OPT-OUT POLICY

Notification Processes and Periods

PG&E customers in the MBCP territory scheduled for the initial enrollment process shall receive a minimum of four notifications informing them of their right to opt-out of MBCP service. Two notifications are sent in the Initial Notification Period and two in the Follow-up Notification Period, defined as thirty and sixty days before and after enrollment.

a. Opt outs received in the Initial Notification Period will remove the customers from MBCP enrollment.

b. Opt outs received in the Follow-up Notification Period will return the customers to PG&E service on their next meter read date.

No penalties are incurred by the customer when the opt-out occurs during the Initial or Follow-up Notification Periods.

Opt-Out Processes

When customers elect to opt out after the conclusion of the notification period, the customers will return to PG&E according to PG&E Electric Rule 23 Section L.3.

One-Time Administrative Fee and Waivers

MBCP customers choosing to opt out of MBCP generation service after the Follow-up Notification Period will be charged a one-time administrative fee per service agreement, as below:

<table>
<thead>
<tr>
<th>Customer Type</th>
<th>One-Time Administrative Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential</td>
<td>$5</td>
</tr>
<tr>
<td>Non-Residential</td>
<td>$25</td>
</tr>
</tbody>
</table>

MBCP will consider waiving the fee on a case-by-case basis.
Waiting Period

MBCP customers that return to PG&E service after the Follow-up Notification Period must wait a period of one year before opting back into MBCP service. The waiting period begins on the date of return to PG&E service. This waiting period also applies to customers wishing to return to PG&E service after opting back into MBCP service. The request to return to either MBCP or PG&E service can be made at anytime but can only be effective after the waiting period is complete.