

Orange County Power Authority Policy No. 13 OCA NET ENERGY METERING (NEM) PROGRAM

PURPOSE

The purpose of the OCPA NEM Program is to provide clarity to customers and solar installers regarding administrative details.

APPLICABILITY

Orange County Power Authority's (OCA) Net Energy Metering Program (OCA NEM Program) is available to those OCPA customers who are eligible under Southern California Edison's (SCE) net energy metering program.

Eligible OCPA customers who meet the requirements for the SCE NEM Program will be automatically enrolled in the OCPA NEM Program. Non-residential customers already enrolled in SCE's NEM customers began phased OCPA enrollments in April 2022, occurring every two months within a month of the customer's SCE annual true-up to ensure all credits and relevant details are not impacted by the transition. OCPA NEM service has no effect on the customer's current rate schedule, including legacy rates or grandfathered programs like NEM 1.0 and 2.0. Residential NEM customers begin phased bi-monthly enrollment in October 2022.

RATES

All rates for the OCPA NEM Program will be in accordance with the customer's applicable OCPA rate schedule (OCA OAS). Nothing in this program will supersede any SCE authorized charges.

CHARGES & BILLING

OCPA's charges for energy (kWh) will be calculated at the OCPA OAS and billed on the net metered usage, as described below.

a) For a customer with Non-Time of Use (TOU) Rates (Only applicable to grandfathered SCE NEM 1.0 customers):

If the customer is a "Net Consumer," having overall positive usage during a specific monthly billing cycle, the customer will be billed in accordance with the customer's OCPA OAS.

If the customer is a "Net Generator," having overall negative usage during a specific monthly billing cycle, any net energy production shall be valued at the applicable rate as set forth in the customer's OCPA OAS. The calculated value of any net energy production shall be credited to the customer according to the OCPA OAS and applied as described in Sections (c) and (d).

b) For a customer with TOU Rates:

If the customer is a "Net Consumer" during any discrete TOU period reflected within a specific monthly billing cycle, the net kWh consumed during such TOU period shall be

billed in accordance with applicable TOU period-specific rates or charges, as specified in the customer's OCPA OAS.

If the customer is a "Net Generator" during any discrete TOU period reflected within a specific monthly billing cycle, any net energy production shall be valued at the applicable TOU period-specific rates or charges as specified in the customer's OCPA OAS. The calculated value of such net energy production shall be credited to the customer according to the OCPA OAS and applied as described in Sections (c) and (d).

c) Monthly Settlement of OCPA Charges/Credits:

Each customer will receive a statement as part of its monthly SCE bill indicating any accrued charges for electric energy usage during the current monthly billing cycle. When a customer's net energy production results in an accrued credit balance in excess of currently applicable charges, the value of any net energy production during the monthly billing cycle (in excess of currently applicable charges) shall be valued at the OCPA OAS and noted on the customer's bill, including the quantity of any surplus NEM production (measured in kWh), 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 charges, reducing applicable 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 the excess credit is used to satisfy current charges, the customer no longer receives service from OCPA, or an annual account true-up is performed.

d) OCPA True-Up & Cash-Out Processes:

i) OCPA Annual True-Up: During the April monthly billing cycle of each year, OCPA will perform a true-up of the most recent twelve (12) month billing cycle, or the period of time from the customer's commencement of participation in the OCPA NEM Program up to the following April (the "Relevant Period").

a. OCPA Look Back Credit (NEM Generation Credit Refund) - At the time of the Annual True-Up, if the customer has accumulated any NEM generation credits in excess of any currently outstanding charges, those NEM generation credits will be refunded to the customer as an OCPA Look Back Credit (OCPA LBC) up to the total OCPA charges paid by the customer on the same NEM account during the Relevant Period (these OCPA LBC will first be used to offset any excess charges from the true-up month and then the monthly payments made by the customer chronologically throughout the year). If the customer account has any outstanding generation charges due at the time of Annual True-Up or a NEM account closure, the customer will have a 30-day grace period to pay in full before their OCPA True-Up is performed, or they are not eligible for the OCPA LBC.

Commencing in April 2023, OCPA will perform the Annual True-Up for all current NEM customers.

b. Net Surplus Compensation (NSC) - Net Surplus Energy is defined as any generation that exceeds total customer energy usage during the Relevant Period, as measured in kWh. OCPA will determine at the time of Annual True-Up whether each customer has

produced Net Surplus Energy over the course of the Relevant Period. If a customer has produced Net Surplus Energy, then OCPA shall credit such customer an amount that is equal to 110% of the current SCE Net Surplus Compensation rate per kWh, multiplied by the quantity of Net Surplus Energy produced by the customer during the Relevant Period. The OCPA Net Surplus Compensation Rate Schedule will be posted to OCPA's website and updated monthly.

ii) OCPA Annual Cash-Out:

During the April monthly billing cycle of each year, any residential customer who has a combined NEM generation credit and NSC value of \$200 or more (\$500 or more for commercial customers) that exceeds any outstanding charges, can request payment by check via U.S. Mail to the customer's U.S. mailing address on file at the time of mailing for the credit balance on their account. Customers receiving direct payment will have an equivalent amount removed from their NEM account balance at the time of check issuance. In the event that residential customers do not have a combined NEM generation credit and NSC value exceeding \$200 (\$500 for commercial customers), such credit balance will be carried forward to offset future OCPA generation charges. All NEM accounts will be reset to zero kilowatt hours annually as of the customer's May monthly billing cycle and the only NEM credits carried forward on the residential customer's account will be the combined NEM generation credit and NSC credit balances. Checks will expire 90 calendar days after issuance. If a check expires, the check amount will be returned to a customer's NEM account as bill credit and will be applied toward future charges.

iii) OCPA Cash-Out for Terminations:

Customers, who close their account through SCE, opt-out of OCPA and return to SCE bundled service, or move outside of the OCPA service area, shall be true-up according to OCPA's Annual True-Up Process. If applicable, the customer shall receive a refund payment by check via U.S. Mail to the customer's U.S. mailing address on file at the time of mailing for any NEM generation credit on their account that exceeds outstanding charges at the time of true-up, up to the amount paid by the customer during the Relevant Period. If determined to have produced Net Surplus Energy, the customer shall also receive a check via U.S. Mail to the customer's mailing address on file at the time of mailing for NSC. Payments will be released 30 days after final billing to allow for any revised usage and/or adjustments from SCE. Checks will expire 90 calendar days after issuance. If checks expire or are returned to OCPA, customers may request the reissuance of a check for up to one year after the check issuance date and OCPA will make a reasonable effort to reissue the check within 30 days of a customer's request. After one year, the funds will be considered unclaimed property and turned over to the California State Controller's Office.

e) *SCE NEM Program:*

Customers are subject to applicable terms and conditions and billing procedures of SCE for SCE charges as described in SCE NEM Rate Schedules (with the exception of generation-related charges, which are described in OCPA's rate schedules). Customers should be aware that while OCPA settles balances for generation on a monthly basis, SCE will continue to bill charges for delivery, transmission and other services annually.

f) *Return to SCE Bundled Service:*

OCPA customers participating in the OCPA NEM Program may opt out and return to SCE's bundled service, subject to any applicable restrictions imposed by SCE. If an OCPA customer opts out after their initial enrollment date, OCPA will perform a true-up of their account, as specified in section (diii), at the time of return to SCE bundled service. For details concerning opting out of OCPA service, please contact OCPA Customer Service at 866-262-7693 or answers@ocpower.org