

Pacific Gas and Electric Company

SURETY BOND

**SURETY BOND**

**Bond No.\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Amount:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Effective Date:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Purpose: Network Upgrades**

**Project Queue Name [ ] Project Queue Number [ ]**

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_(**the “Principal”) and \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, a corporation duly organized under the laws of\_\_\_\_\_\_\_\_\_ with its principal office at\_\_\_\_\_\_\_\_\_\_\_\_\_ and authorized to engage in the surety business in the State of California (the “Surety”) are held and firmly bound unto Pacific Gas and Electric Company (“PG&E”), in the amount of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_dollars ($\_\_\_\_\_\_\_\_\_\_\_\_\_), lawful money of the United States of America for the payment of which amount Principal and Surety bind themselves, their successors, executors, administrators and assigns, jointly and severally.

WHEREAS, the Principal is obligated to post financial security in favor of PG&E, pursuant to one or more of the agreements and/or tariffs listed in paragraph 1. below.

NOW THEREFORE,

1. Payment: Within three (3) business days of receipt of a written demand from PG&E, the Surety shall pay to PG&E all charges and any amount due to PG&E from Principal (the “Obligations”) under or in accordance with that certain Pro Forma Large Generator Interconnection Study Process Agreement (“LGISPA”) (dated \_\_\_\_\_\_\_\_\_\_\_\_\_), the Large Generator Interconnection Procedures for Interconnection Requests in a Queue Cluster Window (“LGIP”, currently Appendix Y of the CAISO Tariff), or any Large Generator Interconnection Agreement (“LGIA”, currently Appendix Z of the CAISO Tariff) executed thereafter between the Principal, PG&E and the California Independent System Operator (“CAISO”), as set forth in the demand, provided that the total aggregate amount of all demands made by PG&E under this bond shall not exceed \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_($\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_).
2. Irrevocable Bond: This bond may not be cancelled or terminated by the Surety or the Principal and it shall remain in full force and effect until (i) all the Obligations have been paid to PG&E, and (ii) the Surety has reimbursed PG&E for all costs, damages and attorney’s fees, if any, as stated in paragraph 5. below.
3. Representation: The Surety represents that it has a credit rating, assigned to its senior unsecured long-term debt obligations, of A or better by Standard & Poor’s Financial Services, LLC (S&P) or A2 or better by Moody’s Investors Service, Inc. (Moody’s), or, if it does not have a rating for its senior unsecured long-term debt, then the ratings assigned as an issuer/corporate rating by S&P and Moody’s are at least as high. The Surety agrees to notify PG&E immediately if its credit rating is decreased by either S&P or Moody’s.
4. Waivers: The Surety hereby waives (i) the right, if any, to benefit from, or to direct the application of, any security hypothecated to PG&E; and (ii) the right to require PG&E to proceed against the Principal, or to pursue any other remedy in PG&E’s power; and it agrees that PG&E may proceed against the Surety directly and independently of the Principal or any collateral available to PG&E. The Surety also agrees that any extension, forbearance, amendment, acceptance, release or substitution of security, any impairment or suspension of PG&E’s remedies or rights against the Principal, or the cessation of the liability of the Principal for any reason other than full satisfaction and payment of the Obligations shall not affect the liability of the Surety hereunder. The Surety also waives all rights of subrogation, reimbursement, indemnification, and contribution and any other rights and defenses that are or may become available to it or any other surety by reason of Sections 2787 to 2855 of the California Civil Code.
5. Damages and Attorney’s Fees: Notwithstanding any other provision stated herein, the Surety agrees to reimburse PG&E for all costs, damages, and reasonable attorney’s fees incurred by PG&E (a) in enforcing its rights hereunder, or (b) due to the failure of the Surety or Principal to comply with the obligations of the Surety or Principal hereunder.
6. Notices to PG&E: All notices to PG&E shall be sent to:

**Pacific Gas and Electric Company**

**300 Lakeside Drive, Ste 210**

**Oakland, CA 94612**

**Attn: Electric Grid Interconnection / Pamela Pena & Rachel Martinez**

1. Notices to Surety: All demands and notices to the Surety shall be sent to:

Pacific Gas and Electric Company

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1. Applicable Law: This document shall be governed by and construed in accordance with the laws of the State of California.

IN WITNESS WHEREOF the Principal and the Surety have caused this bond to be executed on their behalf by their respective duly authorized officers.

|  |  |  |  |
| --- | --- | --- | --- |
| Principal: | [Typed Name] | Surety: | [Typed Name] |
|  |  |  |  |
|  | Signature |  | Signature |
|  |  |  |  |
|  | Name of Signer |  | Name of Signer |
|  |  |  |  |
|  | Title of Signer |  | Title of Signer |
|  |  |  |  |
|  | Date |  | Date |

|  |  |
| --- | --- |
| ACKNOWLEDGMENT  A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.  State of California  County of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_)  On \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ before me, \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  (insert name and title of the officer)  personally appeared \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.  I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.  WITNESS my hand and official seal.  Signature \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (Seal) | ACKNOWLEDGMENT  A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.  State of California  County of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_)  On \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ before me, \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  (insert name and title of the officer)  personally appeared \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.  I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.  WITNESS my hand and official seal.  Signature \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (Seal) |