

Understanding Your Net Energy Metering (NEM 1.0) Billing Statement

NEM 1.0 applies to residential and small business customers who received permission to operate on or before June 30, 2017.

1. Your account summary

- Displays non-energy charges (i.e., "your new charges") and any previous payments made toward charges from the previous month.
- Credit from any previous payments made toward your energy charges and credit balance will also be reflected here.

2. There are two scenarios, your bill may read "Total amount you owe by date" or "Do not pay"

2a. Total amount you owe by date

Shows total amount due for the month, if any, and the date by which you should pay to avoid a late fee.

2b. Do not pay

Reads "Do not pay. Your account has a credit balance" if no charges are due. Displays credit balance and enables comparison to the balance of energy charges due at the end of the Relevant Period. The Relevant Period begins on the date that you receive our Permission to Operate (PTO), and ends 12 months from that date. On your 12th month, all energy-related charges, if any, are due.

3. NEM 1.0 monthly billing

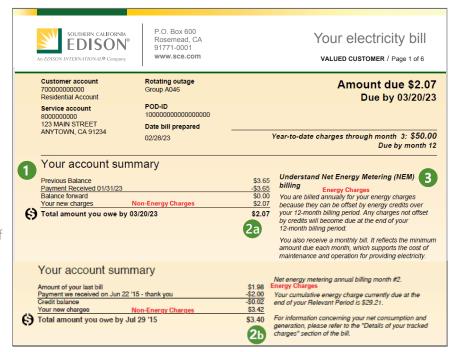
- Displays your NEM billing month in relation to your 12-month NEM Relevant Period.
- Residential and small business customers are not required to pay current energy charges each month, but doing so will reduce the chance of a large balance due for energy charges on the 12-month true-up bill.
- For residential customers, you may request to be billed monthly to pay your current energy charges by calling 1-800-655-4555.

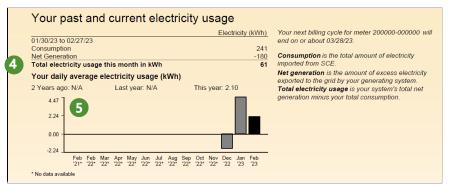
4. Total electricity imported or exported this month in kWh

- Shows both the total amount of electricity imported from SCE and the total amount of electricity exported to our power network by your generating facility for the current month. If you "net consumed" energy, this amount will be a positive number (as in the example),
- and you will have energy usage charges for the month. If you "net generated" energy, this amount will be a negative number and you will have an energy credit for the month.

Compare the electricity you are using

- Compare your energy usage and generation from month-to-month.
- You will be able to see the dips and peaks in your energy usage and generation, and if
- there are any seasonal trends.





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6. Details of your non-energy charges

- Displays details of your non-energy charges, including taxes and other fees.
- Non-energy charges must be paid monthly.

7. Additional information

- Shows important information about your service.
- You will also find your monthly baseline allowance for the current season and the Net Surplus Compensation option you selected, if applicable.

8. Details of your tracked charges

 Your rate is shown above the energy charges along with the billing period and number of days in the billing period.

8a. Domestic/Tiered rate customers

• Displays the details of your monthly energy charges (or credits) by kWh within each tier for both Delivery and Generation charges.

8b. Time-of-Use (TOU) rate customers

• Displays the details of your monthly energy charges (or credits) by kWh within each time-period for both Delivery and Generation charges.

9. Energy Charge Total

- Shows your Energy Charge Total for the current billing period.
- Energy charges and credits are calculated monthly based on your particular rate. If you "net consumed" energy (imported more kWh than you exported to the power network), you will have energy charges and your total net energy charge for the billing period will be shown. This amount is shown for informational purposes only as you are only required to pay energy-related charges at the end of your 12-month Relevant Period. If you would like to include your current energy charges in your monthly payment, please feel free to do so. Payments will be reflected as credits on your next statement.

10. Additional information regarding your Net Consumption/Generation

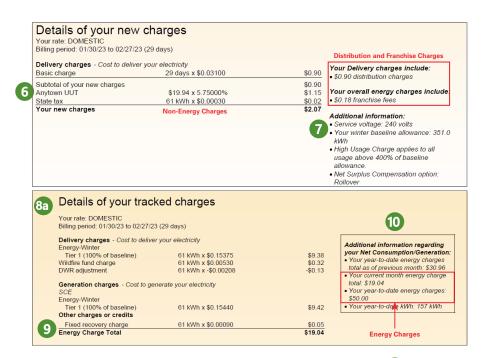
This section allows you to see your cumulative energy charges or energy credits for your Relevant Period, and is **the most important section** for understanding how much you may owe at the end of your Relevant Period.

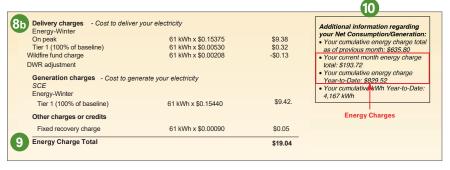
• Your cumulative energy charge total as of previous month:

Shows the total of all your monthly energy charges and/or credits from all previous billing months since your Relevant Period began. A negative dollar amount indicates that your energy credits have exceeded your energy charges.

• Your current month energy charge total:

Displays your total energy charges or credits for the current billing month.





• Your cumulative energy charge year-to-date:

This amount represents the cumulative total of your energy charges (including this month's charges) since your Relevant Period began. A negative amount will not be the monetary value for any net surplus compensation at the end of your Relevant Period.

• Your cumulative kWh year-to-date:

This is the cumulative total of kWh (including this month's kWh) since your Relevant Period began. If at the end of your Relevant Period, this is a negative amount of kWh, it will be used at that time to calculate the Net Surplus Compensation value.