

SAN JOSE CLEAN ENERGY & ROOFTOP SOLAR

San José Clean Energy is the local, not-for-profit clean electricity provider operated by the City of San José. We source the electricity that PG&E delivers to San José homes and businesses.

San José has an aggressive goal of becoming the first US city to install 1 gigawatt of rooftop solar by 2040. We believe that reaching a clean energy future will require deployment of rooftop solar with storage *and* utility-scale renewable energy.

WHAT IS NET ENERGY METERING (NEM)?

Your meter tracks the energy your panels send out to the grid and the energy you consume from the grid. You receive credits for what you send out and charges for what you consume. The value of the credits and charges is determined by your specific rate plan (e.g., E1, E6, EV2A, etc.).



ENERGY YOU PRODUCE



ENERGY YOU CONSUME



NET ENERGY

SJCE's NEM program largely works the same as PG&E's:

- SJCE provides all solar customers (NEM 1.0 and 2.0) with full retail credit for what your panels send out to the grid, so you sell power to SJCE at the same price you buy from us
- NEM credits carry over month to month, but do not carry between 12-month true-up periods
- NEM credits do not offset PG&E's non-bypassable charges
- Enrollment in SJCE does not affect your rate plan or NEM 1.0 status, even if you are on a legacy rate plan like E-6 or you later return to PG&E

WHAT IS A TRUE-UP?

PG&E sends SJCE solar customers monthly statements that show a running balance of electricity used and generated. It is not a bill. Instead, every April, we settle the previous 12-months of SJCE charges and credits.

We bill solar customers who use more electricity than their panels generate, and we send checks to solar customers that generated more electricity than they used. This once-a-year process is called a true-up.

SJCE'S NEM PROGRAM BENEFITS

SJCE's NEM program is very similar to PG&E's, with a few extra benefits:

- Option to be billed monthly as well as annually
- SJCE's Net Surplus Compensation rate is 25% higher than PG&E for customers that are annual net generators of power
- Service by SJCE does not affect your rate plan or legacy NEM status, and SJCE honors all PG&E rate plans
- Option to receive 100% renewable energy with TotalGreen for just \$3 more per month than our standard service for the average NEM customer

SAN JOSE
CLEAN ENERGY
A Program of the City of San José

FREQUENTLY ASKED QUESTIONS

Q: How can I get the most value out of my solar system?

A: Solar customers can get the most out of their investment by installing batteries and following time-of-use (TOU) rate price signals. Batteries store excess solar energy produced by your panels for use at a later time, including during outages. You can get a federal tax credit for installing a battery storage system.

You can save money on TOU rates by:

- maximizing exports during peak hours (by saving energy or discharging your battery), and
- drawing from the grid during off-peak hours.

Q: What happens to my NEM credits when I switch to SJCE or back to PG&E?

A: When your electricity generation provider changes to SJCE or back to PG&E, both PG&E and SJCE true-up your account. This settlement will result in a balance due for any usage charges owed to-date, or alternatively any excess credits will be zeroed out.

Q: What will my annual true-up date be with SJCE?

A: Since both SJCE and PG&E provide your electric service, you have two true-up dates — one with SJCE for electric generation, and one with PG&E for electric delivery.

You will true-up for SJCE generation charges every April. If you use more electricity than their panels generate, you will see a charge on your May bill.

If you already had solar when you were enrolled with SJCE, your PG&E true-up occurs during your month of enrollment with SJCE. We enrolled customers with rooftop solar into our generation service in four phases in 2020-2021.

We enrolled non-solar customers in February 2019. If you installed solar after being enrolled with SJCE, your PG&E true-up is the month your system began operating.

Q: I am a residential solar NEM customer. How does TotalGreen work for me?

A: As a solar customer, the extra premium for TotalGreen applies when you are drawing power from the grid as well as when you are generating power and sending it back to the grid. So the \$0.01/kWh premium for TotalGreen applies to both your charges and your NEM credits. Your NEM credits are generally generated at more valuable Time-of-Use periods, so you may still zero out your bill, even if you use more power than you generate.

Q: I don't like having a big annual true-up. Can I move to monthly billing?

A: Yes. By default, SJCE residential solar NEM customers will receive monthly energy statements and a single annual true-up bill, but they can elect to receive an actual bill each month. Monthly billed solar customers will still not be able to carry NEM credits over between 12 month true-up periods, but they will pay for the generation charges they accrue each month.

Monthly billing will only apply to the SJCE generation charges, and PG&E will still employ an annual true-up bill for all distribution charges. Customers should consult with their solar company prior to selecting monthly billing, since under a monthly billing system, they may pay for charges they would otherwise have been able to offset with NEM credits later in the year.

Q: Do I get to stay on NEM 1.0?

A: Yes. You keep your NEM 1.0 status as an SJCE customer. The non-bypassable charges that NEM 2.0 customers must pay are distribution charges from PG&E, so SJCE treats NEM 1.0 and NEM 2.0 customers the same for all generation charges. If you later decide to opt out and remain entirely with PG&E, you still retain your NEM 1.0 status.

Q: What is NEM 3.0?

A: In December 2021, the California Public Utilities Commission proposed a new set of rules — known as NEM 3.0 — for how PG&E and other investor-owned utilities (IOUs) must compensate rooftop solar customers for the energy their panels produce and how much they should pay to access the grid. Overall, the proposed rules would result in lower compensation for energy exported to the grid and large new IOU charges. In February 2022, the CPUC postponed their vote on the proposed NEM 3.0 rules indefinitely. If you are considering installing solar, it may make sense to make that investment sooner rather than later if you want to take advantage of the current NEM 2.0 compensation system.

