



September 2, 2016

Advice 4909-E

(Pacific Gas and Electric Company ID U39 E)

Public Utilities Commission of the State of California

**Subject: Net Energy Metering (NEM) Cost Envelope Option Forms Associated
With Advice Letter 4894-E in Compliance with Decision 16-06-052**

Purpose

The purpose of this Advice Letter is to provide a second pair of Cost Envelope Option forms for NEM¹, with an effective date of when the NEM cap is reached. This Advice Letter is associated with Advice Letter 4894-E, *Modifications to Electric Rule 21 and Associated Forms to Establish a Five Year Pilot Program for the Cost Envelope Option and Technical Scope Package Requirements in Compliance with Decision (D.) 16-06-052*.

Background

On August 22, 2016, Pacific Gas And Electric Company (PG&E) submitted Advice Letter 4894-E, *Modifications to Electric Rule 21 and Associated Forms to Establish a Five Year Pilot Program for the Cost Envelope Option and Technical Scope Package Requirements in Compliance with D. 16-06-052* and included two new documents, *Cost Envelope Option Request*, Form 79-1182, and *Cost Envelope Option Agreement Appendix*, Form 79-1183, to allow Generating Facility Applicants to request the Cost Envelope Option. A substitute sheet was filed on August 30, 2016 to correct an omitted reference.

PG&E is proposing to create two sets of Cost Envelope Documents, one for non-NEM applicants with an earlier effective date, and one for NEM applicants, to be effective when PG&E reaches its NEM cap. This Advice Letter creates a set of forms for NEM

¹ "NEM" here means Schedule NEM or NEM2 (including NEMA, NEM2A, NEMMT, NEM2MT, and the California Department of Corrections and Rehabilitation or The Armed Forces as described in Schedule NEM or NEM2), Schedules NEMV or NEM2V, Schedules NEMVMASH or NEM2VMSH, or Schedule NEMFC (including NEMFCA and/or NEMMT as described in Schedule NEMFC.)

customers selecting the Cost Envelope Option. PG&E requests the forms filed with this Advice Letter become effective at the same time the NEM Cap described in Schedule NEM is reached, to minimize impacts to the automated online application software.

Concurrently with this Advice Letter, PG&E submits supplemental Advice Letter 4894-E-A that, among other changes, modifies the Forms 79-1182 and 79-1183 to make them specifically for non-NEM Applicants who select the Cost Envelope Option. Those forms will be effective upon approval of Advice Letter 4894-E and associated supplements.

Tariff Changes

PG&E submits two new forms, *Cost Envelope Option NEM Request*, Form 79-1184, and *Cost Envelope Option NEM Agreement Appendix*, Form 79-1185, to be used for selecting the NEM Cost Envelope Options. These new forms have the same layout as noted in Advice Letter 4896-E-A for the non-NEM forms.

Protests

Anyone wishing to protest this filing may do so by letter sent via U.S. mail, facsimile or E-mail, no later than September 22, 2016, which is 20 days after the date of this filing. Protests must be submitted to:

CPUC Energy Division
ED Tariff Unit
505 Van Ness Avenue, 4th Floor
San Francisco, California 94102

Facsimile: (415) 703-2200
E-mail: EDTariffUnit@cpuc.ca.gov

Copies of protests also should be mailed to the attention of the Director, Energy Division, Room 4004, at the address shown above.

The protest shall also be sent to PG&E either via E-mail or U.S. mail (and by facsimile, if possible) at the address shown below on the same date it is mailed or delivered to the Commission:

Erik Jacobson
Director, Regulatory Relations
c/o Megan Lawson
Pacific Gas and Electric Company
77 Beale Street, Mail Code B10C
P.O. Box 770000
San Francisco, California 94177

Facsimile: (415) 973-1448
E-mail: PGETariffs@pge.com

Any person (including individuals, groups, or organizations) may protest or respond to an advice letter (General Order 96-B, Section 7.4). The protest shall contain the following information: specification of the advice letter protested; grounds for the protest; supporting factual information or legal argument; name, telephone number, postal address, and (where appropriate) e-mail address of the protestant; and statement that the protest was sent to the utility no later than the day on which the protest was submitted to the reviewing Industry Division (General Order 96-B, Section 3.11).

Effective Date

PG&E respectfully requests that this Tier 2 advice filing become effective on the date PG&E reaches the NEM cap.

Notice

In accordance with General Order 96-B, Section IV, a copy of this advice letter is being sent electronically and via U.S. mail to parties shown on the attached list and the parties on the service list for R.12-11-005 and R.14-07-002. Address changes to the General Order 96-B service list should be directed to e-mail PGETariffs@pge.com. For changes to any other service list, please contact the Commission's Process Office at (415) 703-2021 or at Process_Office@cpuc.ca.gov. Send all electronic approvals to PGETariffs@pge.com. Advice letter filings can also be accessed electronically at: <http://www.pge.com/tariffs>.

/S/

Erik Jacobson
Director, Regulatory Relations

Attachments

cc: Service Lists R.12-11-005 and R.14-07-002
Marc Monbouquette, Energy Division
Gabriel Petlin, Energy Division

CALIFORNIA PUBLIC UTILITIES COMMISSION

ADVICE LETTER FILING SUMMARY ENERGY UTILITY

MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No. **Pacific Gas and Electric Company (ID U39 E)**

Utility type:

ELC

GAS

PLC

HEAT

WATER

Contact Person: Kingsley Cheng

Phone #: (415) 973-5265

E-mail: k2c0@pge.com and PGETariffs@pge.com

EXPLANATION OF UTILITY TYPE

(Date Filed/ Received Stamp by CPUC)

ELC = Electric

GAS = Gas

PLC = Pipeline

HEAT = Heat

WATER = Water

Advice Letter (AL) #: **4909-E**

Tier: 2

Subject of AL: **Net Energy Metering (NEM) Cost Envelope Option Forms Associated With Advice Letter 4894-E in Compliance with Decision 16-06-052**

Keywords (choose from CPUC listing): Compliance, Metering, Forms

AL filing type: Monthly Quarterly Annual One-Time Other _____

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: D.16-06-052

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL: No

Summarize differences between the AL and the prior withdrawn or rejected AL: _____

Is AL requesting confidential treatment? If so, what information is the utility seeking confidential treatment for: No

Confidential information will be made available to those who have executed a nondisclosure agreement: N/A

Name(s) and contact information of the person(s) who will provide the nondisclosure agreement and access to the confidential information: _____

Resolution Required? Yes No

Requested effective date: **When the NEM Cap in PG&E's Service Territory is Reached** No. of tariff sheets: **4**

Estimated system annual revenue effect (%): N/A

Estimated system average rate effect (%): N/A

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).

Tariff schedules affected: **See Attachment 1**

Service affected and changes proposed: **See Attachment 1**

Pending advice letters that revise the same tariff sheets: N/A

Protests, dispositions, and all other correspondence regarding this AL are due no later than 20 days after the date of this filing, unless otherwise authorized by the Commission, and shall be sent to:

California Public Utilities Commission

Energy Division

EDTariffUnit

505 Van Ness Ave., 4th Flr.

San Francisco, CA 94102

E-mail: EDTariffUnit@cpuc.ca.gov

Pacific Gas and Electric Company

Attn: Erik Jacobson

Director, Regulatory Relations

c/o Megan Lawson

77 Beale Street, Mail Code B10C

P.O. Box 770000

San Francisco, CA 94177

E-mail: PGETariffs@pge.com

**ATTACHMENT 1
Advice 4909-E**

**Cal P.U.C.
Sheet No.**

Title of Sheet

**Cancelling Cal
P.U.C. Sheet No.**

37434-E	Electric Sample Form No. 79-1184 Cost Envelope Option NEM Request Sheet 1	
37435-E	Electric Sample Form No. 79-1185 Cost Envelope Option NEM Agreement Appendix Sheet 1	
37436-E	ELECTRIC TABLE OF CONTENTS Sheet 1	37428-E
37437-E	ELECTRIC TABLE OF CONTENTS SAMPLE FORMS Sheet 25	37022-E



Electric Sample Form No. 79-1184
Cost Envelope Option NEM Request

Sheet 1 (N)
(N)

**Please Refer to Attached
Sample Form**

Advice Letter No: 4909-E
Decision No. 16-06-052

Issued by
Steven Malnight
Senior Vice President
Regulatory Affairs

Date Filed September 2, 2016
Effective _____
Resolution No. _____

Request to Select the Cost Envelope Option for NEM Eligible Applications Completing the Fast Track Initial Review or Supplemental Review, or Independent Study Process

This document is for use by Applicants selecting the Cost Envelope Option pursuant to Rule 21 Section E.7 and interconnecting Net Energy Metering (NEM) Generating Facilities, which includes Generating Facilities taking service under Schedule NEM or NEM2 (including NEMA, NEM2A, NEMMT, NEM2MT the CDCR or The Armed Forces as described in Schedule NEM or NEM2), Schedules NEMV or NEM2V, Schedules NEMVMASH or NEM2VMASH, and Schedule NEMFC (including NEMFCA and NEMMT as described in Schedule NEMFC.) (For Non-NEM Applicants selecting the Cost Envelope Option for interconnecting NEM Generating Facilities, see Form 79-1182.)

Under a five year pilot program, a Generator Interconnection Applicant applying for interconnection under PG&E's Electric Rule 21 Fast Track or Independent Study Processes has the option to request that interconnection cost estimates be performed under the Cost Envelope Option (CE Option), as described in Rule 21, Section E.7 and elsewhere, pursuant to D.16-06-052, provided the option conditions are met.

Under the CE Option, an Applicant's interconnection cost liability is limited to an envelope of 25% above and below PG&E's estimated interconnection costs. The Cost Envelope will be applied to the estimated costs subject to the Cost Envelope provided by PG&E in the Generator Interconnection Agreement (GIA).

Applicants wishing to participate must have had their interconnection applications successfully complete either the **Fast Track** Initial Review or Supplemental Review, and:

- (i) are required to pay a \$2,500 deposit if required by PG&E (that is, projects that pass either Fast Track Initial or Supplemental review would pay the \$2500 deposit for a supplemental 20 business day cost envelope estimate development process within 10 business days of receiving the utility's non-binding cost estimate following completion of Initial or Supplemental Review) and
- (ii) must allow PG&E an additional 20 business days to develop a cost estimate following the completion of the engineering review phase

Alternatively, Interconnection Requests made under the **Independent Study Process** are required to:

- (i) pay the required deposits and
- (ii) complete both a System Impact Study and Facilities Study

Note that costs outside of the utility's control such as:

- environmental studies,
- environmental mitigation,
- permits, or
- easements

related to the construction and installation of interconnection facilities or distribution system upgrades are excluded from the Cost Envelope.

COST ENVELOPE OPTION NEM REQUEST

Network Upgrade interconnection costs are also excluded from the Cost Envelope. Allocation of such costs is governed by the California Independent System Operator's (CAISO) / Federal Energy Regulatory Commission (FERC) jurisdictional tariff.

To participate in the Cost Envelope Option, please provide PG&E with all the following "Technical Scope Package" information to include as part of Applicant's Interconnection Application and as part of the Site Plans:

	Technical Scope Package Requirement	Additional Notes
1.	Final location of the Point of Common Coupling (Point of Change of Ownership);	
2.	Final location of the Point of Interconnection;	
3.	Confirmation of service voltage;	
4.	Confirmation that technical data provided in the Interconnection Request is accurate, including equipment type, model and manufacturer;	
5.	A site drawing of a scale of 1:30 or less, which shows the final location of the Point of Common Coupling, Point of Interconnection, and final location and routing of conductors and equipment between the Point of Common Coupling and the Point of Interconnection; and	Confirmation that the above description is for the applicant's on the site plan, at a scale of 1:30 or less and will not be modified prior to the issuance of the permission to solid (PTO) letter.
6.	Identification of any constraints or limitations related to the siting or routing of conductors and equipment between the Point of Common Coupling and the Point of Interconnection.	

Upon receipt of the form with all accompanying documentation requested above, PG&E and Applicant agree that the Cost Envelope shall be applied to the actual cost, under PG&E's direct control and not exempted by D.16-06-052, of facilities and system upgrades upon final accounting true-up, following the utility's issuance of Permission to Operate (PTO).

This form shall at all times be subject to such changes or modification by the CPUC as said Commission may, from time to time, direct in the exercise of its jurisdiction.



Electric Sample Form No. 79-1185
Cost Envelope Option NEM Agreement Appendix

Sheet 1 (N)
(N)

**Please Refer to Attached
Sample Form**

Advice Letter No: 4909-E
Decision No. 16-06-052

Issued by
Steven Malnight
Senior Vice President
Regulatory Affairs

Date Filed September 2, 2016
Effective _____
Resolution No. _____

Agreement Appendix Covering the Cost Envelope Option for the NEM Eligible Generating Facility Completing the Fast Track Initial Review or Supplemental Review, or Independent Study Process***(To Be Added to the Applicable Rule 21 Generator Interconnection Agreement for the Generating Facility)***

This Appendix is for use by Applicants who have selected the Cost Envelope Option pursuant to Rule 21 Section E.7 and interconnecting Net Energy Metering (NEM) Generating Facilities, which includes Generating Facilities taking service under Schedule NEM or NEM2 (including NEMA, NEM2A, NEMMT, NEM2MT, the California Department of Corrections and Rehabilitation, CDCR or The Armed Forces as described in Schedule NEM or NEM2), Schedules NEMV or NEM2V, Schedules NEMVMASH or NEM2VMSH, and Schedule NEMFC (including NEMFCA and NEMMT as described in Schedule NEMFC.) (For Non-NEM Applicants who have selected the Cost Envelope Option for interconnecting NEM Generating Facilities, see Form 79-1183.)

Under a five year pilot program, a Generator Interconnection Applicant applying for interconnection under Pacific Gas And Electric Company's (PG&E's) Electric Rule 21 Fast Track or Independent Study Processes has the option to request that interconnection cost estimates be performed under the Cost Envelope Option (CE Option), as described in Rule 21, Section E.7 and elsewhere, pursuant to Decision (D.) 16-06-052, provided the option conditions are met.

Under the CE Option, an Applicant's interconnection cost liability is limited to an envelope of 25% above and below PG&E's estimated interconnection costs. The Cost Envelope will be applied to the estimated costs subject to the Cost Envelope provided by PG&E in this appendix as a part of the Generator Interconnection Agreement (GIA).

Note that costs associated with required:

- environmental studies,
- environmental mitigation,
- permits, or
- easements

related to the construction and installation of interconnection facilities or distribution system upgrades are excluded from the Cost Envelope.

Network Upgrades interconnection costs are also excluded from the Cost Envelope. Allocation of such costs is governed by the California Independent System Operator's (CAISO) / Federal Energy Regulatory Commission (FERC) jurisdictional tariff.

Site specific description of Interconnection Facilities, Distribution Upgrades, and Network Upgrades as well as associated Cost of Ownership and Applicable Taxes Subject to the Cost Envelope Option and Outside the Cost Envelope Option for the Generating Facility is attached. (Excluding certain costs outside utility control as noted above and in Rule 21 E.7)

This Appendix shall at all times be subject to such changes or modification by the CPUC as said Commission may, from time to time, direct in the exercise of its jurisdiction.



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(Continued)

**PG&E Gas and Electric
Advice Filing List
General Order 96-B, Section IV**

AT&T	Division of Ratepayer Advocates	Office of Ratepayer Advocates
Albion Power Company	Don Pickett & Associates, Inc.	OnGrid Solar
Alcantar & Kahl LLP	Douglass & Liddell	Pacific Gas and Electric Company
Anderson & Poole	Downey & Brand	Praxair
Atlas ReFuel	Ellison Schneider & Harris LLP	Regulatory & Cogeneration Service, Inc.
BART	Evaluation + Strategy for Social Innovation	SCD Energy Solutions
Barkovich & Yap, Inc.	G. A. Krause & Assoc.	SCE
Bartle Wells Associates	GenOn Energy Inc.	SDG&E and SoCalGas
Braun Blaising McLaughlin & Smith, P.C.	GenOn Energy, Inc.	SPURR
Braun Blaising McLaughlin, P.C.	Goodin, MacBride, Squeri, Schlotz & Ritchie	San Francisco Water Power and Sewer
CENERGY POWER	Green Charge Networks	Seattle City Light
CPUC	Green Power Institute	Sempra Energy (Socal Gas)
California Cotton Ginners & Growers Assn	Hanna & Morton	Sempra Utilities
California Energy Commission	International Power Technology	SoCalGas
California Public Utilities Commission	Intestate Gas Services, Inc.	Southern California Edison Company
California State Association of Counties	Kelly Group	Spark Energy
Calpine	Ken Bohn Consulting	Sun Light & Power
Casner, Steve	Leviton Manufacturing Co., Inc.	Sunshine Design
Center for Biological Diversity	Linde	Tecogen, Inc.
City of Palo Alto	Los Angeles County Integrated Waste Management Task Force	TerraVerde Renewable Partners, LLC
City of San Jose	Los Angeles Dept of Water & Power	Tiger Natural Gas, Inc.
Clean Power	MRW & Associates	TransCanada
Clean Power Research	Manatt Phelps Phillips	Troutman Sanders LLP
Coast Economic Consulting	Marin Energy Authority	Utility Cost Management
Commercial Energy	McKenna Long & Aldridge LLP	Utility Power Solutions
Cool Earth Solar, Inc.	McKenzie & Associates	Utility Specialists
County of Tehama - Department of Public Works	Modesto Irrigation District	Verizon
Crossborder Energy	Morgan Stanley	Water and Energy Consulting
Davis Wright Tremaine LLP	NLine Energy, Inc.	Wellhead Electric Company
Day Carter Murphy	NRG Solar	Western Manufactured Housing Communities Association (WMA)
Defense Energy Support Center	Nexant, Inc.	YEP Energy
Dept of General Services	ORA	