

Valley Clean Energy Net Energy Metering Community Workshops

HIGHLIGHTS

Monday, July 23, 2018 – Davis Community Chamber Wednesday, August 1, 2018 – Woodland Council Chambers

About the Community Workshops

Valley Clean Energy (VCE) hosted two community workshops to provide information about VCE's proposed Net Energy Metering (NEM) policy changes and to receive input from community members. The workshops were well-attended, with approximately 90 individuals in attendance at each. Yvonne Hunter, a member of VCE's Community Advisory Committee, moderated the sessions and Jim Parks VCE's Director of Marketing and Customer Care, presented the proposed changes to VCE's NEM policy.

The power point presentation and recordings from the two workshops are available at <u>https://valleycleanenergy.org/solar-customers/</u>.

Key Elements of VCE's Proposed NEM Program Changes:

- Residential NEM customers will keep their annual billing cycle and true up date, unless their annual balance exceeds \$500. Then they will go to monthly billing.
- NEM customers will retain their existing PG&E true-up date when they become VCE NEM customers.
- VCE pays 1 cent per kWh more than PG&E for excess energy on a monthly basis. This will roll over as a credit during excess generation months and will be trued-up on the annual true-up date if needed. Over \$100 credit balances will be paid to the customer in cash. Under \$100 balance will roll over as a credit.
- For excess energy at the end of the year, VCE pays what PG&E pays (wholesale) plus 1 cent per kWh, providing a financial benefit to NEM customers.
- The transition from PG&E to VCE will occur on the customers true-up date in 2019. This means that NEM customers will be moving to VCE over the course of the entire year, depending on their true-up date. Until that time, NEM customers will remain with PG&E.
- The goal of VCE's NEM program change is to find the appropriate balance between keeping customers whole and financial/administrative impacts to VCE. Under VCE's proposed policy, no customer would pay more money than he or she otherwise would have paid as a PG&E NEM customer during the first year as a VCE customer.



Questions and Community Input

The following highlights responses offered to many of the key questions asked by the workshop attendees. If you have a question that is not included here, we encourage you to contact VCE at info.valleycleanenergy.org.

- 1. **Do NEM customers have a choice of monthly billing if they prefer that to annual billing?** Yes. Customers will be able to choose monthly billing if that is their preference.
- 2. Does VCE allow for more solar capacity than PG&E for NEM customers? No. This is a limitation governed by existing state law.
- 3. If I owe over \$500 during any point in the year, will I automatically be defaulted to a monthly payment plan? No. You will be moved to monthly billing only if you owe more than \$500 at your annual true-up date or if you request monthly billing.
- 4. What is the benefit of a customer moving to a monthly billing pattern? It depends, as this is a customer specific situation. Customers with a higher annual bill at their true up time may prefer monthly payments to avoid a large, single payment. Other customers may prefer monthly billing for other reasons.
- 5. **Will I receive two electric bills?** No. You will continue to receive one electric bill (combined with your gas bill) from PG&E. Your VCE electricity charges or credits, will show up as a line item on your bill. If you generate more electricity than you use, these "generation charges" will show up as a credit.
- 6. What is an annual "true up" and how does it impact my bill? Annual true up refers to the time when your net electricity usage and electricity generation are calculated, with the difference either owed to you (due to generating more electricity than you used) or that you owe to your electricity provider (i.e., PG&E or VCE). You can find the true-up date on your existing PG&E bill.
- 7. Will PG&E change how they serve VCE customers? No. PG&E will continue to provide transmission, distribution and billing services. Customers will continue to call PG&E to report outages.
- 8. Will the PG&E customer charge (approximately \$10) go away? No. The customer charge is unrelated to VCE service and is designed to recover a portion of PG&E's fixed costs to serve customers.
- 9. **Does VCE offer a rate discount compared to PG&E?** Yes. VCE's electric rates are 2.5% less than PG&E's for the generation portion of your electric bill.



- 10. PG&E pays wholesale rates for excess electricity generation at my annual true-up date. What does VCE pay? VCE pays wholesale rates plus 1 cent per kWh.
- 11. **Do I have to wait until 2019 to become a VCE NEM customer?** Sorry, at this time, you have to wait until your true-up date in 2019 to receive VCE service. If this changes, we will notify customers through our website and other means.
- 12. Can a customer opt-out of VCE service at any time? Yes. You can call the Call Center or go to VCE's website to opt-out. If you are a PG&E NEM customer and do not wish to become a VCE NEM customer, you cannot opt-out on the website unless you're within 30 days of your annual true-up date. You can, however, call the Call Center at 855-699-8232 and press "0" to speak with a customer service representative. They can put you on a list for automatic opt-out near your true-up date.
- 13. Is there a forum where NEM customers can compare notes and share ideas? We have a Facebook page where ideas can be posted, but nothing beyond that at this time.
- 14. How can we be sure we are saving money? You need to look at your PG&E bill to calculate the benefits from VCE service. The VCE charges will show up as a line item on your PG&E bill. The PG&E generation charges (that is, excess electricity that you generate as a NEM customer) will show up as a credit. In addition, the PG&E exit fees need to be factored in. By adding the VCE generation charges with the exit fee (PCIA), you can compare that number to the PG&E credit. Your VCE charges plus PCIA should be less that your PG&E credit, meaning you saved money.
- 15. We're on a time-of-use rate with PG&E to charge our electric vehicle. Will that continue? Yes. Your existing rate structure with PG&E will continue. Also, you will receive a 2.5% discount on the amount of electricity you use.
- 16. What about other PG&E rates like CARE and the medical rate? Does VCE honor those rates? Yes. You will continue with your existing PG&E rate and will still get the 2.5% VCE discount.
- 17. Are there other community choice aggregators (CCA's) in California? Yes. There are currently over 12 CCA's operating in California. The expectation is that approximately 50% of California generation will be provided by CCA's within the next 5 years.
- 18. If I have connection problems with my solar system, who do I call? You should call either your solar contractor or PG&E depending on the problem.
- 19. Will I be automatically switched to VCE? Yes, on your true-up date in 2019.



- 20. Is the intent of the proposed policy change to benefit NEM customers? Yes. Some NEM customers would pay more than they would with PG&E during their first year of VCE service under the existing policy. We chose to delay NEM implementation to rework our NEM policy to provide benefits to all NEM customers.
- 21. I lease my rooftop solar system. Will I be covered under VCE's revised NEM policy? It depends on your lease agreement and whether you or the solar company from whom you lease the system pays the PG&E bill.
- 22. What happens if I am a VCE customer now and install rooftop solar in October or November of 2018? When will I become a VCE NEM customer? Existing VCE customers that install solar systems in 2018 will automatically be transitioned to VCE's existing NEM policy—monthly billing and an annual true-up date of April, and will remain with VCE.
- 23. Why does VCE have to wait until January 2019 to begin transitioning PG&E NEM customers to VCE? We realize that many NEM customers are eager to become VCE customers and we apologize for the delay. But, once the revised policy is adopted, it will take time for VCE set up the administrative functions and billing systems, including working with PG&E to move customers over to VCE.

Next Steps

- Gather and distill input from workshops
- Community Advisory Committee will consider public input and staff analysis in forming recommendations
- VCE Board will consider CAC recommendations and staff analysis at the September Board meeting
- If recommendations are approved by the VCE Board, begin enrolling NEM customers into VCE service beginning January 1, 2019—customers will automatically be enrolled on their existing true-up date
- All NEM customers (that do not opt-out) will be enrolled with VCE by the end of 2019