



Preliminary Statement

Sheet 1

II. Balancing Accounts

Economic Development Rate Discount Balancing Account (EDRBA)

1. Purpose:

The purpose of the EDRBA is to record revenues and costs associated with the Economic Development Rate (EDR) program consisting of a discount of 12% to EDR participants, as approved by Decision (D.) 19-07-003.

2. Applicability:

The EDRBA shall apply to all customers unless otherwise specified by the Commission.

3. Rates:

The EDRBA revenue will be collected through electric Public Purpose Program (PPP) rates.

4. Definitions:

- a. EDR Revenue: Monthly EDR revenue equals the percentage of authorized PPP revenue pertaining to the EDR program multiplied by the unbundled PPP revenue billed during the month.
- b. EDR Costs: Included in the EDR costs are discounts representing the EDR Customer Benefits, which are equal to the line-item discount provided to customers as reflected in Schedule EDR.

5. Accounting Procedures:

The Utility shall maintain the EDRBA by making entries at the end of each month as follows:

- a. A debit entry equal to the discount for the month reflected in Schedule EDR;
- b. A credit entry equal to the revenue billed through PPP rates pertaining to the EDR program.
- c. An entry equal to amortization of the EDR balance as authorized by the Commission.
- d. An entry to record the transfer of amounts to or from other accounts as approved by the Commission, and
- e. A debit or credit entry equal to the interest on the average of the balance at the beginning of the month and the balance after the entries above, at a rate equal to one-twelfth of the interest rate on three-month Commercial Paper for the previous month, as reported in the federal Reserve Statistical Release, H.15, or its successor publication.

6. Disposition:

Pursuant to Commission D.03-04-027, the Utility shall file by October 1 of each year an advice letter requesting to apply to the electric PPP rate effective January 1 of the following year 1) the net amortization component of electric PPP account balances and 2) the Commission's currently authorized program budget revenue requirements for the PPPs.

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SCHEDULE EDR

Sheet 1

ECONOMIC DEVELOPMENT RATE

APPLICABILITY

Pursuant to Commission Decision (D.) 19-07-003, this schedule provides a five-year line-item discount of twelve (12) percent to non-residential, non-governmental customers that meet the eligibility requirements herein. Service is taken in conjunction with the customer's otherwise applicable electric service schedule.

Service is available to qualified customers locating, or retaining load within SDG&E's service territory subject to the conditions described below. Customers applying for service on Schedule EDR must sign an Agreement for Electric Service Under Economic Development Rate (Form No. 205-1000) which incorporates the required Affidavit for Economic Development Rate. An eligible customer under this schedule is not eligible to receive a renewed EDR agreement for any load previously serviced under Schedule EDR.

Bundled, Direct Access (DA) and Community Choice Aggregation (CCA) customers are eligible for Schedule EDR.

TERRITORY

Within the entire territory served by the utility.

RATES

The Economic Development Rate (EDR) provides a rate reduction of twelve (12) percent off the enrolled customer's otherwise applicable tariff charges, prior to determination of Taxes and Fees on electric charges, for five years.

SPECIAL CONDITIONS

1. Applicable Conditions. All Special Conditions contained in the customer's otherwise applicable schedule are applicable to service under this schedule.
2. Eligible Economic Development Rate (EDR) Customer. Eligible non-residential and non-governmental customers must: (a) enter into an Agreement for Electric Service Under Economic Development Rate (Form No. 205-1000), and (b) provide a completed Affidavit for Economic Development Rate. If applicable, based on the customer's Maximum Annual Demand being greater than 150kW, customers must also provide proof of eligibility from the California Governor's Office of Business Investment Services (GO-Biz).

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SCHEDULE EDR

ECONOMIC DEVELOPMENT RATE

SPECIAL CONDITIONS – (CONTINUED)

- 3. Program Caps. Total participation under this schedule is limited to 40 MW. Enrollment of non-residential non-governmental customers with Maximum Annual Demand equal to or less than 150 kW is limited to a 10 MW total program enrollment cap. Enrollment of non-residential non-governmental customers with Maximum Annual Demands greater than 150 kW is limited to a 30 MW total program enrollment cap. Program enrollment levels and achievement of capped levels will be based on the sum of Maximum Annual Demands, as stated in Section 3 of the Agreements for Electric Service Under Economic Development Rate (Form No. 205-1000). For each category of Program Caps, enrollment of EDR customers will discontinue once capped MW levels have been achieved.
- 4. California Governor’s Office of Business and Economic Development (GO-Biz). Utility will consult with the Governor’s Office of Business and Economic Development (Go-Biz), formerly known as the Office of California Business Investment Services (CalBIS), to coordinate the eligibility determination of prospective EDR customers with demand greater than 150 kW. GO-Biz will authorize the final approval of the application. If new information arises or there is a material change with the application, during or after the GO-Biz approval, customer is required to report this change and will be subject to requalification of eligibility.
- 5. “But For” Test. In order for a Utility customer to be eligible for this schedule, the customer must sign an affidavit, attesting to the fact that “but for” this incentive rate, either on its own or in combination with a package of offerings and/or incentives made available to the customer from other sources, the customer would not have remained in or located its operation within the Utility’s service territory.
- 6. Commencement of Discount. The electric bill discount shall commence on the Applicant’s regularly scheduled meter read day, based on the Effective Date indicated in the executed Agreement for Electric Service Under Economic Development Rate (Form No 205-1000). Eligible customers shall begin receiving the EDR discount no later than one billing period after receipt of a completed EDR agreement by the Utility.
- 7. Discount Calculation. The EDR discount shall be a separately stated line-item discount on the monthly bills of enrolled customers. The 12% discount will be applied to the eligible customer’s SDG&E billed Total Electric Charges, and therefore prior to the determination of Taxes and Fees on Electric Charges.
- 8. Contribution-To-Margin (CTM). Utility will conduct a CTM calculation for every EDR contract, after it has been in effect for 12 months, to ensure the contract under the 12% EDR discounted rates provides positive CTM. If any EDR contract does not show a positive CTM at that time, the contract will be terminated in accordance with the terms stated in the contract.

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SCHEDULE EDR

ECONOMIC DEVELOPMENT RATE

SPECIAL CONDITIONS - (CONTINUED)

- 9. Verification. Information provided by the customer to the Utility is subject to verification by the Commission and refusal or failure to provide documentation of eligibility acceptable to the Utility, upon request, shall result in the denial or termination of the EDR discount.
- 10. Confidential Information. Each EDR applicant with demand greater than 150 kW must acknowledge and consent to provide Utility and GO-Biz, on a confidential basis, with information necessary to determine eligibility and to conduct assessments for energy usage reduction potential. Applicant information may also be subject to subsequent regulatory review.
- 11. Monthly Bill Credit: DA and CCA customers will receive a monthly bill credit in the amount of the portion of the EDR discount that is related to Electric Energy Commodity Cost (EECC).
- 12. Metering. Separate electric metering for new or additional load may be required. If Utility determines it is necessary to provide service under this schedule, the customer will be responsible for any costs associated with providing separate electric metering

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