Rate Rider: Net Energy Metering Surplus Production Rider (NEM-1)

Applicable Rate Schedules: Residential Service, General Service Single Phase Service, Small Commercial Multi Phase, Medium Commercial Service, Industrial Service, Interruptible Well Service.

Rate Designation: Applicable to City of Banning Electric Utility customers who have executed an Interconnection Agreement for Net Energy Metering with the Banning Electric Utility and have made a formal election to receive monetary compensation for any surplus electricity they generate above their own usage on an annual basis.

Banning Electric Utility has met its Net Energy Metering cap, and the Net Energy Metering program is now terminal. Therefore, the Net Energy Metering Surplus Production Rider is no longer available to additional customers. The successor rider to the Net Energy Metering Surplus Production Rider is the "Distributed Self-Generation Rider".

Service Area: All areas within the City's assigned area of service.

Rate:

The Net Energy Metering Surplus Production Rate will be set at the average price of the California Independent System Operator (CAISO) Day Ahead wholesale energy prices during the hours when solar is producing. The rate indicated below is the current rate but, is subject to **administrative change** if there are material changes to the CAISO's average energy prices.

Energy Credit:

All excess kWh, per kWh	$0.028

Billing: Those customers who have made a formal election to receive monetary compensation for any surplus electricity they generate above their own usage, and who actually did generate surplus electricity as calculated on their Annual True-up, will receive a monetary payment equal to the number of excess kWh generated multiplied by the Net Energy Metering Surplus Production Rate.

Annual Net Energy Metering Credit for Residential Customers:

Those residential customers who are on the terminal Net Energy Metering Surplus Production Rider will receive an annual credit as compensation for the increase in the customer charge that was implemented in March of 2019. Those customers who have made a formal election to receive monetary compensation for any surplus electricity they generate above their own usage will receive an annual credit up to $156. Those customers who have elected to receive a kWh credit for any surplus electricity they generate above their own usage will receive an annual kWh credit of 1,025 kWh. These credits will be applied on the Annual True-ups in January of each year.

Special Conditions:

1. Customer must have a solar photovoltaic ("PV") at their home or business and have executed an Interconnection Agreement for Net Energy Metering with the Banning Electric Utility.

2. Customer must have submitted the Net Surplus Electricity Compensation for "Net Metered" Customers Election Form, indicating that they wished to receive monetary compensation based on a per kWh rate.

3. Payments to customers made under this Rider shall be issued each January after the Utility has completed the Annual True-up, per Section 7 of the Interconnection Agreement for Net Energy Metering.

4. A special true-up shall be performed if a net metering customer closes their Banning Electric Utility account mid-year and will be performed under the same process outlined in Section 7 of the Interconnection Agreement for Net Energy Metering. Per Item 5 below, once the account is closed the renewable facility will no longer be eligible for Net Energy Metering and will be switched over to the Distributed Self-Generation Rider.

5. Banning Electric Utility has met its Net Energy Metering cap, and the Net Energy Metering program is terminal. Current Net Energy Metering customers whose date of interconnection is prior to 2015 are grandfathered into the program for 15 years from the date of interconnection of their renewable systems or until the closing of their account, whichever occurs first. Current Net Energy Metering customers whose date of interconnection is 2015 or later are grandfathered into the program for 7 years from the date of interconnection of their renewable systems or until the closing of their account, whichever occurs first.