# California's New Solar Program



The California Public Utilities Commission's new solar program encourages the continued growth of rooftop solar. It also incentivizes customers to add battery storage to solar systems to help make the state's electric grid more sustainable and reliable.

## Why are changes being made to solar billing?

California has revisited its Net Energy Metering (NEM) program that contributes to our state's 100% clean energy goal. As a result, the California Public Utilities Commission has determined updates are needed.

#### These changes are designed to:

- Reward customers who install battery storage with their rooftop solar system, allowing them to use their solar power in the evenings after sunset, when electricity demand is highest
- Help maintain grid resiliency when solar customers need it most (i.e. when the sun is not shining)
- Bring bill savings under rooftop solar more in line with the lower cost of solar today
- Help fund energy efficiency programs for all California customers

The new solar billing program is called the **Solar Billing Plan**.

## When will the changes go into effect for new solar customers?

- New customers who apply to connect their solar system to the electric grid after **April 14, 2023** will be enrolled on the new Solar Billing Plan.
- They will temporarily be billed on the existing Net Energy Metering program until the new Solar Billing Plan becomes available, which is expected in April 2024 for customers on residential rates and June 2024 for customers on business rates.

### Does this new program impact existing solar customers?

**No.** Solar customers that have been approved to turn on their solar system by April 14, 2023 are not impacted by this new program. The number of legacy years will be honored as detailed in your solar agreement.



## What are the key components of the Solar Billing Plan?

#### Each month, billing will include:

**Charges for the energy used** from the electric grid (when your solar isn't generating as much as you are using, for example, at night)

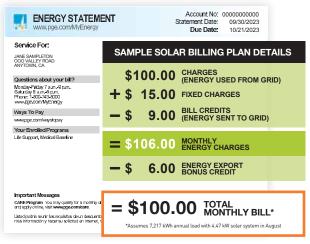
**Bill credits for excess energy generated** from your solar system and sent to the grid (when more solar energy is generated than needed during the day)<sup>1</sup>

#### Additional Energy Export Bonus Credit for residential customers:

Customers who go solar in the first five years of the new program will receive an additional credit for excess energy exported to the grid. Here's how it works:

- The assigned additional credit value will be locked in for customers and continue for nine years. See below for an example of potential monthly credit amount.
- Every year within the five-year period, the value of additional credit goes down to incentivize going solar sooner. Credit values for customers going solar in 2023 will be higher than for customers who go solar in 2024, etc.
- The available credit ends after 2027.

Note: Energy Export Bonus Credit is also known as the Avoided Cost Calculator Plus.



On average, solar customers on the new Solar Billing Plan will be able to save over 40% on a monthly bill when compared to a customer without solar.

Note: Fixed charges are tied to the underlying Time-of-Use electric rate schedule.

# Coming mid-2024

\$900 million dollars of additional incentives will be available for all customers to help expand battery storage access with 70% of those incentives specifically for income-qualified customers.

# Learn more about the new Solar Billing Plan

Answers to Frequently Asked Questions >>

For more information about the CPUC's public proceeding >>

<sup>1</sup>Both charges and credits will vary by time of day and season to reflect the needs of the electric grid and when power is more expensive to produce.