

To encourage small electrical customers to install environmentally friendly sources of electrical power, the State of California has passed laws to make the process of interconnecting solar or wind powered generation systems with a total installed capacity of one (1) megawatt (1000 kilowatts) or less as simple and economical as possible. This legislation also provides for “Eligible Customers” to receive the additional benefits provided by a billing process referred to as Net Energy Metering. SCE supports these objectives and has tailored its tariff rates and interconnection requirements to minimize the “red tape” while ensuring the safe operation of the equipment its customers may install.

Net Energy Metering allows a customer to net the energy produced by its generating facility against the energy received from its electric service provider. The “netting period” is established as the 12 months following the date Net Energy Metering service is initiated for an eligible customer. During this period, if the customer has produced more energy than it has consumed, it will be charged only for the “non-energy” related components of the electric service it has received. If the customer’s generation has not met all of its energy needs, the customer will also be billed for the shortfall, or net energy supplied by its energy service provider. Residential and small commercial customers may elect either a monthly or annual billing option. All other Net Energy Metering customers will continue to be billed monthly with surplus energy credits carried forward from month to month. Please note that State code does not provide for surplus energy credits to be carried forward past the 12-month netting period and surplus energy is not purchased by SCE. In all cases, customers will be provided with monthly statements to allow them to monitor the status of their account.

SCE does not design, engineer or install generating systems for its customers. We are also not able to recommend specific contractors or equipment suppliers. SCE encourages its customers to educate themselves with regard to the technology and equipment they may purchase and install and to determine that their installation will comply with all state and local code and zoning requirements. SCE requires that its customers provide a signed copy of their local building inspector’s final inspection and approval of their installation as part of SCE’s approval process.

The California Energy Commission (CEC) currently provides technical information and financial assistance for renewable and alternative energy systems. Information on the assistance that may be available to customers can be obtained by calling the CEC at 1-800-555-7794 or by visiting its Internet site at <http://www.consumerenergycenter.org>. Informative Q&A’s on “net metering” are also provided by the CEC at http://www.energy.ca.gov/greengrid/net_metering.html. Another helpful although commercially sponsored Web site is <http://californiasolarcenter.org>. Please note these Web sites are not sponsored, nor provided by SCE. Accordingly, SCE cannot be responsible for the accuracy of the information they contain.

Once a customer has decided to go forward with the installation of a generating facility for the purpose of receiving the benefits provided by SCE's Net Energy Metering tariff, the following process should be followed to interconnect equipment legally and safely with SCE's electric system and to ensure that they begin receiving all benefits of operating such a system.

- A. The customer *must* submit an application (see attached form) to SCE for interconnection with its electric system, providing the following information:
 - 1) A general description of the generating system to be interconnected, including the brand name and model of the generators and inverter systems to be used and the installed nameplate capacity of the system. This description should also include a "one-line" diagram showing the general arrangement and relationship of the various components that will be installed.
 - 2) Also include a copy of a recent billing statement that SCE has provided for the location where the customer intends to install its generating system. The information on this bill will ensure that SCE identifies the account and service address correctly in the interconnection agreement to be formed for the customer's installation.
- B. Based on the information provided in a customer's application, SCE will prepare and return a "Net Energy Metering and Interconnection Agreement" for the customer to sign and return to SCE for its acceptance. (See attached sample.)
- C. The customer or its contractor may then complete the installation of its Generating Facility using UL approved devices for interconnection with the utility's grid or by installing an interconnection pursuant to SCE's Rule 21 - Generating Facility Interconnections. This document may be viewed at SCE's Website: http://www.sce.com/005_regul_info/tm2/pdf/Rule21.pdf. After installation, the Generating Facility must be inspected by the appropriate Building and Safety Department and SCE must receive a signed copy of the inspector's final inspection and approval document.
- D. The customer will then receive SCE's written authorization for final interconnection and be eligible to receive the benefits of SCE's Net Energy Metering tariff.

Additional information regarding SCE's Net Energy Metering tariffs and contracts may be obtained from **Laura-Diane Rudison** at 626-302-9680 (e-mail: rudisold@sce.com).



**APPLICATION FOR THE INTERCONNECTION OF A SOLAR
OR WIND POWERED ELECTRICAL GENERATING FACILITY
TO BE USED FOR NET ENERGY METERING SERVICE**

APPLICABILITY

This application is for the interconnection of a solar and/or wind powered electrical generating facility with a capacity of not more than one megawatt (1000 kW) that is located on an "Eligible Customer's" premises, operates in parallel with SCE's electric system, and offsets part or all of the customer's own electrical requirements. Only Eligible Customers may be placed on SCE's Net Energy Metering ("NEM") rate schedule.

PREREQUISITES FOR INTERCONNECTION

This document is solely an application for a contract. It **does not** authorize you to interconnect your generating facility with SCE's electric system. You and SCE must first sign an *interconnection agreement* and comply with the terms of such an agreement. You **must not** interconnect your generating facility until SCE provides you with a letter specifically stating that all of the requirements for interconnection have been satisfied and authorizes the interconnection.

INFORMATION REQUIREMENTS

The following information is required by SCE to prepare the interconnection agreement you are requesting. Please also submit a "one-line diagram" of the system to be installed showing the general arrangement and relationship of the various components and a recent copy of the Eligible Customer's electric bill. For larger or "non-UL approved" installations, it may be necessary for SCE to request additional information from you or your contractor to clarify the details of your installation. [See SCE's Rule-21 -Generating Facility Interconnections at SCE's Website: http://www.sce.com/005_regul_info/tm2/pdf/Rule21.pdf.

IDENTIFYING YOURSELF

Applicant's Name*		
Street Address of Proposed Facility		
City, State, Zip		
Mailing Address (If different from above)		
City, State, Zip		
Phone Number	Primary ()	Other ()
FAX Numbers (optional)		
E-mail Address (optional)		
* Applicant must be the customer of record whose name appears on SCE's electric bill. Please attach a copy of applicant's recent SCE billing statement.		

IDENTIFYING YOUR CONTRACTOR OR INSTALLER

Name of Contractor or Installer		
Contact Person		
Street Address		
City, State, Zip		
Phone Numbers		
FAX Numbers (optional)		
E-mail Address (optional)		

DESCRIBING YOUR INSTALLATION

Installed Nameplate Capacity (Kilowatts)	Solar:	Wind:	Total:
Manufacturer of Inverter/Controller			
Inverter Model Number			
Estimated Monthly Kilowatt-hour Production			
Estimated Date of Parallel Operation			

When completed, please send this form to: Laura Rudison, Contract Manager
Southern California Edison, P.O. Box 800, Suite 490, Rosemead, CA 91770

Phone: 626-302-9680

FAX: 626-302-9622

E-Mail Messages: rudisold@sce.com



Schedule NEM
NET ENERGY METERING

Sheet 1

APPLICABILITY

Applicable to Eligible Customer-Generators as defined herein below pursuant to Public Utilities Code Section 2827, with a generating capacity up to 1,000 kW. This Schedule is not applicable to Direct Access Customers where the customer's energy supplier does not provide distribution services. Customers eligible for service under this schedule are exempt from (1) any new or additional charges not included in their Otherwise Applicable Tariff (OAT), (2) taking service under Schedule S, and (3) paying the Competition Transition Charge (CTC) for their Departing Load served by the electricity generated by the customer's generator. Pursuant to Public Utilities Code Sections 2827.5 and 2827.7, this Schedule will be closed on January 1, 2003 to all Commercial, Industrial and Agricultural customers, and all Residential and Small Commercial customers with a generating capacity greater than 10 kW, not already served under this Schedule. (C)

TERRITORY

Within the entire territory served.

RATES

Charges for Net Energy supplied and/or delivered to the customer shall be billed in accordance with the customer's OAT. Any net generation will be calculated in the same manner as Net Energy supplied, but rather than show as a charge, will appear as a credit on the customer-generator's account. For Residential and Small Commercial Customers (as defined in SCE's Rule 1), the net balance of moneys owed to SCE for net consumption of electricity or credits owed to the customer-generator for net generation of electricity shall be carried forward until the end of the Relevant Period. For all other customer-generators, the net balance of moneys owed shall be billed and payable each monthly billing cycle, except if such customer-generator is a net electricity producer over a billing cycle, any excess kilowatthours generated during the billing cycle shall be carried over to the following billing period, valued in accordance with the customer-generator's OAT and appear as a credit on the customer-generator's account. At the end of the Relevant Period Special Condition 3.b shall apply to any remaining kilowatthours/credits for all customers on this Schedule. Monthly Customer Charges, Minimum Charges, Demand Charges, and/or other non-energy related charges, excluding any adjustments due to power factor provisions or rebates offered under the State of California's 20/20 Program, as defined on the customer's OAT shall apply, when applicable, regardless of the customer's monthly net generation. (C)

(L)

(Continued)

(To be inserted by utility)
Advice 1544-E
Decision _____

Issued by
John R. Fielder
Senior Vice President

(To be inserted by Cal. PUC)
Date Filed May 21, 2001
Effective _____
Resolution _____

Schedule NEM
NET ENERGY METERING

Sheet 2

(Continued)

SPECIAL CONDITIONS

- | | | |
|----|---|---------------|
| | | (T) |
| 1. | Required Contract: A Net Energy Metering and Interconnection Agreement is required for service under this schedule. | (L) |
| 2. | Metering: | |
| a. | Net Energy shall be measured (metered) using a single meter capable of registering the flow of electricity in two directions. If the customer's existing meter is not capable of measuring the flow of electricity in two directions, an appropriate meter shall be provided at the expense of the customer. SCE may elect to install an additional meter or meters, at SCE's expense, with the customer's consent. Such additional metering shall be used only to provide the information necessary to accurately bill or credit the customer. | (L) |
| b. | If SCE determines that dual metering is required for the purposes set forth herein, and the eligible customer-generator refuses consent for installation of dual metering, SCE shall have the right to refuse interconnection. | (N)
(N) |
| c. | Where SCE provides distribution services (metering and billing) for direct access customers, the Energy Service Provider (ESP) of the customer shall be charged the applicable charges as set forth in Schedule ESP-DSF for such services. | (L)(T)
(L) |
| 3. | Billing: At the end of each Relevant Period following the Date of Final Interconnection of the customer's generator to SCE's electric system, SCE shall determine if the customer's Net Energy, as defined below, is positive or negative, as set forth in Definition 4.c below, and shall proceed as follows: | (T)
(T) |
| a. | Where Net Energy is determined to be positive, SCE shall bill the eligible customer-generator for the customer's net consumption over the Relevant Period. The bill shall be due and payable in accordance with Rule 9. | (T)
(T) |
| b. | Where Net Energy is determined to be negative, SCE shall retain all excess kilowatthours generated and/or credits accrued during the Relevant Period. The eligible customer-generator shall not be owed any compensation by SCE. | (C)
(C) |
| c. | SCE shall provide the customer with Net Energy consumption information or Net Energy generation information on each monthly bill. Such monthly update shall include the current accrued balance owed to SCE for positive Net Energy charges or current accrued credits for Net Energy generation, which ever applies. | (C)
(C) |
| d. | For Residential and Small Commercial Customers SCE shall, upon a customer request, permit the customer to pay monthly for positive Net Energy charges. Such request must be made by the customer upon initiation of service under this Schedule or upon written notice to SCE no later than thirty (30) days prior to the end of any twelve-month period. Such change shall only be made by SCE at the beginning of a twelve-month period. | (T) |

(Continued)

(To be inserted by utility)
Advice 1544-E
Decision _____

Issued by
John R. Fielder
Senior Vice President

(To be inserted by Cal. PUC)
Date Filed May 21, 2001
Effective _____
Resolution _____

Schedule NEM
NET ENERGY METERING

Sheet 3

(Continued)

SPECIAL CONDITIONS

- | | | |
|----|--|---------------------------------------|
| | | (L) |
| 3. | Billing: | |
| | e. If a customer terminates service under this Schedule prior to the end of the Relevant Period, SCE shall reconcile the customer's consumption and production of electricity and bill the customer for positive Net Energy charges, if any. | (T)
(T) |
| 4. | Definitions: The following definitions are applicable to service provided under this Schedule. | |
| | a. Eligible Customer-Generator: A Residential, Small Commercial (as defined in SCE's Rule 1), Commercial, Industrial, or Agricultural Customer who uses a solar or wind turbine electrical generating facility, or a hybrid system of both, without the support of fossil fuel or other non-wind or non-solar energy source, with a capacity of not more than 1,000 kW, that is the sole source of generation located on the eligible customer's premises, that is interconnected and operates in parallel with SCE's electric system, and that is intended primarily to offset part or all of the customer's own electrical requirements. | (C)

(C)

(L) |
| | b. Qualified Electrical Generating System: A solar or wind turbine electrical generating system, or a hybrid system of both, used by an eligible customer-generator shall meet all applicable safety and performance standards established by the National Electrical Code, the Institute of Electrical and electronics Engineers, and accredited testing laboratories such as Underwriters Laboratories and, where applicable, rules of the Public Utilities Commission regarding safety and reliability. A customer-generator whose solar or wind turbine electrical generating system, or a hybrid system of both, meets those standards and rules shall not be required to install additional controls, perform or pay for additional tests, or purchase additional liability insurance. | (N)

(N) |
| | c. Date of Final Interconnection: The date SCE provides the Customer with SCE's written approval to commence parallel operation of the Generating Facility. | (L) (T) |
| | d. Net Energy: The difference between the electricity supplied and/or delivered through SCE, and the electricity generated by the customer and fed back into SCE's electric system, measured over the Relevant Period. Thus, where E_S is energy supplied and/or delivered by SCE, and E_F is energy generated by the customer and fed back into SCE's system:

$\text{Net Energy} = E_S \text{ minus } E_F$ | (T)

(T) |
| | e. Otherwise Applicable Tariff: The Customer's regularly filed rate schedule under which service is rendered. | (T) |
| | f. Relevant Period: A twelve-month period, or portion thereof, commencing on the anniversary Date of Final Interconnection of the customer's generator to SCE's electric system. | (T)

(L) |

(Continued)

(To be inserted by utility)
Advice 1544-E
Decision _____

Issued by
John R. Fielder
Senior Vice President

(To be inserted by Cal. PUC)
Date Filed May 21, 2001
Effective _____
Resolution _____

This Net Metering and Interconnection Agreement (“Agreement”) is entered into by and between **(SAMPLE TO BE COMPLETED BY SCE)** (“Customer”), and Southern California Edison Company (“SCE”), sometimes also referred to herein jointly as “Parties” or individually as “Party.”

1. APPLICABILITY

This Agreement is applicable only to customers who satisfy all requirements of the definition of an Eligible Customer-Generator set forth in Section 2827(b)(2) of the California Public Utilities Code.

2. SUMMARY OF GENERATING FACILITY AND CUSTOMER ACCOUNT

- 2.1 Generating Facility Identification Number: NM
- 2.2 Customer Meter Number: _____
- 2.3 Customer Service Number: _____
- 2.4 Applicable Rate Schedule: _____
- 2.5 Generating Facility Location: _____

2.5.1 This Agreement is applicable only to the Generating Facility described below and installed at the above location. The Generating Facility may not be relocated or connected to SCE’s system at any other location without SCE’s express written permission.

- 2.6 Generating Facility Technology (Solar, Wind or Hybrid): _____
- 2.7 Generating Facility Nameplate Rating (kW): _____
- 2.8 Expected maximum monthly energy production of Generating Facility (kWh): _____
- 2.9 Customer’s estimate as to when the Generating Facility will be ready to commence parallel operation with SCE’s electric system: _____

3. GENERATING FACILITY INTERCONNECTION AND DESIGN REQUIREMENTS:

- 3.1 Customer shall be responsible for the design, installation, operation, and maintenance of the Generating Facility and shall obtain and maintain any required governmental authorizations and/or permits.
- 3.2 The Generating Facility shall meet all applicable safety and performance standards established by the National Electrical Code, the Institute of Electrical and Electronics Engineers (“IEEE”), and accredited testing laboratories such as Underwriters Laboratories (“UL”), and, where applicable, rules of the California Public Utilities Commission (“Commission”) regarding safety and reliability. This requirement shall include, but not be limited to, the provisions of IEEE Standard 929, UL Standard 1741, and SCE’s Rule-21, Generating Facilities Interconnection.
- 3.3 Customer shall not commence parallel operation of the Generating Facility until written approval has been provided to it by SCE. SCE shall provide such written approval within ten (10) working days from SCE’s receipt of a copy of the final inspection or approval of the Generating Facility, which has been issued by the governmental authority having jurisdiction to inspect and approve the installation. Such approval shall not be unreasonably withheld.
- 3.4 SCE shall have the right to have its representatives present at the final inspection made by the governmental authority having jurisdiction to inspect and approve the installation of the Generating Facility. Customer may be required to notify SCE in accordance with the terms of Section 11, herein, at least five (5) days prior to such inspection.

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NET METERING AND INTERCONNECTION AGREEMENT

3.5 Customer shall not add generation capacity in excess of the Nameplate Rating set forth in Section 2.7 of this Agreement, or otherwise modify the Generating Facility without the prior written permission of SCE.

4. METERING AND BILLING:

Metering requirements and billing procedures shall be set forth in the rate schedule(s) applicable to the electric service account assigned to the location where the Generating Facility is connected.

5. DISCONNECTION, INTERRUPTION OR REDUCTION OF DELIVERIES:

5.1 SCE may require Customer to interrupt or reduce the output of its Generating Facility under the following circumstances:

- (a) Whenever SCE deems it necessary in its sole judgment, to construct, install, maintain, repair, replace, remove, investigate, or inspect any of its equipment or any part of its electric system; or
- (b) Whenever SCE determines in its sole judgment, that curtailment, interruption, or reduction of Customer's electrical generation is otherwise necessary due to emergencies, forced outages, force majeure, or compliance with prudent electrical practices.

5.2 Notwithstanding any other provision of this Agreement, upon termination of this Agreement or at any time SCE determines the continued parallel operation of the Generating Facility may endanger the public or SCE personnel, or affect the integrity of SCE's electric system or the quality of electric service provided to other customers, SCE shall have the right to require the Generating Facility to be immediately disconnected from SCE's electric system. The Generating Facility shall remain disconnected until such time as SCE is satisfied, in its sole judgment, that the condition(s) causing such disconnection have ended or have been corrected.

5.3 Whenever feasible, SCE shall give Customer reasonable notice of the possibility that interruption or reduction of deliveries may be required.

5.4 Electrical energy and capacity provided to Customer during periods of curtailment or interruption of the output of the Generating Facility shall be provided pursuant to the terms of the rate schedule(s) applicable to the electric service account to which the Generating Facility is connected.

6. ACCESS TO PREMISES:

SCE may enter Customer's premises at all reasonable hours without notice to Customer for the following purposes:

- (a) To inspect Customer's protective devices and read or test meter(s); and
- (b) To disconnect the Generating Facility and/or service to Customer, whenever in SCE's sole opinion, a hazardous condition exists and such immediate action is necessary to protect persons, SCE's facilities, or property of others from damage or interference caused by the Generating Facility, or the absence or failure of properly operating protective devices.

7. INDEMNITY AND LIABILITY:

7.1 Each Party as indemnitor shall defend, hold harmless, and indemnify the other Party and the directors, officers, employees, and agents of the other Party against and from any and all loss, liability, damage, claim, cost, charge, demand, or expense (including any direct, indirect or consequential loss, liability, damage, claim, cost, charge, demand, or expense, including attorneys' fees) for injury or death to persons, including employees of

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either Party, and damage to property, including property of either Party, arising out of or in connection with (a) the engineering, design, construction, maintenance, repair, operation, supervision, inspection, testing, protection or ownership of the indemnitor's facilities, or (b) the making of replacements, additions, betterments to, or reconstruction of the indemnitor's facilities. This indemnity shall apply notwithstanding the active or passive negligence of the indemnitee. However, neither Party shall be indemnified hereunder for its loss, liability, damage, claim, cost, charge, demand, or expense resulting from its sole negligence or willful misconduct.

- 7.2 The indemnitor shall, on the other Party's request, defend any suit asserting a claim covered by this indemnity and shall pay for all costs, including reasonable attorney fees, that may be incurred by the other Party in enforcing this indemnity.
- 7.3 The provisions of this Section shall not be construed to relieve any insurer of its obligations to pay any insurance claims in accordance with the provisions of any valid insurance policy.
- 7.4 Except as otherwise provided in Section 7.1, neither Party shall be liable to the other Party for consequential damages incurred by that Party.
- 7.5 Nothing in this Agreement shall create any duty to, any standard of care with reference to, or any liability to any person who is not a Party to it.
- 7.6 Notwithstanding the provisions of Section 7.1, Customer shall be responsible for protecting its Generating Facility from damage by reason of the electrical disturbances or faults caused by the operation, faulty operation, or non-operation of SCE's facilities, and SCE shall not be liable for any such damage so caused.

8. GOVERNING LAW:

This Agreement shall be interpreted, governed, and construed under the laws of the State of California as if executed and to be performed wholly within the State of California.

9. CALIFORNIA PUBLIC UTILITIES COMMISSION:

- 9.1 This Agreement shall at all times be subject to such changes or modifications by the Commission as the Commission may, from time to time, direct in the exercise of its jurisdiction.
- 9.2 Notwithstanding any other provisions of this Agreement, SCE has the right to unilaterally file with the Commission, pursuant to the Commission's rules and regulations, an application for change in rates, charges, classification, service, or rule or any agreement relating thereto.

10. AMENDMENT, MODIFICATIONS, WAIVER OR ASSIGNMENT:

- 10.1 This Agreement may not be altered or modified by either of the Parties, except by an instrument in writing executed by each of them.
- 10.2 None of the provisions of this Agreement shall be considered waived by a Party unless such waiver is given in writing. The failure of a Party to insist in any one or more instances upon strict performance of any of the provisions of this Agreement or to take advantage of any of its rights hereunder shall not be construed as a waiver of any such provisions or the relinquishment of any such rights for the future, but the same shall continue and remain in full force and effect.
- 10.3 This Agreement shall supersede any existing agreement under which Customer is currently operating the Generating Facility identified in Section 2, herein, and any such agreement shall be deemed terminated as of the date this Agreement becomes effective.
- 10.4 This Agreement contains the entire agreement and understanding between the Parties, their agents, and employees as to the subject matter of this Agreement. Each party also represents that in entering into this Agreement, it has not relied on any promise,

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NET METERING AND INTERCONNECTION AGREEMENT

inducement, representation, warranty, agreement or other statement not set forth in this Agreement.

10.5 Neither Party shall voluntarily assign this Agreement or any of its rights or duties hereunder without the written consent of the other Party, which consent shall not be unreasonably withheld. Any such assignment or delegation made without such written consent shall be null and void.

11. NOTICES:

11.1 Any notice required under this Agreement shall be in writing and mailed at any United States Post Office with postage prepaid and addressed to the Party, or personally delivered to the Party, at the address below. Changes in such designation may be made by notice similarly given. All written notices shall be directed as follows:

SOUTHERN CALIFORNIA EDISON COMPANY:
Director, QF Resources
P.O. Box 800
Rosemead, CA 91770

CUSTOMER:

(SAMPLE TO BE COMPLETED BY SCE)

11.2 Customer's notices to SCE pursuant to this Section shall refer to the Generating Facility Identification Number that is set forth in Section 2.1.

12. TERM AND TERMINATION OF AGREEMENT:

12.1 This Agreement shall become effective when signed by Customer and SCE, and shall remain in effect thereafter from month to month unless terminated by either Party on thirty (30) days' prior written notice in accordance with Section 11.

12.2 This Agreement shall terminate, without notice, upon: (a) termination of the electric distribution service provided to Customer by SCE; or (b) changes to Customer's electric load which cause Customer to no longer satisfy all requirements of the definition of an Eligible Customer-Generator set forth in Section 2827(b)(2) of the California Public Utilities Code.

13. SIGNATURES:

IN WITNESS WHEREOF, the Parties hereto have caused two originals of this Agreement to be executed by their duly authorized representatives. This Agreement is effective as of the latter of the two dates set forth below.

CUSTOMER

SOUTHERN CALIFORNIA EDISON COMPANY

By: (SAMPLE TO BE COMPLETED BY SCE)
Name: _____
Title: _____
Date: _____

By: **SAMPLE**
Name: _____
Title: _____
Date: _____

This document is provided for your convenience in electing monthly or annual billing for the "positive net energy" delivered to you by Southern California Edison (SCE) pursuant to SCE's Rate Schedule NEM - Net Energy Metering. The amount you pay for electric service during each twelve-month billing period will be the same regardless of which option you elect.

Section 3.d. of SCE's Rate Schedule NEM provides that: "SCE will, upon customer's request, permit the customer to pay monthly for positive Net Energy charges. Such request must be made by the customer upon initiation of service under this schedule or upon written notice to SCE no later than thirty (30) days prior to the end of any twelve-month period. Such change will only be made by SCE at the beginning of a twelve-month [billing] period."

If the **ANNUAL** option is selected, SCE will provide monthly statements showing the positive or negative net energy delivered during the monthly billing period and *billings* for the non-energy related billing components associated with its account. Charges for positive net energy delivered to customer will be determined and billed at the end of each 12-month billing period. Customers who expect their annual generation to meet or exceed their electric consumption during the 12-month billing period may prefer this option.

If the **MONTHLY** option is selected, the customer will continue to receive a monthly statement showing both the energy and non-energy related billing components associated with its account until such time that the customer's generating facility produces more energy than is consumed during a monthly billing period. Should this happen, the customer will be converted to the Annual billing option effective retroactively to the beginning date of the twelve-month billing period. If this conversion occurs, SCE's monthly statements to the customer will provide a spreadsheet showing the positive or negative net energy delivered during the monthly billing periods and *billings* for the non-energy related billing components associated with its account. The customer will be allowed, but not required, to continue to make estimated monthly payments which will be credited towards the customer's account. At the end of the twelve-month period, the customer's account will be reconciled and an additional charge or refund will be made as appropriate. Customers who do not expect their monthly generation to ever meet or exceed their monthly electric consumption during a 12-month billing period, and who do not wish to receive a single large bill for the energy purchased during the year may prefer this option.

Southern California Edison Company
Administrator, Net Energy Metering (QF Resources)
P. O. Box 800, Room 490
Rosemead, CA 91770

Customer Account Name: **(SAMPLE TO BE COMPLETED BY SCE)**

Generating Facility Identification Number: NM

Customer Meter Number:

Customer Service Number:

Generating Facility Location:

Having considered the options available, Customer hereby requests Southern California Edison Company to provide **MONTHLY** **ANNUAL** (select one) billings for the positive Net Energy charges incurred under the electric service account described above. Customer agrees to pay all charges billed by SCE when due. Unpaid amounts will be subject to SCE's collection activities and may be subject to late payment charges. SCE's Tariff Rules regarding disputed bills and discontinuance and restoration of service will continue to apply to this account.

Signed: **(SAMPLE TO BE COMPLETED BY SCE)**

Name: _____

Date: _____