



PASADENA WATER AND POWER

[REDACTED]
Pasadena, CA 91103

January 18, 2011

Dear [REDACTED],

Pasadena City Council has established an electric rate to pay solar customers when their PV systems produce more electricity than consumed.

To receive credit for excess generation, you must select one of two compensation options on the enclosed "Net Metering and Surplus Electricity Compensation Enrollment Form" and return the form to Pasadena Water and Power.

If you have previously signed up to receive compensation, the enclosed form gives you an opportunity to switch to monthly / bi-monthly net metering and receive a higher compensation rate. You will still be compensated for any net surplus electricity generated under your previous net metering plan.

If you have questions, please refer to our website, www.PWPweb.com/solar, or call the PWP Answerline at (626) 744-6970.

Sincerely,

Mauricio Mejia
PWP Solar Programs Manager

Net Metering and Surplus Compensation Enrollment Form

Pasadena Water and Power (PWP) solar customers are now eligible to receive compensation for any net surplus electricity generated by their solar system on or after January 31, 2010.

To receive this benefit, you must complete the Net Metering and Surplus Compensation Enrollment Form and elect to receive compensation in Section 2.

Your compensation rate will depend on which net metering method you indicate in this form, and whether you own renewable energy credits or attributes. As a PWP solar customer, you may choose to have your net metering calculated on an annual basis **or** on each regular bi-monthly billing cycle (monthly for commercial customers). Customers who choose monthly / bi-monthly net metering receive a higher net surplus electricity compensation rate.

Please complete this form (other side) and return it to Pasadena Water and Power in the enclosed postage-paid envelope.

Note to customers who DO NOT return this enrollment form: *You will continue to be billed under your existing net metering option and, unless you have previously submitted a Compensation Request Form, will receive no compensation for net surplus electricity generation.*

FURTHER INFORMATION ON PWP NET METERING AND SURPLUS ELECTRICITY

1. "Net Surplus Electricity" is the balance of unused electricity (measured in kWh) that accumulates when a customer's solar system generates more electricity than he or she uses during a given billing period.
2. Customers are required to make a written election to receive compensation. Customers may change their election to receive or not receive compensation at any time by submitting a new enrollment form, which can be downloaded from www.PWPweb.com/solar
3. Compensation for net surplus electricity will be applied as a credit on the customer's electric bill. A customer may request a cash-out of net surplus compensation, rather than receive a credit, when the value exceeds \$50 or when he or she closes the electric account.
4. "Net Metering" is how net surplus electricity is calculated or metered. PWP can calculate a customer's net surplus electricity annually, monthly (for commercial customers) or bi-monthly (for residential customers.)
5. Once a customer elects a net metering option on this form, he/she may not change it for period of 12 months.
6. A renewable energy credit or attribute is the environmental benefit associated with the renewable electricity generated by a solar PV system. Though uncommon, some solar lease or power purchase agreements transfer ownership of the renewable attributes to the system vendor.

More information can be found at www.PWPweb.com/solar

1. CUSTOMER INFORMATION (Please provide correct information in the spaces provided.)

Name on PWP Electric Account: [Redacted]

Physical Address of Solar PV System: [Redacted]

Work Phone: _____ Home Phone: _____ Cell Phone: _____

Email Address: _____

2. NET SURPLUS ELECTRICITY COMPENSATION ENROLLMENT (Check one.)

Yes. I wish to receive compensation for net surplus electricity. I understand that compensation rates and program terms are subject to revision from time to time.

No. I do not wish to receive compensation for net surplus electricity.

3. NET METERING ENROLLMENT (Check one. Your selection cannot be changed until one year after date of enrollment.)

I prefer annual net metering. I will be billed separately for the Energy Charge portion of my electric service (line item on utility services bill) at the end of each 12 month net metering period. (Medium and large commercial customers are eligible for annual net metering; however, they must pay the full amount of any electric service charges on each monthly bill.)

If I elect to receive net surplus electricity compensation in Section 2 above, I will be compensated at a rate equivalent to PWP's average Energy Charge for each kWh of surplus electricity that my solar system generates. I will also receive additional compensation if I transfer title of any applicable renewable energy credits or attributes to PWP.

I prefer PWP's incentivized monthly / bi-monthly net metering option. I will be billed for electric service charges on my regular monthly (commercial customers) or bi-monthly (residential customers) utility bill.

If I elect to receive net surplus electricity compensation in Section 2 above, I will be compensated at a rate equivalent to PWP's Energy Charge plus 6.6¢ for each kWh of surplus electricity that my solar system generates. I will also receive additional compensation if I transfer ownership of any applicable renewable energy credits or attributes to PWP.

4. TITLE TO RENEWABLE ENERGY CREDITS OR ATTRIBUTES (This section applies only to customers who selected "Yes" in Section 3 above. Check in the box if true.)

Yes, I am eligible for additional compensation (currently 2.5¢ per kWh) for net surplus electricity because I own the renewable energy credits or attributes associated with the net surplus electricity generated by my solar system. I have not sold such credits or attributes, nor have I used them for any regulatory compliance purpose. By electing to receive compensation, I understand that I am transferring ownership of such credits or attributes to PWP.

Signature of Customer on PWP Electric Account

Date

Print Name