



Updates on Net Energy Metering

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- ThinkWire Energy Services believes that transparency, accountability, and data analytics can transform the energy marketplace.
- ThinkWire helps large energy consumers evaluate and implement energy projects, improve energy insight, and reduce energy costs.



Updates on Net Energy Metering (NEM)

- Impact of AB 327 on NEM
- What is NEM Aggregation?

AB 327 and Net Energy Metering (NEM)

- “NEM 1.0”: Customer-generators currently receive full retail value for exported power
- Premise of AB 327: NEM overcompensates customer-generators for exported power
- “NEM 2.0”: AB 327 will reduce the value of credits for exported power and replace with a “standard contract”

AB 327 and Net Energy Metering (NEM)

- What triggers the end of “NEM 1.0”?
 - Utility reaches 5% NEM cap or July 2017, whichever is sooner.
- AB 327 allows a “transition period” whereby existing NEM customers can stay on NEM 1.0 before being switched to NEM 2.0.
- CPUC has proposed a 20-year transition period for current NEM customers (from date of interconnection). Must be on NEM before NEM 2.0 is triggered.

AB 327 and Net Energy Metering (NEM)

- By December 31, 2015, CPUC must define the new “standard contract” for NEM 2.0
- July 1, 2017 or sooner, NEM 2.0 will be triggered.
- Will there be a solar “gold rush”?
 - Customers looking to “lock-in” 20-year transition period before NEM 2.0 is triggered
 - 30% Investment Tax Credit (ITC) will decrease to 10% in 2017
 - Project pricing is as good as ever

What is NEM Aggregation?

- NEM Aggregation allows customer-generators to build a large solar array (up to 1MW) and virtually distribute bill credits to other meters.
- Meters must be on adjacent properties and owned/leased by the same customer-generator. Properties can be divided by roads/canals.
- Customer-generator can have more than one 1MW array
- Allows year-to-year flexibility to determine which meters are included in the “arrangements”
- Upgrade costs could be incurred
- NEM Aggregation is ideal for agriculture, campuses, and cities.