



Net Energy Metering Service Clean Power Alliance NEM Policy

APPLICABILITY: Clean Power Alliance of Southern California’s (CPA) Net Energy Metering Program (CPA NEM Program) is available to those CPA customers who are eligible under Southern California Edison’s (SCE) net energy metering program pursuant to the following SCE rate schedules: (i) Schedule NEM (Net Energy Metering); (ii) Schedule NEM-ST (Net Energy Metering Successor Tariff), (iii) Schedule NEM-V (Virtual Net Energy Metering for Multi-Tenant and Multi-Meter Properties); (iv) Schedule NEM-V-ST (Virtual Net Energy Metering for Multi-Tenant and Multi-Meter Properties Successor Tariff); (v) Schedule MASH-VNM (Multifamily Affordable Solar Housing Virtual Net Metering); (vi) Schedule MASH-VNM-ST (Multifamily Affordable Solar Housing Virtual Net Metering Successor Tariff); (vii) Schedule BG-NEM (Biogas Net Energy Metering); and (viii) Schedule FC-NEM (Fuel Cell Net Energy Metering) (jointly referred to as “SCE NEM Rate Schedules”). These SCE NEM Rate Schedules are available at: <https://www.sce.com/regulatory/tariff-books/rates-pricing-choices/other-rates> and may be amended or replaced by SCE from time to time.

CPA customers who elect to participate in NEM after initially enrolling with CPA must provide SCE with a completed SCE NEM Application and comply with all other SCE requirements before being eligible for the CPA NEM Program.

Eligible CPA customers who meet the requirements for the SCE NEM Program will be automatically enrolled in the CPA NEM Program either at the time of initially enrolling with CPA or at the time SCE accepts them into SCE’s NEM Program.

RATES: All rates for the CPA NEM Program will be in accordance with the customer’s otherwise-applicable CPA rate schedule (CPA OAS). Nothing in this policy will supersede any SCE authorized charges.

CHARGES & BILLING: CPA’s charges for energy (kWh) will be calculated at the CPA OAS and billed on the net metered usage, as described below.

a) For a customer with Non-Time of Use (TOU) Rates¹:

If the customer is a “Net Consumer,” having overall positive usage during a specific billing cycle, the customer will be billed in accordance with the customer’s CPA OAS.

If the customer is a “Net Generator,” having overall negative usage during a specific billing cycle, any net energy production shall be valued at the applicable rate as set forth in the customer’s CPA OAS. The calculated value of any net energy production shall be credited to the customer according to the CPA OAS and applied as described in Sections (c) and (d).

¹ Only applicable to grandfathered NEM 1.0 customers. Please visit <https://www.sce.com/residential/generating-your-own-power/net-energy-metering> for more information.

b) For a customer with TOU Rates:

If the customer is a Net Consumer during any discrete TOU period reflected within a specific billing cycle, the net kWh consumed during such TOU period shall be billed in accordance with applicable TOU period-specific rates/charges, as described in the customer's OAS.

If the customer is a Net Generator during any discrete TOU period reflected within a specific billing cycle, any net energy production shall be valued at the applicable rate as set forth in the customer's CPA OAS. The calculated value of such net energy production shall be credited to the customer according to the CPA OAS and applied as described in Sections (c) and (d).

c) Monthly Settlement of CPA Charges/Credits:

Each customer will receive a statement as part of its monthly SCE bill indicating any accrued charges for electric energy usage during the current billing cycle. When a customer's net energy production results in an accrued credit balance in excess of currently applicable charges, the value of any net energy production during the billing cycle (in excess of currently applicable charges) shall be valued at the CPA OAS and noted on the customer's bill, including the quantity of any surplus NEM production (measured in kWh), and carried over as a bill credit for use in a subsequent billing cycle(s).

A customer who has accrued credits during previous billing cycles will see such credits applied against currently applicable charges, reducing otherwise applicable charges by an equivalent amount to such credits. Any remaining credits reflected on the customer's billing statement shall be carried forward to subsequent billing cycle(s) until either the excess the credit is used to satisfy current charges or an annual account true-up is performed.

d) CPA True-Up & Cash-Out Processes:

- i) CPA Annual True-Up: Net surplus energy is defined as any generation that exceeds total customer energy usage during the relevant period of time, as measured in kWh. During the April billing cycle of each year beginning in April 2020, CPA will determine whether or not each customer has produced net surplus energy, as measured in kWh, over the most recent twelve (12) billing cycles, or the period of time extending from the customer's commencement of participation in the CPA NEM Program (the "Relevant Period"). If the customer has not produced net surplus energy during the Relevant Period, any NEM credits generated through participation in the NEM Program in excess of currently applicable CPA charges shall be set to zero. However, if a customer has produced net surplus NEM energy resulting in a credit balance in excess of currently applicable CPA charges, then CPA shall credit such customer an amount equal to the current Net Surplus Compensation rate per kWh, as defined in CPA Net Surplus Compensation Rate Schedule, multiplied by the quantity of net surplus NEM energy produced by the customer during the Relevant Period, consistent with CPA's Annual Cash-Out practice in (ii), below. The CPA Net Surplus Compensation Rate Schedule will be posted to CPA's website and updated monthly. CPA Net Surplus Compensation Schedule can be viewed at <https://cleanpoweralliance.org/wp-content/uploads/2019/01/CPA-NSCR.pdf>.

- ii) CPA Annual Cash-Out: During the April billing cycle of each year, any current customer deemed to have a net surplus value of more than \$100, as determined during the Annual True-Up process will be sent a payment by check for the credit balance on their account up to a maximum of \$10,000, as determined through CPA's Annual True-Up process. Customers receiving direct payment will have an equivalent credit removed from their NEM account balance at the time of check issuance. In the event that customers do not have a net surplus credit balance exceeding \$100, such credit balance will be carried forward to offset future CPA charges. All NEM accounts will be reset to zero kilowatt hours annually as of the customer's May billing cycle and the only NEM credits that will be carried forward on the customer's account will be credits for net surplus energy balance less than \$100.
- iii) CPA Cash-Out for Terminations: Customers who close their electric account through SCE or move outside of the CPA service area prior to the April billing cycle of each year and have produced net surplus NEM energy, as measured in kWh, resulting in a credit balance in excess of currently applicable CPA charges, shall receive a payment by check equal to the rate per kWh, as defined in CPA Net Surplus Compensation Schedule, multiplied by the net surplus NEM energy, up to a maximum of \$10,000. Payments will be released 30 days after final billing to allow for any revised usage and/or adjustments from SCE.

e) SCE NEM Program:

Customers are subject to applicable terms and conditions and billing procedures of SCE for SCE charges as described in SCE NEM Rate Schedules (with the exception of generation-related charges, which are described in CPA's rate schedules). Customers should be aware that while CPA settles balances for generation on a monthly basis, SCE will continue to calculate charges for delivery, transmission and other services annually for those customers with an annual billing option, and CPA NEM credits cannot be applied to any SCE charges.

Customers are encouraged to review SCE NEM Rate Schedules at <https://www.sce.com/regulatory/tariff-books/rates-pricing-choices/other-rates>.

f) Return to SCE Bundled Service:

CPA customers participating in the CPA NEM Program may opt out and return to SCE's bundled service, subject to any applicable restrictions imposed by SCE. If a CPA customer opts out, CPA will perform a true-up of their account, in consideration of section (d)(iii), at the time of return to SCE bundled service. For details concerning opting out of CPA service, please contact CPA Customer Service at 888-585-3788 or customerservice@cleanpoweralliance.org