



<Date>

<Customer Name>

<Mailing Address Line 1>

<Mailing City>, <Mailing State>, <Mailing Zip>

Important Notification: Change to Your Net Energy Metering (NEM) Account

Dear Valued NEM Customer:

Starting with your first meter read date on or after **<Start>**, Clean Power Alliance will automatically become the new electricity generation provider for your Net Energy Metering (NEM) account. Clean Power Alliance is a locally controlled energy provider that currently serves electricity to approximately 1 million customers in 32 communities across Los Angeles and Ventura Counties. Your community joined Clean Power Alliance to give residents and businesses new clean energy options.

The purpose of this letter is to provide additional details on how transferring to Clean Power Alliance will impact your NEM account and to explain your options. If you have already opted out your NEM account(s) from Clean Power Alliance, please disregard this letter.

What happens to your SCE bill when you're enrolled with Clean Power Alliance

Enrollment in Clean Power Alliance is automatic and will occur with your first meter read date on or after <Month Day>, <Year>, unless you opt out. Once enrolled with Clean Power Alliance, SCE will continue to be responsible for providing your monthly NEM electricity delivery service charges and credits, and Clean Power Alliance will now be responsible for providing your monthly NEM electricity generation charges and credits. You will also become eligible to receive higher Net Surplus Compensation from Clean Power Alliance, instead of SCE.

Prior to enrollment with Clean Power Alliance, SCE will true up your NEM account(s) for both the generation and delivery portions of your bill at the end of your SCE relevant period and then transfer your account(s) to Clean Power Alliance. When SCE true up your NEM account(s), the following will occur to your SCE charges and credits:

- Any SCE energy charges not offset by energy credits at the time of true up will be billed to you.
- Any SCE energy credits that exceed energy charges are set to zero. If you are eligible for Net Surplus Compensation at the time of the true up, SCE may issue payment in the form of a check, or the credit may be applied to your account depending on your selected options with SCE.

How Clean Power Alliance's NEM program works

Much like SCE's NEM program, Clean Power Alliance's NEM program allows you to earn bill credits at retail value for the electricity you generate. However, NEM credits received from Clean Power Alliance cannot be used to offset SCE charges, and NEM credits received from SCE cannot be used to offset Clean Power Alliance charges.

Highlights of the differences between Clean Power Alliance's NEM program and the generation portion of SCE's NEM program are:

- All Clean Power Alliance NEM customers will pay their bill each month. Monthly billing is intended to allow you to make smaller more manageable monthly payments instead of one large payment at the end of the year, if applicable.
- Annual true ups will occur in April rather than on a unique date for each customer. Your first true up with Clean Power Alliance will occur in April 2022, to allow you at least 12 months to accrue generation credits before your account is trued up. The first true up will be based on the relevant period beginning with your enrollment date into Clean Power Alliance through April 2022.¹ Going forward, Clean Power Alliance will conduct a true up on an annual basis each April.
- Clean Power Alliance customers who generate more than they consume in a year will be eligible for Net Surplus Compensation at a rate that is **10% higher than SCE's Net Surplus Compensation rate**.
- Clean Power Alliance customers with unused net generation credits at the time of the annual true up will also be paid for those credits at the retail rate, up to the amount paid for generation charges over the course of the relevant period. If the amount of those credits is \$100 or greater, either alone or in combination with any applicable Net Surplus Compensation (see above), you will receive a check. If the combined value is less than \$100, the credits will roll over to the next relevant period (which for Clean Power Alliance is April to April).

There may be other differences in Clean Power Alliance's NEM policy that are specific to your circumstances. Please contact us or visit cleanpoweralliance.org/nem if you have questions or would like additional information about Clean Power Alliance's NEM program.

Opting Out

You have the right to opt out of Clean Power Alliance and remain with SCE as your energy supplier. Clean Power Alliance will not charge you any fees for opting out and remaining with SCE. Opt out terms and conditions may vary depending on the actual date of your opt out. **To prevent your electric service from ever being transferred to Clean Power Alliance, you must opt out at least 5 business days prior to your first meter read date on or after <Start>.**

To or learn more about your options with Clean Power Alliance or to opt out, please visit cleanpoweralliance.org or contact us at **888-585-3788 (TTY 323-214-1296)** or customerservice@cleanpoweralliance.org.

Thank you for being our future customer and please don't hesitate to contact us to ask questions or learn more about our service options, customer programs, and benefits!

Sincerely,

Account Services
Clean Power Alliance

¹ Depending on a customer's individual relevant period, your first Clean Power Alliance annual true up may be greater than 12-months. Please contact us for specific information about your account.