



Solar Billing Plan FAQ— for Business Customers

Solar Billing Plan Program Overview

Why is California implementing the Solar Billing Plan?

In December 2022, California Public Utilities Commission (CPUC) issued a decision to implement a new solar program, **Net Billing**, also called **Solar Billing Plan**.

This program is designed to help move California closer to meeting our state's target of 100% renewable energy by 2045. The Solar Billing Plan provides the most savings when customers generate and use solar power for their property rather than sending excess solar energy to the grid. Net Energy Metering does not provide customers with incentives to adopt storage, which is critical to achieving California's 2045 renewable goals. With storage, solar and renewable energy customers can use their stored power when their renewable energy system isn't generating power.



When will the Solar Billing Plan go into effect for solar and renewable energy customers?

Solar and renewable energy customers who submitted their interconnection application after April 14, 2023, will be enrolled in the new Solar Billing Plan. After April 14, 2023, these customers were temporarily billed on NEM until the Solar Billing Plan was available in PG&E's billing system. Starting March 2026, solar and renewable energy business customers will be billed on the Solar Billing Plan, and those who were temporarily billed on NEM2 or whose 20-year Net Energy Metering (NEM) legacy period expired will be moved to the Solar Billing Plan upon their True-Up date.

Does the Solar Billing Plan only cover customers with rooftop solar?

No. The Solar Billing Plan covers all renewable generation facilities including wind and fuel cell.

Does the new Solar Billing Plan impact existing solar and renewable energy customers?

Maybe. Existing customers that were approved to turn on their renewable energy system by April 14, 2023, **are not impacted** by this new program.

The customers who will be affected are:

- Existing solar or renewable energy customers who modify or expand their legacy NEM/NEM2 system above the tariff threshold levels.
- Renewable electrical generation facilities that increase 10% of the original renewable electrical generating facility nameplate capacity or increase system size greater than 1kW.
- Customers whose 20-year NEM legacy period ends on their original NEM program, including those who were temporarily billed on NEM2.

Starting March 2026, when the new billing system is operational, business customers will be moved to the Solar Billing Plan at their annual True-Up. As a reminder, customers on NEM1 who were temporarily transitioned to NEM2 at the end of their legacy period are not permitted to receive an additional 20 years on NEM2.

If I move into or purchase a business that interconnected under one of the Net Energy Metering (NEM) programs, am I able to inherit the legacy status?

Yes. The 20-year NEM legacy program rules are tied to the system, not the owner. For example, if the original owner has spent 15 of the last 20 years on the NEM program, you will inherit the remaining five years on the original program.

New Solar Billing Plan Energy Statements

Under the Solar Billing Plan: What should I expect from the monthly Energy Statement?

On the monthly energy statement, you'll see charges, based on the Time-of-Use (TOU) rate plan, for energy used from the grid. And you'll see credits for **excess** renewable energy provided and delivered **to** the grid. All solar and renewable energy customers must be enrolled in an applicable TOU rate plan. Customers on TOU legacy rates are billed temporarily on NEM2 until their TOU legacy period ends.

Each month, charges and credits are calculated to provide the amount owed or credited to your account. However, credits are not applied to non-bypassable charges and demand charges.

To maximize the value of your renewable energy system under this plan, it is important to use all your renewable power for your business rather than sending excess energy to the grid. With battery storage, you can use stored solar power during times when solar power isn't available and the cost of energy is higher, typically between 4 p.m. and 9 p.m. (or 5 p.m. and 8 p.m. for Agriculture TOU rate plans). When reviewing your monthly energy statement look for times when you can shift energy use to maximize savings.

Under the Solar Billing Plan: How will my business be charged for energy received from the grid?

When your business uses more energy than your solar energy system produces, then your business uses energy from the grid. The energy used from the grid will be charged at a rate based on when energy is used (detailed in your TOU plan).

For more information about business TOU plans, visit pge.com/businessrates.

Under the Solar Billing Plan: How are credits for renewable energy sent to the grid determined?

When your renewable energy system is producing more than your business needs, excess electricity is exported to the grid. **You will receive an Energy Export Credit (EEC) for this electricity that reflects the value of energy at a given time.** The credit will vary by hour, day and month, much as **Time-of-Use** rates vary to reflect when power is more expensive. For a complete list of EEC values, visit pge.com/eecvalues.

Why are there True-Up adjustments on the True-Up statement?

At the end of the 12-month billing cycle, True-Up adjustments occur after applying remaining credits to Energy Produced and Energy Delivered charges previously paid or recalculating credits for eligible excess energy for Net Surplus Compensation. If there are any remaining credits after applying credits to the billing cycle, then these credits will be rolled over to the new 12-month billing cycle.

Message paid for by customers.