



Net Billing Tariff

APPLICABILITY: San Diego Community Power (“SDCP”) Net Billing Tariff (“NBT” or “NBT Tariff”) shall be effective beginning on April 15, 2023, the day following the NEM-Successor Tariff (“NEM-ST”) eligibility sunset required by the California Public Utilities Commission (“CPUC”).

NBT Tariff shall apply to

- (i) SDCP customers served under San Diego Gas & Electric Company (“SDG&E”) Solar Billing Plan (“SBP”) and/or Schedule NBT for Customer-Sited Renewable Distributed Generation¹ (“SDG&E Schedule NBT”) receiving electric generation services from SDCP, including customers with battery storage, fuel cells, or as approved by the CPUC under future aggregated or virtual designs,
- (ii) SDCP customers who are eligible for SDG&E’s NEM Tariff and elect to switch to the SDCP NBT Tariff, and
- (iii) SDCP customers who are automatically transitioned to the SDCP NBT following the conclusion and/or termination of their 20-year SDG&E Net Energy Metering (NEM) legacy period.²

SDG&E tariffs are available on SDG&E’s website³ and may be amended or replaced by SDG&E from time to time.

This tariff shall remain in effect until modified, amended, or replaced by SDCP’s Board of Directors (“Board”) at a duly noticed public meeting of the Board.⁴

ELIGIBILITY: SDCP’s NBT Tariff is available to customers operating a solar, wind, biomass, geothermal, or other renewable resource as defined in the California Energy Commission’s (“CEC”) Renewables Portfolio Standard (“RPS”) Eligibility Guidebook.⁵ Renewable Energy Generation Facilities (“REGF”) are limited to 1MW under the SDCP and SDG&E NBT tariffs. Additionally, the customer must participate in SDG&E’s SBP (or successor) for non-generation services, such as transmission and distribution. SDCP customers served under SDCP’s NBT Tariff must provide SDG&E with a completed SDG&E NBT or SDG&E NEM Application and comply with all other SDG&E requirements for enrollment in the SDG&E ⁶ before becoming eligible for the

¹ SDG&E’s proposed Schedule NBT was submitted to the California Public Utilities Commission in Advice Letter 4155-E and 4155-E-A, available at <https://www.sdge.com/rates-and-regulations/tariff-information/advice-letters>

² See SDG&E’s Schedule NEM and Schedule NEM-ST at <https://www.sdge.com/rates-and-regulations/current-and-effective-tariffs> for details on SDG&E’s NEM legacy periods.

³ [Current and Effective Tariffs | San Diego Gas & Electric \(sdge.com\) https://www.sdge.com/rates-and-regulations/current-and-effective-tariffs](https://www.sdge.com/rates-and-regulations/current-and-effective-tariffs)

⁴ Board agendas are available at: <https://sdcommunitypower.org/resources/meeting-notes>.

⁵ The latest RPF Eligibility Guidebook can be found at the CEC’s website: <https://www.energy.ca.gov/programs-and-topics/programs/renewables-portfolio-standard>.

⁶ See <https://www.sdge.com/solar/solar-billing-plan> for more information.



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SDCP NBT Program. No direct agreement with SDCP is necessary.

Eligible SDCP customers who begin service under the SDG&E NBT Schedule on or after April 15, 2023, are automatically enrolled in the SDCP NBT Tariff either at the time of initially enrolling with SDCP or at the time SDG&E begins serving them on the SDG&E NBT Schedule. Eligible SDCP customers who begin service under the SDG&E NEM tariff prior to April 15, 2023, will be eligible for service under the SDCP NEM Tariff⁷ for 20 years following their SDG&E Original PTO.

Customers served under the SDCP NEM Tariff may elect to switch to the SDCP NBT Tariff. Customers who voluntarily switch to the SDCP NBT Tariff or who are automatically transitioned to the SDCP NBT Tariff following the conclusion and/or termination of their NEM legacy period are **not** eligible to return to service under the SDCP NEM Tariff.

This tariff does not apply to customer-generators with multiple meters who wish to aggregate the electrical load of the meters located on the customer's owned, leased, or rented property where the Renewable Electrical Generation Facility is located, including existing Net Energy Metering Aggregation or Virtual Net Energy Metering tariffs.

NBT TRANSITION CUSTOMERS: Customers who submit complete applications to SDG&E on or after April 15, 2023 will interconnect under SDG&E's Schedule NBT but will be temporarily billed on NEM-ST until SDG&E Schedule NBT is fully operationalized in SDG&E's and SDCP's billing systems, respectively. Once SDG&E Schedule NBT is operationalized, any customers who interconnected under SDG&E Schedule NBT but were billed temporarily on NEM-ST will complete their true up under their temporary NEM service and transition to billing on the SDG&E Schedule NBT at the beginning of their next available billing cycle, currently expected as of December 2023. The NEM-ST 20-year legacy period is not applicable to SDG&E Schedule NBT customers taking interim service on NEM-ST.

LEGACY PERIOD: The terms of the NBT Tariff shall remain effective for a period of up to 9 years from the Permission to Operate Notice ("PTO")⁸ Date from SDG&E. Per CPUC Decision 22-12-056, the legacy period is linked to the customer that originally causes the system to be installed, not to the system or premise. Should another customer take control of (*e.g., buys, leases, or pays a power purchase agreement for*) the system (such as a new customer moves into the premise), the subsequent customer does not have a legacy period. Exceptions are made for:

- The subsequent customer is or was the legal partner (*e.g., spouse or domestic partner in*

⁷ SDCP's NEM Schedule is available at: <https://sdcommunitypower.org/key-documents/>.

⁸ Permission to Operate Notice (PTO) is SDG&E's written approval authorizing a customer to commence operation of a qualifying renewable electrical generating facility or approving customer's proposed modifications of the generating facility. The date that SDG&E provides the customer with the original PTO is referred to as the Original PTO Date. See SDG&E Schedule NBT for additional information.



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the case of residential customers or, in the case of nonresidential customers, the account-holding entity continues to be majority controlled by the same underlying individuals or entities from the time the legacy system was installed) of the original customer. For this latter group, the legacy period maintains its original interconnection date and length of nine years.

- When a builder/contractor constructs a new building and receives PTO before selling the unit. The new owner after the rebuild will be able to retain the 9-year legacy period.

RATES: All rates for the SDCP NBT Tariff are in accordance with the applicable customer's otherwise applicable SDCP rate schedule ("SDCP OAS").⁹ SDCP NBT residential customers are required to enroll on highly differentiated time-of-use rates currently defined as EV-TOU-5 in SDCP and SDG&E territory, or other qualified rates that SDG&E and SDCP may develop in the future, and may choose to enroll in critical peak pricing or peak day pricing rates wherever applicable. The SDCP NBT Tariff provides the mechanism for billing and crediting customers with generating facilities only. Customers served under this tariff are still responsible for all billed usage charges according to their applicable SDCP rate schedule, including volumetric usage, demand charges (if applicable), Power100 surcharges (if applicable), taxes, and all other charges owed to SDCP. Nothing in this tariff will supersede any SDG&E or SDCP authorized charges.

CHARGES, CREDITS AND BILLING: SDCP's generation charges and credits for electricity (measured in kilowatt-hours, or "kWh") are calculated as described below.

A) Definitions:

- i. "Imported Electricity" is defined as when a customer uses any metered electricity supplied by SDCP, reflected as "positive" kWh usage, as recorded on the import channel of the customer's SDG&E meter.
- ii. "Imported Charges" is defined as the charges associated with the amount of Imported Electricity during a billing cycle within the Relevant Period based on the customer's OAS.
- iii. "Energy True Up" is defined as the process performed by SDG&E for the transmission and delivery service and by SDCP for the generation service, as applicable, at the end of each Relevant Period following the date the customer-generator was first eligible for schedule NBT, or the date of SDG&E's written approval to begin parallel operation of the REGF for purposes of participating in Schedule NBT, whichever is later, and at each anniversary date thereafter.

⁹ SDCP's residential rates can be found at <https://sdcommunitypower.org/billing-rates/residential-rates> and non-residential rates at <https://sdcommunitypower.org/billing-rates/commercial-rates>.



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- iv. “Exported Electricity” is defined as when a customer supplies any metered electricity to the electric grid, reflected as “negative” kWh usage, as recorded on the export channel of the customer’s SDG&E meter.
- v. “Export Compensation Rate,” at times referred to as the Generation Electricity Export Credits (“EEC”)¹⁰, is defined as the rate or amount at which Exported Electricity will be compensated per kWh. The Export Compensation Rate is based on the CPUC’s most recent Avoided Cost Calculator (“ACC”), adopted as of January 1 of the calendar year of the customer’s interconnection date. The Generation EEC is based on hourly ACC values, averaged across days in a month for each hour, differentiated by weekdays and weekends/holidays. SDCP utilizes SDG&E’s Generation EEC calculated based on a weighted average of ACC values across its four different climate zones. EEC does not vary between customer classes or technology. The Generation EEC Price is posted on SDG&E’s & SDCP’s websites.
- vi. “Export Credits” are defined as the appropriate credit for any Exported Electricity, based on the Export Compensation Rate multiplied by the amount of Exported Electricity, and any applicable credit surcharges.
- vii. “Export Credit Balance” is defined as when a customer has excess export credits carried into the subsequent billing period, or into the SDCP true up process at the end of the relevant period.
- viii. “Net Surplus Electricity” is defined as the kWh amount of excess electricity exported to the grid after netting Electricity Imports and Electricity Exports at end of the Relevant Period.
- ix. “Relevant Period” is defined as the billing period that consists of twelve-monthly billing cycles commencing on the date SDG&E provides Customer-Generator with SDG&E’s written approval to begin parallel operation of the REGF PTO for purposes of participating in NBT, and on every subsequent anniversary thereof.

B) Generation Electricity Charges:

As determined in each billing period, Generation Electricity Charges are calculated by multiplying the customer’s Imported Electricity (i.e., electricity consumption from the grid)

¹⁰The EEC Price is a \$/kWh value which represents the estimated value of exports to the grid. Each year, the EEC Price is calculated using the California Public Utilities Commission (CPUC) Avoided Cost Calculator (ACC) approved to be effective as of January 1 of the calculation year (the “vintage year”). For each “vintage year”, the EEC Price is calculated for each month of a 9-year horizon period, and it is differentiated by hour (24 hours) and by weekdays and weekend/holidays. In addition, each hourly EEC Price is broken down in two components: (1) the Generation EEC Price (energy, cap and trade and generation capacity) component, and (2) the Delivery Service EEC Price (transmission, distribution, greenhouse adder and methane leakage) component. The current version of the ACC is available at <https://www.cpuc.ca.gov/industries-and-topics/electrical-energy/demand-side-management/energy-efficiency/idsm>.



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in kWh by the applicable electricity (commodity) rate components (\$/kWh) in the customer's applicable SDCP OAS.

C) Export Credits:

As determined in each billing period, Export Credits are calculated by multiplying the hourly-differentiated customer's Exported Electricity (i.e., electricity generated and sent to the grid) in kWh by the Export Compensation Rate.¹¹ The calculated value of such net electricity exports shall be credited to the customer and applied as described in Sections (C) and (F), below.

Export Credits are calculated monthly and can be used to offset volumetric (kWh) Generation Electricity Charges (as calculated above) incurred during the billing period but at no point can they offset demand charges, taxes, or other charges or fees within the Customer's SDCP OAS, nor will they offset any SDG&E transmission and delivery charges. Any unused Generation Electricity Export Credits accrued in a given month can be used to offset volumetric (kWh) Generation Electricity Charges within the customer's Relevant Period as described in Section (E). Customers on SDCP NBT will be billed based on no netting of kWh imports (consumption) and kWh exports (excess generation placed on the grid). Generation charges owed to SDCP net of any eligible credits will be paid each month and all charges and credits will be trued up at the end of the Relevant Period.

For the first five years of this NBT Tariff ("lock-in period"), the Export Compensation Rate will be set annually using a 9-year schedule from the ACC. All customers who interconnect during this five year "lock-in period" will receive a nine-year schedule of Generation ECC set in the year of interconnection as long as the SDG&E Interconnection Agreement remains valid and under the name of the original customer (or an "eligible customer-generator" as defined in SDG&E's Schedule NBT). During the "lock-in period", these customers will have the Export Compensation Rate derived from the ACC adopted by the CPUC to be in effect as of January 1 of the calendar year of the customer's Original PTO Date. A new customer moving into a dwelling with an existing generating facility served under SDG&E's Schedule NBT will not be eligible to retain the Export Compensation Rate associated with the Original PTO Date of the generating facility, with two exceptions as described in SDG&E's Schedule NBT.

Customers may opt out of their nine-year schedule of Generation EEC and receive an Export Compensation Rate that is updated annually based on the most recently adopted ACC. Customers that interconnect during the five-year lock-in period may exit their respective nine-year schedule of Generation EEC, but will not be able to opt back in. Following the five-year lock-in period, Generation EEC for new NBT customers will be

¹¹ See <https://sdcommunitypower.org/programs/net-billing-tariff>.



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updated annually on January 1 based on the ACC adopted as of January 1 of that year. Generation EEC will be accrued separately for Delivery under SDG&E and Generation under SDCP.

D) SDCP Generation Adders:

All new NBT customers are eligible to receive an SDCP Generation Adder. Customers that subsequently transfer into this NBT Tariff after the conclusion and/or termination of their 20-year NEM legacy period are not eligible for the SDCP Generation Adder.

The credit is calculated monthly by multiplying the Exported Electricity by the applicable \$/kWh Generation Adder Rate shown in Table 1.

Table 1: Generation Adder Rates

Residential Non-CARE	Residential CARE	Non-Residential
\$0.0075/kWh	\$0.11/kWh	\$0.0075/kWh

i. Eligibility:

- a. To be eligible for the SDCP “Residential Non-CARE” and “Non-Residential” Generation Adder, customers need to (a) be served on this tariff, and (b) have an NBT effective date between April 15, 2023 and December 31, 2026.
- b. To be eligible for the SDCP “Residential CARE” Generation Adder, customers need to (a) be served on this tariff, (b) have an NBT effective date between April 15, 2023 and December 31, 2026, and (c) be enrolled in either the CARE or FERA programs as of the effective date.
- c. A new customer moving into a dwelling with an existing Generating Facility served under this tariff on or after January 1, 2027 will not be eligible for the SDCP Generation Adder.

ii. Adder Period:

- a. The SDCP Generation Adder Rates, as defined above, will be fixed during the first six (6) years (the “Adder Period”) beginning on the NBT effective date communicated by SDG&E to SDCP. Residential customers will receive the SDCP Generation Adder during their Adder Period, as long as the SDG&E Interconnection Agreement remains valid and under the name of the original customer.



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- b. Customers receiving the Residential CARE adder will need to maintain enrollment in either the CARE or FERA programs for the duration of the Adder Period.
 - i. If a customer account ceases to be enrolled in either the CARE or FERA programs (as communicated to SDCP by SDG&E), the customer will be moved to the Residential Non-CARE adder rate.
 - ii. If a customer account enrolls in either the CARE or FERA programs (as communicated to SDCP by SDG&E), the customer will be moved to the Residential CARE adder rate.

E) Monthly Settlement of SDCP Charges/Credits:

All NBT customers will pay monthly for all applicable charges including the fixed charges within the OAS and any additional net charges due to SDCP and SDG&E. Customers will have net charges due in a given month if the sum of their Import Charges and Export Credits is greater than zero. Each customer will receive a statement as part of their monthly SDG&E bill indicating accrued SDCP Electricity Charges for Imported Electricity and/or SDCP Export Credits for Exported Electricity during the current monthly billing cycle. When a customer's SDCP credits during the monthly billing cycle result in an accrued credit balance in excess of currently applicable SDCP Electricity Charges, the value of those credits shall be noted on the customer's bill and carried over as a bill credit for use in a subsequent billing cycle(s).

A customer who has accrued credits during previous billing cycles will see such credits applied against currently applicable SDCP Generation Electricity Charges, reducing otherwise applicable Generation Electricity Charges by an equivalent amount to such credits. Any remaining credits reflected on the customer's billing statement shall be carried forward to subsequent billing cycle(s) until either (i) the excess credit is used to satisfy current Generation Electricity Charges, (ii) the customer no longer receives service from SDCP, or (iii) an annual account true up is performed.

F) SDCP Annual True Up & Cash Out Processes:

- i) SDCP Annual True Up: At the end of the most recent twelve (12) monthly billing cycles ("Relevant Period") of each NBT customer, SDCP will perform a true up of all active customers. SDCP will determine whether or not each customer has produced net surplus electricity, as measured in kWh, over the most recent 12 billing cycles, or the period of time extending from the customer's commencement of participation in SDCP's NBT Tariff through the end of their Relevant Period, whichever is shorter ("True Up Period") and at each anniversary date thereafter.
 - a. NBT Generation Payment Credit Refund: If the customer has an Export Credit



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Balance but incurred SDCP usage charges earlier within the same SDCP Annual True Up period, the credits will be applied against any of these charges still due.

If these charges were already paid during the Relevant Period being trued up, the amount will instead be carried over as a bill credit for use in the subsequent Relevant Period(s) for the benefit of the customer.

- b. Electricity Export Credit Refund: At the time of the Annual True Up, if the customer has accumulated Electricity Export Credits in excess of any currently outstanding Electricity Charges, those credits will be carried over as a bill credit for use in the subsequent Relevant Period(s) for the benefit of the customer up to the total SDCP Electricity Charges paid by the customer on the same NBT account during the applicable Relevant Period (“Refundable EEC”), consistent with SDCP’s Annual Cash Out practice in Section (F)(ii). Any unused Electricity Export Credits over what is carried over as a bill credit for use in the subsequent Relevant Period (s) for the benefit of the customer up to the total SDCP Electricity Charges paid by the customer shall not be carried forward to the start of a new Relevant Period; rather, the unused Electricity Export Credits shall be zeroed out and a new Relevant Period will commence.
 - c. Net Surplus Compensation (“NSC”): SDCP will determine at the time of Annual True Up whether each customer has produced Net Surplus Electricity over the course of the Relevant Period. If a customer has produced Net Surplus Electricity, then SDCP shall credit such customer an amount that is equal to the monthly Net Surplus Compensation rate per kWh, as defined in Section F.i.c.1, multiplied by the quantity of Net Surplus Electricity produced by the customer during the Relevant Period, consistent with SDCP’s Annual Cash Out practice in Section F.ii below. The SDCP NSC Rate is posted to SDCP’s website and updated monthly.¹²
 1. SDCP’s NSC Rate is equal to the applicable monthly SDG&E’s NSC, which is defined by the CPUC as “a simple rolling average of each utility’s Default Load Aggregation Point (“DLAP”) price from 7 a.m. to 5 p.m.”, and “calculated monthly based on the hourly day-ahead electricity market price at each utility’s DLAP price published on the California Independent System Operator (“CAISO”) Open Access Same-Time Information System (“OASIS”), and ending the twentieth day of each month¹³”, of the customer true up month plus \$0.0075/kWh.
- ii) SDCP Annual Cash Out: At the end of each customer’s relevant period, any

¹² [SDCP Net Energy Metering \(NEM\) - https://sdcommunitypower.org/programs/net-energy-metering/](https://sdcommunitypower.org/programs/net-energy-metering/)

¹³ [CPUC Decision 11-06-016 https://docs.cpuc.ca.gov/word_pdf/FINAL_DECISION/137431.pdf](https://docs.cpuc.ca.gov/word_pdf/FINAL_DECISION/137431.pdf)



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current customer who has a combined Refundable EEC and Net Surplus Compensation value of \$100 or more that exceeds any outstanding Electricity Charges, will be sent a payment by check via United States Postal Service Mail to the customer's U.S. mailing address on file at the time of mailing for the credit balance on their account, as determined through SDCP's Annual True Up process as specified in this section F(i), above. Customers receiving direct payment will have an equivalent amount removed from their NBT account balance at the time of check issuance. In the event that customers have a combined Refundable EEC and Net Surplus Compensation value that does not exceed \$100, such credit balances will be carried forward into the subsequent Relevant Period(s) to offset future SDCP Electricity Charges as a Rollover. All NBT accounts will be reset to zero kWh annually as of the customer's next monthly billing cycle and the only NBT credits carried forward on the customer's account will be the combined Refundable EEC and Net Surplus Compensation credit balances less than \$100.

Payments will be released up to 60 days after true up billing. Checks will expire 90 calendar days after issuance. If checks expire, customers may request the reissuance of a check and SDCP will make a reasonable effort to reissue the check within 30 days of a customer's request.

- iii) *SDCP Cash Out for Terminations:* Customers who close their electric account through SDG&E, opt out of SDCP and return to bundled service, or move outside of the SDCP service area prior to the end of their relevant period, shall be trued up according to SDCP's Annual True Up Process. If applicable, the customer shall receive a refund payment by check via United States Postal Service mail to the customer's U.S. mailing address on file within 60-90 days after final billing to allow for any usage revisions and/or any adjustments from SDG&E for any Export Electricity Credits on their account that exceed outstanding Electricity Charges at the time of true up, up to the total amount of Electricity Charges paid by the customer during the Relevant Period along with Net Surplus Compensation if they are determined to have produced Net Surplus Electricity.

Checks will expire 90 calendar days after issuance. If checks expire or are returned to SDCP, customers may request the one-time reissuance of a check and SDCP will make a reasonable effort to reissue the check within 30 days of a customer's request. If the customer did not produce Net Surplus Electricity, as measured in kWh, they will not receive a direct payment. After one year, the funds will be considered unclaimed property and turned over to the California State Controller's Office.

SDCP reserves the right to work with customers on a case-by-case basis to transfer Net Surplus Electricity credits.



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SDG&E NBT PROGRAM: Customers are subject to all applicable terms and conditions and billing procedures of SDG&E for SDG&E charges as described in SDG&E's Schedule NBT (with the exception of SDCP OAS charges, which are described in SDCP's rate schedules). SDCP may amend this NBT Tariff to align with SDG&E Schedule NBT following CPUC approval of the SDG&E Schedule NBT and any future amendments to the SDG&E Schedule NBT. SDCP calculates and applies generation charges and credits on a monthly basis. SDG&E will continue to calculate and apply charges and credits for delivery, transmission, and other services as detailed in SDG&E's NBT Rate Schedule, and SDCP credits cannot be applied to any SDG&E charges.

Please review the SDG&E Schedule NBT¹⁴ for more information.

RETURN TO SDG&E BUNDLED SERVICE: SDCP customers participating in the SDCP NBT Program may opt out and enroll in SDG&E's bundled service, subject to any applicable restrictions imposed by SDG&E. Customers who opt out of SDCP service are subject to SDG&E Schedule NBT.

SDCP will perform a true up of the customer's account in accordance with Section (F)(iii) at the time of return to SDG&E bundled service, and customers will be subject to SDG&E's then current rates, terms and conditions of service at the time of enrollment in SDG&E bundled service.

For details concerning opting out of SDCP service, please contact SDCP Customer Service by phone at 888-382-0169 or via email at customerservice@sdcommunitypower.org.

MISCELLANEOUS: The Chief Executive Officer ("CEO") of SDCP or their designee may, in their discretion, reserve the right to work with customers on a case-by-case basis to transfer NEM and NSC credits and/or otherwise deviate from the process specified in this policy for reasons including but not limited to cases of unforeseeable events, inconsistent receivable data from SDG&E, exigent circumstances, SDG&E bill presentment limitations or customer hardship.

¹⁴ See <https://www.sdge.com/solar/solar-billing-plan>