



## Electric Schedule NEM – Net Energy Metering Tariff

**Effective Date: February 3, 2023**

**APPLICABILITY:** This net energy metering (NEM) schedule is applicable to customers operating an eligible Renewable Electrical Generation Facility, as defined in PG&E’s Electric Schedule NEM or NEM2. This rate schedule is available on a first-come, first-served basis to customers that provide PG&E with a completed PG&E NEM Application and comply with all PG&E NEM requirements as described in PG&E Electric Schedule NEM, NEM2, and other related NEM programs. This includes customers served by NEMV (Virtual Net Energy Metering), NEMVMASH (Virtual Net Energy Metering for Multifamily Affordable Housing), NEMA (NEM Aggregation), Multiple Tariff facilities, and any other forms of Net Energy Metering as defined by PG&E Electric Schedules NEM and NEM2.

**RATES:** All rates charged under this tariff will be in accordance with the eligible customer-generator’s Otherwise-Applicable MCE rate Schedule (OAS). An eligible customer-generator served under this schedule is responsible for all MCE charges from its OAS including demand charges, Deep Green surcharges, taxes, and all other charges owed to MCE. Charges or credits for energy (kWh) supplied or delivered to MCE will be based on the net metered usage in accordance with this tariff.

PG&E NEM tariffs and rates still apply – MCE customers will continue to be subject to the terms, conditions, and billing procedures of PG&E for services other than electric generation.

**BILLING:** Customers with NEM service will be billed as follows:

a) Monthly Settlement of MCE Charges/Credits:

1. “Net Electric Consumption” is defined as when customer energy usage exceeds production during any billing segment, and shall be billed in accordance with applicable TOU period-specific rates/charges, as described in the eligible customer-generator’s OAS.
2. “Net Electric Generation” is defined as when customer energy generation exceeds usage during any billing segment, and shall be credited in consideration of the applicable TOU period-specific rates/charges, as described in the eligible customer-generator’s OAS.
3. Any charges due for Net Electric Consumption will be assessed in each monthly statement. If the customer’s account has available credits from current or previous Net Electric Generation, these credits will be applied against usage charges first before any charges are assessed. Page 1
4. Any excess Net Electric Generation credits will be tracked by MCE on the customer’s bill as a credit, and will be applied to future billing cycles within the same MCE Annual True-Up period as defined below.
5. Credit balances do not have any cash value except as defined in the Cash-Out process below.

b) MCE Annual Cash-Out and True-Up:

1. Following the final date and bill for each customer's March-April billing cycle, MCE will initiate a true-up of each customer account's NEM balance. Any accrued credit balance will be reset to zero for the beginning of the next 12-month period.
2. A review will be conducted for each customer's kilowatt-hour consumption and production during the annual true-up. If the customer's account produced more electricity than it consumed, it is eligible for a Cash-Out payment at the Net Surplus Compensation (NSC) rate.
3. The "Net Surplus Compensation" rate is intended to reflect two cents above the average wholesale rate during solar generating hours over a 12-month period as determined by MCE.
4. The NSC rate will be updated as part of MCE's rate setting process, with consideration for market factors and comparable rates.
5. NSC payments are subject to a cap of \$5,000 per account annually.
6. Customers will receive Cash-Out payments automatically, in the form of an on-bill credit or paid by check. Payments less than or equal to \$200 will be credited to the customer's PG&E account balance. Payments greater than \$200 will be issued by check to the customer's mailing address as noted on their PG&E account.
7. If a Cash-Out check is not cashed within 90 days of issuance, the payment will be canceled. If the account is still active, MCE will attempt to contact the customer and make a replacement payment available.
8. If Cash-Out payments remain unclaimed, MCE will follow the requirements of Government Code Section 50050-50057 et. seq. regarding the handling of unclaimed funds.

c) Customers Returning to PG&E Bundled Service and Account Closures:

1. MCE customers with NEM service may opt-out and return to PG&E bundled service at any time, subject to MCE and PG&E's terms and conditions for return to bundled service. Customers are advised that PG&E will perform a True-Up of their account for any PG&E charges at the time of return to PG&E bundled service.
2. Customers returning to PG&E service or closing their PG&E account may request a review of their account for Cash-Out payment. This settlement will follow the MCE Annual Cash-Out and TrueUp process as defined in Section (b), and be issued as a check to the address provided by the customer.  
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3. Customers returning to PG&E service or closing their PG&E account must request a review for cash-out payments within 90 days of the end of their MCE service, or payments will be subject to forfeiture.

d) Aggregated NEM

1. Per the California Public Utilities Code Section 2827(h)(4)(B), aggregated NEM customers are "permanently ineligible to receive net surplus electricity compensation." MCE's aggregated NEM accounts are ineligible to receive NSC payments.