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## I. ELIGIBILITY

### Q. Is NEM Aggregation available?

A. Yes. NEM Aggregation is available to customers under the NEM2 tariff.

### Q. Is the NEM2 tariff available?

A. NEM Aggregation, or NEM2A, is a sub-schedule to the NEM2 tariff under Special Condition 6.

[Download NEM2 tariff schedule \(PDF 2.5 MB\) >](#)

### Q. Do I qualify for NEM2A?

A. You can install a generator to serve the aggregated load of multiple electric accounts on the same property, or different properties so long as the properties are *contiguous or adjacent* to each other AND *solely owned, leased, or rented* by you. You must also be the *customer-of-record* on PG&E’s bill for all accounts.

If you are an Armed Forces customer, described in special condition 8, you are not eligible for Load Aggregation under the NEM2 tariff. NEM2A eligibility will be verified during the interconnection process described below.

If you are on Direct Access or Community Choice Aggregation service, there are additional requirements described below.

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**Q. How does NEM2A work?**

- A. The renewable generators can be sized to the total annual load of all eligible accounts that you want to aggregate. Throughout the 12-month true-up period, any exported generation will be allocated among all of the eligible, participating accounts monthly. The monthly allocation is based on the cumulative load of the accounts and cumulative generation from the renewable generator.

**Q. What does “contiguous or adjacent” mean?**

- A. Under the terms of NEM2A, adjacent or contiguous refers to a property touching the property with the renewable generator, or otherwise adjacent or continuous property, in an unbroken chain, if *all* connected properties are solely owned, leased, or rented by the same customer. Property that is divided by a street, highway, or public thoroughfare is considered contiguous if otherwise contiguous and under the same ownership or control. This will be verified during the interconnection application process. You may be required to provide parcel maps to establish your eligibility for NEM2A.

**Q. What accounts are eligible for load aggregation?**

- A. The accounts must be located on the same property as the renewable generator, or on property adjacent or contiguous to the property where the generator is located. All properties must be under your sole ownership or control (leased or rented), and the accounts must be listed under your name as a customer-of-record on all PG&E bills. In the application process, you will specify the eligible accounts that you want included in the load aggregation.

**Q. What types of renewable generators qualify?**

- A. A renewable generator that generates electricity using solar photovoltaic, solar thermal, biomass, wind, geothermal, fuel cells using renewable fuels, digester gas, municipal solid waste conversion, landfill gas, ocean wave, ocean thermal, tidal current, or small qualifying hydroelectric generation is eligible. These renewable sources are defined in the latest version of the California Energy Commission’s (CEC’s) Renewables Portfolio Standard (RPS) Eligibility Guidebook and the Overall Program Guidebook.

[Access the CEC’s guidebooks >](#)

If storage is being considered as part of a NEM2A Arrangement, please email [Rule21GEN@pge.com](mailto:Rule21GEN@pge.com).

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**Q. Do leased or rented properties qualify?**

A. Yes. If all properties with eligible accounts meet the contiguous or adjacent requirement and are leased or rented by the same customer who owns, leases or rents the property where the renewable generator is located. You must be the customer-of-record on all PG&E bills for accounts included in the load aggregation. PG&E may request a copy of your rental or lease agreement if that is the basis for the property's eligibility for NEM2A.

**Q. Do condominium complexes qualify?**

A. Condominium properties often have multiple owners and multiple PG&E customers-of-record, and therefore these properties may not meet the requirements of this tariff. The condominium will be held to the same qualification rules, and PG&E will review such applications on a case-by-case basis. The condominium complexes might be able to benefit from the NEM2V tariff.

**Q. As a Direct Access/Community Choice Aggregation customer do I qualify?**

A. You may qualify for NEM2A only if the NEM2 tariff of your Electric Service Provider (ESP) permits load aggregation. Please check with your ESP. Note that all accounts in the Arrangement must normally take service either only from PG&E, a single ESP, or a single Community Choice Aggregator (CCA). A mixture of electric agreements served by PG&E, ESPs and CCA's may be permitted as long as PG&E is the billing agent for all of the electric accounts and can recover the NEM2A incremental billing costs from your ESP and/or CCA.

**Q. As a Community Choice Aggregation customer do I qualify?**

A. You may qualify for NEM2A, but you need to contact your Community Choice Aggregator to find out about the program they offer. Note that if the different accounts in the Arrangement are with different energy suppliers, then PG&E can recover the NEM2A incremental billing costs from your ESP and/or CCA.

## II. DEFINITIONS

**Q. What is a Generating Account?**

A. A Generating Account is the account that is connected to the renewable generator. It may or may not have load other than that of the generator. There can be only one Generating Account in the NEM2A Arrangement, but multiple renewable technologies can be connected behind it.

**Q. What is an Aggregated Account?**

A. An Aggregated Account is an eligible load account that you want to include in the NEM2A Arrangement. Aggregated Accounts may be of a different rate class (residential or agricultural) and/or on a different rate schedule (ETOUA or AG4A) as long as the rate schedule is otherwise applicable to that particular Aggregated Account.

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**Q. What is an Arrangement?**

- A. An Arrangement includes all eligible Aggregated Accounts that would benefit from the renewable generation and the Generating Account serving the renewable generator (Generator Account). All of the accounts in the Arrangement are billed together under NEM2A.

### III. INTERCONNECTION

**Q. Is there any limit (cap) to the participation in NEM2A?**

- A. The NEM tariff (NEM 1) had a program cap of 2,409 MW and a generator size limit of 1MW or less. However, the NEM2 tariff (including sub-schedule NEM2A) does not have any program cap at this time or generator size limit. Please see the next section for more information regarding generator size requirements.

**Q. What is the renewable generator size cap?**

- A. Although the NEM 2 tariff does not have a size limit on the renewable generator, the renewable generator must be sized so that the annual generation output (kWh) is not greater than the aggregated load of all accounts in the Arrangement over the course of a year.

**Q. What are the interconnection requirements?**

- A. The NEM2A interconnection process is governed by CPUC rules, and the renewable generator must be approved in accordance with all applicable guidelines of Electric Rule 21 and the NEM2 tariff. In addition to the interconnection application and agreement, you will have to submit the NEM2A Load Aggregation Appendix (Form 79-1153-02) and parcel maps. If you are working with a contractor, they can start the application process by submitting your interconnection paperwork.

[Download Electric Rule No. 21 guidelines \(PDF 19 MB\) >](#)

[Download NEM2 tariff schedule \(PDF 2.5 MB\) >](#)

[Download NEM2A Load Aggregation Appendix, Form 79-1153-02 \(PDF 112 KB\) >](#)

**Q. How do I apply for NEM2A?**

- A. [Visit the PG&E Interconnection Portal to apply >](#)

**Q. Is site assessment required before installation?**

- A. Site assessment is not normally required for typical NEM2 installations, but it may be prudent to apply early in the process, prior to construction, to confirm your eligibility for NEM2A along with any associated costs.

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**Q. What types of engineering studies are required?**

**A.** NEM2A generators require engineering studies to determine the impacts on PG&E's electric distribution system. Per Electric Rule 21, fast track *review* is an evaluation that allows for rapid review of the interconnection of generators that do not require a detailed study. Fast track review consists of an *initial review* and, if required, a *supplemental review*. If the NEM2A generator passes the initial review, Screens A through M in Section G.1. of Electric Rule 21, it will be allowed to interconnect without supplemental review. PG&E will complete the initial review within fifteen (15) Business Days following validation of a NEM2A interconnection request.

If supplemental review is required, it will consist of the review of Screens N through P in Section G.2 of Electric Rule 21. If the NEM2A generator passes the supplemental review, it will be allowed to interconnect without additional studies. PG&E will complete the supplemental review within twenty (20) Business Days. If the supplemental review reveals that a *detailed study* will be required, you will be notified.

[Download Electric Rule No. 21 guidelines \(PDF 19 MB\) >](#)

**Q. What type of metering is required?**

**A.** For the Generating Account, the meter must be capable of separately measuring the excess generation (kWh) export to the smallest time interval used for the billing of the Aggregated Accounts. The Aggregated Accounts must also have metering capable of recording the smallest time interval. Having a SmartMeter™ installed for each meter in the arrangement is recommended.

**Q. Are there any metering costs?**

**A.** If the existing meter on the Generating Account meets the requirements above, the only metering charges are the ones provided for in the applicable rate schedule. If a new meter is required, you will be responsible for the installation costs for the new meter. There are also metering charges under the applicable rate schedule for the Aggregated Accounts.

**Q. Who pays for distribution system upgrades?**

**A.** If your system is  $\leq 1\text{MW}$ , PG&E pays for distribution system upgrades required interconnecting a NEM2A generator unless you are the *only* beneficiary of a required interconnection facility. For example, you are responsible to pay to upgrade a transformer if the transformer serves only your property and account(s). You will not pay if that transformer serves other customers. If your system is  $>1\text{MW}$ , you are responsible for all the upgrade costs.

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**Q. Can I add an additional electrical service for the Generating Account?**

- A. You can request an additional electrical service for a Generating Account with no load instead of upgrading the existing service panel. The additional service must not have load other than that of the renewable generator. If the NEM2A generator is later removed, the additional service may not be converted to a load account. You are responsible for all costs for the new service.

## IV. BILLING

**Q. How does the billing work?**

- A. Every month, the excess generation (kWh) exported to the grid is allocated between all the Aggregated Accounts, including the Generating Account if it has load. The allocation is based on the cumulative load of the accounts and cumulative generation from the renewable generator, recalculated monthly throughout the true-up period. After this allocation, each account is treated like a NEM2 account until true-up. NEM2A customers must pay monthly for energy consumed.

For the annual true-up, the Generating Account and Aggregated Accounts must have the same billing cycle and Relevant Period, which is based on the interconnection date or Anniversary date thereafter.

**Q. Are there any billing costs?**

- A. The Legislature directed that NEM2A customers pay for billing services. You will be responsible for the following billing fees, which represent incremental NEM2A billing cost:

Initial set-up fee - \$25 for each Aggregated Account and Generating Account, capped at \$500 per Arrangement.

Monthly fees - \$5 for each Aggregated Account and Generating Account.

There might be additional fees if the NEM2A Arrangement includes DA and/or CCA electric accounts. The fees are subject to further review and change.

**Q. Am I eligible for AB920 Net Surplus Compensation (NSC)?**

- A. The Legislature determined that a NEM2A customer's Generating accounts are permanently ineligible for Net Surplus Compensation. However, if an aggregated account that is not a Generating Account is separated from the Arrangement, and subsequently qualifies for NEM2, it is eligible for NSC.

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**Q. Who owns the Renewable Energy Credits?**

A. Generally, the renewable energy credits are retained by the owner of the renewable generator. Please check with your installer.

**Q. Do I pay standby charges?**

A. No, NEM2A customers are exempt from standby charges.

**Q. Do I pay Non-Bypassable Charges (NBC)?**

A. Yes, as a NEM2A customer, you will pay for Public Purpose Program (PPP), Nuclear Decommissioning Charge (ND), Competition Transition Charge (CTC) and Department of Water Resources Bond charges (DWR). NBC charges will apply to the load accounts based on their full metered usage.

## V. MODIFICATIONS

**Q. As an existing NEM2 customer, can I transition to NEM2A?**

A. Existing NEM2 customers with an approved generator may transition to NEM2A provided that all eligibility requirements are met.

**Q. What is the process to transition to NEM2A?**

A. You must complete the NEM2A Load Aggregation Appendix (Form 79-1153-02) and submit it along with parcel maps to establish your eligibility for NEM2A. Upon review and approval, your NEM2 account will true-up, and the new NEM2A billing will commence.

[Download NEM2A Load Aggregation Appendix, Form 79-1153-02 \(PDF 112 KB\) >](#)

For Standard NEM2 ( $\leq 30$  kW): Please email [NEMAProcessing@pge.com](mailto:NEMAProcessing@pge.com).

For Expanded NEM2 (30 kW  $<$ ): Please email [Rule21GEN@pge.com](mailto:Rule21GEN@pge.com).

**Q. Can I increase the generator size and transition to NEM2A?**

A. If you decide to increase the size or make any other material changes to an approved generator, you must submit a new interconnection application along with the NEM2A Load Aggregation Appendix (Form 79-1153-02) to initiate the required interconnection approval and new NEM2A billing setup. A re-inspection may be required if the generator has been installed for over 3 years or has not been inspected in the past 3 years.

[Download NEM2A Load Aggregation Appendix, Form 79-1153-02 \(PDF 112 KB\) >](#)

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**Q. Can I add or remove an Aggregated Account?**

- A. There are no restrictions to making changes in the NEM2A Arrangement, but you will bear the cost for the initial billing set-up every time a change is requested. Note that any modification (adding or removing meters) of the current arrangement will force a true-up of your billing and your new 12-month true up period will start over. You have to submit a revised NEM2A Load Aggregation Appendix (Form 79-1153-02) to change any Aggregated Account in the Arrangement.

[Download NEM2A Load Aggregation Appendix, Form 79-1153-02 \(PDF 112 KB\) >](#)

**Q. What happens if an Aggregated Account closes?**

- A. You must submit a revised NEM2A Load Aggregation Appendix (Form 79-1153-02) to exclude the closed Aggregated Account from the Arrangement. Note that this will force a true up of your bill and your new 12-month true up period will start over.

[Download NEM2A Load Aggregation Appendix, Form 79-1153-02 \(PDF 112 KB\) >](#)

**Q. What happens if I sell or no longer rent or lease the properties?**

- A. This will end the NEM2A Arrangement and your NEM2A account will true up. The eligibility of the new customer must be established with a new interconnection application.

## VI. OTHER TARIFFS AND PROGRAMS

**Q. How is NEM2A different from regular NEM2?**

- A. Under NEM2, a renewable generator can only serve the load on one account. Under NEM2A, a single customer with multiple accounts on the same property, or on properties adjacent or contiguous, can meet their energy needs with a renewable generator sized to the aggregated load of all eligible accounts.

**Q. How is NEM2A different from Virtual Net Energy Metering (NEM2V)?**

- A. Virtual NEM2 (NEM2V) has some similar features, but NEM2V can cover multiple customers located at a single eligible property (usually all in the same building). In contrast, NEM2A is designed for a single customer with multiple accounts that may be located on several contiguous and adjacent properties under their ownership or control. [Download and review the Virtual NEM2 tariff \(PDF 1.7 MB\) >](#)

**Q. Can I receive an incentive from a statewide program?**

- A. The NEM2 tariff does not govern the disbursement of incentives. Please refer to the specific incentive program Handbook for information on eligibility requirements and available funding.

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**Q. Can I participate in a Demand Response program?**

- A.** NEM2A customers are eligible for the same Demand Response (DR) programs as NEM2 customers. DR program elements that are affected by the load (e.g., program eligibility and payments) will exclude from consideration any impacts of the allocated generation. Please refer to the specific DR program for additional information.

## **VII. LEGISLATIVE BACKGROUND**

**Q. What is the legislative background to NEMA?**

- A.** On September 27, 2012, the Governor signed SB 594 (Wolk), a statute designed to allow a single customer with multiple meters on the same property, or on the customer's adjacent or contiguous properties, to meet their energy needs with a renewable generator sized to the aggregate load of all eligible meters up to 1 MW under Net Energy Metering (NEM).

On September 19, 2013, the California Public Utilities Commission (CPUC) adopted Resolution E- 4610 stating that aggregation would not increase the cost shift already embedded in NEM and provided direction to PG&E to modify its NEM tariff to accommodate load aggregation.

On October 21, 2013, PG&E filed an Advice Letter seeking CPUC approval for the required modifications to the NEM tariff. On January 16, 2014, PG&E filed a supplemental Advice Letter addressing issue raised by protesting parties.

On February 20, 2014, the CPUC approved the revised NEM tariff, which established a new NEM sub-schedule, called NEM Aggregation or NEMA. PG&E is excited to provide this new offering to customers interested in renewable generation.

On December of 2016 the NEM program reached its program cap of 2,409 MW and the successor tariff NEM2 became effective. The NEM2A is a sub schedule under the NEM2 tariff.

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