

SANTA BARBARA CLEAN ENERGY
SBCE RESILIENT
NET ENERGY METERING
TERMS AND CONDITIONS OF SERVICE
RESIDENTIAL TARIFFS

A. PURPOSE

The Purpose of the Net Energy Metering (NEM) Program terms & conditions (T&C) is to provide details of Santa Barbara Clean Energy's (SBCE) Net Energy Metering program, SBCE Resilient, and how the program is administered for residential tariffs.

B. APPLICABILITY

Customers enrolled in Southern California Edison's (SCE) Net Energy Metering Program (SCE NEM) are automatically enrolled in SBCE's NEM Program, SBCE Resilient. The program is applicable for all NEM customers who have Renewable Generation Facilities such as rooftop solar. The facility must be eligible under SCE's Schedule NEM – Net Energy Metering or similar tariff option(s) focused on NEM, which may be amended or replaced by SCE from time to time. Each customer's eligible Renewable Generating Facility must fall within the capacity limits described in SCE's Schedule NEM and must be located on the customer's owned, leased, or rented premises, must be interconnected and operated in parallel with SCE's transmission and distribution systems, and must be intended primarily to offset part or all of the customer's own electrical requirements.

This rate schedule will be available to customers that provide SCE with a completed SCE NEM Application and comply with all SCE NEM requirements as described in SCE's Schedule NEM. This includes, but not limited to, customers served by NEM-V (Virtual Net Energy Metering), VNM-A (Virtual Net Energy Metering for Multifamily Affordable Housing), VNEM-SOMAH (Virtual Net Energy Metering - Solar on Multifamily Affordable Housing) and Multiple Tariff facilities as described by SCE's Schedule NEM.

C. TERRITORY

Applicable in the SBCE service area.

D. RATES

All rates charged under this schedule will be in accordance with the customer's otherwise applicable SBCE rate schedule (OAS). A customer served under this schedule is responsible for all charges from its OAS including monthly minimum charges, customer charges, meter charges, facilities charges, demand charges and surcharges, and all other charges owed to SBCE or SCE. Charges for energy (kWh) supplied by SBCE will be based on the net metered usage in accordance with this tariff.

E. BILLING

1. The Customer's energy usage is tracked on a monthly basis and reconciled at the end of the 12-month "relevant period" at the time of "True-Up".
2. Each month, a customer may accrue energy usage charges or credits based on the net amount of energy consumed or produced (kWh). A customer may accrue credits based on any surplus energy a

customer's generation system produces and supplies to the grid. The credit is calculated by multiplying the amount surplus energy (kWh) supplied to the grid by the tariff rate (\$/kWh) in effect at the time of day that the surplus energy is generated. Charges are accrued based on the customer's energy usage drawn from the grid multiplied by the tariff rate in effect at the time of day the customer consumes that energy.

3. Credits created by a customer's renewable generation system are used to offset charges. Each month, a customer accrues either a cumulative energy usage credit or a cumulative energy charge based on the difference between the total value of the energy that the customer generated that month and the value of the energy the customer consumed from the grid in that month. This cumulative balance carries forward into next billing period and is reported on the supply / generation page of each month's bill as the "Cumulative Resilience Balance". If there is a cumulative charge owed for relevant period to date, this is shown on that month's bill as the "Cumulative Resilience Balance Owed." If there is a cumulative credit balance over the relevant period to date, this balance is noted on the bill as the "Cumulative Resilience Credit Balance". Note that the Cumulative Resilience Balance is not due or paid out at the end of each month but rather at the time of the Annual True-Up.

4. SBCE True-Up, Net Surplus Compensation & Cash-Out Processes.

a. *True-Up.* Each year a True-Up will occur at the end of the 12-month relevant period. At the time of True-Up, if the customer has a "Cumulative Resilience Balance Owed", the customer will be billed an energy charge for that amount. If the customer has a "Cumulative Resilient Credit Balance" at the time of True-Up, then the customer does not owe any energy charges for the year and may be eligible for Net Surplus Compensation from SBCE.

b. *Net Surplus Compensation.* If at the end of the 12-month relevant period, a customer has produced net surplus energy over the entire year, as measured in kWh, then the customer is eligible for Net Surplus Compensation (NSC) from SBCE. Surplus kWh are paid out at the SBCE's NSC Rate. All NEM accounts will be reset to zero kWh upon True-up.

c. *Cash-Out.* At the end of each customer's relevant period, any current customer with a NSC Payment equal to or greater than \$100 will be paid directly payment by check. NSC payments less than \$100 will be rolled over as a credit into the next relevant period and used to offset future charges.