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1 Overview

1.1 How does the Net Energy Metering (NEM) program work?

The NEM program uses a bi-directional meter to track the “net” difference between the amount of electricity produced by your generating system and the amount of electricity you consume from the power grid during each billing period. Your energy charges (kWh) are tracked on a monthly basis, and may be settled monthly or annually depending on your rate schedule.

1.2 How long does a standard NEM application review process take?

The NEM review process can take 2-3 days depending on the complexity of the system and if all completed paperwork is submitted without deficiencies.

We strongly recommend that you submit the application, Single Line Diagram, Plot Plan, signed Interconnection Agreement, and final electrical approval issued by the local jurisdictional authority all at once to expedite the review of your Interconnection Request. This allows ample time for us to evaluate program eligibility, conduct a technical review of the proposed system and initiate a meter change, if necessary. Keep in mind scheduling an inspection by the local jurisdictional authority may take some time to confirm. If a meter change is required, we will arrange with our local planning department before PTO is issued. We will then be ready to issue a Permission to Operate (PTO) and confirm NEM rate enrollment to the customer.

Keep in mind that once an NEM application or Electric Rule 21 technical review fee(s) is applied during the time of application submission, no refund of the application fee is available for Interconnection Request withdrawals. This complies with the NEM Application Fee Policy that is part of the online payment acknowledgement.

1.3 Do I need a new meter and will it cost me anything?

All customers participating in Net Energy Metering (NEM) must have a compatible meter to register net and excess generation. If your current meter is not compatible, we will replace or reprogram the meter as part of enrolling you in an NEM program.

**Request a GMA Adapter**

*Note: We charge Direct Access customers for meter replacement.*

*Continue to 1.4*
1.4 What happens once I’m enrolled in the NEM program?

Once you are enrolled in the NEM program, you’ll continue to receive monthly bills listing non-energy related charges, such as taxes and fees. On an annual basis, your bill will also include “net” electricity charges: charges for the amount of energy you used, minus the energy you produced.

Alternatively, if you are under the NEM 2.0 program (permission to operate date on or after July 1, 2017), you may have your monthly energy charges, if any, billed on your monthly NEM billing statement. Please call to request to be placed on Monthly Billing Option at the below number.

If you have additional questions about your meter or bill, please contact our Net Metering Customer Call Center:

Residential: 1-866-701-7868
Commercial: 1-866-701-7869

1.5 I’m moving into a house with a renewable energy system already installed. What do I need to do to benefit from the NEM program?

If there have been no modifications to the original installed system, and the system size is less than 30 kilowatts (kW), you don’t need to do anything. You will be automatically enrolled in the NEM program, and you will receive additional information via mail.

If your system capacity is greater than 30 kW, or modifications are made to the original installed system, you will need to sign a new NEM Interconnection Agreement (Form 16-344). If the system is over three years old, it must be inspected (Form 14-903) before you can enroll in the NEM program. We will mail an Agreement and Inspection Form soon after you move in, or you can download the forms and email them to CustomerGeneration@sce.com.

1.6 What if I add more solar panels?

If you add solar panels after you receive your Permission to Operate (PTO), you must submit a revised Interconnection Application for your new system, including all additional equipment, to our Generation Interconnection Services. We will perform an engineering analysis to ensure our facilities can accommodate the increased generation capabilities of the new system. You must still meet all the requirements of the NEM program to continue on the NEM rate, including the size limitations.
1.7 If I am an existing NEM 1.0 customer and would like to expand my generating system, will I have to apply under NEM 2.0?

If your system expansion does not exceed the greater of 1 kW or 10 percent of the originally interconnected capacity and does not result in the Renewable Electrical Generating Facility exceeding a total capacity of 1 MW and the customer’s annual onsite load, your entire generating system including the expansion can stay on NEM 1.0. However, if the expansion is more than 10 percent of your onsite usage, and you decide that the expansion portion of the entire generating system will be treated as NEM 2.0, you must apply under a Multi-Tariff interconnection application. If you decide to treat the entire generating system as NEM 2.0 then you must apply under the NEM Successor Tariff and conform to the tariff requirements e.g. NEM-ST including the application fee ($75 for systems 1 MW or less or $800 for systems more than 1 MW).
2 Aggregation

2.1 How do I qualify for NEM-A?

If you have multiple electric accounts on the same property as the renewable generator or property contiguous or adjacent to that property, you can install a generator up to the aggregated load of all accounts, so long as all of the properties are solely owned, leased or rented by you. You must also be the customer of record on all SCE accounts.

2.2 How are the terms “Adjacent and Contiguous” applied for the purposes of participating in NEM-A?

For the purposes of NEM-A (NEM-A) only, parcels that are divided by a street, highway, or public thoroughfare are considered contiguous, provided they are within an unbroken chain of otherwise contiguous parcels and are all solely owned, leased or rented by the Customer, as verified in Form 14-937.

2.3 How do I apply for NEM-A?

Please submit the completed NEM application via the online portal and include the NEM-A Form 14-937 listing both the generating and benefiting accounts in addition to a parcel map to verify the parcels are adjacent and contiguous.

2.4 What is a generating account?

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.

2.5 What is a benefiting account?

A benefiting account is an eligible service account that is included in the NEM-A arrangement. Benefiting accounts may be of a different rate class and/or schedule, but must have the same SCE customer name.

2.6 What is an arrangement?

An arrangement includes all eligible benefiting accounts and the generating account served by the renewable generator.

2.7 Do I need a special meter for my NEM-A account?

The generating account meter must be capable of measuring the excess generation export to the grid in 15 min intervals. Once your interconnection request is submitted, SCE will determine if the correct metering is in place for NEM. If needed, we will install proper metering.

Continue to 2.8
2.8 How do kWh credits get allocated?

Excess generation (kWh) exported to the grid from the generating account is allocated between all of the benefiting accounts in the arrangement including the generating account. The allocation is based on the cumulative load of the accounts and cumulative generation from the renewable generator. See samples below.
2.8 How do kWh credits get allocated? (cont’d)
2.9 Can I offset my demand charges?

Net Energy Metering credits only offset energy charges.

2.10 What is the importance of the 12-month billing period?

Each 12-month billing period begins on the date that you receive Permission to Operate (PTO) and ends 12 months from that date and remains the same for subsequent years.

The billing methodology for large commercial and agricultural NEM customers includes a settlement of monthly energy charges and credits (in $s) over the entire 12-month billing period. This means that any dollar-value energy credits remaining at the end of the 12-month billing period are used to offset energy charges billed to the customer in an earlier month in the 12-month billing period. This essentially eliminates the need for a customer to adjust the start date of their 12-month billing period for purposes of maximizing the use of the monetary credits received over the same time frame.

Advice 2965-E

2.11 Can I change my 12-month billing period?

You may elect to change the start date of your 12-month billing period one time only by completing and returning an NEM One-Time Relevant Period Change Request Form (14-936).

You will be responsible to select the date of the requested change. We must receive this form at least 60 days prior to the requested start date of the new 12-month billing period. When the start date is changed, your existing 12-month billing period will end and your new 12-month billing period will begin. In no case will a 12-month billing period extend beyond 12 months.

2.12 How are these accounts billed? Solo or summary?

All accounts included in a NEM-A arrangement will be billed solo. Summary billing is not available for NEM-A accounts.

2.13 What upgrades are customers required to pay for?

SCE pays for distribution system upgrades required to interconnect a NEM-A generator unless you are the only beneficiary of a required interconnection facility. For example, if the transformer only serves your property and accounts you would be responsible. If the transformer serves other customers, you would not be required to pay.

Continue to 2.14
2.14 Are there any fees associated with NEM-A?

There is a one-time $25 set-up fee for every account in the NEM-A arrangement. Any account added to an NEM-A arrangement is subject to this one-time fee. There is also a $20 monthly billing fee, per account. There is no limit to the number of service accounts that can be aggregated.

Once your new 12-month billing cycle begins, your NEM-A accounts will be transitioned to automated billing and your monthly billing fee will be reduced to $2.70 per account. This decrease in the monthly fee reflects the cost savings and efficiencies gained through the automated billing process that will take place after your new 12-month billing period begins.

2.15 How often can the aggregation arrangement be modified?

You can change the accounts (either add or remove) included in an NEM-A arrangement once in a 12 month rolling period. A Service Account being removed from an arrangement triggers a settlement bill for that account only. A new 12-month billing period will not commence for the accounts being removed. Adding an account does not trigger a new 12-month billing period.

Additionally, the removal of any account(s) cannot result in the REGF being oversized compared to the load of the remaining accounts.

Notification must be provided to us at least 60 days prior to the change taking effect, and such change remains in effect for a minimum of 12 months. Documentation should be emailed to customer.generation@sce.com.

2.16 What types of accounts can participate in the same aggregation arrangement?

In order to qualify, your renewable generating facility must be sized to not exceed the annual on-site load of all the aggregated accounts. In addition, the renewable electrical generating facility, or a combination of those facilities, must have a total generating capacity of not more than one megawatt (MW). However, for NEM 2.0 customers, the one megawatt limit does not apply.

All accounts in an NEM-A arrangement must be (1) all Bundled Service accounts; or (2) all Direct Access (DA) Service accounts served by the same Energy Service Provider (ESP); or (3) all Community Choice Aggregation (CCA) service accounts served by the same CCA. You can have more than one NEM-A arrangement, but accounts may not be shared across multiple arrangements.

2.17 If I have energy credits kWh for one service account at the end of my 12-month billing period, can I apply that to another service account?

No. We will allocate kWh generation to all your accounts in the aggregation arrangement throughout the 12-month billing period to ensure energy credits are applied appropriately. However, there may be instances where energy credits are leftover and cannot be applied to other service accounts.
2.18 If I have a credit on my service account at the end of my 12-month billing period, what happens to that credit? Are they carried forward to the next 12-month billing period?

No, energy credits will not be carried over to the next 12-month billing period.

2.19 What if the excess generation credits are more than the energy charges incurred? Is a net zero on the energy charges the best a customer can expect?

Yes.

2.20 Does my SCE meter track how much I generated each month?

SCE meters do not capture the total generation of the system. Instead, it will capture the ‘net generation’ of the system or the energy that was sent back to the SCE grid in 15-minute intervals or one-hour intervals (15-minute intervals for non-residential; one-hour intervals for residential).

2.21 Can I see my NEM statement online via SCE.COM?

Yes, NEM-A Billing is now available through MyAccount.

2.22 How do I change my NEM contract to an NEM-A contract?

For customers who are currently interconnected under standard NEM 1.0 without modification to the previously authorized equipment may simply change to NEM-A program by sending the following documents to Customer.Generation@sce.com with a subject line of “NEM-A Program Change <Project Number>”:

- NEM-A Form 14-937
- Plot Plan
- Parcel map which clearly identifies the locations of the benefiting account meters
- Lease/Ownership Agreement(s) (when applicable)

2.23 Will any Service Accounts in the NEM-A arrangement receive NSC?

No, NEM-A customers are permanently ineligible for Net Surplus Compensation.
3 Direct Access and Community Choice Aggregation

3.1 How does NEM apply to Direct Access (DA) and Community Choice Aggregation (CCA) customers?

DA and CCA customers are eligible to participate in NEM if the ESP or CCA agrees to support the NEM provisions of the NEM rate. The ESP or CCA must provide their agreement to support these provisions before your associated accounts can/will be placed on NEM. You will receive only any applicable delivery credits from us, and must to look to your ESP or CCA for any corresponding generation credits.

If your ESP or CCA declines to support NEM, you have several options:

- You may choose to remain with your alternate service provider, forego being served on our NEM rate, and benefit from the reduced usage resulting from the operation of their system.
- You may choose to switch to a different ESP that does support the NEM provisions of our NEM tariff.
- You may choose to return to our bundled service in order to qualify for NEM.
- Where CCAs and ESPs have their own NEM programs they still must go through our interconnection process and receive permission to operate their generating facility from us.

*Note:* SCE cannot speak for the ESP or CCA and cannot discuss the ESP’s or CCA’s reason(s) for declining to support NEM or NEM Aggregation. This is an issue to be addressed between the customer and their ESP or CCA only.
4 Energy Storage Devices

4.1 How do I apply for interconnection if I have an energy storage device?

If your storage device is paired with a Net Energy Metering (NEM) eligible generator (e.g., solar, wind, etc.), you’ll need to complete and submit an Interconnection Application via the NEM 2.0 Online Application System.

If you are adding an energy storage device to an existing PV generator, please follow the job aid for details on how to apply.

Please Note: If the energy storage device is standalone, or not paired with an NEM generator, then the interconnection application must be submitted to Rule21@sce.com and is subject to the appropriate fees. For questions regarding the Rule 21 application process, send an email to InterconnectionQA@sce.com or call 626-302-3688.

4.2 Are there sizing requirements for an energy storage device?

Sometimes. If your energy storage device has an inverter rating of 10 kilowatts (kW) or less, there are no sizing restrictions or requirements for the storage device; however, if the inverter rating is greater than 10 kW, the maximum output power of the storage device cannot be larger than 150% of the NEM Renewable Electrical Generating Facility’s (REGF) capacity. For example, if the REGF is sized to load at 20 kW, then the inverter rating for the storage device can be a maximum of 30 kW.

Please note that rebate programs such as the Self-Generation Incentive Program (SGIP) may have a different sizing requirement for the energy storage device. As such, you’ll need to ensure that the size of the storage device meets both the NEM tariff and rebate program requirements in order to qualify and take advantage of both programs.

Continue to 4.3
4.3 Are there any special metering requirements for energy storage?

It depends on the capacity of your storage device. If your storage device has an inverter rating of 10 kW or less, no additional metering is required. Instead, we’ll use an estimation methodology to validate your eligible NEM credits. If you’d like, however, you can opt-in to installing a Net Generation Output Meter (NGOM) or non-export relay (if it is technically feasible to do so) instead. In this case, you must adhere to metering requirements similar to those in the NEM-MT (multiple tariff) section of the NEM rate. Metering costs are capped at $600, subject to the exceptions described below.

If your storage device has an inverter rating greater than 10 kW, you must adhere to the metering requirements similar to those in the NEM-MT section of the NEM rate. These requirements include 1) installing a non-export relay on the storage device(s) or 2) installing a NGOM directly to the NEM REGF(s). Projects falling under this category must adhere to the NEM-MT metering provisions, and are not eligible for the estimation methodology in lieu of metering.

Please note that while metering costs for NEM-paired storage projects are capped at $600, the cap does not apply to systems requiring more complex metering solutions. “More complex metering” is defined as systems requiring more than two self-contained meters or any non-self-contained meters (CTs/PTs).

4.4 How do I order a net generation output meter (NGOM)?

Once your NEM application is deemed valid, it is forwarded to Distribution Engineering for review. After requirements are validated, an NGOM order request is internally generated. The Local Planning Department will send an invoice to the legal contact listed on the Customer Project Information Sheet (CPIS). The NGOM installation will initiate once payment is received for the additional metering AND the Authority Having Jurisdiction inspection release is received by SCE.

4.5 Can I remain on NEM 1.0 if I add an energy storage device to an existing PV system even though NEM 2.0 is in effect?

Yes, any new energy storage device added to a previously approved NEM 1.0 generator will be eligible under NEM 1.0 provided that it meets all tariff requirements.

As such, new energy storage device projects added to an existing NEM 1.0 generator are exempt from the $75 application fee. Customers should submit these projects using the NEM 1.0 expansion form.

4.6 If I received PTO under NEM 2.0 for PV only, how do I apply for paired energy storage?

On the NEM-ST application, you would select the application type ‘Modification to Existing NEM’ and answer the questions that follow in the application. In addition, the application fee is required ($75 for systems 1 MW or less or $800 for systems more than 1 MW).
5 Generation Meter Adapter

5.1 Have the cities approved the installation of this product?

This will be considered a line-side connection. Cities and Authority Having Jurisdiction (AHJ) may have various requirements regarding line-side connections. Please work with your City or AHJ to determine if the GMA is an approved method for interconnecting.

5.2 Is the adapter available in a top or side entry version in order to be compatible with panels that have the meter above the distribution section?

Top and side entry is not available at this time. However, in most cases, the “bottom” feed connection has worked well even with the breaker door underneath the meter. This is with the bent connector and not the straight connector.

Continue to 5.3
5.3 **Will all the work during the GMA installation be performed on de-energized equipment?**

- The GMA installation will be performed on a de-energized panel.  
- The SCE Meter Technician will pull the meter to de-energize the “Load Side” of the panel and insulate the “Hot” A and B clips in the socket for safety.  
- The neutral will be connected inside the panel. We will make every effort to connect the neutral in the Edison Pull Section of the panel.  
- The SCE Meter Technician will set the GMA. The “Load Side” of the service remains de-energized.  
- The connections to the A/C disconnect will be completed by the Meter Technician and connections will be rung out and the A/C disconnect will be left in the “Off” position.  
- The SCE Meter Technician will 1) Remove the insulators on the A and B clips and set the meter; 2) Verify voltage to the A/C disconnect; 3) Verify A/C disconnect is in the “Off position and locked off with breakaway lock; and 4) Verify proper NEC signage has been placed on the A/C Disconnect.

5.4 **The online information states that the contractor may terminate the neutral wire in the distribution section. How will this work be performed?**

The SCE Meter Technician will work in conjunction with your contractor’s electrician, and conduct a tailboard with the contractor’s electrician to determine the best spot to connect the neutral lead (either in the SCE pull section or the panel neutral strip). We will make every effort to make the connection in the SCE pull section of the panel. If the neutral cannot be terminated in our pull section due to the panel configuration (where the incoming neutral terminates at the panel neutral strip), the SCE Meter Technician will work with your contractor’s electrician to terminate the neutral GMA wire to the panel’s neutral strip.

5.5 **Does the GMA rating of 200 Amps apply to the PV input, or is that the maximum service size allowed?**

The 200 Amp GMA rating does not apply to the PV input. The GMA device is rated for 200 Amps continuous; however, it may be de-rated to 175 Amps when installed on electrical service panels. For more information, see the GMA specification sheet below.

*Continue to 5.6*
5.6 What is the line between utility and customer owned equipment? Who owns the neutral pigtail?

The demarcation between SCE and the customer is the wire connection to the A/C disconnect in the GMA at the termination block (i.e., 2 wires for 120 V or three wires for 240 V 200 amp service panel). The neutral pigtail is the white wire included in the GMA and it is installed and owned by SCE.

The internal Underside of the GMA

5.7 Does SCE use the same GMA device as SDG&E?

No. We use a different GMA device than SDG&E.

5.8 What exactly are the ESR violations for the existing service equipment that would prohibit the installation of a GMA?

For residential customers, the existing service panel cannot have any hazardous conditions, such as missing or damaged external panels, missing bent covers, exposed wires, or meter socket issues (loose jaws, any loose wires, or discoloration caused by overheating).

The most common ESR violations include:

- Existing metering located on a prohibited location per ESR 5-2.
- Existing foreign equipment/wiring on SCE’s metering sections per ESR 5-1.
- Existing configuration, location, height, clearances, working space per ESR 5, Figures 5-4, 5-5, 5-6.
5.9 What are the necessary neutral termination methods for installing the GMA?

SCE will only install the GMA if 1 of 2 neutral termination methods are available:

- Existing terminal in meter panel “Pull Section” enclosure.
- Neutral pigtail wire can be routed through meter section and into distribution section.

These methods will cover the majority of panels, but not all.

5.10 What other options for pigtail connections can be used to increase compatibility of the GMA?

- Multi-port connector
- Crimp or splice or tap
- Field installed lug

There are two basic termination options. The first option is to connect to SCE’s pull section (preferred). The second option (if the neutral cannot be terminated in SCE’s pull section due to the panel configuration) is to connect to the neutral strip in the customer’s breaker section.

The two pigtail connection options are a multi-port connector or field installed lug, as shown in the pictures below. Crimp, splice or tap are not acceptable options.

Exhibit #1: Multi-port connection
Exhibit #2: Field Lug Connection

5.11 Can we directly order the GMA and parts from Marwell? If we must purchase the GMA through SCE, are the parts readily available, and how is the GMA installation requested?

No. The GMA is available through SCE and not directly from the vendor. We have plenty of inventory and are readily available. You can request the GMA installation when you submit the NEM application.

Continue to 5.12
5.12 Are there additional photos of GMA installation?

Exhibit #1 Panel Wiring

Exhibit #2 Completed Meter + GMA installation + wiring

Exhibit #2 GMA installation

Exhibit #2 wiring

Exhibit #2 Completed Meter

Securing a Flexible Conduit on the GMA Installation
6  Net Surplus Energy Compensation (NSC)

6.1 What is net surplus generation or energy?

Net surplus generation (or energy) occurs when your renewable electrical generating facility (solar or wind generator) exports more kilowatt hours (kWh) to the grid than you receive from us during your 12-month billing period. Certain exemptions apply:

- DA Customers are not eligible to receive Net Surplus Compensation.
- CCA customers are not eligible to receive Net Surplus Compensation.
- Customers participating on BG-NEM and FC-NEM are not eligible to receive Net Surplus Compensation from SCE.

6.2 Will I get compensated for the net surplus energy if my panels are owned by a third party?

If you are an NEM customer, you are eligible to receive Net Surplus Compensation from us for any net surplus electricity you generate.

6.3 How can I tell if I have generated surplus electricity?

On your annual 12-month settlement bill, if the Total Energy Amount is negative, you have generated surplus electricity and are eligible for Net Surplus Compensation. If the Total Energy amount is positive, you used more electricity than you produced over the course of your 12-month billing period, and therefore are not eligible to receive Net Surplus Compensation.

6.4 If I have monetary credit at the time of my 12-month settlement bill, does this mean I get Net Surplus Compensation credit?

Not necessarily. Payment is issued only if the customer has net surplus electricity (you export more kilowatt-hours (kWh) to the grid than you use over the 12-month billing period). It is rare for a customer to have a monetary credit remaining at the end of a full 12-month bill period and not have net surplus electricity. This can happen, however, with customers that export to the grid during peak periods when electricity is more expensive, and use energy from the grid during off-peak periods when electricity costs less.

Continue to 6.5
6.5 How will I get compensated for the surplus electricity I generate?

Before or at the end of your 12-month settlement bill, if you have generated more electricity than you used, you may be compensated in one of two ways:

1. **Net Surplus Generation** will be paid as an on-bill credit. At this point, the account balance will be zeroed out and the new 12-month billing period will begin on the next regularly scheduled meter read date. Any credit can be applied to energy or non-energy charges. We will maintain your NSC credit indefinitely, until it is fully used, or until the account is closed. If your account is closed, we will return any unused credit in your account in the form of a check to the mailing address identified on your account.

2. You may elect to receive a check through the mail for the value (dollar amount) of the net surplus energy, excluding any amount owed to us for other charges on your electric bill, by calling Customer Service at 1-800-655-4555 before the end of your 12-month billing period. At the end of each 12-month billing period, your account balance will be zeroed out, and the new 12-month billing period will begin on the next regularly scheduled meter read date.

6.6 How is the dollar amount of my net surplus compensation credit calculated?

Net Surplus Compensation (NSC) is equal to the Net Surplus Compensation Rate (NSCR) multiplied by your Net Surplus Energy. The NSCR is based on the default load aggregation point (DLAP) price. We use a simple rolling average of day-ahead DLAP electricity prices from 7:00 a.m. to 5:00 p.m. corresponding to your 12-month billing period. The rolling average is calculated on a monthly basis to be effective the first of each month and is applied to eligible Net Surplus Generators with 12-month billing period ending in that month. The monthly NSCR rates can be found here.

6.7 What is a 12-month billing period?

Each 12-month billing period begins on the date that you receive our Permission to Operate (PTO), and ends 12 months from that date, then anniversaries on the same date for subsequent years.

6.8 What is the 12-month billing period for a large commercial or agricultural NEM customer?

The billing methodology for large commercial and agricultural NEM customers includes a settlement of monthly energy charges and credits (in $s) over the entire 12-month billing period. This means that any dollar-value energy credits remaining at the end of the 12-month billing period are used to offset energy charges billed to the customer in an earlier month in the 12-month billing period. This essentially eliminates the need for a customer to adjust the start date of their 12-month billing period for purposes of maximizing the use of the monetary credits received over the 12-month billing period.

Continue to 6.9
6.9 Can I request a change to my 12-month billing period start date?

You may elect to change the start date of your 12-month billing period one time only by completing and returning an NEM One-Time Relevant Period Change Request Form (14-936).

You will be responsible to select the date of the requested change. We must receive this form at least 60 days prior to the requested start date of the new 12-month billing period. When the start date is changed, your existing 12-month billing period will end and your new 12-month billing period will begin. In no case will a 12-month billing period extend beyond 12 months.