Solar Net Energy Metering Public Workshops

October 2, 2019 - Davis Community Chambers
October 14, 2019 - Woodland Council Chambers
Valley Clean Energy’s NEM policy explained

- What stays the same as PG&E?
- What changes?
- Are there any options I should know about?
Agenda

- Terms explained
- What is Valley Clean Energy?
- Background
- Program details
  - Residential
  - Business
  - Aggregation customers
- Early opt in
- Notifications
Terms explained

- **NEM** = Net Energy Metering / Solar / Photovoltaic / PV
  Solar customers are “net energy metered”—they earn the retail value of the energy they produce

- **NEMA** = Net Energy Metering - Aggregation
  Customers with multiple meters can aggregate their accounts on one or more solar systems

- **True Up** – Balance account annually
  Solar customers usually pay their electric bills once per year. Utilities require that accounts be “trued up” annually to pay for outstanding credits (at wholesale prices) or charge for any outstanding balance. This returns the account to a zero balance.

- **VCE** = Valley Clean Energy
Valley Clean Energy (VCE) is a Community Choice Aggregation program, created by local communities for the benefit of all.

- An alternative to PG&E, encouraging competition that benefits customers.
- Not for profit/locally controlled.
- Retains competitive customer rates for electricity that’s higher in renewables and lower in carbon.
- Maintains local control with the best interests of our residential and commercial customers in Woodland, Davis, and unincorporated Yolo County in mind.
- **AB 117 (2002)** - CCA Legislation - default enrollment

**VCE is Mission Driven**—we deliver cost-competitive, clean electricity, product choice, local control, greenhouse gas emission reductions and reinvestment of revenues into local economies.
Has CCA been successful elsewhere?

- As of June 2019, there are 20 active CCAs in California. 12 are in PG&E territory.
- An estimated population of 10 million are members throughout the state.
- Dozens of other cities and counties are actively considering their own CCA programs.
How does it work?

VCE purchases clean electricity for its customers.

PG&E delivers it, maintains the hardware, provides repair services, and manages billing.
VCE is not for profit and is governed by locally elected leaders from our member jurisdictions.

- Two City Council members from Woodland
- Two Board of Supervisor members from Yolo County
- Two City Council members from Davis
What are the benefits?

- Competitive Rates
- Local Control
- Sustainability
- Customer Choice

Reinvestment in the Community
Power content

VCE Power Content 2018
- Wind – 48%
- Hydro – 37%
- Market – 15%
- Renewable – 48%
- Carbon Free – 85%

PG&E Power Content 2018
- Renewable – 39%
- Hydro – 13%
- Natural Gas – 15%
- Nuclear – 34%
- Renewable – 39%
- Carbon Free – 85%
- Nuclear (34%)
How long has VCE been operating?

VCE was launched June 1, 2018.
VCE’s charges are on the PG&E bill.
VCE’s charges on your NEM bill

<table>
<thead>
<tr>
<th>Your Account Summary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amount Due on Previous Statement</td>
</tr>
<tr>
<td>Payment(s) Received Since Last Statement</td>
</tr>
<tr>
<td>Previous Unpaid Balance</td>
</tr>
<tr>
<td>Current PG&amp;E Electric Monthly Charges</td>
</tr>
<tr>
<td>VALLEY CLEAN ENERGY ALLIANCE Electric Generation Charges</td>
</tr>
<tr>
<td>Current Gas Charges</td>
</tr>
<tr>
<td><strong>Total Amount Due by 09/24/2019</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Your Net Energy Metering (NEM) Account Summary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year-to-date (YTD) NEM charges are based on your YTD usage. Your NEM balance will be reconciled on your annual True-Up statement (11/2019). No credits will be carried over to your next True-Up period. Please see the “Summary of Your NEM YTD Charges” for more details.</td>
</tr>
<tr>
<td>Total NEM Charges Before Taxes</td>
</tr>
<tr>
<td>Total Electric Minimum Delivery Charges</td>
</tr>
<tr>
<td>Estimated Taxes</td>
</tr>
<tr>
<td><strong>YTD Estimated NEM Charges At True-Up</strong></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>----------------</td>
</tr>
<tr>
<td><strong>Peak</strong></td>
</tr>
<tr>
<td><strong>Off Peak</strong></td>
</tr>
<tr>
<td><strong>Part Peak</strong></td>
</tr>
<tr>
<td><strong>Generation Credit</strong></td>
</tr>
<tr>
<td><strong>Power Charge Indifference Adjustment</strong></td>
</tr>
<tr>
<td><strong>Franchise Fee Surcharge</strong></td>
</tr>
<tr>
<td><strong>Monthly NEM Charges</strong></td>
</tr>
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</table>
We match PG&E rates, but...

VCE-related generation rates match PG&E even though our base rates are ~2.8 cents less (14% – 28% less per kWh for the ETOU-A rate)

Power Charge Indifference Adjustment or PCIA is an exit fee. The PCIA compensates PG&E for above-market costs they have incurred procuring energy for customers that have now moved to CCAs—long-term contracts, etc. The CPUC approves the PCIA.

The Franchise Fee Surcharge (FFS) is paid to local governments for rights of way for utility equipment.

We offer a dividend program that provides credits when we meet our financial targets

We provide 1 cent/kWh for excess generation on a monthly basis

If you’re on the retired E6 rate, you will stay on it unless you ask for a change

<table>
<thead>
<tr>
<th>Rate</th>
<th>Description</th>
<th>(1) PG&amp;E ($/kWh)</th>
<th>(2) VCE Base Generation Rate</th>
<th>(3) Exit Fee (PCIA)</th>
<th>(4) Franchise Fee Surcharge</th>
<th>(5) VCE Total ($/kWh)</th>
</tr>
</thead>
<tbody>
<tr>
<td>ETOU-A</td>
<td>Summer Peak</td>
<td>$0.20113</td>
<td>$0.17345</td>
<td>$0.02701</td>
<td>$0.00067</td>
<td>$0.20113</td>
</tr>
<tr>
<td></td>
<td>Summer Off-Peak</td>
<td>$0.12555</td>
<td>$0.09787</td>
<td>$0.02701</td>
<td>$0.00067</td>
<td>$0.12555</td>
</tr>
<tr>
<td></td>
<td>Winter Peak</td>
<td>$0.11379</td>
<td>$0.08611</td>
<td>$0.02701</td>
<td>$0.00067</td>
<td>$0.11379</td>
</tr>
<tr>
<td></td>
<td>Winter Off-Peak</td>
<td>$0.09949</td>
<td>$0.07181</td>
<td>$0.02701</td>
<td>$0.00067</td>
<td>$0.09949</td>
</tr>
</tbody>
</table>
For customers that **pay ahead** to avoid a large bill at true-up—
- PG&E retains excess funds as a credit
- At the end of the year, they pay themselves first, then VCE
- The customer will be billed for any outstanding balance
VCE service does **not** change Minimum Delivery Charges

Minimum Delivery Charges are part of the PG&E portion of your bill—"PG&E Electric Delivery Charges"
The VCE board approved bringing in NEM customers beginning January 1, 2020.

We believe in renewable energy and are excited to include NEM customers in our program.

Solar customers will be enrolled on their true-up date in order to optimize outstanding credits.

VCE pays 1 cent per kWh *above PG&E* for excess generation on a monthly basis.

VCE provides a Dividend Program payable once per year for residential and twice per year for business customers.
Residential and Business NEM

“What changes?”

• Policy is similar to PG&E

• For customers that installed solar systems prior to June 2018—
  • Maintain existing PG&E billing cycle (annual or monthly)
  • Receive 1 cent/kWh for excess generation on a monthly basis—more than with PG&E

• True up on your established true-up month

• If on a monthly billing cycle, you will true up in February
For Aggregation Customers

- Policy is similar to PG&E
- Annual billing cycle for customers that installed solar system(s) prior to June 2018
- Receive 1 cent/kWh for excess generation on a monthly basis
- Trued up on your normal true-up month
- All credits are zeroed out (if applicable) when your accounts are trued up
Early Opt In

- Customers can opt in early
- Early opt-ins start in February 2020
- Must opt in through the Call Center 855-699-8232
- Must opt in by January 15th to enroll in February
- Can select annual billing or monthly billing with a February true-up
- Strongly advise ensuring you don’t have too many solar credits since you will be trued up by PG&E
Notifications

Customers will receive four notifications:

• Notice 1 – Two months in advance - A letter to announce that your account will be automatically enrolled in VCE (in your true-up month) unless you opt out

• Notice 2 – One month in advance - A postcard to remind you about upcoming enrollment

• Notice 3 – A post-enrollment notification by postcard

• Notice 4 – A follow-up post-enrollment postcard
100% Clean Energy:

- Option to “opt up” for slight rate premium (1.5¢/kWh)
- 100% renewable, 100% carbon-free energy
- Greatest reduction in greenhouse gas emissions
- Over and above our advertised 42% renewable
Let’s review VCE’s benefits

- **Investment in the local community** — VCE received a $2.9 million grant to install electric vehicle infrastructure throughout Yolo County.

- **Sustainability** — 42% renewable level compared to PG&E’s 33%.

- **Local control** — governed by elected officials that understand the community and work to provide benefits that align with their values.

- **Customer choice** — a choice between PG&E and a locally owned, governed and focused energy provider; a choice in renewable levels.

- **Competitive rates** — VCE rates are equal to PG&E rates.
  - Dividend Program - paid once/year for residential and twice/year for business.
  - 1 cent adder for excess generation.

*As a VCE customer, you are supporting local values that benefit the community.*
How do I stay informed?

Join our email list
• ValleyCleanEnergy.org

Follow us on social media
• Facebook.com/ValleyCleanEnergy
• @VCleanEnergy

Attend a public Board of Directors meeting
• 2nd Thursday of each month, 5:30-7:30pm

Become a brand champion
• Email info@valleycleanenergy.org

Call us
• 855-699-8232
Questions

Jim Parks
Valley Clean Energy
jim.parks@valleycleanenergy.org
855-699-8232
ValleyCleanEnergy.org
Thank You
https://valleycleanenergy.org/energy-choices/pge-nem-solar/

“We need to go the extra mile for CLEANER ENERGY.”

– Cody Rominger and fiancée Meli Valderrama
Rominger Family Farms, western Yolo County

It’s in OUR POWER

ValleyCleanEnergy.org