



Electric Schedule for Virtual Power Plant Tariff (VPPT)

APPLICABILITY: The Virtual Power Plant Tariff (VPPT) is available to MCE customers that have executed the MCE Virtual Power Plant Agreement (VPPA), and that have installed one or more qualified and fully operational distributed energy resources (DER) using an MCE-authorized Designee, with remote monitoring and dispatchable direct load control capabilities, behind the customer's utility electric meter, as verified by MCE. Customers that participate in MCE's Virtual Power Plant (VPP) Pilot can reduce their annual electricity costs, increase their resiliency, contribute to improving the health of their local grid conditions, support the advancement of cutting-edge innovative energy technology, while also earning valuable monthly bill credits for participation through this tariff.

SERVICE AREA: This schedule is available to MCE customers.

SUBSCRIPTION LIMIT: Subscription to this schedule is limited to 50,000 customers.

ELIGIBILITY: This optional schedule is available to MCE customers that meet the conditions detailed below. To be eligible for the VPPT, a customer must meet and maintain the following requirements:

1. Customers must have an active MCE residential, commercial, or industrial account with service address that is in good standing.
2. The customer account may not be enrolled in utility or third-party demand response programs or other behind-the-meter DER aggregations, including MCE's programs like Peak FLEXmarket. Accounts that are enrolled in a utility or other third-party demand response program or aggregation must disenroll in the third-party program prior to enrolling in the VPP. Enrollment can be determined using a standard form, the Customer Information Service Request (CISR) form.
3. Customers participating in the VPP must comply with the terms and conditions described in their governing VPPA, and have installed a qualified and fully operational DER compatible for monitoring and dispatchability by MCE pursuant to this tariff.
4. Customer DER installations must be compliant with the rules, stipulations, and restrictions of all manufacturer warranties and state and local codes and regulations, including applicable interconnection requirements. By enrolling in the VPP, customers warrant that they have all necessary authorizations and authority to enroll, and have provided any necessary notices to property owners, managers, or other stakeholders.
5. Customers must be enrolled in one of the following rate schedules:
 - a. Residential: E-TOU-A, E-TOU-B, E-TOU-C, E-TOU-D, EV2, E-6 and EM-TOU.
 - b. Commercial: B-1, B1-ST, B-6, B-10, B-19, B-20, BEV and SB.

Other rate schedules as determined by MCE will be noted at www.mcecleanenergy.org/rates

6. Customers who change onto an ineligible rate schedule will be removed from the VPPT and monthly bill credits will be discontinued immediately.
7. Customers must have an installed revenue grade meter, such as an AMI Meter (aka- "Smart Meter"), MV-90 Meter, or equivalent load meter capable of providing 15-minute interval data.
8. Customers must provide any information reasonably requested by MCE or its authorized designees that is necessary for MCE to administer this VPPT, such as specifications for pre-existing DER installations.
9. If a participating customer opts-out of MCE service, the customer will be immediately removed from the VPPT on the effective date of the opt out and will be ineligible for further bill credits, including any applicable Program Year True-Up Payment, as defined below.
10. All customers taking service under the VPPT must have their DER located behind the utility electric meter and the enrolled DERs must be fully operational for as long as they remain on the VPPT. If the customer anticipates that the DER will become non-operational for any reason for a period longer than 30-days, the customer must notify MCE at least 30-days prior to the start of the period of non-operation and provide MCE with the expected start and end dates of the non-operation. In such instances, and subject to MCE's verification and approval, MCE may suspend bill credits for up to 90-days. If the DER becomes non-operational for longer than 30-days, and the customer has not received approval for a temporary suspension of the bill credits, the customer may be removed from this VPPT and the bill credits will be discontinued immediately. If a DER unexpectedly becomes unresponsive, the customer may receive a notice via email from MCE or an MCE-authorized designee alerting them to the malfunction. Notified customers will have 30 days from the date of their notice to reconnect the unresponsive DER before MCE may disenroll the customer from the VPP and terminate future bill credits.
11. Participants who have completed a VPPA, agree to allow MCE and its authorized designees, to operate the DER consistent with this tariff and guidelines contained in the VPPA. A participating customer shall allow MCE to operate the DER at MCE's discretion, subject to the following limitations:
 - a. MCE may, at its discretion, dispatch the DERs (i.e., charge, discharge, load shift, load shed, load shape, load shimmy, and/or otherwise affect asset behavior), no more than recommended by the applicable DER vendor and/or manufacturer's warranty, except as outlined in the Special Conditions a and b below.
 - b. MCE and partners intend to program the DERs to shift customer load to non-peak hours to reduce cost and reliance on fossil fuel, except as described in Special Condition a below.
 - c. If connectivity to MCE's VPP is lost (including due to unplanned outages, emergencies, or other instance), DERs will be preprogrammed to go into an autonomous, self-operating mode until the situation is resolved and connectivity is resumed; see Special Conditions a, b, and c below.
16. MCE reserves the right to withhold incentives for any participating customers determined to be violating the terms and conditions of the governing VPPA.

17. Customers may elect to disenroll from the VPP and stop participation in VPPT at any time by contacting MCE at: virtualpowerplant@mcecleanenergy.org. All applicable terms and conditions of the governing VPPA will apply to any withdrawal. Termination of participation in VPPT, and the credits for participation, will be effective at the end of the customer's current billing cycle.
18. All VPP participants may elect to continue service under the VPPT upon expiration of their existing VPPA, through execution of a new VPPA.

Special Conditions for Participants:

- a) Public Safety Power Shutoffs. In the event that PG&E calls a pending Public Safety Power Shutoff event (PSPS) in the vicinity of a customer, MCE will attempt to charge the participating energy storage system (ESS) that are expected to be impacted by the outage to full capacity in advance of the PSPS event. If necessary, MCE may charge the ESS to full capacity during any time of day, including "peak" periods, to maximize resiliency benefits for customers. Once the PSPS event has been resolved, and power has been restored, MCE will resume its normal dispatching of all DERs.
- b) Unplanned Grid Outages. MCE will instruct the participating DERs to operate independently in the event of an unplanned outage of the electric grid. If the DER is an ESS, it will be charged using on-site generation resources if available, and only discharged to provide power for on-site usage. Once grid power has been restored, MCE will resume its normal dispatching of the DER.
- c) Loss of Connectivity. It is the customer's responsibility to ensure continued connectivity of the DERs to the VPP. If MCE loses connectivity to a DER, such as due to interruption of internet or cellular connection, the DER will revert to autonomous control until connectivity is restored.

RATES AND INCENTIVES:

Rate Schedule: All usage billed under this schedule will be in accordance with the customer's otherwise-applicable MCE rate schedule.

Monthly Bill Credits: In addition, customers served under this schedule will receive a performance payment in the form of a monthly bill credit. The monthly bill credit amount will be determined as follows:

Residential MCE VPP Customer

Residential customers are compensated for participation in the MCE VPP based upon the number and type of DER devices enrolled by the customer, detailed below. Equipment specifications (including make, model, etc.) will be detailed in the customer agreement. This Residential Monthly Advanced Payment (RMAP) will be paid monthly, subject to the maximum credit amount listed below, in the form of a bill credit. The monthly bill credit amount will be based on the RMAP Product Menu below.

RMAP Product Menu:

- \$2/month per enrolled smart major appliance (limited to eligible washers, dryers, dishwashers, refrigerators, freezers, and smart outlets with ≥ 1 kW load)
- \$5/month per enrolled eligible HAN/Smart Gateway
- \$5/month per enrolled eligible smart thermostat (limited to all-electric HVAC systems)
- \$5/month per enrolled eligible mini-split air conditioner
- \$5/month per enrolled eligible heat pump hot water heater
- \$10/month per enrolled eligible Level 2 electric vehicle (EV) charger
- \$20/month per enrolled eligible bi-directional (i.e., V2B, V2G, V2X) Level 2 EV charger
- \$10/month per enrolled eligible battery energy storage system under 20 kWh
- \$20/month per enrolled eligible battery energy storage system equal or over 20 kWh

The maximum RMAP bill credit for a customer utilizing the California Alternate Rates for Energy (CARE) or Family Electric Rate Assistance (FERA) discounts is \$50/month. The maximum RMAP bill credit for all other eligible residential customers (i.e., who are not on a CARE or FERA rate schedule) is \$40/month.

Commercial or Industrial MCE VPP Customer

Commercial and Industrial customers are paid a Commercial Monthly Advanced Payment (CMAP) in the form of a bill credit as well as an annual performance payment of \$0.11 per kWh of measured load flexibility shift that is delivered to MCE's VPP annually. The monthly bill credit amount will be based on the CMAP Load Shift Calculation methodology and subject to the maximum credit amount. CMAP will be calculated for the Program Year (January 1st through December 31st) in which a customer is enrolled in the VPP.

At the end of a Program Year, if the customer has generated more credit during the Program Year than has been paid to the customer through their CMAP for that Program Year, the customer is eligible to receive the balance owed, subject to the maximum bill credit amounts listed below (Program Year True-Up Payment). The Program Year True-Up Payment will be paid out as an additional bill credit prior to March 31st of the following Program Year. The calculation, as detailed below, is based on the total kWh of flexible load delivered to MCE's VPP, using MCE's Measurement and Verification (M&V) method and independently validated through third-party audit (as detailed in the VPPA).

CMAP Load Shift Calculation:

- A. FIRST PROGRAM YEAR: In the First Program Year that the customer enrolls in the VPP, MCE and/or MCE Authorized Designee will provide an Estimated Annual kWh of Load Shift for the proposed installations. Customer will receive a monthly bill credit valued at 33% of the Estimated Annual kWh Load Shift multiplied by \$0.11, then divided by 12, subject to the maximum bill credit listed below.
- B. AFTER THE FIRST PROGRAM YEAR: For each Program Year thereafter, the previous Program Year's Actual Verified kWh of Load Shift, as validated annually through MCE's M&V method, will be used to set the Delivered kWh of Load Shift Amount. Customer will receive a monthly bill credit valued at 50% of the DKLSA multiplied by \$0.11, then divided by 12, subject to the maximum bill credit listed below.

The maximum CMAP bill credit for an eligible commercial customer to receive is \$300/month. The maximum CMAP bill credit for an eligible industrial customer to receive is \$750/month.