



## Consent Item 9

**TO:** East Bay Community Energy Board of Directors  
**FROM:** Annie Henderson, VP Marketing and Account Services  
**SUBJECT:** Amendments to Net Energy Metering (NEM) Tariff for Solar Customers  
**DATE:** June 19, 2019

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### Recommendations

Approve a Resolution to amend the Electric Schedule NEM - Net Energy Metering Service so that it is aligned with both customer expectations and existing operations

### Background

At its February 21, 2018 meeting, the EBCE Board adopted an initial NEM policy, and also directed staff to amend that policy, as necessary, after finalization of Local Development Business Plan (LDBP). Staff brought an amended policy to the board on December 5, 2018, that included amendments regarding the NEM program details, tariff, and the 2019 bi-monthly NEM customer enrollment.

At its February 20, 2019 meeting, the EBCE Board approved an additional amendment to the NEM tariff to revise the surplus payment calculation for customers receiving over \$2,500 in retail credits and provide a review of financial outcomes for customers that have both made a payment to EBCE since the previous cash-out process, or start of service with EBCE, and have a positive balance during the current cash-out process.

Following the February Board approval, staff realized that there is a need to clarify a type of credit and correct an error in the tariff regarding the cash-out process.

### Analysis

The cash-out process is detailed in the section entitled "Billing" in part "d" of the Electric Schedule NEM - Net Energy Metering Service. Both recommended edits are in this section.

The first edit is in the initial description of the EBCE Annual Cash-Out. The following is the current tariff, with proposed additions in bold and underlined text:

*During the April billing cycle of each year, all current EBCE NEM customers with a **cash-out** credit balance of more than \$100 will be offered a direct*

payment by check for this balance. Any cash-out credit balance will be determined as of the final date of the customer's March-April billing Cycle (i.e. the first bill period ending on or after April 1).

“Credit balance” here could be misinterpreted any current positive dollar credit balance that resides on the EBCE page of a NEM customer bill. EBCE offers three levels of cash-out payment depending on customer classification and the interconnection date. For two of these levels, the cash-out credit is different from the month-to-month credit balance: (1) for NEM customers interconnected prior to June 1, 2018 it is the product of the surplus kilowatt-hours and PG&E’s Net Surplus Generation rate; and (2) for municipal/low-income NEM customers interconnected after June 1, 2018, the cash-out credit is the EBCE retail rate plus \$0.01 per kilowatt-hour.

To avoid confusion, staff recommends adding “cash-out” before credit balance to clarify the type of credit balance.

The second edit is in the section of the tariff that describes the review of financial outcomes of NEM customers that were interconnected prior to June 2018. The following is the current tariff language, with edits in bold, underline, and strikethrough:

*Annually in May, EBCE will review the financial outcomes of “existing” NEM accounts (interconnected before June 2018) that have 1) made payment to EBCE in the prior 12 months and 2) held a positive balance ~~of at least \$100~~ in April. EBCE will assess whether these accounts would have had better financial outcomes on PG&E service, and if so, issue a credit or check for the difference. This applies to all rates schedules and service levels.*

There should not be a minimum balance stated here, as all customers will have their monthly credit balance converted to a cash-out credit balance during the cash-out process. Staff recommends that the tariff is edited to read “held a positive balance in April,” removing “of at least \$100” and adding “positive” for clarity.

### Fiscal Impact of Recommendation

These tariff edits do not have a fiscal impact; the edits are clarifying operations as they already occur today.

### CEQA

Not a project

### Attachments

- A. Exhibit A: Revised EBCE Electric Schedule NEM - Net Energy Metering Service
- B. Resolution Adopting Amended Electric Schedule NEM - Net Energy Metering Service