

**SANTA BARBARA CLEAN ENERGY
SBCE RESILIENT
NET ENERGY METERING
TERMS AND CONDITIONS OF SERVICE
COMMERCIAL 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 commercial 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 and billed on a monthly basis and also reconciled at the end of the 12-month "relevant period" in an annual "True-Up".
2. Each month, a customer may accrue energy usage charges or credits based on the net amount of energy being consumed from the grid or produced by a customer's generation system (kWh) and pushed

onto the grid. A customer accrues credits for on any surplus energy a customer's generation system produces and supplies to the grid. The value of the credit is calculated by multiplying the amount surplus energy supplied to the grid by the tariff rate in effect at the time of day that the surplus energy is generated. Charges are accrued based on the customer's energy usage from the grid multiplied by the tariff rate in effect at the time of day the customer consumes that energy.

3. Credits are used to offset charges. Each month, SBCE totals the charges and credits accrued over that month. If at the end of the month, a customer's total credits exceed total charges, the value of that difference will carry over in a bill credit. This bill credit will be used to offset any charges in your next billing cycle. If total charges exceed total credits, then that difference will be due for payment in that month's bill.

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 credit balance and the customer's generation system supplied more power to the grid than the customer has consumed from SBCE over the course of the 12-month relevant period, then the customer is eligible for Net Surplus Compensation.

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.