

CALIFORNIA  
ENERGY  
COMMISSION

RENEWABLE ENERGY PROGRAM

Volume 1

EXISTING  
RENEWABLE  
RESOURCES  
ACCOUNT

FOURTH Edition

GUIDEBOOK

OCTOBER 2000  
P500-97-011V1



Gray Davis, Governor

CALIFORNIA  
ENERGY  
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**These guidelines were formally adopted by the California Energy Commission on January 21, 1998, and subsequently revised on August 12, 1998, March 15, 2000, and October 11, 2000 pursuant to Senate Bill 90 (Chp. 905, Stats. 97).**

**This guidebook contains general instructions for existing renewable power suppliers on how to qualify and apply for funding from the Existing Renewable Resources Account of the Renewable Resource Trust Fund. For more detailed information on this and other accounts funded through the Renewable Resource Trust Fund, please see the Energy Commission's *Policy Report on AB 1890 Renewables Funding*. The report (Publication Number P500-97-002) may be obtained through the California Energy Commission's Publications Office at (916) 654-5200.**

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# Introduction

Assembly Bill 1890 (AB 1890)<sup>1</sup>, enacted on September 23, 1996, provides \$540 million for the support of renewable electricity generation technologies. These funds will be collected from the ratepayers of the three largest investor-owned utilities in California from 1998 through March 31, 2002, to support existing, new, and emerging renewable electricity generation technologies. As part of the requirements of AB 1890, the California Energy Commission (Energy Commission) submitted a Policy Report<sup>2</sup> to the Legislature with recommendations for allocating the \$540 million.

Senate Bill 90 (SB 90)<sup>3</sup>, enacted on October 12, 1997, places the \$540 million into the **Renewable Resource Trust Fund**, and contains explicit directions for distributing this fund through four distinct accounts: the Existing Renewable Resources Account, the New Renewable Resources Account, the Emerging Renewable Resources Account, and the Customer-Side Renewable Resource Purchases Account. Table 1 shows the percentage funding allocations by year.

**Table 1**  
**Yearly Allocations to Renewable Technologies<sup>4</sup>**

Account	1998	1999	2000	2001	Overall	(in millions)
Existing Technologies	57%	49%	41%	33%	45%	\$243 <sup>5</sup>
New Technologies	24%	28%	32%	36%	30%	\$162
Emerging Technologies	10%	10%	10%	10%	10%	\$54
Customer-Side	9%	13%	17%	21%	15%	\$81

To assist potential program participants of the Renewable Energy Program in applying for funding from the various accounts within the Program, the Commission developed account-specific *Guidebooks*. These Guidebooks are identified as Volumes 1 through 5, with each volume corresponding to an account in the **Renewable Resource Trust Fund**:

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<sup>1</sup> Chapter 854, Statutes of 1996

<sup>2</sup> **Policy Report on AB 1890 Renewables Funding**, published March 1997, publication number 500-97-002.

<sup>3</sup> Chapter 905, Statutes of 1997

<sup>4</sup> These percentages apply to \$135 million dollars annually for four years as assumed in the **Policy Report on AB 1890 Renewables Funding**. Due to the fact that \$135 million will not be collected in the early years, it may be necessary to borrow funds from one account to make payments in another account equal to the absolute amounts expected annually. This will be done only if the account from which money is borrowed is not adversely affected. All funds borrowed will be returned to the appropriate account.

<sup>5</sup> Pursuant to Public Utilities Code section 383.5 the Commission will reallocate as much as \$40 million dollars of unused roll over funds in the Existing Renewable Resources Account for purposes a second New Renewable Resources Account auction to bring additional electrical capacity on-line by the summer of 2001. The actual reallocation of funds will take place, if at all, within six to ten months of conducting this second auction. The amount of funds to be reallocated will depend upon the results of the second auction and the availability of funds that may revert back to the New Renewable Resources Account because of canceled or reduced funding awards under the first New Renewable Resource Account auction.

- Volume 1 -- Existing Renewable Resources Account
- Volume 2 -- New Renewable Resources Account
- Volume 3 -- Emerging Renewable Resources Account
- Volume 4 -- Customer Credit Subaccount of the Customer-Side Renewable Resource Purchases Account
- Volume 5 -- Consumer Education Subaccount of the Customer-Side Renewable Resource Purchases Account

In addition, the Energy Commission developed the Overall Guidelines which set forth the administrative and legal requirements necessary to receive or appeal funding awards from the Existing Account, New Account, Emerging Account, Customer Credit Subaccount, and Consumer Education Subaccount.

## Overview of the Existing Renewable Resources Account

Volume 1 addresses the application and funding process for existing renewable technologies. The process has two stages: 1) generators first apply to become registered as a renewable supplier; 2) registered renewable suppliers must then meet certain eligibility criteria to receive funding from the program. The Energy Commission will issue two certificates to the generator – one for being a registered renewable supplier, and one showing that the supplier is eligible to receive funds from the program. The reason for this two-step process is that some generators may qualify as renewable suppliers without being eligible to receive funding. In addition, some generators that are renewable may not qualify for funding when the program begins, but may qualify at a later time.

The Energy Commission will also register renewable energy service providers (marketers, aggregators, and those providing electricity directly to end users) in a separate process. These providers may then apply for customer rebate funds as part of the Renewable Energy Program. Please see Guidebook Volume 4 of the **Renewable Energy Program** for further information about renewable electric service providers and customer rebates.

Funds from the program will be distributed to renewable suppliers through a simple cents per kilowatt-hour (kWh) payment. The payment will be based on the **lowest** of three possible calculations: the difference between a target price and the market clearing price; a pre-determined cents per kWh cap for the respective tier technology (caps and target prices are shown in Table 2 on page 3); or the funds-adjusted price for your particular technology (see page 14 for an explanation of this term). The value of the market clearing price used in calculating the payment is currently the weighted seasonal average short-run avoided energy cost (SRAC) **specific to each of the three utility service areas** (Pacific Gas & Electric [PG&E], Southern California Edison [SCE], and San Diego Gas & Electric [SDG&E]), or the generation-weighted monthly average unconstrained hourly day-ahead California Power Exchange (CalPX) price (See page 5 for an explanation of who is eligible to use CalPX-based pricing). This means that the market clearing price for facilities receiving incentive payments based on PG&E's

SRAC will be different than the market clearing price for facilities receiving incentive payments based on SCE's or SDG&E's SRAC, and those receiving incentive payments based on the CalPX price. This market clearing price will change over to the **energy price paid by the CalPX** for all facilities once the California Public Utilities Commission (CPUC) issues an order determining that the CalPX is functioning properly for the purposes of determining the short-run avoided cost energy payments to be made to nonutility power generators by electrical corporations.

Existing renewable technologies are divided into three tiers. Tier 1 contains biomass, waste tire, and solar thermal technologies. Tier 2 contains wind technologies. Tier 3 contains geothermal, small hydro (hydro with a capacity of 30 megawatts or less), digester gas, landfill gas, and municipal solid waste. The target prices and incentive caps for each tier are shown in Table 2. For a more detailed explanation of the rationale behind tier assignments, target prices, or caps, please see the Energy Commission's *Policy Report on AB 1890 Renewables Funding*.

**Table 2  
Target Prices and Payment Caps  
for Existing Technologies  
(cents per kWh)**

		1998	1999	2000	2001
Tier 1 (Biomass, Waste Tire, Solar Thermal)	Target Price	5.0	4.5	4.0/5.0 <sup>6</sup>	5.0
	Cap	1.5	1.5	1.0	1.0
Tier 2 (Wind)	Target Price	3.5	3.5	3.5	3.5
	Cap	1.0	1.0	1.0	1.0
Tier 3 (Geothermal, Small Hydro, Digester Gas, Landfill Gas [LFG], and Municipal Solid Waste [MSW])	Target Price	3.0	3.0	3.0	3.0
	Cap	1.0	1.0	1.0	1.0

## Who Qualifies as a Registered Renewable Supplier?

To qualify for registration as a Renewable Supplier, the facility must use one (or more) of the following energy sources to generate electricity: solar, wind, geothermal, solid-fuel biomass, waste tire, municipal solid waste, digester gas, or hydropower with a generating capacity of 30 megawatts or less.<sup>7</sup> The facility can not use more than 25

<sup>6</sup> Starting with the November 2000 payment cycle, the target price for Tier 1 is increased to 5.0 cents/kWh.

<sup>7</sup> The 30 megawatt limitation applies to the sum capacity of all hydroelectric turbine generators employed at a facility.

percent fossil fuel.<sup>8</sup> The facility may be located in California or out-of-state. Being registered as a renewable supplier does not automatically make you eligible for funds from the Renewable Resources Trust Fund; to be eligible for funding, you must meet the eligibility requirements outlined below.

## Who Qualifies For Funds?

The energy you produce **QUALIFIES** for funding from this account if:

1. The facility is either (a) physically located within the state of California **AND** was operational prior to September 26, 1996 **AND** is certified as a Qualifying Facility pursuant to section 292.207 of Title 18 of the Code of Federal Regulations (includes repowered facilities); **OR** (b) was operational prior to September 26, 1996 **AND** is certified as a Qualifying Facility pursuant to section 292.207 of Title 18 of the Code of Federal Regulations **AND** began selling electricity to a California electric corporation prior to September 26, 1996 under a Standard Offer contract authorized by the California Public Utilities Commission; **AND**
2. The energy is sold to customers **WITHIN** the state of California; **AND**
3. The energy is **NOT** receiving any fixed energy price payments under a contract with an existing investor-owned utility,<sup>9,10</sup> **AND**
4. The facility is **NOT** owned by an existing investor-owned utility or a local publicly owned electric utility<sup>11</sup> (municipal utility, irrigation district, joint powers authority, etc. receiving or eligible to receive a competitive transition charge [CTC]); **AND**
5. The energy is **NOT** used on site (self-generation); **AND**
6. The energy is **NOT** sold to customers of local publicly owned electric utilities; **AND**

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<sup>8</sup> The content of all fossil fuels used, in the aggregate, may not exceed 25 percent of the total energy input of the facility during a given calendar year (Title 18 of CFR, section 292.204[b]).

<sup>9</sup> As opposed to variable energy price payments, which are based on market conditions such as short-run avoided cost and were not ascertainable at the time the contract was executed. Generally, SO4 and other similar contracts with negotiated payment terms have fixed energy price payments.

<sup>10</sup> In cases where there is a dispute between a facility and its related utility regarding the end of the facility's fixed energy price period ("cliff"), the Energy Commission will provide funding to the facility as otherwise provided in these guidelines as of the facility's declared eligibility date, provided the following conditions are met to the Energy Commission's satisfaction: 1) the facility is registered as a renewable supplier eligible for funding; (2) the facility provides written notification to the Energy Commission's Administrator of the Existing Renewable Resources Account that a formal dispute between the facility and its related utility is underway; (3) the facility provides the Energy Commission with a corporate guaranty, third-party guaranty, judgement lien and/or other financial assurances acceptable to the Energy Commission that protects all funds payable to the facility while the dispute is pending from loss, that provides the Energy Commission with recourse to eliminate all risk or liability to the Existing Renewable Resources Account as a result of said payments to the facility, and that is irrevocable until such time as the dispute is finally resolved or the facility repays the Energy Commission for all incentives funds received from the Existing Renewable Resources Account, plus interest assessed at the state's prevailing pooled money rate, whichever occurs first; and (4) the facility legally commits to repay any incentive funds it receives from the Existing Renewable Resources Account, plus interest assessed at the state's prevailing pooled money rate, within sixty (60) days of its receipt of the utility's payment to the extent the facility prevails in the dispute or by December 31, 2001, whichever occurs first.

<sup>11</sup> As defined by the Public Utilities Code section 9604, subdivision (d).



7. The energy is **NOT** excluded from any applicable CTC (such as an over-the-fence transaction<sup>12</sup>)

NOTE: Energy from incremental generation additions or enhancements to the facility, and energy sold through a power exchange, is eligible for funding from the Existing Renewable Resources Account.

### **The energy you produce DOES NOT QUALIFY for funding if:**

1. The facility uses a “conventional power source” as defined by the Public Utilities Code (please see the “Definitions” section at the end of this guidebook) and/or uses **MORE THAN 25 percent fossil fuel; OR**
2. The facility is located **OUTSIDE** of the state of California, unless the facility was operational prior to September 26, 1996 **AND** is certified as a Qualifying Facility pursuant to section 292.207 of Title 18 of the Code of Federal Regulations **AND** began selling electricity to a California electric corporation prior to September 26, 1996 under a Standard Offer contract authorized by the California Public Utilities Commission; **OR**
3. The energy is sold **OUTSIDE** of the state of California; **OR**
4. The facility first began generating electricity for sale **AFTER** September 26, 1996; **OR**
5. The energy receives fixed energy price payments under a long-term contract with an existing investor-owned utility; **OR**
6. The facility is owned by an existing investor-owned utility or a local publicly owned electric utility (municipal utility, irrigation district, joint powers authority, etc. receiving or eligible to receive a competitive transition charge [CTC]); **OR**
7. The energy is produced for use on site (self-generation); **OR**
8. The energy is sold to customers of local publicly owned electric utilities; **OR**
9. The energy is excluded from an applicable CTC (such as an over-the-fence transaction)

### **CalPX-based Incentive Payments**

These guidelines provide for a switch to CalPX-based incentive payments for all facilities once the CPUC issues an order determining that the CalPX is functioning properly for the purposes of determining energy payments to be made to nonutility power generators by electrical corporations. Even before that determination is made, however, section 390 of the Public Utilities Code, allows QFs currently selling to a utility a one time option to switch their payment basis from SRAC to CalPX prices. In

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<sup>12</sup> See Section 372 of the Public Utilities Code.

decision D.99-11-025, the CPUC established that the price to be used for those facilities that opt to make this change would be the day-ahead CalPX price. Based on the above decision, the Energy Commission will allow certain facilities the option to have incentive payments based on CalPX prices as described below.

1. Only facilities who have switched to CalPX pricing for energy payments from their IOU specifically in response to CPUC Decision D.99-11-025, or who are no longer selling to an IOU at all, but otherwise remain eligible for our funding, are eligible to switch to CalPX-based pricing for their Renewable Energy Program incentive payments.
2. Facilities that qualify for CalPX-based pricing have the **option** of switching to CalPX-based pricing or staying with the current SRAC-based pricing.
3. Once a request to switch to CalPX-based pricing has been approved by the Energy Commission, it is **irrevocable**. All future payments shall be based on CalPX pricing.
4. Consistent with the registration procedures, requests must be received by the Energy Commission no later than close of business (5 p.m.) on the first business day of the month to be eligible to receive CalPX-based incentive payment for that month's generation. Facilities submitting requests after this time will not be eligible until the following month.
5. The price used for facilities electing to switch to CalPX-based pricing shall be the average unconstrained hourly day-ahead CalPX price weighted by hourly generation for all days of the month. That is, the price for each hour in the month will be multiplied by the generation accepted by the CalPX for that hour. Those products will then be summed over all hours in the month, and then divided by the total generation accepted by the CalPX in that month. The quotient is the number on which the Existing Renewable Resources Account will base its payments. Hourly prices and generation volumes are posted on the CalPX website and are downloadable. The Energy Commission will calculate "average" CalPX prices and post them within 10 business days of the end of the month.
6. It is anticipated that at some point after the CPUC renders a final decision in its Section 390 proceeding, all QFs will be required to have their payments from the Existing Renewable Resources Account based on CalPX pricing. The computational formula at that time may change from that instituted for purposes of these interim "early" switches, but in no case will those QFs who voluntarily switch be subjected to any sort of subsequent true-up from the Existing Renewable Resources Account.

7. Any facility requesting CalPX-based pricing must submit a written request signed by an authorized agent or officer of the facility, along with a copy of the letter they submitted to their IOU pursuant to D.99-11-025, or billing statements indicating they are selling to an eligible non-IOU buyer, as verification that they may receive CalPX-based payments from the Energy Commission.

**Requests should be mailed or delivered to: Renewable Energy Program,  
California Energy Commission, 1516 Ninth Street, MS-45, Sacramento, CA  
95814-5512**

## **How Do I Apply?**

To register as a renewable supplier, you must complete form CEC-1890A-1, Registration Form for Renewable Suppliers, and submit it to the Energy Commission. If you meet the eligibility requirements described in the previous section of this guidebook, you may also apply for funding using form CEC-1890A-2, Funding Eligibility Form for Renewable Suppliers.

Your qualifying generation is eligible for funds on the date the Energy Commission receives your completed forms, provided the Energy Commission determines you are eligible to receive funding. Pre-registration generation is not eligible, with one exception. Because of legislative limits, the Energy Commission cannot begin registering renewable suppliers until after January 1, 1998. Therefore, for the months of January and February 1998 **ONLY**, your generation will be eligible for funding as long as your funding eligibility form is received by the Energy Commission by close of business (5 p.m.) on February 22, 1998.

After February 1998, those wishing to apply for registration and funding eligibility must have their registration and funding eligibility form(s) received by the Energy Commission no later than close of business (5 p.m.) on the first business day of the month to be eligible to receive incentive payments for that month's generation. Facilities submitting forms after this time may be registered as renewable suppliers but their generation will not be eligible for funds until the following month.

Facilities that are not eligible for funding at the beginning of the program but who will become eligible at a later date (because, for example, they will have reached the end of the fixed energy price period of their contract) should apply for funding eligibility at the beginning of the month during which they anticipate becoming eligible. Therefore, if a facility reaches the end of its fixed price period on March 15, 1998, it should apply for funding eligibility no later than March 1, 1998. Only the qualifying portion of that month's generation will be eligible for funding.

To receive funding, you must also complete the State of California Vendor Record (STD-204) which has also been included with this guidebook. The State of California requires that all parties entering into business transactions that may lead to payment(s) from the State provide their Taxpayer Identification Number (TIN) as required by the State Revenue and Taxation Code, Section 18646, and Internal Revenue Code, Section 6109. This form must be on file with the Energy Commission in order for any

payments to be made. If you have any questions about this form, please contact the California Franchise Tax Board at 1-800-852-5711.

The forms to apply for registration and for funding are included with this guidebook and are also available from the Energy Commission. Please call (916) 654-4516 for questions concerning eligibility or to request additional forms. Forms are also available on the Internet at the Energy Commission website at: <<http://www.energy.ca.gov>>

**Completed forms may be sent by telefax or mailed to: Renewable Energy Program, California Energy Commission, 1516 Ninth Street, MS-45, Sacramento, CA 95814-5512, Fax: (916) 653-2543.**

**For facilities applying for funding, original signed forms must be mailed to the Energy Commission (Telefax copies will be accepted for meeting the submittal deadline).**

Detailed instructions for completing CEC-1890A-1, CEC-1890A-2, and STD-204 follow.

### ***CEC-1890A-1, Registration Form for Renewable Suppliers***

For initial registration, please check the box in the upper right-hand corner for "Original."

1. **Name of Facility** -- Current full name of the generating facility. Include name of business or company that owns facility, if different than facility name
2. **QFID Number** -- The ID number assigned by your utility. This is sometimes also called the log number
3. **Physical Address of Facility** -- Actual physical location of the generating facility
4. **Contact Person** -- Name, address, and telephone/telefax number for the contact person for any questions or concerns the Energy Commission may have
5. **Energy Source** -- Energy source used for generation at the facility
6. **Capacity of Facility** -- The sum capacity, in kilowatts, of all electrical generating equipment employed at the facility.
7. **Operational Date** -- Date the facility began generating electricity
8. **Percentage of Fossil Fuel Used (if applicable)** -- Please indicate the overall percentage of fossil fuels used (if any) on a total energy input basis for the 1996 calendar year; if none, enter N/A
9. **Declaration** -- The declaration must be completed by an officer of the company such as the Chief Executive Officer, Chief Financial Officer, or a similar officer with authority to bind the company

## ***CEC-1890A-2, Funding Eligibility Form for Renewable Suppliers***

For initial eligibility, please check the box in the upper right-hand corner for “Original”

1. **Name of Facility** -- Current full name of the generating facility. Include name of business or company that owns facility, if different than facility name
2. **QFID Number** -- The ID number assigned by your utility. This is sometimes also called the log number
3. **CEC ID Number** -- The Registered Renewable Supplier ID number assigned to the facility by the Energy Commission (for those facilities applying for registration and eligibility simultaneously, leave blank)
4. **Payee Name Address** -- Name and address to which payments are to be sent
5. **Type of Utility Contract/Utility Contracted With** -- Type of contract you have with an investor-owned utility, and the utility contracted with (if applicable); if not contracted with a utility, utility service area where facility is located
6. **Qualifying Facility Status** -- Indicate whether the facility is certified as a Qualifying Facility pursuant to section 292.207 of Title 18 of the Code of Federal Regulations
7. **Facility Ownership** -- Indicate whether the facility is now, or has been in the past, owned by an investor-owned utility, or a local publicly owned electric utility
8. **Self-generation** -- Indicate if **all** of energy generated at this facility is used exclusively on site (self-generation)
9. **Fixed Energy Payments** -- Indicate if the facility receives any fixed ENERGY payments, such as those in the first 10 years of utility Standard Offer 4 contracts (fixed capacity payments do not apply). If “yes,” specify whether (1) all the energy from the facility receives fixed energy price; (2) the facility receives a blended price consisting of a mix of fixed and variable energy prices; or (3) the energy from the facility receives fixed energy payments or a blended price for an initial block of energy and variable energy payments for the energy generated above that initial block. **If the facility receives a blend of fixed and variable energy payments, the energy that receives fixed or blended price does not qualify for funding from the existing renewable resources account.** Please also include the date that the fixed energy payment portion of the facility’s contract ends.
10. **CTC Exclusion** -- Indicate if **all** of the energy generated at this facility is excluded from any applicable competitive transition charge (such as an over-the-fence transaction)

11. **Energy Sold to Out-of-State Customers** -- Indicate if all of the energy generated at this facility is sold to customers located outside of California.
12. **Energy Sold to Local Publicly-Owned Electric Utility Customers** -- Indicate if all of the energy generated at this facility is sold to customers of a local publicly-owned electric utility.
13. **First Month's Generation** -- Indicate the month and year for the first month's generation for which you intend to submit an invoice to the Energy Commission
14. **Third-Party Billing Statement** -- Include a copy of the most recent utility (or other independent third-party metering entity) billing statements (please include the entire statement)
15. **Declaration** -- The declaration must be completed by an officer of the company such as the Chief Executive Officer, Chief Financial Officer, or a similar officer with authority to bind the company

Note: Completed forms CEC-1890A-1 and CEC-1890A-2, once submitted to the Energy Commission, become public records subject to disclosure.

### ***STD-204, Vendor Data Record***

1. **Return Form To** -- Already completed by the Energy Commission
2. **Vendor information** -- Please enter your business name and address; if you are a sole proprietor, enter the owner's full name
3. **Vendor Entity Type** -- Please check the appropriate box
4. **Vendor's Taxpayer ID Number** -- Please enter your federal ID number. If you are an individual/sole proprietor, please enter your social security number
5. **Vendor Residency Status** -- Please check the appropriate box corresponding to your residency status
6. **Registering Signature** -- The registration must be signed by an authorized representative or officer such as the Chief Executive Officer or Chief Financial Officer of the corporation, or a similar officer with authority to bind the company

## **What to Expect After Applying**

The Energy Commission will notify you by mail or telefax when your application for registration and for funding eligibility (if applicable) has been received. If the Energy Commission has any questions or concerns, you will be contacted by a representative.

Otherwise, the Energy Commission will notify you of its determination within approximately 10 days of receiving your completed forms.

After the Energy Commission reviews your registration form, you will receive a signed certificate from the Energy Commission stating you are a Registered Renewable Supplier, along with a five-digit supplier number to be used in all subsequent transactions. If you have applied for funding eligibility, you will receive a certificate stating you are eligible to receive funds from the Renewable Energy Program.

You will be asked to provide a monthly invoice to the Energy Commission specifying each month's qualifying electricity generation for which you are requesting payment. For verification purposes, you will be required to submit a copy of your utility (or other independent third-party metering entity) statement along with your monthly invoice. The monthly invoice form, CEC-1890A-3, is included with this guidebook and instructions for completing the form are below.

### ***CEC-1890A-3, Monthly Invoice Report for Renewable Suppliers***

1. **Company Name** -- Current full name of the generating facility. Include name of business or company that owns facility, if different than facility name.
2. **Statement Period** -- The billing month and year
3. **Statement Date** -- Date that the invoice is submitted to the Energy Commission
4. **CEC ID #** -- The Registered Renewable Supplier ID number assigned to the facility by the Energy Commission
5. **QFID #** -- The ID number assigned by your utility. This is sometimes also called the log number
6. **Production (in kWhs)** -- Number of kWhs of generation eligible for funding in a given billing month, and based on the statement of an independent third party.
7. **Declaration** -- The declaration must be completed by an officer of the company such as the Chief Executive Officer, Chief Financial Officer, or a similar officer with authority to bind the company

Invoices must be accompanied by the written statement of an independent third party verifying your electricity production data for the billing month. The third party may be a utility, the Independent System Operator created pursuant to Section 330 of the Public Utilities Code, an aggregator, or other similar entity which is independent of you and gathers data on the amount of electricity production supplied by you to the transmission grid or distribution system on a monthly basis. If the independent third party's statement is not received in time to submit it with your invoice, you are expected to submit your invoice with other evidence of the amount of eligible power generated during the billing month. A letter explaining why the third party's statement could not be submitted and

describing the evidence submitted in its place must also be submitted with the invoice. The Energy Commission's Accounting Office will evaluate these invoices on a case-by-case basis and notify the submitting party whether the amount claimed in the invoice, or any part of it, will be accepted and paid upon. The Energy Commission's Accounting Office may elect to pay only that portion of the amount invoiced which appears to be reasonable given the evidence submitted in support of the invoice, the prior months' generation, and other factors deemed pertinent at the time of evaluation. Subsequently, when the third party statement is available, it must be furnished to the Energy Commission's Accounting Office and payment adjustments will be made for any differences in the estimated eligible generation and actual eligible generation. Please note that the monthly invoices and third party statements submitted to the Energy Commission are public records subject to disclosure.

Invoices shall be submitted to the Energy Commission by the due dates shown in Table 3, Invoicing Schedule.

**Invoices may be submitted by telefax or by mail to the following address:  
California Energy Commission, Renewable Energy Program, Attention:  
Accounting Office, MS-2, 1516 Ninth Street, Sacramento, CA 95814-5512,  
Telefax: (916) 653-1435**

Invoices must be received by the Energy Commission's Accounting Office at the above address no later than 12 am (midnight) if by telefax, or 5 p.m. PST if by mail, on the due date specified in the Invoicing Schedule. Invoices that are incomplete, illegible, or received after the due date specified in the Invoicing Schedule will be returned to you along with a written notice stating the reasons why the invoice was rejected.

Those facilities paid on a quarterly basis by the utility will also be paid quarterly by the Energy Commission. Since the amount of generation involved in those facilities that are paid quarterly is relatively small, its absence will not have an appreciable effect on the calculation of the incentive payment for those facilities that are paid monthly.

**Suppliers that fail to properly invoice the Energy Commission for a given billing month as specified herein shall not receive payment for that billing month.**

After receipt of invoices, the Energy Commission will calculate a cents per kilowatt-hour payment for each Tier based on the lowest of three possible formulas: 1) the difference between the market-clearing price and the target price for your particular technology; 2) the predetermined cap for your particular technology (caps and target prices are shown in Table 2 on page 3); or 3) the funds-adjusted price for your particular technology. Because the Energy Commission will be using the market-clearing price specific to each of the three utility service areas or the CalPX price to calculate the cents/kWh payment, a straight-forward method of funds divided by generation cannot be used. The Commission will calculate the funds-adjusted price as follows: (a) divide "funds available" by total funds to be paid as calculated using the minimum of formulas 1) and 2) to obtain an adjustment fund multiplier (AFM); (b) multiply the minimum of formulas 1) and 2) by the AFM to determine the funds-adjusted price for each of the three utility service areas.





**Table 3**  
**Invoicing Schedule**

<b>Billing Month</b>	<b>Invoice Due Date*</b>	<b>Anticipated Payment Date</b>
January 1998	March 10, 1998	March 31, 1998
February 1998	April 10, 1998	April 30, 1998
March 1998	May 11, 1998	June 1, 1998
April 1998	June 10, 1998	June 30, 1998
May 1998	July 10, 1998	July 30, 1998
June 1998	August 10, 1998	August 31, 1998
July 1998	September 10, 1998	September 30, 1998
August 1998	October 13, 1998	November 2, 1998
September 1998	November 10, 1998	November 30, 1998
October 1998	December 10, 1998	December 31, 1998
November 1998	January 11, 1999	February 11, 1999
December 1998	February 10, 1999	March 1, 1999
January 1999	March 10, 1999	March 31, 1999
February 1999	April 12, 1999	April 30, 1999
March 1999	May 10, 1999	May 31, 1999
April 1999	June 10, 1999	June 30, 1999
May 1999	July 12, 1999	August 2, 1999
June 1999	August 10, 1999	August 31, 1999
July 1999	September 10, 1999	September 30, 1999
August 1999	October 12, 1999	November 1, 1999
September 1999	November 10, 1999	November 30, 1999
October 1999	December 10, 1999	December 31, 1999
November 1999	January 10, 2000	January 31, 2000
December 1999	February 10, 2000	February 29, 2000
January 2000	March 10, 2000	March 31, 2000
February 2000	April 10, 2000	May 1, 2000
March 2000	May 10, 2000	May 31, 2000
April 2000	June 12, 2000	June 30, 2000
May 2000	July 10, 2000	July 31, 2000
June 2000	August 10, 2000	August 31, 2000
July 2000	September 11, 2000	October 2, 2000
August 2000	October 10, 2000	October 31, 2000
September 2000	November 10, 2000	November 30, 2000
October 2000	December 11, 2000	January 2, 2001
November 2000	January 10, 2001	January 31, 2001
December 2000	February 13, 2001	February 28 2001
January 2001	March 12, 2001	April 2, 2001
February 2001	April 10, 2001	April 30, 2001
March 2001	May 10, 2001	May 31, 2001
April 2001	June 11, 2001	July 2, 2001
May 2001	July 10, 2001	July 31, 2001
June 2001	August 10, 2001	August 31, 2001
July 2001	September 10, 2001	October 1, 2001
August 2001	October 10, 2001	October 31, 2001
September 2001	November 13, 2001	November 30, 2001
October 2001	December 10, 2001	December 31, 2001
November 2001	January 10, 2002	January 31, 2002
December 2001	February 11, 2002	February 28, 2002

\* Invoices are due approximately 40 days after the billing month.

The value of the market-clearing price used in calculating the payment is currently the monthly weighted seasonal-average, short-run avoided energy cost **specific to each of the three utility service areas** (PG&E, SCE, and SDG&E) or the CalPX price. This means that the market clearing price for facilities receiving incentive payments based on PG&E's SRAC will be different than the market clearing price for facilities receiving incentive payments based on SCE's or SDG&E's SRAC, and those receiving incentive payments based on the CalPX price. This market clearing price will change over to the **energy price paid by the Power Exchange** for all facilities once the CPUC issues an order determining that the California Power Exchange is functioning properly for the purposes of determining the short-run avoided cost energy payments to be made to nonutility power generators by electrical corporations.

### ***Sample Calculation of Incentive Payment***

An example follows of how the incentive payment would be calculated for a 30 megawatt biomass facility (Tier 1) in PG&E's service territory in the first month the program is operating. In the example, any numbers used other than target prices and caps are for illustration only and should not be considered accurate representations of market price, expected available funds, individual renewable facility generation, or total renewable generation.

<b>Tier 1 funds available for January 1998</b>	<b>\$3,600,000</b>
<b>Tier 1 funds to be paid using the minimum of (Target - Market Price) and Cap Adjustment Fund Multiplier (AFM)</b>	<b>\$4,500,000</b>
	<b>0.80 (\$3,600,000/\$4,500,000)</b>
<b>Total qualifying renewable generation in Tier 1 for January 1998</b>	<b>500,000,000 kWhs</b>
<b>Facility generation for January 1998</b>	<b>15,000,000 kWhs</b>
<b>PG&amp;E's Short-Run Avoided Cost for January 1998</b>	<b>2.9 cents/kWh</b>
<b>Target price for Tier 1</b>	<b>5 cents/kWh</b>
<b>Cap for Tier 1</b>	<b>1.5 cents/kWh</b>

Using these numbers to calculate the three payment formulas, the results would be:

<b>1) Tier 1 target price - market price</b>	<b>2.1 cents/kWh</b>
<b>2) Tier 1 Cap</b>	<b>1.5 cents/kWh</b>
<b>3) Minimum of 1) and 2) (from above) multiplied by the AFM</b>	<b>1.2 cents/kWh</b>

In this example, the lowest of the three formulas would be number 3, therefore for January 1998, the 30 MW biomass facility would receive 1.2 cents per kilowatt hour, or \$180,000.

The Energy Commission intends to make incentive payments within 60 days of the end of the billing month. Therefore, payment for your January 1998 generation should be mailed to you on or about March 31, 1998. Payment for your February 1998 generation

should be mailed on or about April 30, 1998, and so on. The Energy Commission will send you a statement that explains how the payment was calculated for the billing month. The statement will also give the program-to-date status both for your facility and for the entire tier of which you are a part. A sample statement for January 1998, using the numbers in the sample above, is included at the end of this guidebook.

Periodically, it may be necessary to make adjustments to your monthly payment (for instance, it may be necessary to correct a meter reading or reporting error). These adjustments will be reflected on your monthly statement.

## **Will I Ever Need to Reregister?**

If any of the information submitted on your original registration or eligibility forms changes, you must submit a new CEC-1890A-1 or CEC-1890A-2. Check the box in the upper right-hand corner for "Amended." To obtain the forms, contact the Energy Commission at (916) 654-4516.



## Definitions

**aggregator** -- an entity responsible for planning, scheduling, accounting, billing, and settlement for energy deliveries for portfolios of sellers and/or buyers.

**billing month** -- the period of time coinciding with a calendar month in which a Registered Renewable Supplier is entitled to receive an incentive payment pursuant to this guidebook.

**biomass** -- any organic material not derived from fossil fuels.

**capacity** -- the maximum amount of electricity that a generating unit, power facility, or utility can produce under specified conditions. Capacity is measured in megawatts.

**capacity payments** -- payments to electricity generators for their electric generating capacity, currently based on the costs of installing a low-cost generation type (i.e. combustion turbine) that a utility would add strictly for reliability.

**competitive transition charge (CTC)** -- a charge authorized by the California Public Utilities Commission that is imposed on investor-owned utility (IOU) ratepayers (i.e. customers that receive electricity distribution services from the IOU) to recover the costs of utility investments made on behalf of their former customers. The CTC is to be collected in a competitively-neutral manner that does not increase rates for any customer class solely due to the existence of transition costs. [Public Utilities Code Section 367 (added by AB 1890)]

**conventional power source** -- Public Utilities Code Section 2805 defines a "conventional power source" as power derived from nuclear energy, or the operation of a hydropower facility greater than 30 megawatts, or the combustion of fossil fuels with the exception of cogeneration.

**digester gas** -- gas from the anaerobic digestion of biological wastes.

**electric service provider** -- an entity such as a marketer or aggregator who provides electricity directly to an end-use customer.

**end-use customer** -- a residential, commercial, agricultural, or industrial customer in the electric industry who buys electric power to be consumed as a final product (not for resale).

**facility** -- see **project**.

**fixed energy payments** -- payments to a generator for energy delivered under a power purchase contract, which are based on a price per unit measure of electricity that was known or ascertainable at the time the contract was entered into. (Fixed energy payments cannot be based on market conditions, such as short-run avoided costs, since these conditions were not known or ascertainable at the time the power purchase contract was entered into).

**fossil fuel** -- hydrocarbons, including coal, petroleum, or natural gas, occurring in and extracted from underground deposits, and mixtures or byproducts of these hydrocarbons.

**geothermal** -- natural heat from within the earth, captured for production of electric power, space heating, or industrial steam.

**hydroelectric** -- a technology that produces electricity from falling water that turns a turbine generator, referred to as hydro. See also "small hydro."

**in-state renewable generation** -- biomass, solar thermal, photovoltaic, wind, geothermal, small hydropower of 30 megawatts or less, waste tire, digester gas, landfill gas, and municipal solid waste generation technologies, as described in the Policy Report on AB 1890 Renewables Funding, including any additions or enhancements

thereto, that are produced in facilities located in this state and placed in operation after September 26, 1996, or that were operational prior to that date, and that are also certified under Section 292.207 of Title 18 of the Code of Federal Regulations as a qualifying small power production facility either located in California, or that began selling electricity to a California electrical corporation prior to September 26, 1996, under a Standard Offer Power Purchase Agreement authorized by the California Public Utilities Commission.

**investor-owned utility** -- an utility that is organized as a tax-paying business, whose properties are managed by representatives elected by shareholders.

**kilowatt (kW)** -- one thousand watts. A unit of measure for the amount of electricity needed to operate given equipment. A typical home using central air conditioning and other equipment might have a demand of 4-6 kW on a hot summer afternoon.

**kilowatt hour (kWh)** -- the most commonly-used unit of measure telling the amount of electricity consumed over time. It means one kilowatt of electricity supplied for one hour. A typical California household consumes about 500 kWh in an average month.

**landfill gas (LFG)** -- gas produced by the breakdown of organic matter in a landfill (composed primarily of methane and carbon dioxide) or the technology that uses this gas to produce power.

**local publicly owned electric utility** -- as defined in Public Utilities Code section 9604, subdivision (d), and which includes a municipal utility district, a public utility district, an irrigation district, or a joint powers authority made up of one or more of these entities.

**marketer** -- an entity who takes title to electric power and then resells the power to end-use customers.

**megawatt (MW)** -- one thousand kilowatts. One megawatt is about the amount of power to meet the peak demand of a large hotel.

**municipal solid waste (MSW)** -- garbage which can be processed and burned to produce energy.

**municipal utility** -- a local publicly owned (customer-owned) electric utility that owns or operates electric facilities subject to the jurisdiction of a municipality, as opposed to the California Public Utilities Commission.

**PG&E** -- Pacific Gas & Electric Company

**photovoltaic (PV)** -- a technology using a semiconductor that converts light directly into electricity.

**Power Exchange (PX)** -- an independent, nonprofit entity created pursuant to AB 1890 that is responsible for conducting an auction for the generators seeking to sell energy and for loads which are not otherwise being served by bilateral contracts. The Power Exchange will be responsible for scheduling generation, determining hourly market clearing prices for its market, and settling and billing for suppliers and retailers using its market.

**project** -- A group of one or more pieces of generating equipment, and ancillary equipment necessary to attach to the transmission grid, that is unequivocally separable from any other generating equipment or components. Two or more sets of generating equipment that are contiguous, or that share common control or maintenance facilities and schedules and are located within a one mile radius shall constitute a single project.

**provider** -- an entity that is either a supplier, marketer, or aggregator, or some combination, that provides electricity to end-use customers.

**qualifying facility** -- a qualifying small power production facility eligible for certification pursuant to Section 292.207 of Title 18 of the Code of Federal Regulations.

**repower(ed)** -- generically refers to replacing a significant portion of the generating equipment at an existing facility. In the context of this report, refers to an existing renewable generation facility that retrofits its existing facility to the point that the value of the retrofit is at least 80 percent of the value of the renovated facility.

**SCE** -- Southern California Edison Company

**SDG&E** -- San Diego Gas & Electric Company

**self-generation** -- generation of electricity used on-site and not sold into the main power grid.

**small hydro** -- a facility employing one or more hydroelectric turbine generators, the sum capacity of which does not exceed 30 megawatts. For purposes of this definition, "facility" shall be defined in a manner consistent with Title 18 of the Code of Federal Regulations, sections 292.201 et seq., provided however that the size of the facility is limited to 30 megawatts, rather than 80 megawatts.

**solar thermal** -- the conversion of sunlight to heat and its concentration and use to power a generator to produce electricity.

**solid-fuel biomass** -- a biomass technology that utilizes solid fuel, such wood, agricultural waste, and other organic material that may be burned to produce electricity.

**supplier** -- a project that generates electricity



## **Forms and Samples**

CEC-1890A-1 -- Registration Form for Renewable Suppliers

CEC-1890A-2 -- Funding Eligibility Form for Renewable Suppliers

CEC-1890A-3 -- Monthly Invoice Form for Renewable Suppliers


STD-204 -- Vendor Data Record

Sample of Monthly Payment Statement



# FUNDING ELIGIBILITY FORM FOR RENEWABLE SUPPLIERS EXISTING RENEWABLE RESOURCES ACCOUNT

Note: All data submitted on this form is subject to public disclosure

 RENEWABLE ENERGY PROGRAM  <small>CALIFORNIA ENERGY COMMISSION</small>	<b>Please submit form to:</b> <b>California Energy Commission</b> <b>Renewable Energy Program</b> <b>1516 Ninth Street, MS-45</b> <b>Sacramento, CA 95814-5512</b>	<i>Please print or type. Please complete both sides of form. Instructions for completing this form are contained in Volume 1 of the Guidebook for the Renewable Energy Program</i>
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## FACILITY INFORMATION

1. Name of Facility	2. QFID #	3. CEC ID #
4. Payee Name		
Payee Address		Telephone
City	State	Zip
5. Type of Contract/Utility Contracted With		
<input type="checkbox"/> SO1 <input type="checkbox"/> SO2 <input type="checkbox"/> SO3 <input type="checkbox"/> ISO4 <input type="checkbox"/> Negotiated <input type="checkbox"/> Other (specify): _____ <input type="checkbox"/> None        Utility/Utility Service Area: <input type="checkbox"/> PG&E <input type="checkbox"/> SCE <input type="checkbox"/> SDG&E <input type="checkbox"/> Other		

## ELIGIBILITY INFORMATION

6. Is the facility certified as a Qualifying Facility pursuant to Section 292.207 of Title 18 of the Code of Federal Regulations?  <input type="checkbox"/> Yes <input type="checkbox"/> No	9. Does the facility currently receive any fixed energy payments from an existing contract with a utility for any portion of the facility's output?  <input type="checkbox"/> Yes <input type="checkbox"/> No  If yes, please check which of the following apply: <input type="checkbox"/> a. All the energy from the facility receives a fixed energy payment.  <input type="checkbox"/> b. All the energy from the facility receives a blended price of a mix of fixed and variable energy prices.  <input type="checkbox"/> c. The energy from the facility receives fixed energy payments or a blended price for an initial block of energy, and variable energy payments for the energy generated above that initial block.
7. Is the facility now, or has the facility previously been, owned by an investor-owned or local publicly owned electric utility?  <input type="checkbox"/> Yes <input type="checkbox"/> No	Date fixed energy payment portion of contract ends: Month _____ Day _____ Year _____
8. Is the <b>entire</b> output from this facility to be used <b>exclusively</b> for on-site (self) generation?  <input type="checkbox"/> Yes <input type="checkbox"/> No	

## FUNDING ELIGIBILITY FORM FOR RENEWABLE SUPPLIERS EXISTING RENEWABLE RESOURCES ACCOUNT

Note: All data submitted on this form is subject to public disclosure

### ELIGIBILITY INFORMATION (CONT'D)

10. Is the **entire** output from this facility excluded from an applicable competitive transition charge?

Yes  No

11. Is the entire output from this facility sold directly to an out-of-state customer?

Yes  No

12. Is the entire output from this facility sold directly to a customer of a local publicly-owned electric utility (such as a municipal utility)?

Yes  No

13. What is the first month's generation for which you plan to submit an invoice?

\_\_\_\_\_ Month \_\_\_\_\_ Year

14. Please include a copy of one of your recent billing statements from your utility (or other independent third-party metering entity).

### 15. DECLARATION

I, (print name and title) \_\_\_\_\_, declare under penalty of perjury that the information provided in this form is true and correct to the best of my knowledge. I acknowledge that the eligibility and receipt of any payments from the Existing Renewable Resources Account is based upon the requirements and conditions set forth in the Commission's guidelines, and agree to abide by these requirements and conditions, to the extent applicable, at all times while receiving payments from the Existing Renewable Resources Account.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, at \_\_\_\_\_.  
(day) (month) (year) (place of execution)

Signature: \_\_\_\_\_

### ENERGY COMMISSION USE ONLY

Determination \_\_\_\_\_

(Attach separate sheets if necessary)

Further information needed for determination (attach explanation)


Reviewer

Date

ID Number Assigned

# MONTHLY INVOICE REPORT FOR RENEWABLE SUPPLIERS EXISTING RENEWABLE RESOURCES ACCOUNT

Note: All data submitted on this form is subject to public disclosure

 <p style="text-align: center;"><i>RENEWABLE ENERGY PROGRAM</i></p> <p style="text-align: center; font-size: small;">CALIFORNIA ENERGY COMMISSION</p>	<p><b>Please submit invoice to:</b></p> <p><b>California Energy Commission Renewable Energy Program Attention: Accounting Office (MS-2) 1516 Ninth Street, Sacramento, CA 95814-5512 Telefax: (916) 653-1435</b></p>
--	--

*Instructions for completing this form are contained in Volume 1 of the Guidebook for the Renewable Energy Program*

*Please print or type*

1. Company Name:									
2. Statement Period:					3. Statement Date:				
4. CEC ID #:					5. QFID #:				
6. Production (in kWhs)									
								Please check one:	
								<input type="checkbox"/> Estimated Generation	
								<input type="checkbox"/> Based upon attached third-party statement	

## 7. DECLARATION

I, (print name and title) \_\_\_\_\_, declare under penalty of perjury that the information provided in this invoice and declaration is true and correct to the best of my knowledge and that I, as an authorized agent of the above named company, have authority to submit this invoice on the company's behalf. I further declare under penalty of perjury that I have reviewed the electricity production data included in the attached statement(s), and, to the best of my knowledge, that it does not overstate the amount of electricity production supplied to the transmission grid or distribution system by the above named company, and that the following statements are true and correct to the best of my knowledge with respect to the energy identified in item 6 of this invoice: (a) the energy does not receive any fixed or blended energy payments under a contract with an electrical corporation; (b) the energy was not used for on-site (self) generation; (c) the energy is not excluded from an applicable competitive transition charge; (d) the energy was not sold directly to a local publicly-owned electric utility customer; and (e) the energy was not sold directly to an out-of-state customer.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, at \_\_\_\_\_.

(day) (month) (year) (place of execution)

**Signature:**


---

**VENDOR DATA RECORD***(Required in lieu of IRS W-9 when doing business with the State of California)*

STD. 204 (REV. 12-94)

**NOTE: Governmental entities, federal, state, and local (including school districts) are not required to submit this form.**

SECTION 1 must be completed by the requesting state agency before forwarding to the vendor

<b>1</b>  <b>PLEASE RETURN TO:</b>	DEPARTMENT/OFFICE <b>California Energy Commission Accounting Office MS #2</b>	<b>PURPOSE:</b> Information contained in this form will be used by state agencies to prepare Information Returns (Form 1099) and for withholding on payments to nonresident vendors. Prompt return of this fully completed form will prevent delays when processing payments. <b>(See Privacy Statement on reverse.)</b>	
	STREET ADDRESS <b>1516 Ninth Street Sacramento, CA 95814</b>		
	CITY, STATE, ZIP CODE		
	TELEPHONE NUMBER		
<b>2</b>	VENDOR'S BUSINESS NAME		
SOLE PROPRIETOR--ENTER OWNER'S FULL NAME HERE <i>(Last, First, M.I.)</i>			
MAILING ADDRESS <i>(Number and Street or P. O. Box Number)</i>			
<i>(City, State, and Zip Code)</i>			
<b>3</b>  <b>VENDOR ENTITY TYPE</b>	CHECK ONE BOX ONLY		<b>NOTE:</b> State and local governmental entities, including school districts are not required to submit this form.
<input type="checkbox"/> <b>MEDICAL CORPORATION</b> <i>(Including dentistry, podiatry, psychotherapy, optometry, chiropractic, etc.)</i>	<input type="checkbox"/> <b>PARTNERSHIP</b>		
<input type="checkbox"/> <b>EXEMPT CORPORATION (Non-profit)</b>	<input type="checkbox"/> <b>ESTATE OR TRUST</b>		
<input type="checkbox"/> <b>ALL OTHER CORPORATIONS</b>	<input type="checkbox"/> <b>INDIVIDUAL/SOLE PROPRIETOR</b>		
<b>4</b>  <b>VENDOR'S TAXPAYER I. D. NUMBER</b>	<b>SOCIAL SECURITY NUMBER REQUIRED FOR INDIVIDUAL/SOLE PROPRIETOR BY AUTHORITY OF THE REVENUE AND TAXATION CODE SECTION 18646 (See reverse)</b>		<b>NOTE:</b> Payment will not be processed without an accompanying taxpayer I.D. number.
FEDERAL EMPLOYER'S IDENTIFICATION NUMBER (FEIN)	SOCIAL SECURITY NUMBER		
<input type="text"/>	<input type="text"/>		
IF VENDOR ENTITY TYPE IS A CORPORATION, PARTNERSHIP, ESTATE OR TRUST, ENTER FEIN.		IF VENDOR ENTITY TYPE IS INDIVIDUAL/SOLE PROPRIETOR, ENTER SSN.	
<b>5</b>  <b>VENDOR RESIDENCY STATUS</b>	CHECK APPROPRIATE BOX(ES)		<b>NOTE:</b> a. An estate is a resident if decedent was a California resident at time of death. b. A trust is a resident if at least one trustee is a California resident. <b>(See reverse.)</b>
<input type="checkbox"/> California Resident - Qualified to do business in CA or a permanent place of business in CA	<input type="checkbox"/> Nonresident <i>(See Reverse)</i> Payments for services by nonresidents may be subject to state withholding		
<input type="checkbox"/> WAIVER OF STATE WITHHOLDING FROM FRANCHISE TAX BOARD ATTACHED	<input type="checkbox"/> SERVICES PERFORMED OUTSIDE OF CALIFORNIA		
<b>6</b>  <b>CERTIFYING SIGNATURE</b>	<b><i>I hereby certify under penalty of perjury that the information provided on this document is true and correct. If my residency status should change, I will promptly inform you.</i></b>		
AUTHORIZED VENDOR REPRESENTATIVE'S NAME <i>(Type or Print)</i>		TITLE	
SIGNATURE 		DATE	TELEPHONE NUMBER

### **ARE YOU A RESIDENT OR A NONRESIDENT?**

Each corporation, individual/sole proprietor, partnership, estate or trust doing business with the State of California must indicate their residency status along with their vendor identification number.

A corporation will be considered a "resident" if it has a permanent place of business in California. The corporation has a permanent place of business in California if it is organized and existing under the laws of this state or, if a foreign corporation has qualified to transact intrastate business. A corporation that has not qualified to transact intrastate business (e.g., a corporation engaged exclusively in interstate commerce) will be considered as having a permanent place of business in this state only if it maintains a permanent office in this state that is permanently staffed by its employees.

For individuals/sole proprietors, the term "resident" includes every individual who is in California for other than a temporary or transitory purpose and any individual domiciled in California who is absent for a temporary or transitory purpose. Generally, an individual who comes to California for a purpose which will extend over a long or indefinite period will be considered a resident. However, an individual who comes to perform a particular contract of short duration will be considered a nonresident.

For withholding purposes, a partnership is considered a resident partnership if it has a permanent place of business in California. An estate is considered a California estate if the decedent was a California resident at the time of death and a trust is considered a California trust if at least one trustee is a California resident.

More information on residency status can be obtained by calling the Franchise Tax Board at the numbers listed below:

From within the United States, call ..... 1-800-852-5711  
From outside the United States, call ..... 1-916-854-6500  
For hearing impaired with TDD, call .... 1-800-822-6268

### **ARE YOU SUBJECT TO NONRESIDENT WITHHOLDING?**

Payments made to nonresident vendors, including corporations, individuals, partnerships, estates and trusts, are subject to withholding. Nonresident vendors performing services in California or receiving rent, lease or royalty payments from property (real or personal) located in California will have 7% of their total payments withheld for state income taxes. However, no withholding is required if total payments to the vendor are \$1500 or less for the calendar year.

A nonresident vendor may request that income taxes be withheld at a lower rate or waived by sending a completed form FTB 588 to the address listed below. A waiver will generally be granted when a vendor has a history of filing California returns and making timely estimated payments. If the vendor activity is carried on outside of California or partially outside of California, a waiver or reduced withholding rate may be granted. For more information, contact:

Franchise Tax Board  
Withhold at Source Unit  
Attention: State Agency Withholding Coordinator  
P.O. Box 651  
Sacramento, CA 95812-0651  
Telephone: (916) 845-4900  
FAX: (916) 845-4831

**If a reduced rate of withholding or waiver has been authorized by the Franchise Tax Board, attach a copy to this form.**

### **PRIVACY STATEMENT**

Section 7(b) of the Privacy Act of 1974 (Public Law 93-5791) requires that any federal, state, or local governmental agency which requests an individual to disclose his social security account number shall inform that individual whether that disclosure is mandatory or voluntary, by which statutory or other authority such number is solicited, and what uses will be made of it.

The State of California requires that all parties entering into business transactions that may lead to payment(s) from the State must provide their Taxpayer Identification Number (TIN) as required by the State Revenue and Taxation Code, Section 18646 to facilitate tax compliance enforcement activities and to facilitate the preparation of Form 1099 and other information returns as required by the Internal Revenue Code, Section 6109. The TIN for individual and sole proprietorships is the Social Security Number (SSN).

It is mandatory to furnish the information requested. Federal law requires that payments for which the requested information is not provided be subject to a 31% withholding and state law imposes noncompliance penalties of up to \$20,000.

You have the right to access records containing your personal information, such as your SSN. To exercise that right, please contact the business services unit or the accounts payable unit of the state agency(ies) with which you transact business.

Please call the Department of Finance, Fiscal Systems and Consulting Unit at (916) 324-0385 if you have any questions regarding this Privacy Statement. Questions related to residency or withholding should be referred to the telephone numbers listed above. All other questions should be referred to the requesting agency listed in Section 1.



*RENEWABLE  
ENERGY  
PROGRAM*

CALIFORNIA ENERGY COMMISSION  
1516 NINTH STREET, MS-45  
SACRAMENTO, CALIFORNIA 95814-5504

# STATEMENT

## Existing Technologies Account

**For questions regarding payment and invoice status, contact:** Carmen Syftestad [ (916) 657-3843 ]

**For questions regarding payment calculation, contact:** Tony Goncalves [ (916) 654-5168 ]

Project1  
Street Address 1  
City, State, Zip 1

**Statement Period:** January 1998  
**Invoice Date:** January 06, 2000  
**Supplier ID:** CEC - 1  
**Claim Schedule No:** #####

**Your Payment:**

**\$180,000.00**

### YOUR PRODUCTION INCENTIVE CALCULATION

This Statement Period		Program to Date	
Your production incentive rate (\$/kWh)	\$0.012000	Qualifying Generation (kWh)	15,000,000
Qualifying Generation (kWh)	15,000,000	Production incentive payments	\$180,000.00
Production incentive	\$180,000.00		
Payment adjustments (if applicable)	\$0.00		
<b>Total</b>	<b>\$180,000.00</b>		

### PROGRAM PRODUCTION INCENTIVE RATE CALCULATION FOR TIER 1 (Biomass and Solar Thermal Technologies)

Item	Description	Amount
<b>FUNDS AVAILABLE FOR TIER 1</b>		
Monthly allocation of funds	32% * \$135 million for 1998 / 12 months	\$3,600,000.00
Rollover funds available	Funds not distributed in prior months	\$0.00
Adjustments	Adjustments for prior months	\$0.00
<b>Total funds available this statement period</b>	Sum of the three items above	<b>\$3,600,000.00</b>
<b>GENERATION FOR TIER 1</b>		
Total generation this statement period		500,000,000 kWh
<b>INCENTIVE RATE FOR TIER 1</b>		
(a) Target price minus market price	\$0.050000 / kWh - \$0.029000 / kWh	\$0.021000 / kWh
(b) Incentive cap	Set at \$0.0150 per kWh for 1998	\$0.015000 / kWh
<i>Funds to be paid using minimum of (a) and (b)</i>	Sum {[(a) and (b)] * (Generation)} (for each supplier) }	\$4,016,001.84
<i>Adjustment Fund Multiplier (AFM)</i>	\$3,600,000 / \$4,500,000	0.8000
(c) Funds adjusted price	AFM multiplied by the minimum of (a) and (b)	\$0.012000 / kWh
<b>Incentive rate used this statement period</b>	Rate determined by lowest of (a), (b), and (c)	<b>\$0.012000 / kWh</b>

### CALIFORNIA RENEWABLES PROGRAM SUMMARY FOR TIER 1

This Statement Period		Program to Date	
Payments this month	\$3,600,000.00	Total payments to date	\$3,600,000.00
Funds available for rollover to next month	\$0.00		