Understanding the Virtual Net Energy Metering Program

A guide for statements and bills





You are enrolled in Virtual Net Energy Metering program

As a customer in a multi-unit building with solar, you are using renewable energy to save money on your PG&E bill and help the environment.

With this brochure, you will become familiar with:

- Virtual Net Energy Metering (VNEM) program overview
- How the Program Works
- Making solar work best for you
- What to expect with your billing
- Monitoring success
- Frequently asked questions (FAQ)

VNEM program overview

What is the VNEM program?

Most PG&E solar and renewable customers are participating in a Net Energy Metering Program. The idea is simple: The solar system on your building is generating electricity during the day and helping you save on your energy bills.

Virtual Net Energy Metering (VNEM) is PG&E's specific program for multiunit buildings. When solar production is greater than a building's electricity use, the excess energy automatically flows back to the utility grid. During times when the building electricity use is greater than the solar electricity produced, additional power is supplied by PG&E.





How the program works

In the VNEM program, PG&E provides a meter that monitors the amount of energy generated by the solar system installed on the property. The metering is called **virtual**, because your individual meter used to measure the energy use of your unit is not connected directly to the building's solar energy system. Units within the building are allocated a percentage of solar-generated electricity as predetermined by the building owner or manager.

The difference between the electricity your household or business uses and the percentage of solar-generated energy you are allocated is referred to as **net energy**, which is recorded on your bill. If, in any given month, you have more solar credits allocated to you than you actually use, your credits will be applied toward future energy charges, which will be reconciled on your annual 12th month "True-up" bill.



Making solar work best for you

You can increase opportunities to save by managing how and when you use energy. On each VNEM statement, you will have either a net charge or a net credit, depending on:

- How much energy your building's solar system generates
- What percentage of generated energy is allocated to you
- · How much electricity you use
- Your PG&E rate schedule

Monitor your energy use with your PG&E online account

Access information that helps you monitor and manage energy use. Log in your online account to find tips and tools for maximizing benefits of the renewable energy system. To create an online account, visit pge.com/register.

Review your rate schedule options

If you are on a time-of-use rate plan, you may be able to maximize the financial benefits of your VNEM program by using less electricity when rates are higher, such as during mid-afternoon hours. Then you may choose to use more electricity from the grid when rates are lower, such as at night. Check your bill for your rate schedule.

To find out more about **residential** time-of-use rate schedules, visit pge.com/residentialtimeofuse.

To find out more about **commercial** time-of-use rate schedules, visit pge.com/bizrates.



What to expect with your billing

12-Month Billing Cycle

Under the Virtual Net Energy Metering (VNEM) program, your energy usage is assessed over a 12-month billing cycle, which begins on your first day of participation in the VNEM program. Each month, you will receive a PG&E bill and, in a separate envelope, a VNEM statement that details your monthly and year-to-date charges, credits and net energy usage. All PG&E charges must be paid each month by the specified due date.

Monthly bill

Residential customers will have a minimal monthly service charge on each monthly billing statement. Each month, you will be asked to pay the minimum service charge or the net energy charge for your usage, whichever is greater. If you are a commercial customer, you simply pay the energy charge for net usage listed on the PG&E bill, which includes all of your other monthly charges.



Solar credits

When you use more energy than was generated by solar, you will be charged for the remaining energy used, minus credits carried over from a prior month within the current 12-month billing cycle.

When solar generation is greater than the energy used, you will receive solar credits that can be carried over to future months within the 12-month billing cycle. If, at the end of the billing cycle, the solar energy generated is more than you used over the year, you may be eligible for payment through "Net Surplus Compensation." The credit for excess energy generated is paid back to you at roughly \$0.02-\$0.04 per kilowatt-hour (kWh). At the beginning of your next 12-month billing cycle, any remaining credits will be reset to zero. Learn more at pge.com/nsc.

The True-up statement

Your true-up statement (the last statement in your billing cycle) will say "Annual True-Up" at the top. It reconciles all cumulative energy charges and credits over the 12-month billing cycle. If you have a remaining balance, the true-up statement shows the amount due to PG&E. This amount also will appear on your regular PG&E bill.





Monitoring success: Your VNEM Detail of Bill

Use the bill examples on the following pages to help you become familiar with the following:

- The VNEM Detail of Bill contains useful tools for tracking current energy use, cumulative charges and credits.
- The true-up Detail of Bill is an overview of your allocated energy generation and usage during your billing cycle. It shows whether your energy charges and credits result in a remaining balance or if you are eligible for Net Surplus Compensation.





Monthly VNEM Statements

Service dates and true-up period: The VNEM statement is sent for each of the 12 billing months. The 12-month billing cycle begins with your PG&E bill when you start participating in the VNEM program and ends approximately 12 months later.



PACIFIC GAS AND ELECTRIC COMPANY ELECTRIC DETAIL OF BILL

Service Dates: July 23,2018 to August 22,2018

NEMVSOMAH BENEFITTING ACCOUNT

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SAMPLE, JOHN 123 MAIN ST ANYTOWN, CA. 000000 Rate Schedule: ETOUBXH/NEM2VSMB Account ID: 1234567890

Service ID: 0123456798

PAGE 1

The Detail of Bill (DOB) reflects your monthly billing and Net Energy Metering (NEM) energy charges/credits. At your annual True-Up, any charges due are reflected on your monthly PG&E Bill ("Energy Statement"), provided separately.

Your energy charges are reconciled and due monthly. At your annual True-Up (Jun 2019), any unpaid energy charges, taxes or fees will be due at that time.

At True-Up, you may be eligible for Net Surplus Compensation (NSC) if your **Net Usage (kWh)** is negative. NSC is calculated at True-Up based on that month's market prices.

After True-Up, a new 12-month bill cycle will begin and your True-Up History Summary charges and usage will be reset to zero.

BILLING SUMMARY

NEM True-Up Adjustment

\$11.91

Total Current Month's Electric Charges Due

\$11.91

SUMMARY OF CURRENT MONTH'S ENERGY CHARGES/CREDITS

Cumulative Energy Charges: \$4.76 Cumulative Minimum Charges: \$13.15 Previously Billed Charges: \$1.24 *Current Energy Charges Due: \$11.91

S9.11

Billing Summary: This represents the amount owed after all cumulative energy charges and credits have been reconciled on your current bill. This is the amount reflected on your standard PG&E bill. It includes either minimal charges OR net usage charges.



Monthly VNEM Statements

Page 1 Continues

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BILLING SUMMARY

NEM True-Up Adjustment

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SUMMARY OF CURRENT MONTH'S ENERGY CHARGES/CREDITS

Cumulative Energy Charges: \$4.76

Cumulative Minimum Charges: \$13.15

Previously Billed Charges: \$1.24

**Current Energy Charge Due: \$11.91

Previously Billed Non-Bypassable Charges: \$2.89
**Current Non-Bypassable Charges Due: \$6.22

*(Cumulative Energy Charges or Cumulative Minimum Charges, whichever is greater) minus (Previously Billed Charges)

**Cumulative Non-Bypassable Charges minus Previously Billed Non-Bypassable Charges

Please see charts on the following pages for further detail.

Cumulative Non-Bypassable Charges: \$9.11

Summary of current month energy charges/credits: The VNEM statement keeps track of your cumulative charges and credits from the start of the 12-month billing cycle. A detailed breakdown of charges for current and past months can be found in the pages of the VNEM statement within the "true-up history" table.



Monthly VNEM Statements

Usage and Generation Summary: This details your monthly energy usage and your monthly allocated solar generation in the table "Current Month Meter Information." Highlighted Channel "A" is your usage and "C" is allocated solar generation.



SAMPLE,JOHN 123 MAIN ST ANYTOWN, CA. 000000 PACIFIC GAS AND ELECTRIC COMPANY ELECTRIC DETAIL OF BILL

Service Dates: July 23,2018 to August 22,2018

NEMVSOMAH BENEFITTING ACCOUNT



USAGE AND GENERATION SUMMARY

CURRENT MONTH METER INFORMATION

| CHANNEL ID | CONFIG ID | METER BADGE | PRIOR READ DATE | CURRENT READ DATE | RATE DATE | PRIOR READ TIME | CURRENT READ TIME | USAGE (kWH) |
|--|--|--|----------------------------------|----------------------------------|----------------------------------|-------------------------|-------------------------|--------------------|
| 11111111111C 2222222222C 3333333333A | 5208307806 7720267771 1667532238 | 1029384756 1029384757 1029384758 | 07/23/18 07/23/18 07/23/18 | 08/22/18 08/22/18 08/22/18 | 03/01/18 03/01/18 03/01/18 | 24:00 24:00 24:00 | 24:00 24:00 24:00 | -308 -40 295 |
| TOTAL | | | | | | • | | -53 |

BILLING TOU ENERGY

| CHANNEL ID | CONFIG ID | METER BADGE | RATE SCHEDULE | SEASON | TOU PERIOD | RATE DATE | kWH PERCENT | USAGE (kWH) |
|---|--|--|------------------|--|------------------------------------|--|-----------------------------------|--------------------------------|
| 111111111C 1111111111C 222222222C 22222222 | 5208307806 5208307806 7720267771 7720267771 1667532238 | 1029384756 1029384756 1029384756 1029384756 1029384756 | | Summer Summer Summer Summer Summer | Peak Off Peak Off Peak | 03/01/18 03/01/18 03/01/18 03/01/18 03/01/18 | .0% .0% .0% .0% 22.3% | -32 -276 -4 -36 66 |
| 3333333333A | 1667532238 | 1029384756 | ETOUBXH | Summer | Off | 03/01/18 | 77.7% | 229 |

Note: Find a quick reference to your electric rate schedule on your Detail of Bill in the upper right corner, listed as "Rate Schedule."



VNEM True-Up Statement

Net Surplus Compensation: The Net Surplus Compensation Credit table will only appear on your 12th month true-up bill and will show whether you are eligible to receive Net Surplus Compensation. If more generated energy is allocated to you than you consumed over the entire 12-month billing cycle, you will be eligible to receive payment for the excess allocated energy. Compensation is a market price of approximately \$0.02-\$0.04 per kilowatt-hour (kWh) and will be factored into your 12-month true-up billed amount.



PACIFIC GAS AND ELECTRIC COMPANY ELECTRIC DETAIL OF BILL

Service Dates: May 28,2018 to June 26,2018

NEMVSOMAH BENEFITTING ACCOUNT Annual True-Up

SAMPLE, JOHN 123 MAIN ST ANYTOWN, CA. 000000

RATE APPLICATION

NET SURPLUS COMPENSATION CREDIT ELIGIBILITY

| | APPLICABLE NSC USAGE | | APPLY NSC CREDIT? |
|--------|-------------------------|------|----------------------|
| -3,297 | -3,297 | VNEM | Yes |

NET SURPLUS COMPENSATION CREDIT

| RATE SCHEDULE | SEASON | RATE EFF DATE | OAS RATE DATE | RATE DAYS | USAGE | NSC RATE | CALC CREDIT | BILLED AMOUNT |
|--------------------|------------------|----------------------|----------------------|--------------|------------------------|--------------------|---------------------|---------------------|
| ETOUATB ETOUATB | Winter Summer | 06/01/18 06/01/18 | 03/01/18 03/01/18 | 3 26 | -341.000 -2,956.000 | 0.02836 0.02836 | \$-9.67 \$-83.83 | \$-9.67 \$-83.83 |
| TOTAL | | | | | | | | \$-93.50 |

Credit = Usage x Rate

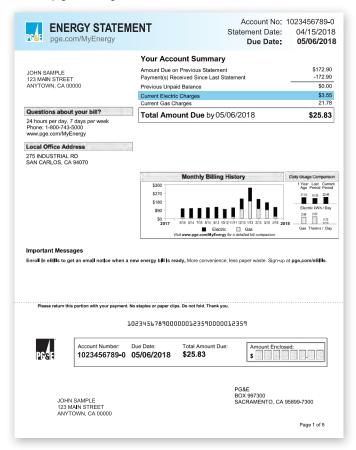
NBC and non-NBC Components

| NBC Code | Description | True-up Amt | Value Used (a) | Non-NBC Code | Description |
|---|---|------------------------------|------------------------------|---|--|
| +PPP*P*P +ND*N*N +DWR*DWR*DWR +OCF*OCF*1 | Public Purpose Programs Nuclear Decommissioning DWR Bond Charge On-Going CTC | 3.50 0.21 1.30 0.30 | 3.50 0.21 1.30 0.30 | +TRANS*T*T +DIST*D*D +CTC*1*1 +RMR*RMR*T +1DR*1DR*1 | Transmission Distribution Generation Charge Reliability Services Energy Cost Recovery Amount |



Monitoring success on your PG&E bill

You will receive a PG&E bill that says "Energy Statement" each month along with your VNEM statement. "Current Electric Charges" on your PG&E bill match the "Total Billed Amount" on your VNEM statement. Please note that "Total Amount Due" on the PG&E bill includes any gas charges.





Frequently asked questions: Adding to your solar savvy

Here are some key questions customers have asked about PG&E's energy management tools and billing statements

Can I access my charges and credits online?

Yes. PG&E strongly recommends enrolling in Your Account at **pge.com/youraccount** where you can:

- Easily access your PG&E bill and VNEM statement
- Manage your account
- Review your net usage online
- Make payments on your regular PG&E bill
- Find the information to understand and manage your energy use
- Find energy-saving programs
- Find and share tips for reducing your bill

Why am I charged a small monthly fee for having solar?

This fee is not a charge for having solar. The "minimum amount due" charge reflects a nominal amount on some rate schedules. It covers PG&E's administrative costs and the use of its distribution system, regardless of whether you have solar or use any electricity.



Why is PG&E's payment rate for the excess energy I generate through the Net Surplus Compensation program less than the rate I pay?

The Legislature directed the California Public Utilities Commission (CPUC) to set the Net Surplus Compensation rate at the market price of energy. The rate you pay includes other costs, such as distribution, maintenance and administration.

What does a SmartMeter™ mean for me?

SmartMeter technology gives you a detailed and useful view of your net energy use. View a breakdown of your monthly net energy usage in 15-minute, hourly or daily intervals to see how you earn credits by sending energy to the grid or incur charges by drawing electricity from the grid.

Who should I contact with questions about my electric account or VNEM statements?

Contact PG&E's Solar Customer Service Center at 1-877-743-4112 for any account questions. The Solar Customer Service Center is available Monday–Friday, 8 a.m.–5 p.m.