



Locally powered energy innovation.

<Date>

SCE Customer Account Number: <Customer Account Number>

<Customer Name>

<Mailing Address>

<Mailing City>, <Mailing State>, <Mailing Zip>

### Important Notification Regarding Your Net Energy Metering (NEM) Account

Dear NEM Customer:

We are writing to notify you that starting in May 2019 Clean Power Alliance will become the new electricity generation provider for your area. We are proud to bring clean, renewable power choices to communities across Los Angeles and Ventura Counties, including options for customers who have installed solar or other renewable generation systems.

The purpose of this letter is to inform you that enrollment of your NEM account(s) in Clean Power Alliance will be deferred until after the end of your current SCE NEM relevant period, and to provide additional details on how transferring to Clean Power Alliance will impact your Net Energy Metering (NEM) account(s) at that time.

If you have other, non-NEM accounts in Clean Power Alliance service area that are non-residential, those accounts will be enrolled in Clean Power Alliance service on your first meter read date on or after May 1, 2019.

#### What happens to your SCE NEM bill when you're enrolled with Clean Power Alliance

Enrollment in Clean Power Alliance is automatic for your NEM account(s) and is anticipated to occur following your SCE true up at the end of your SCE relevant period during or after May 2019. Once enrolled with Clean Power Alliance, SCE will continue to be responsible for monthly NEM electricity delivery service charges and credits, and Clean Power Alliance will be responsible for monthly NEM electricity generation charges and credits.

Prior to enrollment with CPA, SCE will continue to provide your NEM services until the end of your individual relevant period. At that time, SCE will true up your NEM account(s) for both the generation and delivery portions of your bill and then transfer your account(s) to Clean Power Alliance. When SCE true ups your NEM account(s), the following will occur to your SCE charges and credits.

- Any SCE energy charges not offset by energy credits at the time of true-up will be billed to you.
- Any SCE energy credits that exceed energy charges are set to zero. If you are eligible for Net Surplus Compensation at the time of the true-up, SCE can issue payment in the form of a check, or the credit can be applied to your account depending on your selected options.

#### How Clean Power Alliance's NEM program works

Much like SCE's NEM program, Clean Power Alliance's NEM program allows you to earn bill credits at retail value for the electricity you generate. However, NEM credits received from Clean Power Alliance cannot be used to offset SCE charges, and NEM credits received from SCE cannot be used to offset Clean Power Alliance charges.

#### Highlights of some differences between Clean Power Alliance's NEM and SCE's NEM programs

Highlights of some differences between Clean Power Alliance's NEM program and the generation portion of SCE's NEM program are:

- All Clean Power Alliance customers will pay their NEM bill each month
- Annual true ups will occur in April rather than on a unique date for each customer. Your first true-up with Clean Power Alliance will occur in April 2021. At that time, Clean Power Alliance will true up *all* customers based on a relevant period beginning with their prior SCE relevant period end date through April 2021.<sup>1</sup> Going forward, Clean Power Alliance will conduct a true up on an annual basis each April.<sup>2</sup>

<sup>1</sup> Depending on a customer's individual relevant period, your first Clean Power Alliance annual true up may be greater than 12-months. Please contact us for specific information about your account.

<sup>2</sup> Note that your SCE NEM delivery charges and credits may be true-up on a different cycle.

- Clean Power Alliance customers who generate more than they consume in a year will be eligible for Net Surplus Compensation at a rate that is 10% higher than SCE's net surplus compensation rate.
- There may be other differences in CPA's NEM policy that are specific to your circumstances. Please contact CPA or visit [cleanpoweralliance.org/nem](http://cleanpoweralliance.org/nem) if you have questions or would like additional information about CPA NEM program.

#### **Clean Power Alliance Monthly Billing and Annual True Up**

With the Clean Power Alliance NEM program, your monthly NEM generation charges and credits will be settled only on a monthly basis. In comparison, under SCE's NEM program you may have been on either annual billing or monthly billing. This means that you will receive monthly bills for the electricity you consume in excess of the electricity you generate in addition to your SCE delivery charges, which could be billed either annually or monthly. Monthly billing is intended to allow you to make smaller more manageable monthly payments instead of one large payment at the end of the year, if applicable.

You will be billed for any Clean Power Alliance generation charges, net of any generation credits, on a monthly basis. Any generation credits that exceed a month's generation charges will continue to roll over monthly in your account to be applied to future generation charges until the annual true up in April. Clean Power Alliance customers with unused net generation credits at the time of the annual true up will be paid for those credits at the retail rate, up to the amount you paid for generation charges over the course of the relevant period. If the amount of those credits is \$100 or greater, either alone or in combination with any applicable Net Surplus Compensation (see below), you will receive a check. If the combined value is less than \$100, the credits will roll over to the next relevant period (which for Clean Power Alliance is April to April).

#### **Net Surplus Compensation**

At the time of the annual true up, if you are a net generator for the applicable time period, Clean Power Alliance will calculate your Net Surplus Compensation at our current Net Surplus Compensation rate. If the combined value of your Net Surplus Compensation and any net generation credits exceeds \$100, we will provide a cash out in the form of a check. Combined net generation credit and Net Surplus Compensation value of less than \$100 will roll over and be applied first on subsequent monthly bills allowing you to use them before any new generation credits. Clean Power Alliance offers a Net Surplus Compensation rate that is always 10% higher than SCE's most recently published rate.

Once your account transfers to Clean Power Alliance's NEM program, you will only be eligible to receive Net Surplus Compensation for your generation from Clean Power Alliance.

#### **Opting Out**

You have the right to opt out of Clean Power Alliance. Clean Power Alliance will not charge you any fees for opting out and remaining with SCE. You can opt out your NEM account once you receive your first pre-enrollment notification, by visiting [cleanpoweralliance.org/opt-out](http://cleanpoweralliance.org/opt-out) or calling us at 888-585-3788 (TTY 323-214-1296).

Opt-out terms and conditions may vary depending on the actual date of your opt-out. Please visit [cleanpoweralliance.org/opt-out](http://cleanpoweralliance.org/opt-out) for more information.

#### **About Clean Power Alliance**

In addition to offering competitive rates and renewable energy choices, Clean Power Alliance also has the benefit of being locally controlled. We are dedicated to serving our communities' diverse energy needs, while ensuring you continue to have access to reliable service and customer support.

To learn more about Clean Power Alliance's NEM program and view our current Net Surplus Compensation rate visit [cleanpoweralliance.org/nem](http://cleanpoweralliance.org/nem). You can also contact us by phone at 888-585-3788 (TTY 323-214-1296) or by email at [customerservice@cleanpoweralliance.org](mailto:customerservice@cleanpoweralliance.org).

If you have any questions regarding SCE's service, related programs or rate options, please contact SCE's Customer Contact Center at 800-974-2356.

Sincerely,

Account Services  
Clean Power Alliance