

Net Energy Metering (NEM) Cost of Service (COS) FAQ

How will true-up work with 3CE and the new COS?

3CE will establish a December annual true-up for all customers. Customers will still maintain their true-up with PG&E on the delivery side. Customers on annual billing will be moved to monthly billing starting January 1, 2022.

Why is the Net Surplus Compensation rate changing?

3CE launched in 2018 with a discount off our electric generation rates of 3-7% and provided a Net Surplus Compensation rate halfway between wholesale and retail. PG&E has been providing a wholesale NSC rate which changes monthly. 3CE proposes to provide predictability by setting its NSC rate for 3 years as part of its new rate structure with an NSC rate of .047/kWh, while 3CE's seasonal flat rate option provides a seasonal NSC rate based on residential and non-residential retail rates.

What is the Power Charge Indifference Adjustment (PCIA)?

PG&E and SCE charge their customers a Power Charge Indifference Adjustment (PCIA) and a Franchise Fee Surcharge. Both are calculated based on the number of kilowatt-hours used each month. The fees are included in PG&E's bundled charges. With 3CE, the fees are displayed so there is more transparency on your bill. The PCIA is intended to ensure that 3CE customers pay the difference between what PG&E and SC Edison paid for power contracted to serve customers prior to their switch to 3CE. For most 3CE customers, the PCIA is currently two to three cents per kilowatt-hour. The PCIA and Franchise Fee charges are currently factored into 3CE's rate setting process to keep 3CE rates competitive.

Will you have a calculator that allows customers to evaluate which choice is best?

3CE will provide an evaluation period when all customers may review their two rate options and use our cost comparison calculator to compare the two options. The evaluation period is expected to begin in mid-July through October 15, 2021.

How does Cost of Service affect the EV Rates?

3CE's proposed rate structure simplifies its rate classes from the existing and complex 88 classes down to a simplified 10. Currently there is no specific residential EV rate class in 3CE's proposed new rate structure but customers on current or legacy EV rates will still have the grandfathered TOU periods related to EV-A & EV-B. The Time-of-Use rate features lower rates for electricity at night, allowing customers to control their energy bill by charging electric vehicles during off peak hours. 3CE will have a Business Electric Vehicle rate consistent with what PG&E is offering.

What are my options if I do not want to participate? How do I return to PG&E bundled service?

There will be two 3CE rate options, the default time of use rate and the alternate seasonal flat rate (which is transitional): Customers will be rolled into the new default Time of Use rate structure on January 1, 2021 unless they choose the alternate seasonal flat rate option during the evaluation period. Evaluation period will be between July and October 15, 2021. Separately, customers who choose to return to PG&E bundled service may do so by visiting www.3cenergy.org/opt-out. Please note: 1) If customers opt out outside of their enrollment period, PG&E requires the customer stay with them for 1 year. 2) Opted out customers will not be eligible for 3CE energy programs.

How long will the Cost of Service rates be in effect?

While PG&E changes their rates no less than four times a year and changes their NSC rate monthly, 3CE's goal is to set rates for 3 years (January 1, 2022 - December 31, 2024). The new 3CE rate structure allows for stability and predictability by setting our rates and NSC for 3 years.