













Schedule No. GO-DERS  
DISTRIBUTED ENERGY RESOURCES SERVICES

(Continued)

DEFINITIONS (Continued)

2. CREDITWORTHINESS REQUIREMENTS (Continued)

Applicant may submit a security deposit in lieu of the creditworthiness evaluation to qualify for DER Services. The security deposit is due at Agreement execution and will secure Applicant's obligations during both the construction period and the service period. The security deposit may be in the form of (a) cash, (b) an irrevocable and automatic annually renewing standby letter of credit in form, substance and amount reasonably acceptable to Utility and issued by a major financial institution within the United States, acceptable to Utility, or (c) renewable surety bond(s) in a form reasonably acceptable to Utility and issued by a major insurance company within the United States, acceptable to Utility.

Applicant may be required to reestablish credit if in the reasonable determination of Utility, the conditions under which credit was originally established have changed, or if in the opinion of Utility a condition of high risk exists.

In the event Utility determines that a financial change has or could adversely affect the creditworthiness of Applicant, or if Applicant does not provide the requested financial information, Utility may terminate Applicant's participation in the program with the sum of the remaining payments due immediately.

At the time of termination, if Applicant has not paid Utility billings, any security held on Applicant's accounts shall be applied to recoup unpaid bills. In addition, if Applicant is terminated and/or declares bankruptcy, Applicant will be liable to Utility for any and all costs, expenses, and attorney's fees incurred by Utility as a result of such termination or bankruptcy. Payment by Applicant of all such costs, expenses and attorney's fees will be a condition of re-entry into, or continuation of, DER Services.

3. DER FACILITIES. Facilities to be placed on the Premises in order to provide DER Services (to be identified in Exhibit A of the Agreement) including, but not limited to:

- a. Prime movers, compressors, heat recovery equipment, condensers, thermal storage, chillers, steam generators, electrical conditioning equipment, balance of plant systems and any other equipment needed to provide DER Services;
- b. Integrated equipment that includes a prime mover and peripheral equipment related to Applicant's specific application; and
- c. Other associated equipment that may be requested by Applicant and agreed to by Utility.

(Continued)

(TO BE INSERTED BY UTILITY)  
ADVICE LETTER NO. EXEMPLARY  
DECISION NO.

ISSUED BY  
**Lee Schavrien**  
Senior Vice President

(TO BE INSERTED BY CAL. PUC)  
DATE FILED \_\_\_\_\_  
EFFECTIVE \_\_\_\_\_  
RESOLUTION NO. \_\_\_\_\_

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