



Erik Jacobson
Director
Regulatory Relations

Pacific Gas and Electric Company
77 Beale St., Mail Code B13U
P.O. Box 770000
San Francisco, CA 94177

Fax: 415-973-3582

August 29, 2022

Advice 6395-E-A

(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

Subject: Supplemental: Clarifications to Electric Schedule NEM2 Applicability and Special Condition requirements for transitions to the NEM Successor tariff

Purpose

Pacific Gas and Electric Company (PG&E) submits this Tier 2 advice letter to clarify that NEM Transition Eligible Customers do not need to sign a new Interconnection Agreement (IA) when they transition from NEM to the applicable successor tariff after their legacy period expires on the NEM tariff. This filing also establishes how PG&E will address customers who need to be transitioned to the successor tariff but are unwilling to meet the metering requirements associated with being on a Time-of-Use (TOU) rate schedule, and be interval billed as is required under the successor tariff. This filing will establish the timing and process by which PG&E will work with customers to address any metering, and subsequent, billing issues. Finally, this filing clarifies that once customers' initial legacy treatment on the NEM tariff ends, they will be transitioned to the applicable NEM successor tariff required for new customers installing NEM-eligible technologies (i.e. a potential successor tariff to NEM2).

The supplemental advice letter provides additional information to original Advice 6395-E submitted November 5, 2021. The content and tariff revisions in Advice 6395-E remain unchanged.

Background

Decision (D.)14-03-041— pursuant to Public Utilities Code Section 2827.1 (b) (6) — established the timing and rules for the Investor Owned Utilities to transition customers enrolled on the original Net Energy Metering Tariffs (NEM) to the applicable NEM successor tariff. The current applicable successor tariff was established by D.16-01-044 and is described in PG&E's "Electric Schedule NEM2" tariff. D.14-03-041 defined that customers enrolled on NEM may remain on the Tariff for up to 20 years from the original date of Permission to Operate (PTO). This 20-year legacy "NEM Transition Period" is

further clarified in PG&E's NEM tariff.¹ For customers who have reached the end of their NEM Transition Period, referred to herein as "NEM Transition Eligible Customers," the customer will be transitioned to the applicable NEM successor tariff. This transition will occur at the first annual billing True-Up after their NEM Transition Period ends. The CPUC is currently considering an additional successor tariff through the "Order Instituting Rulemaking to Revisit Net Energy Metering Tariffs Pursuant to Decision D.16-01-044, and to Address Other Issues Related to Net Energy Metering" (R.20-08-020). This proceeding may result in a new NEM successor tariff to which NEM Transition Eligible Customers may be transitioned at the end of their NEM Transition Period.²

Discussion

The proposed changes in this advice letter are requested to ensure a smooth transition of NEM-enrolled customers who do not make any changes to their NEM eligible system to the applicable successor tariff by:

1. Avoiding the need to have customers sign another interconnection agreement in order to continue taking service on the successor tariff, for customers who:
 - a. Are transitioned to the successor tariff once their NEM Transition Period ends, or
 - b. Voluntarily switch to the successor tariff prior to their NEM Transition Period ending;
2. Establishing a process to address customers who do not meet the metering requirements associated with taking service on the successor tariff; and
3. Clarifying that should a revised successor tariff be established — customers whose NEM Transition Period eligibility has expired will transition to the NEM successor tariff that is required for customers installing NEM-eligible technologies at the time of the transition.

NEM Transition Eligible Customers' Existing Interconnection Agreements Are Adequate

When NEM Transition Eligible Customers interconnected NEM-eligible renewable generation technologies to PG&E's grid at the time of their initial installation, they signed a "Generator Interconnection Agreement" as defined in Rule 21. This agreement governs both physical interconnection requirements to ensure safe operation of the system in relation to PG&E's grid, as well as tariff requirements. Due to the differing tariff requirements between NEM and NEM2, PG&E has separate Interconnection Agreements for a customer interconnecting under NEM and NEM2. However, apart from differences in metering required for billing, the physical operational requirements associated with the NEM Interconnection Agreement are consistent with those required under the NEM2

¹ See Sheet 2 of PG&E "Electric Schedule NEM2" Tariff

² This rightfully assumes that the NEM2 tariff will no longer be available to new customers who install NEM-eligible technologies once the new NEM successor tariff is implemented.

Interconnection Agreement, and we anticipate similar consistencies with a future successor tariff. PG&E thus asserts that it is not necessary to require customers who interconnected under NEM to sign a new interconnection agreement for the applicable successor tariff, and requiring NEM customers to do so would be unnecessarily burdensome to the customer and to PG&E.

Transitioning Customers Who Cannot Meet Successor Tariff Metering Requirements

Customers who take service under the NEM2 tariff must be on a time-of-use (TOU) rate, as established in D.16-0-044³ and clarified in PG&E's Electric Schedule NEM2 tariff. To be billed under the NEM2 tariff, the customer's meter must be capable of billing Non-bypassable charges (NBCs) based on the required metered interval for NBC calculations. The NEM2 tariff requires PG&E to install meters that are capable of separately measuring the flow of electricity in two directions at the required metered intervals, and are able to transmit metered interval data to PG&E over a network. This can be accomplished by:

1. Installing a SmartMeter™
2. Installing an interval meter with a cellular connection
3. Installing a telephone landline and interval meter (customer responsible for any required trenching)

Customers who take service on a future successor tariff will likely require the same metering infrastructure requirements.

For NEM Transition Eligible Customers whose NEM eligibility has expired and who refuse a meter with the above described capabilities, PG&E plans to transition such customers to a Rule 21 Uncompensated Export arrangement provided that such customers allow PG&E access to their metering equipment, as required by Electric Rule 16 Section A.12.⁴ PG&E plans to begin engaging the customer approximately 90 days before their scheduled transition to the successor tariff occurs to schedule the required metering updates. If the metering updates are not completed by the time the transition to the successor tariff is set to occur, PG&E will initially move the customer from NEM to Rule 21 Uncompensated Export as they will no longer be eligible to be billed on the successor Tariff. However, this change also requires access to the customer's premises for meter reprogramming.

As described above, PG&E will continue to engage with the customer to complete the reprogramming necessary first to change the meter to be compliant with the NEM successor tariff requirements, and then to temporarily convert them to Rule 21 Uncompensated Export. However, if the customer refuses to grant meter access to PG&E, the customer will be required to disconnect their generating facility from the PG&E

³ Conclusion of Law 16 at page 116.

grid pursuant to the provisions of Rule 21, Sections D.4 and D.9⁵. Additionally, per Rule 11, Section K, PG&E reserves the right to disconnect the customer's service for tariff non-compliance upon 5 days written notification.⁶ The customer will need to comply with the applicable tariff before service will be restored.

NEM Customers will be Transitioned to the Applicable NEM Successor Tariff

As described above, the CPUC is considering adoption of an updated NEM successor tariff as part of R.20-08-020. In this advice filing, PG&E provides tariff updates to clarify that once a new successor tariff is adopted, NEM customers whose NEM Transition Period has expired will be transitioned to the new applicable successor tariff. In D.16-01-044⁷, the CPUC affirmed that customers who transition from NEM to the NEM2 tariff "may not restart the 20-year period by switching to the successor tariff." For customers whose NEM Transition Period has expired, those customers will be transitioned to the applicable NEM successor tariff that is required for new customers at the time of the transition.

Summary of Tariff Revisions

PG&E proposes additions and clarifications to the Electric Schedule NEM2 Applicability and Special Conditions in Advice 6395-E. No tariff revisions are being made in this advice letter.

The submittal would not increase any current rate or charge, cause the withdrawal of service, or conflict with any rate schedule or rule.

Protests

Pursuant to GO 96-B, General Rule 7.5.1, PG&E requests to maintain the original protest and comment period designated in Advice 6395-E and not reopen the protest period.

Effective Date

Pursuant to General Order (GO) 96-B, Rule 5.1, this advice letter is submitted with a Tier 2 designation. PG&E requests that this Tier 2 advice submittal become effective concurrent with original Advice Letter 6395-E, which is December 5, 2021.

⁵ Sheet 35 and Sheet 40 of Electric Rule No. 21

⁶ Sheet 12 of Electric Rule No. 11

⁷ At page 100.



ADVICE LETTER 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 WATER
 PLC HEAT

Contact Person: Kimberly Loo

Phone #: (415)973-4587

E-mail: PGETariffs@pge.com

E-mail Disposition Notice to: KELM@pge.com

EXPLANATION OF UTILITY TYPE

ELC = Electric GAS = Gas WATER = Water
 PLC = Pipeline HEAT = Heat

(Date Submitted / Received Stamp by CPUC)

Advice Letter (AL) #: 6395-E-A

Tier Designation: 2

Subject of AL: Supplemental: Clarifications to Electric Schedule NEM2 Applicability and Special Condition requirements for transitions to the NEM Successor tariff

Keywords (choose from CPUC listing): Metering

AL Type: Monthly Quarterly Annual One-Time Other:

If AL submitted in compliance with a Commission order, indicate relevant Decision/Resolution #:

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:

Confidential treatment requested? Yes No

If yes, specification of confidential information:

Confidential information will be made available to appropriate parties who execute a nondisclosure agreement. Name and contact information to request nondisclosure agreement/ access to confidential information:

Resolution required? Yes No

Requested effective date: 12/5/21

No. of tariff sheets: 0

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: N/A

Service affected and changes proposed¹: N/A

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

¹Discuss in AL if more space is needed.

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

California Public Utilities Commission
Energy Division Tariff Unit Email:
EDTariffUnit@cpuc.ca.gov

Contact Name: Sidnev Bob Dietz II. c/o Megan Lawson
Title: Director, Regulatory Relations
Utility/Entity Name: Pacific Gas and Electric Company

Telephone (xxx) xxx-xxxx:
Facsimile (xxx) xxx-xxxx:
Email: PGETariffs@pge.com

Contact Name:
Title:
Utility/Entity Name:

Telephone (xxx) xxx-xxxx:
Facsimile (xxx) xxx-xxxx:
Email:

CPUC
Energy Division Tariff Unit
505 Van Ness Avenue
San Francisco, CA 94102

Clear Form

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

AT&T
Albion Power Company

Alta Power Group, LLC
Anderson & Poole

Atlas ReFuel
BART

Barkovich & Yap, Inc.
Braun Blasing Smith Wynne, P.C.
California Cotton Ginners & Growers Assn
California Energy Commission

California Hub for Energy Efficiency
Financing

California Alternative Energy and
Advanced Transportation Financing
Authority
California Public Utilities Commission
Calpine

Cameron-Daniel, P.C.
Casner, Steve
Center for Biological Diversity

Chevron Pipeline and Power
City of Palo Alto

City of San Jose
Clean Power Research
Coast Economic Consulting
Commercial Energy
Crossborder Energy
Crown Road Energy, LLC
Davis Wright Tremaine LLP
Day Carter Murphy

Dept of General Services
Don Pickett & Associates, Inc.
Douglass & Liddell

East Bay Community Energy Ellison
Schneider & Harris LLP
Engineers and Scientists of California

GenOn Energy, Inc.
Goodin, MacBride, Squeri, Schlotz &
Ritchie
Green Power Institute
Hanna & Morton
ICF
International Power Technology

Intertie

Intestate Gas Services, Inc.
Kelly Group
Ken Bohn Consulting
Keyes & Fox LLP
Leviton Manufacturing Co., Inc.

Los Angeles County Integrated
Waste Management Task Force
MRW & Associates
Manatt Phelps Phillips
Marin Energy Authority
McClintock IP
McKenzie & Associates

Modesto Irrigation District
NLine Energy, Inc.
NRG Solar

OnGrid Solar
Pacific Gas and Electric Company
Peninsula Clean Energy

Pioneer Community Energy

Public Advocates Office

Redwood Coast Energy Authority
Regulatory & Cogeneration Service, Inc.

Resource Innovations

SCD Energy Solutions
San Diego Gas & Electric Company

SPURR

San Francisco Water Power and Sewer
Sempra Utilities

Sierra Telephone Company, Inc.
Southern California Edison Company
Southern California Gas Company
Spark Energy
Sun Light & Power
Sunshine Design
Stoel Rives LLP

Tecogen, Inc.
TerraVerde Renewable Partners
Tiger Natural Gas, Inc.

TransCanada
Utility Cost Management
Utility Power Solutions
Water and Energy Consulting Wellhead
Electric Company
Western Manufactured Housing
Communities Association (WMA)
Yep Energy