



ELECTRIC SCHEDULE NEM2VMSH
 VIRTUAL NET ENERGY METERING FOR MULTIFAMILY
 AFFORDABLE HOUSING (MASH/NSHP) WITH SOLAR GENERATOR(S)

Sheet 1

APPLICABILITY: This virtual net energy-metering schedule is applicable to Customers, who operate (a) solar generator in parallel with PG&E's electric system, all on the same Premises (or meeting the requirements in c.) for:

(N)

- a. an existing building or buildings that received incentives under PG&E's California Solar Initiative (CSI) Multifamily Affordable Solar Housing (MASH) Program¹, or
- b. new, "Affordable Housing" consisting of one or more buildings that received incentives under the New Solar Homes Partnership (NSHP)² Program in PG&E's service territory, or
- c. Customers that meet the requirements of provisions "a" or "b" above except for the single Customer Service Delivery Point restriction may alternatively elect to serve Accounts located at multiple Customer Service Delivery Points within their "Eligible Low Income Development" so as to fully utilize their solar generator(s) also sited within their "Eligible Low Income Development."

Customers on this Schedule NEM2VMSH will be covered under Special Condition 9, *NEM2 Grandfathering Provisions*, in Schedule NEM2.

¹ Pursuant to CPUC Decision 08-10-036, "The MASH Program is targeted at existing multifamily affordable housing that meets the definition of low-income residential housing set forth in Pub. Util. Code 2852. Specifically, this means multifamily housing financed with low-income housing tax credits, tax-exempt mortgage revenue bonds, general obligation bonds, or local, state or federal loans or grants. The housing must also meet the definition of low-income households in Health and Safety Code 50079.5 (p. 6). Under the MASH program, the portion of the system offsetting common area load would receive Track 1A incentives, and the portion offsetting tenant load would receive Track 1B incentives."

² Pursuant to Public Resources Code 25401.6, to be eligible as a NSHP "affordable housing" means:

- a. In its administration of Section 25744, the Commission shall establish a separate rebate for eligible distributed emerging technologies for affordable housing projects including, but not limited to, projects undertaken pursuant to Section 50052.5, 50053, or 50199.4 of the Health and Safety Code. In establishing the rebate, where the Commission determines that the occupants of the housing shall have meters, the Commission may adjust the amount of the rebate based on the capacity of the system, provided that a system may receive a rebate only up to 75 percent of the total installed costs. The Commission may establish a reasonable limit on the total amount of funds dedicated for purposes of this section;
- b. It is the intent of the Legislature that this section fulfills the purpose of paragraph (5) of subdivision (b) of Section 25744.

(N)

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APPLICABILITY: (Cont'd.) An "Eligible Low Income Development" is defined as all of the real property and apparatus employed in a single low income housing enterprise on contiguous parcels of land. These parcels may be divided by a dedicated street, highway or public thoroughfare or railway, so long as they are otherwise contiguous and part of the same single low income housing enterprise, and all under the same ownership. (N)

Each of the three options a. through c. above is referred to in this tariff as a "Eligible Low Income Facility."

Certain incremental billing and metering costs set forth in this schedule that are related to net energy metering are applicable to Electric Service Providers (ESPs) and Community Choice Aggregators (CCA's) serving a Customer with a Load Account (as defined below in the Applicability, Account Types section).

This service is not applicable to a Direct Access (DA) Customer with a Load Account, where the Customer's ESP does not offer a net energy metering tariff. In addition, if the Customer participates in direct transactions with an ESP that does not provide distribution service for the direct transactions, the ESP, and not PG&E, is obligated to provide virtual net energy metering for multifamily affordable housing to the Customer.

NEM2VMSH is available to Customers with an Eligible Low Income Facility that provide PG&E with:

- a. a completed NEM2VMSH application and interconnection agreement as described in Special Condition 3, including all supporting documents and required payments; AND
- b. evidence of the final inspection clearance from the governmental authority having jurisdiction over the Solar Generating Facility;

until all funds available for the incentives have been allocated.

Once all the available funds have been allocated, Schedule NEM2VMSH will be closed to new customers.

Generator Size – Size the generator(s) no larger than for the energy requirements of all eligible account types of the past year for existing housing and estimated requirements of new housing. Specific size limit details will be determined by the relevant incentive program (MASH or NSHP) handbooks. These generator size limits apply to all Eligible Low Income Developments whether they actually receive MASH or NSHP incentives or not. (N)

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APPLICABILITY: **Owner Obligations** – The Owner must:
 (Cont'd.)

(N)

- a. comply with all applicable safety and performance standards as delineated in PG&E's Electric Rule 21 and other applicable tariffs, 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 California Public Utilities Commission regarding safety and reliability. The Owner is solely responsible for the ongoing maintenance and operation of the Solar Generating Facility;
- b. in order to promote the safety and reliability of the customer Generating Facility, the applicant is required to verify as a part of each interconnection request for this tariff, that all major solar system components are on the verified equipment list maintained by the California Energy Commission and other equipment, as determined by PG&E, should be verified by the customer as having safety certification from a nationally recognized testing laboratory.
- c. Owner is required to verify as a part of each interconnection request for this tariff, that (i) a warranty of at least 10 years has been provided on all equipment and on its installation, or (ii) have a 10-year service warranty or executed "agreement" ensuring proper maintenance and continued system performance.
- d. keep in force the amount of property, commercial general liability and/or personal liability insurance the Owner has in place at the time they initiate service on this tariff;
- e. agree that PG&E may from time to time release to the California Energy Commission and/or the California Public Utilities Commission, information regarding the Eligible Low Income Facility, including the Owner's name, and Solar Generating Facility location, capacity and operational characteristics, and Customer names at the Residential Unit Accounts; AND
- f. agree to comply with all applicable rules and requirements of PG&E's Net Energy Metering tariffs.

Modifications to Solar Generating Facility – If the Eligible Low Income Facility's Solar Generating Facility has not been previously approved for interconnection by PG&E, or where any modification to the previously approved Solar Generating Facility has been made, the Owner must complete the interconnection process in Special Condition 3 of this tariff.

Change in Owner – A change in the Owner responsible for the Eligible Low Income Facility ("Change of Owner"), where no modification to the Solar Generating Facility has been made, does not need to complete the interconnection process in Special Condition 3, as long as the requirements of this section are met.

(N)

(Continued)



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Sheet 5

RATES: The rate and charges at each Customer Load Account and the Generator Account under this schedule will be in accordance with its PG&E otherwise-applicable metered rate schedule (OAS). The customer at each Customer Load Account or Generator Account served under this schedule is responsible for all charges from its TOU OAS including monthly minimum charges, customer charges, meter charges, facilities charges, demand charges, surcharges and non bypassable charges. (N)

For Generator and Common Area Accounts on general service OASs, the "Average Rate Limiter" and all other demand charges will be based on the demand in kilowatts as measured only on the energy being consumed at the Common Area Account or Generator Account from PG&E. The power factor, when it applies on the OAS, will be based on the energy consumed at the Account from PG&E and the average power factor over the past 12 billing months of operation prior to starting on NEM2VMSH. A Generator or Common Area Account, without 12 billing months of power factor history, will have its power factor estimated based on the nature of the connected loads and their hours of operation. Power factor will be subsequently applied to the bill at the Generator or Common Area Account until the customer demonstrates to PG&E's satisfaction that adequate correction had been provided. PG&E will continue to monitor and review the power factor and if warranted, change the power factor correction on the Generator or Common Area Account's bills.

Charges for energy (kWh) supplied to a Load Account by PG&E, an ESP or a CCA, as applicable, will be calculated in accordance with Billing (Special Condition 2, below).

For each Service Account, the energy rates and customer charges will be in accordance with their OAS. For a DA or a CCA Service Customer Load Account being billed under Consolidated PG&E Billing service, the ESP or CCA is responsible for providing the billing information regarding the applicable generation related bill charges or credits to PG&E on a timely basis.

Generator Accounts eligible for service under NEM2VMSH are exempt from the requirements of Schedule S – *Standby Service*.

PG&E rates and rate design, including the rates and rate design reflected in this Tariff, are subject to change from time to time. Customers should take this into consideration when making any long term decisions based on rate structures that are currently in place.

Residential Customers on this tariff, who are required to take TOU rates prior to the implementation of default TOU rates for residential customers, and who are on any TOU rate (including a TOU pilot rate) prior to the implementation of default residential TOU rates, have the option to stay on that TOU rate for a period of five years from the date the customer commences the TOU rate. (N)

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Advice Letter No: 4980-E
 Decision No. 16-01-044

Issued by
Steven Mainight
 Senior Vice President
 Regulatory Affairs

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SPECIAL
 CONDITIONS:

1. METERING: NEM2VMSH net energy metering shall be accomplished at:

(N)

a. The Generator Account(s) where the Solar Generating Facilities are located, using either:

1) a PG&E interval meter (capable of recording solar energy system output in up to fifteen minute increments), if required by PG&E to allocate the Solar Energy Credit based on the OAS of the Customer Load Accounts in an Eligible Low Income Facility. The Owner shall be responsible for, and shall bear all costs associated with PG&E providing and installing an interval meter for each Generator Account. The cost of the Owner's interval meter installation will be determined by PG&E and will vary on a site specific basis.

If the Generator Account is on DA service and the Owner uses a third-party Meter Data Management Agent (MDMA), the Owner will be responsible for any and all costs associated with providing PG&E acceptable interval data into the PG&E system on a timely basis.

2) a PG&E "TOU" (TOU) meter, if based on review of the Customer Load Accounts' OASs PG&E is able to allocate the Solar Energy Credits. This option will only be available until any Customer Load Account OAS change necessitates that the Owner provide an interval meter per (i) in order to properly allocate Solar Energy Credits. The Owner shall be responsible for, and shall bear all costs associated with, PG&E providing and installing a TOU meter for the Generator Account (or upgrading to an interval meter if required in the future). For the TOU option, the Owner may choose charges based on either a one-time, up-front fee or as a monthly meter charge. Prices are as follows:

TOU Meter Option	One Time Upfront Fee	Monthly Meter Charge
Single Phase	\$755.00	Based on the OAS monthly meter charge
Three Phase	\$890.00	Based on the OAS monthly meter charge

(N)

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SPECIAL
 CONDITIONS:
 (Cont'd.)

1. METERING: (Cont'd.)

(N)

If the Generator Account has any load in addition to that of the solar energy system inverter(s), PG&E reserves the right to require the Owner to install a bi-directional PG&E meter appropriate to its otherwise applicable rate schedule and a generator output meter to determine the total generation and total usage at the Account. Additionally, the Owner will need to furnish at the Owner's expense a meter socket for the generation output meter and provide PG&E with unrestricted access to that meter and socket. If the Generator Account's existing electrical meter, together with the generation output meter, is not capable of determining the total usage necessary to bill its otherwise applicable rate schedule, the Owner shall be responsible for all expenses involved in purchasing and installing such metering.

- b. Each Common Area Account, if any exist, using PG&E metering appropriate to its TOU otherwise applicable rate schedule.
- c. Each Residential Unit Account using PG&E metering appropriate to its TOU otherwise applicable rate schedule.

2. BILLING:

For each Customer Load Account, Consumption or production shall be valued as follows:

a. Annual Solar Energy Credit

The Annual Solar Energy Credit is the total energy (in kilowatt hours or kWh as read on the generation output meter over the Relevant Period as defined in Special Condition 2.h.

b. The Annual Solar Energy Credit Allocation

The Owner at the time the Eligible Low Income Facility first takes service under NEM2VMSH shall determine the initial percentage of Annual Solar Energy Credits allocated to the Common Area Account(s) versus the Residential Unit Accounts. This allocation shall remain fixed for at least five years, regardless of a Change in Owner. If incentives are received under the MASH program, the initial credit allocation must match the percentage of MASH incentive received for Track 1a (Common Area load offset) and Track 1b (Residential load offset). Any allocation error caused by the owner will be corrected prospectively.

(N)

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SPECIAL
 CONDITIONS:
 (Cont'd.)

2. BILLING: (Cont'd.)

(N)

b. The Annual Solar Energy Credit Allocation (Cont'd.)

After the initial five year period, the Owner may only modify this allocation once in any 12 month period. A reallocation of the solar credit becomes effective for each Customer Load Account on the first day of the next Billing Cycle where the Billing Cycle start date occurs at least five business days after the date of the Owner's request.

Any measured usage at the Generator Account over and above that required by the Solar Generating Facility itself, will be treated as if it is Common Area Account usage for the purposes of the Annual Solar Energy Credit Allocation and for billing.

For the Residential Unit Accounts, the percentage of solar energy credits (in kWh) allocated to each Residential Unit Account will be in proportion to the relative size of each unit, consistent with the manner in which affordable housing rents are established. This solar allocation percentage will be established initially by the Owner on Appendix A of the NEM2VMSH application and interconnection agreement as described in Special Condition 3. Allocations will be rounded to the nearest 100th of a percent.

If there are multiple Common Area Accounts, the Owner must specify each Common Area Account allocation on Appendix A of the NEM2VMSH application and interconnection agreement as described in Special Condition 3.

Once allocated, Credits (in dollars) will be calculated per the OAS for each bundled service. Customer Load Account as described in Special Condition 2.c. For a DA or CCA Service Benefitting Account, the credit will be calculated by the ESP or CCA in accordance with the ESP's or CCA's program corresponding to NEM2VMSH.

(N)

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Sheet 9

SPECIAL
 CONDITIONS:
 (Cont'd.)

2. BILLING: (Cont'd.)

(N)

c. Monthly Energy Charge/Credit For an OAS with Baseline Rates

A Customer is a net consumer if the Customer Load Account(s) Solar Energy Allocation percentage (SA%) times the solar generator(s)' output (in kWh) is less than the Customer's usage (Customer usage), and its net consumption in kWh is equal to:

$$\text{Customer usage} - (\text{SA}\% \times \text{solar generator(s)' output}) = \text{net consumption}$$

Otherwise the Customer Load Account is a net producer and its net production in KWh is equal to:

$$(\text{SA}\% \times \text{solar generator(s)' output}) - \text{Customer usage} = \text{net production}$$

If the bundled Customer is a net consumer, the Customer Load Account will be billed for its net consumption in accordance with the Customer Load Account's OAS, except for the non-bypassable charge (NBC) calculation addressed in 2.e.

If the bundled Customer is a net generator, the net production shall be valued at the rate for the kWh up to the baseline quantity, with any excess kWh generated, valued at the rate for the appropriate tier level in which the equivalent kWh of usage would fall. These credits, if any, do not reduce the charges from the NBC calculation addressed in 2.e.

For a DA or CCA Service Customer Load Account, Generation Rate Component credits, if any, do not reduce the charges owed to PG&E for energy supplied to the eligible customer-generator, nor do they reduce the NBC calculation in 2.e.

(N)

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Sheet 10

SPECIAL
 CONDITIONS:
 (Cont'd.)

2. BILLING: (Cont'd.)

(N)

d. Monthly Energy Charge/Credit For an OAS with TOU (TOU)

A Customer is a net consumer for a discrete TOU period if the Customer Load Account's Solar Energy Allocation Percentage (SA%) times the solar generator output (in kWh) for that TOU period (TOU solar generator output) is less than the Customer's usage (Customer TOU usage) for the TOU period, and its net consumption in kWh is equal to

$$\text{Customer TOU usage} - (\text{SA}\% \times \text{TOU solar generator output}) = \text{net consumption}$$

Otherwise the Customer is a net producer and its net production in KWh is equal to:

$$(\text{SA}\% \times \text{TOU solar generator output}) - \text{Customer TOU usage} = \text{net production}$$

Any net consumption or net production shall be valued monthly as follows:

If the bundled Customer is a net consumer during any discrete TOU period, the net consumption shall be billed in accordance with that same TOU period in the Customer Load Account's OAS, except for the NBC calculation addressed in 2.e.

If the bundled Customer is a net generator during any discrete TOU period, the net production shall be valued at the price per kWh at the same TOU period in the Customer Load Account's OAS.

For bundled service Qualified customers on tiered rates, in the event that at the end of the monthly billing cycle, a Customer's net consumption (kWh) for all TOU periods totals zero (i.e. net production in one or more periods exactly offsets the net consumption in all other periods), then the value of usage and/or generation will be calculated using Tier 1 rates (as set forth in the OAS).

For a DA or CCA Service Customer Load Account, Generation Rate Component credits, if any, do not reduce the charges owed to PG&E for energy supplied to the eligible customer-generator including the NBC calculation addressed in 2.e.

(N)

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Sheet 11

SPECIAL
 CONDITIONS:
 (Cont'd.)

2. BILLING: (Cont'd.)

(N)

e. Non-Bypassable Charges

Customers on this tariff must pay all non-bypassable charges pursuant to D.16-01-044 and Resolution E-4792 in each metered interval for each kilowatt-hour of electricity they consume from the grid. For the purposes of this tariff, the relevant non-bypassable charges are Public Purpose Program (PPP), Nuclear Decommissioning (ND), Competitive Transition Charges (CTC) and Department of Water Resources bond charges (DWR Bond) (NBCs). NBCs shall be assessed only on the kilowatt hours consumed in each metered interval, except as provided in Special Condition 5.

f. For an OAS with monthly Minimum Charges

Eligible Customer Load Accounts taking service on a residential OAS, that are billed annually for net energy consumed, shall owe only the delivery minimum bill amount monthly, which shall be assigned as distribution revenue. The energy (kWh) related component shall be treated in the same manner as energy (kWh) consumed, as described in Special Condition 2.h below, unless otherwise provided for in the Customer Load Account's OAS .

For all bundled service residential and Small Customer Load Accounts, the net balance of all moneys owed for the net energy (kWh) consumed must be paid on each monthly billing cycle, unless the customer opts to pay annually. (Customer Load Accounts other than those on residential and Small Commercial must pay monthly.) When bundled service Customer Load Accounts are a net electricity producer over a monthly billing cycle, the value of any excess kWh generated during the billing cycle shall be carried over to the following billing period and appear as a credit on the Customer's account, until the end of the Relevant Period.

For DA and CCA Service Customer Load Accounts, applicable Generation Rate Components charges or credits will be calculated by the ESP or CCA and treated in accordance with the ESP's or CCA's program corresponding to NEM2VMSH.

g. Relevant Period

A Relevant Period consists of any twelve monthly billing cycles commencing on the date PG&E provides the Owner with PG&E's written approval to begin parallel operation of the Solar Generating Facility for purposes of participating in NEM2VMSH, and on every subsequent anniversary thereof.

(N)

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Sheet 12

SPECIAL
 CONDITIONS:
 (Cont'd.)

2. BILLING: (Cont'd.)

(N)

g. Relevant Period (Cont'd.)

If a Customer Load Account terminates service with PG&E or there is a change of party at a Customer Load Account, prior to the end of any 12 monthly billing cycles, the Relevant Period for that Customer Load Account will consist of that period from the anniversary date until the effective date of that termination or Change of Party. If service to a Customer Load Account with an ESP or CCA terminates, or experiences a change in ESP or CCA prior to the end of any 12 monthly billing cycles the Relevant Period will consist of that period from the anniversary date until the effective date of that termination or ESP or CCA change.

The subsequent customer after a Change of Party at a Customer Load Account will start a new Relevant Period commencing on the date the new Customer takes service under this rate, and every subsequent anniversary thereafter.

On a going forward basis, the Owner may elect to reallocate the Annual Solar Energy Credit Allocation assigned to a Residential Unit Account that is no longer able to be occupied. In order to elect this option, the Owner must submit adequate evidence to PG&E, at PG&E's sole discretion, to substantiate the unit's uninhabitable status. In order to initiate a reallocation if no new customer takes service in the Residential Unit, the Owner must submit a revised Appendix A described in Special Condition 3. A reallocation of the solar energy credit becomes effective for each Customer Load Account on the first day of the next Billing Cycle where the Billing Cycle start date occurs at least five business days after the date of the Owner's request. The Owner must leave this reallocation in place for at least 12 months. This will result in a reallocation only to the Residential Unit Accounts as provided for in Special Condition 2.b, except the unoccupied unit will not be included in the calculation. There will be no change to any of the remaining Customer Load Account's existing Relevant Period.

If an Owner terminates service under this rate schedule for the Eligible Low Income Facility prior to the end of any 12 monthly billing cycle, then the Relevant Period for all Load Accounts will end as described in the previous paragraph upon reaching the effective date of the service termination.

If there is a Change of Owner for an Eligible Low Income Facility prior to the end of any 12 monthly billing cycle, the Relevant period for the Owner's Load Accounts will end. The new Owner's Load Accounts will automatically be placed in service under this rate schedule and begin a new Relevant Period. However, existing Residential Units will not begin a new Relevant Period.

(N)

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SPECIAL
 CONDITIONS:
 (Cont'd.)

2. BILLING: (Cont'd.)

(N)

g. Relevant Period (Cont'd.)

A true up is performed by PG&E, and/or ESP or CCA, as applicable, at the end of each Relevant Period for each Customer Load Account.

Where the residential minimum bill applies at the true up for a Bundled, DA/CCA, or Transitional Bundled Service Customer Load Account, the Customer will not owe any additional amount for delivery services. The total delivery minimum bill amount will be unbundled for accounting purposes based on the net energy consumed over the relevant period using the non-generation rates described in the otherwise applicable rate schedule, except for NBC's which will be unbundled for accounting purposes based on total energy consumed from the grid.

Where the residential delivery minimum bill applies at the true up for a Bundled or Transitional Bundled Service Benefitting Account, and the accumulated net generation charges over the relevant period are greater than zero, the Qualified Customer will also owe an amount equal to the accumulated net generation charges. Where the residential delivery minimum bill amount applies at the true up for a Bundled or Transitional Bundled Service Benefitting Account, and the accumulated net generation charges over the relevant period are less than or equal to zero, no credit for accumulated net generation charges will be applied to the amount owed by the Qualified Customer.

If the Customer Load Account is taking service under DA or CCA Service, separate true-ups will be calculated for the applicable PG&E charges and credits and the ESP or CCA charges and credits. If PG&E is the electric commodity service provider, this condition may be modified where the customer has signed a contract to sell electricity to PG&E.

For a DA or CCA Service Customer Load Account, Generation Rate Component credits, if any, do not reduce the charges owed to PG&E for energy supplied to that Customer Load Account.

If a Customer Load Account's Relevant Period ends under any of the circumstances described in 2.f above:

- 1) The Customer will pay all charges owed at that time;
- 2) No payments shall be made for credits remaining after the true-up;

However, in the event the Customer Load Account's allocation of energy (kWh), generated at the associated Generator Account and fed back to the electric grid, exceeds the energy (kWh) consumed during the Relevant Period, compensation shall be made for the excess energy (kWh) as described in Special Condition 4.

(N)

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 CONDITIONS:
 (Cont'd.)

2. BILLING: (Cont'd.)

(N)

h. Billing Information

A true up is performed by PG&E, and/or ESP or CCA, as applicable, at the end of each Relevant Period for each Customer Load Account.

i. OAS Payment Option

Eligible Small Customer (as defined in Rule 1) Customer Load Accounts will be required to pay monthly, unless they specifically request to pay annually, for the net energy (kWh) consumed. For commercial Common Area Accounts other than Small Commercial, the net balance of all moneys owed must be paid on each monthly billing cycle. When the customer is a net electricity producer over a monthly billing cycle, the value of any excess kilowatt-hours generated during the billing cycle shall be carried over to the following billing period and appear as a credit on the customer's account, until the end of the Relevant Period.

j. ESP Charges

If PG&E provides DA metering for the ESP, consolidated UDC billing (that is, Consolidated PG&E Billing as described in PG&E's Rule 22), Separate or Consolidated ESP Billing support services for DA customer-generators served under PG&E's rates or their ESP's rates, PG&E may recover the incremental costs related to net energy metering from the customer's ESP as follows:

Metering services: \$104 Metering Service Base charge, plus \$73/hour for onsite work, plus materials.

Billing: \$85/hour plus materials.

(N)

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SPECIAL
 CONDITIONS:
 (Cont'd.)

3. INTERCONNECTION:

(N)

In order to receive approval for Parallel Operation of the Solar Generating Facilities, the Owner must submit a completed PG&E application form and interconnection agreement as follows:

Facility Type	Application	Interconnection Agreement
For an Eligible Low Income Facility with one Single Point of Delivery	<i>Online Rule 21 Generator Interconnection Application (Form 79-1174-02)</i>	<i>NEM2VMSH Virtual Net Energy Metering Application and Interconnection Agreement for the Building Owner of Multifamily Affordable Housing with a Solar Generating Facility of 1 Megawatt or Less (Form 79-1109-02)</i>
		<i>Appendix A – Designation of Multifamily Common Area Accounts, Residential Units and Their Respective Solar Energy Credit Allocation</i>
For an Eligible Low Income Facility with Multiple Service Delivery Points and/or Multiple Generators	<i>Online Rule 21 Generator Interconnection Application (79-1174-02)</i>	<i>Eligible Low Income Development Virtual Net Energy Metering (NEM2VMSH) Application and Interconnection Agreement for Multifamily Affordable Housing with Solar Generation Totaling 1 Megawatt or Less (Form 79-1124-02)</i>
		<i>Appendix A – Designation of Multifamily Common Area Accounts, Residential Units and Their Respective Solar Energy Credit Allocation</i>
		<i>Appendix B – Designation of Multifamily Common Area Accounts, Residential Units and Their Respective Solar Energy Credit Allocation</i>

Customers on this tariff must pay for the interconnection of their REGF as provided in Electric Rule 21, including an application fee. This application fee must be paid through PG&E's online application portal in order to complete the application, unless otherwise directed by PG&E.

(N)

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SPECIAL
 CONDITIONS:
 (Cont'd.)

3. INTERCONNECTION: (Cont'd.)

(N)

For the purposes of the NEM2VMSH tariff, the rating of the generating facility, for the purposes of comparing its size relative to the 1 megawatt (MW) limit, will be as described in the NEM2 tariff.

In order to promote the safety and reliability of the customer REGF, the applicant is required to verify as a part of each interconnection request for this tariff, that all major solar system components are on the verified equipment list maintained by the California Energy Commission and other equipment, as determined by PG&E, should be verified by the customer as having safety certification from a nationally recognized testing laboratory.

Applicant is required to verify as a part of each interconnection request for this tariff, that (i) a warranty of at least 10 years has been provided on all equipment and on its installation, or (ii) have a 10-year service warranty or executed "agreement" ensuring proper maintenance and continued system performance.

4. NET SURPLUS ELECTRICITY COMPENSATION (NSC):

Pursuant to P.U. Code Section 2827 (h)(4)(A), this Special Condition was established to provide a NEM2VMSH customer with a Common Area account or Residential Unit account having Net Surplus Electricity, (defined as all the electricity generated that is allocated by the Generating Account to an eligible customer measured in kilowatt-hours over a Relevant Period – as defined in Special Condition 2(g) of this tariff -- that exceeds the amount of electricity consumed by that eligible customer), with Net Surplus Electricity Compensation (NSC) for the Net Surplus Electricity, while leaving other ratepayers unaffected. A NEM2VMSH Customer who has Net Surplus Electricity will be known as a Net Surplus Generator.

a. NSC Applicability – All bundled Net Surplus Generators that satisfy the conditions in the Applicability Section of this tariff and take service under this rate schedule are eligible to receive NSC if they have a true-up on, or following, the effective date below.

Net Surplus Generators who receive Direct Access (DA) Service from an ESP or who receive Community Choice Aggregation Service from a CCA are not eligible to receive NSC from PG&E but may contact their ESP or CCA Provider to see if they provide NSC.

The effective date for a Net Surplus Generator to begin to receive NSC will be no earlier than the end of their Relevant Period following January 1, 2011 unless (i) the Net Surplus Generator customer was a change-of-party Customer or became a new NEM2VMSH customer in January 2010 and the meter read date for their twelfth billing month following enrollment in NEM2VMSH falls in December of 2010; or (ii) a Net Surplus Generator's NEM2VMSH meter was set to be read in January 2011 but due to PG&E's schedule of meter read dates, the read occurred on December 27, 2010, or later. Customers covered by subsections (i) or (ii) will be eligible to receive NSC for their Relevant Period ending in December 2010.

(N)

(Continued)



ELECTRIC SCHEDULE NEM2VMSH
 VIRTUAL NET ENERGY METERING FOR MULTIFAMILY
 AFFORDABLE HOUSING (MASH/NSHP) WITH SOLAR GENERATOR(S)

Sheet 17

SPECIAL
 CONDITIONS:
 (Cont'd.)

4. NET SURPLUS ELECTRICITY COMPENSATION (NSC): (Cont'd.)

(N)

b. The NSC Rate – The NSC Rate is defined as the simple rolling average of PG&E’s default load aggregation point (DLAP) price from 7 a.m. to 5 p.m., for a 12-month period. PG&E shall use the NSC Rate as the value of the electricity portion of its net surplus compensation rate.

PG&E will calculate the NSC Rate each month. It will be effective on the first day of that month and PG&E will use it in the NSC Calculation for any Net Surplus Generators with a Relevant Period completed in that month (True-Up Month).

The DLAP Cutoff Date will be defined as the twentieth (20th) day of the month prior to the True-Up Month.

PG&E will wait five (5) days after the DLAP Cutoff Date for the CAISO to have time to finalize the day-ahead PG&E DLAP prices. The NSC Rate will then be calculated as the simple average of the prices for all hours between 7 a.m. and 5 p.m. over a one (1) year period ending on the DLAP Cutoff Date.

c. Pursuant to D. 11-06-016, PG&E includes a Renewable Attribute Adder (RAA) based on the California Energy Commission (CEC) implementation methodology.

Under the CEC’s Renewables Portfolio Standard (RPS) Eligibility Guidebook , an ownership verification and tracking process is set forth for Renewable Energy Credits (RECs) created by Net Surplus Generators.

PG&E will pay a Renewable Attribute Adder (RAA) for Net Surplus Electricity if the Net Surplus Generator completes Form 79-1155-02 - Schedules NEM2, NEM2V, NEM2VMSH, Net Surplus Electricity (NSE) Renewable Energy Credits Compensation Form which requires that each true-up a Net Surplus Generator confirm it or its REC aggregator has:

- 1) certified ownership of Net Surplus Electricity Renewable Energy Credits associated with their Net Surplus Electricity;
- 2) obtained certification for the Renewable Portfolio Standards (RPS) eligibility of the Electrical Generation Facility from the CEC and provide evidence of this certification to PG&E; and
- 3) transferred the ownership of the WREGIS Certificates to PG&E.

The RAA will be calculated using the most recent Western Electricity Coordinating Council (WECC) average renewable premium, based on United States Department of Energy (DOE) published data as submitted via advice letter annually in compliance with Resolution E-4475 and Decision 11-12-018.

(N)

(Continued)



ELECTRIC SCHEDULE NEM2VMSH
 VIRTUAL NET ENERGY METERING FOR MULTIFAMILY
 AFFORDABLE HOUSING (MASH/NSHP) WITH SOLAR GENERATOR(S)

Sheet 18

SPECIAL
 CONDITIONS:
 (Cont'd.)

4. NET SURPLUS ELECTRICITY COMPENSATION (NSC): (Cont'd.) (N)
- d. Calculation of the NSC – NSC is calculated by multiplying any Net Surplus Electricity (kWh) by the NSC Rate in (b) and (c) above.
 - e. Options for receiving NSC – A NEM2VMSH customer with NSC will automatically have their NSC applied to any amounts owed to PG&E and then may choose to:
 - 1) take no action and roll any remaining NSC amounts forward to offset subsequent PG&E charges; or
 - 2) request that PG&E issue a check if the NSC remaining amount is greater than one dollar (\$1). A customer can select this option by calling PG&E. If the customer is closing all their accounts with PG&E, PG&E will automatically send a check; or
 - 3) elect not to receive any NSC by completing and submitting form 79-1130 (Customer Request Form not to Receive Net Surplus Compensation) to PG&E to confirm that they do not want to participate. In this case PG&E will zero out any NSC the NEM2VMSH customer may be otherwise eligible to receive.
 - f. QF Status – Customers receiving net surplus compensation must first demonstrate to PG&E that the Generator Account from which they receive their generation allocation as described in Special Condition 2(b) are Qualifying Facilities in order to receive NSC. Since the Generator Accounts serving all NEM2VMSH customer-generators currently meet the requirements for a qualifying facility exempt from certification filing at the Federal Energy Regulatory Commission (FERC), no further documentation is required at this time.
 - g. Generator Size – Nothing in this Special Condition alters the existing NEM2VMSH system sizing requirement. Specifically, in order to be eligible for NSC, the Generator Account system must be intended primarily to offset part or all of the Residential Unit Account and Common Area Account customers' own electrical requirements. Systems that are sized larger than the electrical requirements are not eligible for VNMNEMA and therefore, are not eligible for NSC either. (N)

(Continued)

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Steven Malnight
 Senior Vice President
 Regulatory Affairs

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