

**ELECTRIC SCHEDULE NEM-SAN JOSE CLEAN ENERGY
NET ENERGY METERING**

I. APPLICABILITY

- A. This Schedule Net Energy Metering (NEM-San Jose Clean Energy) is applicable to enrolled San Jose Clean Energy customers who use a Renewable Electrical Generation Facility.
- B. To be eligible, the San Jose Clean Energy customer must satisfy the requirements of Pacific Gas and Electric Company's (PG&E) Electric Schedule NEM or NEM2₁, must take service on a PG&E NEM Tariff Schedule, and install a Renewable Electrical Generation Facility.
- C. This Schedule is available upon request, on a first-come, first-served basis to eligible San Jose Clean Energy customers that provide PG&E with a completed PG&E NEM Application and comply with all PG&E NEM requirements as described in the following PG&E Electric Schedules: NEMV or NEM2V (Virtual Net Energy Metering), NEMVMASH or NEM2VMSH (Virtual Net Energy Metering for Multifamily Affordable Housing), and Multiple Tariff facilities as described by PG&E Electric Schedule NEM and NEM2.
- D. PG&E NEM Tariff Terms and Conditions Apply. San Jose Clean Energy NEM customers are also subject to the terms, conditions, and billing procedures of PG&E for services other than electric generation.

II. TERRITORY

- A. This schedule is available throughout the City of San Jose.

III. DEFINITIONS

- A. "Annual True-up Period" means the twelve-month period commencing in May of each year.
- B. "Net Electricity Consumer" means a NEM-San Jose Clean Energy customer that generates less electricity from its Renewable Electrical Generation Facility during an Annual True-up Period than is delivered by San Jose Clean Energy to the customer during the same period.
- C. "Net Electricity Generator" means a NEM-San Jose Clean Energy customer that generates more electricity from its Renewable Electrical Generation Facility during an Annual True-up Period than is delivered by San Jose Clean Energy to the customer during the same period.
- D. "Renewable Electrical Generation Facility" means a facility that generates electricity from a renewable source listed in California Public Resources Code Section 25741(a)(1)₂ and that is:
 - 1. located on the customer's owned, rented, or leased premises;
 - 2. equal to or less than 1 MW (AC) in design capacity;
 - 3. interconnected for parallel operation with the PG&E distribution system; and
 - 4. sized principally to offset part or all of the customer's own on-site electrical requirements.

IV. RATES, BILLING, AND ANNUAL TRUE-UP PROCESS

- A. Rates and Monthly Billing for San Jose Clean Energy Service
 - 1. Each NEM-San Jose Clean Energy customer will receive a monthly billing statement reflecting net electricity consumption, charges incurred, credits generated during the current billing period, and remaining generation bill credits from previous billing cycles. The monetary value of any excess generation during a monthly billing cycle shall be calculated as follows:
 - i. For Customers on a Flat Rate Tariff: If during a monthly billing cycle, the quantity of electricity generated by the customer's Renewable Electrical Generation Facility and delivered to San Jose Clean Energy is greater than the quantity of electricity delivered to the customer by San Jose Clean Energy, the value of the excess kilowatt-hours (kWh) produced shall be

calculated according to the electricity usage charges of the customer's otherwise applicable rate schedule.

- ii. For Customers on a Time of Use ("TOU") Tariff: If during any TOU period, the quantity of electricity generated by the customer's Renewable Electrical Generation Facility and delivered to San Jose Clean Energy is greater than the quantity of electricity delivered to the customer by San Jose Clean Energy, the value of the excess kilowatt-hours (kWh) produced shall be calculated based on the applicable time-of-use rate when the excess kilowatt-hours were produced. The customer will receive a net bill credit if the sum of San Jose Clean Energy electric generation charges and credits across all applicable TOU periods during the billing cycle is a net positive value.

2. All San Jose Clean Energy charges under the customer's otherwise applicable rate schedule shall be in effect and all charges shall be due and payable on the due date identified in each billing statement.

3. Any net bill credits reflected on the customer's bill will be carried over for use in subsequent billing period(s) throughout the Annual True-up Period until such credits are exhausted.

B. Annual True-Up and Settlement

1. On an annual basis, San Jose Clean Energy will determine whether a participating customer is a Net Electricity Consumer or a Net Electricity Generator during the preceding Annual True-up Period. For new customers, the Annual True-up Period for the first year will cover the period starting on the date that the customer commenced service under this NEM Schedule through the customer's April billing cycle. In cases where a new customer has received San Jose Clean Energy NEM service for less than 10 billing cycles in their first Annual True Up Period, the Annual True Up Period will be extended to the end of the following April billing cycle.
2. When the customer is a Net Electricity Consumer at the end of the Annual True-up Period, any net bill credit balances remaining at that time will be reset to zero for the beginning of the next True-Up Period.
3. When the customer is a Net Electricity Generator at the end of the Annual True-up Period, the customer is eligible to receive Net Surplus Electricity Compensation for any net electricity production during the prior twelve-months.
 4. The Net Surplus Electricity Compensation rate for each kilowatt-hour of net electricity production during the True-up Period is: \$0.03552 per kWh
 5. San Jose Clean Energy will provide Net Electricity Generators their Net Surplus Electricity Compensation at the end of the Annual True-Up Period as a payment in the form of a check, which shall be mailed within 30 calendar days of the end of the Annual True-up Period.

C. Renewable Energy Credits and Environmental Attributes

1. The customer will retain ownership of all RECs and environmental attributes associated with its usage of electricity produced by the eligible Renewable Electrical Generation Facility.

V. RETURN TO PG&E BUNDLED SERVICE

- A. If a NEM-San Jose Clean Energy customer opts-out of the San Jose Clean Energy program and returns to PG&E bundled service, that customer may request that San Jose Clean Energy settle any remaining net generation credits on the account, provided the request is received within 90 calendar days of the return to PG&E service. The settlement method will be the same as the Annual Settlement process set forth in Section IV.
- B. If a Net Generator, the customer will be compensated for all net excess electricity received by San Jose Clean Energy at the applicable Net Surplus Electricity Compensation rate.