

Attachment 1 - VCE Cost-based rate policy

Policy: VCE will set customer rates to collect sufficient revenue from participating customers to fully fund VCE's budget and establish sufficient operating reserve funds.

Attachment 2 - VCE Revised rate structure

1. Rate Structure
 - a. Establish three customer rate options – (1) “Basic¹” Green (new), (2) Standard Green (existing default), and (3) UltraGreen (existing opt-up)

2. Customer Distribution
 - a. All CARE/FERA customers automatically opted down to “Basic” rate (approx. 27% of VCE load)

3. Portfolio/Price (renewable/GHG content)
 - a. “Basic Green” rate (new): competitive with PG&E generation rate net of PCIA and Franchise Fees (+/- 2%) and maintain minimum portfolio to comply with regulatory requirements; ineligible for customer dividend program.
 - i. CARE/FERA customers maintain existing VCE multi-year portfolio mix for Standard default through 2023; shift to enhanced portfolio in 2024: PG&E renewable content plus a minimum of 5%.
 - b. Standard (existing default): cost-based rate and maintain existing VCE multi-year portfolio mix.
 - c. UltraGreen (existing opt-up): cost-based rate and maintain existing 100% renewable mix.

Table below shows the VCE revised rate structure information listed above in table form.

VCE Cost-based Rate Structure

Customer Rate Option	Rate	Portfolio	Notes
Basic Green (new)	Competitive with PG&E (+/- 2%)	<ul style="list-style-type: none"> • Minimum portfolio for VCE to comply with regulatory requirements 	<ul style="list-style-type: none"> • Not eligible for customer dividend program • CARE/FERA customers maintain existing VCE multi-year portfolio mix for Standard default through 2023; shift to enhanced portfolio in 2024
Standard Green - Default (existing)	Cost-based	<ul style="list-style-type: none"> • Maintain existing VCE multi-year portfolio mix 	<ul style="list-style-type: none"> • Portfolio minimum percent renewable content above Basic • Eligible for customer dividend program
UltraGreen – Opt-up (existing)	Cost-based	<ul style="list-style-type: none"> • Maintain existing 100% renewable portfolio 	<ul style="list-style-type: none"> • Eligible for customer dividend program

¹ “Basic” Green name to be determined.