

BILLING:

A. Import Charges

Monthly generation-related import charges will be calculated by multiplying the total electricity consumption for the TOU and billing period, measured by the import channel in kWh, by the applicable generation rate (\$/kWh) as determined by the OAT or OAS. See Special Conditions Section (D) and (E) for specific terms for Virtual Net Billing and Net Billing Aggregation accounts respectively.

B. Export Credits

Monthly generation-related export credits will be calculated by multiplying the hourly interval generation exported to the grid for the billing period, measured by the export channel in kWh, by the corresponding hourly interval EEC rates. The EEC rates are adopted by the 3CE Policy Board and based on the Avoided Cost Calculator (ACC)⁵ adopted by the California Public Utilities Commission (CPUC) and effective January 1 of each year.

Monthly generation-related export credits, post calculation, will offset any generation-related 3CE import charges in the same bill period or generation-related 3CE import charges within the same Relevant Period as defined below in Special Conditions Section (A). Generation-related 3CE export credits may not offset applicable taxes or IOU Transmission and Distribution (T&D) charges. . See Special Conditions Section (D) and (E) for specific terms for Virtual Net Billing and Net Billing Aggregation accounts respectively.

C. Low Income EEC Adder

3CE NBT customers with permission to operate NBT start dates from the 3CE NBT implementation start date to December 31, 2027 and enrolled in the California Alternate Rates for Energy (CARE) program and/or Family Electric Rate Assistance (FERA) program will receive a flat \$/kWh adder⁶ to their EEC for a period of nine (9) years from their NBT start date. The 3CE Low Income EEC Adder will present as a separate line item on the customers' bill. Any banked Low Income EEC Adder amounts will not be subject to the balance reset during the Annual True-Up Process and will roll over to the next Relevant Period.

D. Monthly Billing

Aggregated 3CE import consumption charges and export generation credits will appear on the monthly statement received from the IOU. When the total 3CE import charges exceed the total 3CE export credits, the monthly statement will reflect a charge to the customer.

⁵ Avoided Cost Calculator may be found at: <https://www.cpuc.ca.gov/industries-and-topics/electrical-energy/demand-side-management/energy-efficiency/idsm>.

⁶ More information on the 3CE Low Income EEC adder is at: <https://3cenergy.org/billing/solarbillingplan>

Conversely, when the total 3CE export credits exceed the 3CE import charges, the excess credits will be banked, and the customer will receive a monthly statement with no energy charges for that month. Banked credit amounts will apply to future monthly charges and may be seen on subsequent monthly statements until fully used to offset 3CE charges or a true-up occurs.

E. Annual True-Up Process

At the end of the Relevant Period, the following steps will be performed by 3CE for NBT accounts:

1. Meter readings from the import and export channels during the Relevant Period are aggregated. If the export generation total exceeds the import consumption total, the aggregated total is multiplied by the Average Retail Export Compensation Rate (\$/kWh).⁷ The resulting product is the Energy Export Credit Adjustment. If the import total equals or exceeds the export total, then the Energy Export Credit Adjustment is \$0.
2. If there are remaining banked EEC amounts, these are first used to offset any applicable Energy Export Credit Adjustment. Next, all 3CE energy charges are summed and aggregated with all used EEC amounts. If the result is positive, any remaining banked EEC amounts offset the amount. The balance is reset to zero if any banked EEC amounts remain after the above process. Low Income EEC Adder amounts are not subject to the balance reset and will roll over to the next Relevant Period until used for 3CE charges or paid out when the account is returned to bundled service or terminated.

Net Surplus Compensation (NSC) is then calculated if the aggregated total of the import and export meter channels for the Relevant Period results in excess generation. NSC is calculated by multiplying the aggregated total by the 3CE NSC rate.⁸ Should any Energy Export Credit Adjustment amounts remain at the end of the process described in Section E.2 above, it will be netted with the NSC. If the resulting NSC amount exceeds the applicable thresholds (residential=\$200; non-residential=\$500), the amount is delivered on the true-up statement as a bill credit. If the NSC amount is less than the applicable thresholds, then the amount is carried over to the next Relevant Period. NSC amounts are never reset and may be seen on subsequent monthly statements until used for 3CE charges or the combination of multiple NSC amounts exceeds the threshold on a subsequent true-up. NSC amounts above the threshold may be requested to be delivered by check within 45 days of the true-up statement appearing on the bill. See Special Conditions Section (D) and (E) for specific terms for Virtual Net Billing and Net Billing Aggregation accounts respectively.

⁷ The 3CE Average Retail Export Compensation Rate can be found at:

<https://3cenergy.org/billing/solarbillingplan>

⁸ Current 3CE NSC rates can be found at: <https://3cenergy.org/billing/nem/>

SPECIAL CONDITIONS:

A. Relevant Period

3CE defines the Relevant Period as all billing periods occurring in the 12 months, from the start of the customer's January meter read to the end of the December meter read.

B. Legacy Period

Legacy Period is defined as the time period that a NEM 1.0 or NEM 2.0 customer is grandfathered into their current NEM program. This period is defined as twenty (20) years from the original PTO date of the RGEF. Legacy Periods are tracked and communicated to 3CE by the customer's incumbent IOU.

C. Sunset Date

3CE defines the sunset date as April 15, 2023, for all NEM tariffs, with the exception of VNEM and NEMA. VNEM and NEMA have a sunset date of February 15, 2024.

D. Virtual Net Billing

Residential virtual net billing customers will have the generation and consumption from the generating and benefiting accounts netted on a 15-minute interval basis. If the 15-minute interval shows total net consumption, it will be charged at the 3CE import rate. If the 15-minute interval shows a total net generation, it will be credited at the 3CE export rate.

Non-residential virtual net billing customers will be billed imports and exports according to Billing Sections (A) and (B) above.

NSC qualification for virtual net billing customers will be individually determined for each benefitting account and applied according to the process detailed in Billing Section (E.3) above.

E. Net Billing Aggregation

Net billing aggregation accounts will have import charges for the benefiting accounts calculated as described in Billing Section (A) above. The export credits from the generating site will be calculated using the hourly 3CE EEC rates and allocated to the benefiting accounts. The import charges and allocated export credits will be netted accordingly, as described in Billing Section (B) above.

NSC qualification for net billing aggregation customers will be individually determined for each benefitting account and applied according to the process detailed in the Billing Section (E.3) above.

F. Return to Bundled Service

3CE NBT customers may voluntarily opt out of 3CE service at any time. A true-up of the current Relevant Period will occur on their last monthly statement with 3CE. The true-up will be processed according to the process detailed in Billing Section (E), with the noted exception that NSC thresholds do not apply to customers returning to bundled service.

G. Account Termination

3CE NBT customers that terminate their NBT account with the IOU are trued-up for the current Relevant Period on their last monthly statement. The true-up will be processed according to the process detailed in Billing Section (E), with the noted exception that NSC thresholds do not apply to customers terminating service.

H. Reservation of Rights

3CE reserves the right to modify or terminate components of the Net Billing Tariff at a duly noticed public meeting of the 3CE Policy Board. By enrolling or remaining enrolled in the NBT, the customer acknowledges and accepts 3CE's reservation of rights.

I. Limitation of Liability

For any act or omission in the performance of this tariff, the sole and exclusive remedy shall be the amount of direct damage actually incurred. In no event shall any party subject to this tariff be liable for any indirect, special, consequential, punitive, or exemplary damages, including lost profits, business interruption damages, or attorney's fees, whether in contract, tort, or strict liability.