SCHEDULE E-CARE
CALIFORNIA ALTERNATE RATES FOR ENERGY

APPLICABILITY

This schedule provides a California Alternate Rates for Energy (CARE) discount to each of the following types of customers listed below that meet the requirements for CARE eligibility as defined in Rule 1, Definitions, and herein, and is taken in conjunction with the customer’s otherwise applicable service schedule.

1) Customers residing in a permanent single-family accommodation, separately metered by the Utility.

2) Multi-family dwelling units and mobile home parks supplied through one meter on a single premises where the individual unit is submetered.

3) Non-profit group living facilities.

4) Agricultural employee housing facilities.

TERRITORY

Within the entire territory served by the Utility.

DISCOUNT

1) Residential CARE: Qualified residential CARE customers will receive a total effective discount according to the following:

<table>
<thead>
<tr>
<th>Year</th>
<th>Effective Discount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>40%</td>
</tr>
<tr>
<td>2016</td>
<td>39%</td>
</tr>
<tr>
<td>2017</td>
<td>38%</td>
</tr>
<tr>
<td>2018</td>
<td>37%</td>
</tr>
<tr>
<td>2019</td>
<td>36%</td>
</tr>
<tr>
<td>2020 and beyond</td>
<td>35%</td>
</tr>
</tbody>
</table>

Pursuant to Commission Decision (D.) 15-07-001, the average effective CARE discount for residential customers will decrease 1% each year until an average effective discount of 35% is reached in 2020.

The average effective CARE discount consists of: (a) exemptions from paying the CARE Surcharge, Department of Water Resources Bond Charge (DWR-BC), Vehicle-Grid Integration (VGI) costs, and California Solar Initiative (CSI); (b) a 50% minimum bill relative to Non-CARE; and (c) a separate line-item bill discount for all qualified residential CARE customers with the exclusion of CARE Medical Baseline customers taking service on tiered rates schedules. D.15-07-001 retained the rate subsidies in Non-CARE Medical Baseline tiered rates and thereby a separate line-item discount is provided for these CARE Medical Baseline customers

(Continued)
DISCOUNT (Continued)

For CARE Medical Baseline customers taking electric service on one of the following Utility Distribution Company (UDC) tiered rate schedules (Schedule DR, Schedule DS, Schedule DT, Schedule DT-RV, Schedule DR-TOU, or Schedule TOU-DR), the average effective discount will consist of (a) rate subsidies associated with Medical Baseline tiered rates pursuant to D.15-07-001, (b) exemptions from paying the CARE Surcharge, DWR-BC, VGI costs, and CSI; (c) 50% minimum bill consistent with Non-CARE medical baseline customers; and (d) separate line-item bill discount of 26% beginning September 1, 2015 that will decrease 1% each year through 2020. The average effective discounts for CARE Medical Baseline customers on tiered rate schedules in 2017 are shown in the table below:

<table>
<thead>
<tr>
<th>CARE Medical Baseline Average Effective CARE Discount</th>
<th>Tier 1: Baseline Usage</th>
<th>Tier 2: Above 130% of Baseline Usage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Schedules DR, DS, DT or DT-RV</td>
<td>36%</td>
<td>53%</td>
</tr>
<tr>
<td>Schedule DR-TOU</td>
<td>36%</td>
<td>53%</td>
</tr>
<tr>
<td>Schedule TOU-DR</td>
<td>36%</td>
<td>52%</td>
</tr>
</tbody>
</table>

The line-item bill discounts will be applied to the total bill (less any minimum bill amount) as calculated for bundled service customers as shown in the table below:

<table>
<thead>
<tr>
<th>CARE</th>
<th>CARE + Medical</th>
<th>Non-Residential CARE</th>
</tr>
</thead>
<tbody>
<tr>
<td>35.638% R</td>
<td>24.000% R</td>
<td>20.000%</td>
</tr>
</tbody>
</table>

2.) **Non-Residential CARE**: Qualified non-residential CARE living facilities will receive a CARE line-item bill discount on all customer, demand, and energy charges on their otherwise applicable service schedule. The discount will be applied to the total bill as calculated for bundled service customers. In addition, the customer will be: (a) exempt from paying the CARE Surcharge, DWR-BC, VGI costs, and CSI; and (b) receive an additional discount by paying reduced Schedule E-LI commodity rates under Schedule EECC, Electric Energy Commodity Costs.

The CARE Surcharge is currently 0.00357 per kWh.
SPECIAL CONDITIONS

ALL CUSTOMERS

1. Applicable Conditions. All special conditions contained in the customer’s otherwise applicable schedule are applicable to service under this schedule.

2. Application and Eligibility Declaration. An application and eligibility declaration, on a form authorized by the Commission, is required for service under the CARE program unless otherwise authorized by the Commission. Renewal of a customer’s eligibility declaration, also referred to as recertification, will be required at the request of the Utility.

3. Commencement of CARE Discount. Eligible customers shall begin receiving the CARE discount no later than one billing period after receipt of a completed and approved application by the Utility or as may otherwise be authorized by the Commission.

4. Income Eligibility. An income-qualified customer, submetered tenant or facility resident that has total annual gross household income from all sources that is no more than shown in the table below for the number of persons living in the household. The combined income of all persons from all sources, both taxable and non-taxable, shall be no more than:

<table>
<thead>
<tr>
<th>Number of Persons Living in Household</th>
<th>Total Annual Gross Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 - 2</td>
<td>$32,480</td>
</tr>
<tr>
<td>3</td>
<td>$40,840</td>
</tr>
<tr>
<td>4</td>
<td>$49,200</td>
</tr>
<tr>
<td>5</td>
<td>$57,560</td>
</tr>
<tr>
<td>6</td>
<td>$65,920</td>
</tr>
<tr>
<td>7</td>
<td>$74,280</td>
</tr>
<tr>
<td>8</td>
<td>$82,640</td>
</tr>
</tbody>
</table>

For households with more than eight persons, add $8,360 for each additional person living in the household. The above income levels are subject to change annually by the Commission.

The applicant for the CARE discount must be the Utility’s customer of record or a submetered tenant of a Utility customer.

No customer, submetered tenant, or facility resident who is claimed on another person’s income tax return shall be eligible for the CARE program.

5. Verification. Information provided by the customer to the Utility is subject to verification as authorized by the Commission. Refusal or failure to provide documentation of eligibility acceptable to the Utility, upon request, shall result in the denial or termination of the CARE discount.

(Continued)
SPECIAL CONDITIONS (Continued)

6. **Backbilling.** Customers may be backbilled under the applicable rate schedule for periods of ineligibility and/or if the direct benefits to the facility’s residents claimed by the customer cannot be supported.

7. **Customer Responsibility.** It is the customer’s responsibility to notify the Utility within 30 days if there is a change in eligibility status, except as specified for multi-family customers in Special Conditions 12 and 13 below.

8. **Discount Calculation.** The CARE discount shall be reflected through the use of separately stated discounted rates for each identified applicable service schedule, or alternatively, as an overall discount to the otherwise calculated customer, demand and energy charges.

9. CARE program participants with electric usage above 400% of baseline allowance must provide proof of qualifying household income, including IRS Tax Return Transcripts, agree to participate in the Energy Savings Assistance program, and keep their usage below 600% of baseline allowance to remain enrolled in CARE.

In addition to the Special Conditions above pertaining to all applicable customers, Special Conditions specific to each type of applicable customer are set forth below.

**SINGLE FAMILY CUSTOMERS**

10. **Location Eligibility.** Customers are only eligible to receive this rate at one residential location at any one time.

**MULTI-FAMILY, SUBMETERED CUSTOMERS**

11. **Tenant Qualification.** Submetered tenants, rather than the Utility’s customer of record, qualify for CARE by completing an application and forwarding it to the Utility, and it is the tenant’s responsibility to notify the Utility of a change in eligibility status.

12. **Customer Responsibility.** The Utility customer shall notify the Utility within 30 days following a reduction in the number of submetered units qualifying for the CARE rate as a result of unit(s) being vacated.

13. **Location Eligibility.** Eligible tenants can only receive this rate at one residential location at any one time.
SPECIAL CONDITIONS (Continued)

NON-PROFIT GROUP LIVING FACILITY CUSTOMERS

14. Eligibility Criteria. In order for the customer to be eligible for the CARE discount, and to be considered a qualified non-profit group living facility, each of the following provisions must be met:

a. The facility must certify that it is one of the following: a homeless shelter, women's shelter, transitional housing, a short- or long-term care facility, or a group home for physically or mentally disabled persons.

b. The facility must provide a copy of its IRS Nonprofit Tax ID Form 501(c)(3) and state business license, conditional use permit or other proof satisfactory to the Utility. Separately metered satellite facilities in the name of the licensed facility, where 70% of the energy supplied is for residential purposes, are also eligible.

c. With the exception of homeless shelters, all facilities must certify that 100% of the residents of the facility individually meet the CARE eligibility standard for a single-person household. A caregiver who lives in the facility is not a resident for purposes of determining eligibility. A single-person household is eligible for the CARE discount if total annual gross income does not exceed $32,480.

d. With the exception of homeless shelters, all facilities must certify that they provide a "special needs" social service, such as meals, job development training, or rehabilitation programs, in addition to lodging for residents who qualify for the CARE discount.

e. Homeless shelters must certify that they provide at least six beds per day or night for a minimum of 180 days each year for persons who have no alternative residence.

f. The facility must certify that at least 70% of the energy supplied to the facility's premises is used for residential purposes.

g. Government-owned facilities are not considered qualified non-profit group living facilities unless they are a qualified non-profit homeless shelter as defined above.

h. Common use areas, whether separately metered or serving a common area and individual residence, are eligible to receive the CARE discount provided the facility meets the eligibility criteria set forth above.

15. Certification of Benefits. At the time of annual renewal of eligibility, each facility is required to certify that monies saved through the CARE discount have benefited the residents of the facility who qualify for the CARE discount. Certification shall be made under penalty of perjury and include a quantification of funds saved annually due to the CARE discount, and identify how those funds have been spent for the benefit of the qualifying residents.
AGRICULTURAL EMPLOYEE HOUSING FACILITY CUSTOMERS

In conjunction with the Special Conditions applicable to all facilities covered under this schedule, certain Special Conditions, unique to migrant farm worker housing centers, privately owned employee housing or non-migrant housing for agricultural employees (operated by non-profit entities) collectively referred to as Agricultural Employee Housing Facilities, must be met as provided below. Special Conditions applicable to a specific type of facility are also described below.

16. Eligibility Criteria. The applicant for the CARE discount must be the Utility’s customer of record. In addition, in order for the customer to be considered as a qualified facility, the following provisions must be met:

a. Migrant Farm Worker Housing Center

(1) The facility must qualify as a migrant farm worker housing center pursuant to Section 50710.1(e) of the California Health and Safety Code or non-profit farm worker center pursuant to subdivision (b) of Section 1140.4 of the California Labor Code, and is providing housing to migrant agricultural employees and has received an exemption from local property taxes pursuant to subdivision (g) of Section 214 of the Revenue and Taxation Code. Upon Utility request, the applicant shall provide a copy of the current contract with the Office of Migrant Services Department of Housing and Community Development of the State of California, or an unrevoked letter or ruling from the Internal Revenue Service (Code Section 501(c)(3)) or the Franchise Tax Board indicating that the entity is exempt from income taxes. The non-profit applicant may also be asked to provide a copy of a letter from the Assessor in the county where the facility is located indicating that the housing is exempt from local property taxes.)

(2) Service accounts receiving the discount are residential end-use accounts.

(3) The facility must use the savings from the reduction in energy rates to benefit the occupants.

b. Privately Owned Employee Housing

The facility qualifies as privately owned employee housing as defined in Section 17008 of the California Health and Safety Code, and is licensed and inspected by state or local agencies pursuant to Part 1 (commencing with Section 17000) of Division 13 of the Health and Safety Code. The applicant provides proof of current compliance with Part 1 of Division 13 of the Health and Safety Code or valid permit issued pursuant to Health and Safety Code Section 17030. Energy use in all facilities (100%) must be residential usage.
SCHEDULE E-CARE
CALIFORNIA ALTERNATE RATES FOR ENERGY

SPECIAL CONDITIONS (Continued)

AGRICULTURAL EMPLOYEE HOUSING FACILITY CUSTOMERS (Continued)

c. Non-Migrant Housing For Agricultural Employees (operated by non-profit entities)

The facility qualifies as housing for agricultural employees as defined in subdivision (b) of Section 1140.4 of the California Labor Code and has received an exemption from local property taxes pursuant to subdivision (g) of Section 214 of the Revenue and Taxation Code. The applicant provides proof of non-profit status by providing a copy of an unrevoked letter or ruling from the Internal Revenue Service (Code Section 501 (c) (3)) or the Franchise Tax Board indicating that the entity is exempt from income taxes. The applicant also provides a copy of a letter from the Assessor in the county where the facility is located indicating that the housing is exempt from local property taxes. Energy use in individually metered facilities must be 100% residential; for master metered facilities, at least 70% of the energy consumed on the CARE rate must be used for residential purposes.

17. Determination of Income Eligibility. The applicant for the CARE discount shall determine that 100 percent of the Agricultural Employee Housing Facility’s residents as defined in Section 16.b and c above, qualify for the discount. The applicant certifies that the total annual gross income (both taxable and non-taxable) from all sources for each individual and/or household meets the income eligibility guidelines as set forth in Special Condition 4. Upon request by the Utility, the applicant shall provide proof of income eligibility (income tax returns, paycheck stubs or similar records acceptable to the Utility). The applicant must retain all records for three years from the date of initial application and/or recertification for the CARE discount. Employees of the entity operating or managing the employee housing and who reside on the premises are not counted as residents for purposes of qualifying the facility for the CARE discount.

18. Certification of Benefits. For Agricultural Employee Housing Facilities defined in Special Condition 16.b and c above, the applicant at the time of initial application for the CARE discount, must provide a description of how the discount will be used to directly benefit the occupants of the facility. During the annual recertification, the applicant shall be required to certify under penalty of perjury how the past year’s discount directly benefited the occupants of the facility, and how the next year’s discount is expected to be used to directly benefit the occupants. It is the responsibility of the applicant to maintain appropriate accounting entries, retain necessary supporting documents of how the CARE discount was used to benefit the occupants, and provide them to the Utility upon request. The applicant must retain all records for three years from the date of initial application and/or recertification for the CARE discount.