term is used in Section 353.1 of the PU Code.

### 3. DOCUMENTS INCLUDED

This Agreement includes the following exhibits, which are specifically incorporated herein and made a part of this Agreement.

- Appendix-A Description of Generating Facility and Single-Line Diagram  
*(Supplied by Producer).*
- Appendix-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).*
- Appendix-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).*
- Appendix-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).*
- Appendix-E *Customer Generation Agreement (3rd Party Generator on Premises, Non-Exporting)* (Form 79-992).

### 4. TERM AND TERMINATION

# **GENERATING FACILITY INTERCONNECTION AGREEMENT**

## **3<sup>rd</sup> PARTY NON-EXPORTING**

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- 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 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.



# GENERATING FACILITY INTERCONNECTION AGREEMENT

## 3<sup>rd</sup> PARTY NON-EXPORTING

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- 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.
- 5.3 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.



# GENERATING FACILITY INTERCONNECTION AGREEMENT

## 3<sup>rd</sup> PARTY NON-EXPORTING

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- 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,

# **GENERATING FACILITY INTERCONNECTION AGREEMENT**

## **3<sup>rd</sup> PARTY NON-EXPORTING**

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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.

# **GENERATING FACILITY INTERCONNECTION AGREEMENT**

## **3<sup>rd</sup> PARTY NON-EXPORTING**

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- 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  
[support@exigis.com](mailto:support@exigis.com) 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:

P.O. Box 770000, Mail Code B7L San  
Francisco, CA 94177

If to Producer:

SFMTA Sign and Meter Shop  
1508 Bancroft Avenue  
San Francisco, CA 94124

- 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.



# GENERATING FACILITY INTERCONNECTION AGREEMENT

## 3<sup>rd</sup> PARTY NON-EXPORTING

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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 [www.PGE.com](http://www.PGE.com) 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





GENERATING FACILITY INTERCONNECTION AGREEMENT 3rd PARTY NON-EXPORTING

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.

City and County of San Francisco PACIFIC GAS AND ELECTRIC COMPANY
(Company Name) (Company Name)

(Signature) (Signature)

Ed Reiskin (Print Name) (Print Name)

SFMTA Director of Transportation (Title) (Title)

(Date) (Date)

San Francisco Municipal Transportation Agency
Board of Directors
Resolution No.
Adopted:
Attest:
Secretary, SFMTA Board of Directors

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

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**APPENDIX A**

**DESCRIPTION OF GENERATING FACILITY**

**AND SINGLE-LINE DIAGRAM**

*(Supplied by Producer)*

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

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**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)***

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

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**APPENDIX C**  
*(When applicable)*

**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.

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

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**APPENDIX D**  
*(When applicable)*

**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.



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

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**APPENDIX E**

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