

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



November 2, 2023

Advice Letter 6395-E/E-A/E-B

Sidney Bob Dietz II
Director, Regulatory Relations
Pacific Gas and Electric Company
300 Lakeside Drive
Oakland, CA 94612
E-mail: PGETariffs@pge.com

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

Dear Mr. Dietz:

Pacific Gas and Electric Company Advice Letter 6395-E/E-A/E-B is effective as of December 5, 2021.

Sincerely,

A handwritten signature in black ink that reads "Leuwam Tesfai".

Leuwam Tesfai
Deputy Executive Director for Energy and Climate Policy/
Director, Energy Division
California Public Utilities Commission

September 7, 2022

Advice 6395-E-B

(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

Subject: Second 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 NEM2 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 NEM2 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 NEM2 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 NEM2 tariff and then to the applicable successor tariff as may be directed by a future decision of the California Public Utilities Commission (CPUC).

This supplemental advice letter provides additional information and clarification to original Advice Letter 6395-E submitted November 5, 2021 and supplements and replaces supplemental Advice Letter 6395-E-A submitted on August 29, 2022 in its entirety. Sheet 26 of NEM2 is being updated through this supplemental, but the remaining content and tariff revisions in Advice 6395-E are 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 NEM2 tariff and then to the applicable successor tariff, as may be directed by future CPUC decision. 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).

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 NEM2 tariff, for customers who:
 - a. Are transitioned to the NEM2 tariff once their NEM Transition Period ends, or
 - b. Voluntarily switch to the NEM2 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 NEM2 tariff; and
3. Clarifying that customers whose NEM Transition Period eligibility has expired will transition to the NEM2 tariff and then to the applicable successor tariff as may be directed by future CPUC decision.

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 Interconnection Agreement. PG&E thus asserts that it is not necessary to require customers who interconnected under NEM to sign a new interconnection agreement for

¹ See Sheet 2 of PG&E “Electric Schedule NEM2” Tariff.

the NEM2 tariff, and requiring NEM customers to do so would be unnecessarily burdensome to the customer and to PG&E.

Transitioning Customers Who Cannot Meet NEM2 Tariff Metering Requirements

Customers who take service under the NEM2 tariff must be on a time-of-use (TOU) rate, as established in D.16-0-044² 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)

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. PG&E plans to begin engaging the customer approximately 90 days before their scheduled transition to the NEM2 tariff occurs to schedule the required metering updates. If the metering updates are not completed by the time the transition to the NEM2 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 NEM2 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 NEM2 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 grid pursuant to the provisions of Rule 21, Sections D.4 and D.9³. 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.⁴ The customer will need to comply with the applicable tariff before service will be restored.

² Conclusion of Law 16 at page 116.

³ Sheet 35 and Sheet 40 of Electric Rule No. 21

⁴ Sheet 12 of Electric Rule No. 11

NEM Customers will be Transitioned to the Applicable NEM Successor Tariff

As described above, the CPUC is considering adoption of a successor to the NEM2 tariff as part of R.20-08-020. In D.16-01-044⁵, 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.” In this advice filing, PG&E provides tariff updates to clarify that NEM customers whose NEM Transition Period has expired will be transitioned to the NEM2 tariff and then to the applicable successor tariff for such customers as may be directed by future CPUC decision.

Summary of Tariff Revisions

PG&E proposes additions and clarifications to the Electric Schedule NEM2 Applicability and Special Conditions in Advice 6395-E. In addition, through this supplemental advice letter, PG&E clarifies the language previously proposed at Special Condition 8 of Electric Schedule NEM2 to specify that NEM customers who transition to NEM2 (NEM Transition Eligible Customers) may not restart a 20-year transition period under NEM2 and will be transitioned to the applicable tariff as may be directed by future CPUC decision.

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.

Notice

In accordance with General Order 96-B, Section IV, a copy of this advice letter is being sent electronically to parties shown on the attached list. Address changes to the General Order 96-B service list should be directed to PG&E at email address 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 submittals can also be accessed electronically at: <http://www.pge.com/tariffs/>.

⁵ 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-B

Tier Designation: 2

Subject of AL: Second 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: 3

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 proposed¹: N/A

Pending advice letters that revise the same tariff sheets: 6533-E

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

| Cal P.U.C. Sheet No. | Title of Sheet | Cancelling Cal P.U.C. Sheet No. |
|---------------------------------|---|--|
| 54067-E | ELECTRIC SCHEDULE NEM2 NET ENERGY METERING SERVICE Sheet 26 | 50614-E |
| 54068-E | ELECTRIC TABLE OF CONTENTS Sheet 1 | 54061-E |
| 54069-E | ELECTRIC TABLE OF CONTENTS Sheet 6 | 54049-E |



**ELECTRIC SCHEDULE NEM2
NET ENERGY METERING SERVICE**

Sheet 26

SPECIAL
CONDITIONS:
(Cont'd.)

8. NEM2 Legacy Provisions

This Special Condition is applicable to all Customers receiving service on Schedules NEM2, NEM2V, and NEM2VMSH ("the NEM-2 Schedules") and who have submitted all documentation necessary to receive service on the NEM-2 schedules.

- a. 20-Year Transition Period. Pursuant to D.16-01-044, Customers who are receiving service on the NEM-2 schedules, or who have submitted all documentation necessary to receive service on a NEM-2 Schedule, are eligible to continue receiving service on that NEM-2 Schedule for a period of 20 years from the original year in which their Generating Facility was interconnected to PG&E's grid, indicated by and measured from the date on which the Customer originally received permission to operate (PTO) the Generating Facility from PG&E and ending at the conclusion of the Customer's applicable Relevant Period that ends immediately on or after the 20th anniversary of the original PTO date. For example, if a Customer initially received PTO on April 1, 2018, the Customer is eligible to continue receiving service on this Schedule through the conclusion of the Relevant Period ending immediately on or after March 31, 2038.

Customers served on Schedule NEM, NEMV, or NEMVMASH who elect to make a one-time switch to the corresponding NEM-2 Schedule prior to the conclusion of their Schedule NEM, NEMV or NEMVMASH 20-year transition period can continue service under the corresponding NEM-2 Schedule from the date of their original Schedule NEM, NEMV or NEMVMASH PTO date; these Customers may not restart their 20-year transition period by electing to move to this Schedule. Customers electing to switch to the corresponding NEM-2 Schedule prior to the conclusion of their Schedule NEM, NEMV or NEMVMASH 20-year transition period permanently forfeit any of their Generating Facility's remaining transition period eligibility on Schedule NEM, NEMV or NEMVMASH and may not later change back to receiving service under Schedule NEM, NEMV or NEMVMASH. Customers at the end of their 20-year NEM enrollment who transitioned to the NEM2 tariff may not restart a 20-year transition period under NEM2. They should remain on the current NEM successor tariff (currently NEM2) and will be transitioned to the applicable tariff, as may be directed by future CPUC decision.

(N)
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(N)

(Continued)



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Sheet 1

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| Preliminary Statements..... | 52771,48064,52561,41723,49327,48076,54060-E | | |
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| Rules | | 52474,48369-E | |
| Maps, Contracts and Deviations..... | | 37960-E | |
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Advice 6395-E-B
Decision

Issued by
Meredith Allen
Vice President, Regulatory Affairs

Submitted
Effective
Resolution

September 7, 2022



ELECTRIC TABLE OF CONTENTS

Sheet 6

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| S | Standby Service | 40243,46370,40245,52752,54041,52754,52142,52143,52144,52145, 52146,52147,52148,52149,52150,52755,52152,52153,52154,52155-E |
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| E-BioMAT | Bioenergy Market Adjusting Tariff | 43634,43635,41023,43636,43637,43638*, 53113,53114,53115,37751,41026,37753, 37754,42211,37756,41027,41028,41029, 43640,41030,46100,37763,43641-E |
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| E-DRP | Demand Response Provider Services..... | 35430,43626-E |
| E-ECR | Enhanced Community Renewables (ECR) Program..... | 45680,35739,52691, 52692,52693,46522,46523,46524-E |
| E-GT | Green Tariff (GT) Program | 45682,52697,52698,52699,46532,46533-E |
| E-NMDL | New Municipal Departing Load | 47526,32097,32098,52271,52272,52273,52274, 52275,52276,52277,52278,52279,52280-E |
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| E-STORE | Station Service For Storage Devices..... | 40238,40239,40240,40241,40242-E |
| E-TMDL | Transferred Municipal Departing Load | 47533,52286,52287, 47535,28961,30659,28608,25887,25888,25889,25890,25891-E |
| NEM | Net Energy Metering Service | 37636,36352,50612,53866, 44459,37638,37639,37640,36562,36563,36564,53867,53868,33910*, 37641,33912*,33913*,35643,47172,35276,48531,36599,53869,53870,35646, 43186*,45716,53871,53872,53873,45720,47173,45722,45723-E |
| NEM2 | Net Energy Metering Service | 50613,47174,50674,50675,46378,42931,42932,42933, 48532,42935,42936,42937,53874,52980,48533,37810,42939,38161, 38162,42940,47176,37816,42941,38165,52981,54067,50615,47178,45729, (T) 45730,45731,45732,48534,45734,45735,45736,45737,45738,45739,47180-E |
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Advice 6395-E-B
September 7, 2022

Attachment 2

Redline Tariff Revision



**ELECTRIC SCHEDULE NEM2
NET ENERGY METERING SERVICE**

Sheet 26

**SPECIAL
CONDITIONS:
(Cont'd.)**

8. NEM2 Legacy Provisions

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- a. 20-Year Transition Period. Pursuant to D.16-01-044, Customers who are receiving service on the NEM-2 schedules, or who have submitted all documentation necessary to receive service on a NEM-2 Schedule, are eligible to continue receiving service on that NEM-2 Schedule for a period of 20 years from the original year in which their Generating Facility was interconnected to PG&E's grid, indicated by and measured from the date on which the Customer originally received permission to operate (PTO) the Generating Facility from PG&E and ending at the conclusion of the Customer's applicable Relevant Period that ends immediately on or after the 20th anniversary of the original PTO date. For example, if a Customer initially received PTO on April 1, 2018, the Customer is eligible to continue receiving service on this Schedule through the conclusion of the Relevant Period ending immediately on or after March 31, 2038.

Customers served on Schedule NEM, NEMV, or NEMVMASH who elect to make a one-time switch to the corresponding NEM-2 Schedule prior to the conclusion of their Schedule NEM, NEMV or NEMVMASH 20-year transition period can continue service under the corresponding NEM-2 Schedule from the date of their original Schedule NEM, NEMV or NEMVMASH PTO date; these Customers may not restart their 20-year transition period by electing to move to this Schedule. Customers electing to switch to the corresponding NEM-2 Schedule prior to the conclusion of their Schedule NEM, NEMV or NEMVMASH 20-year transition period permanently forfeit any of their Generating Facility's remaining transition period eligibility on Schedule NEM, NEMV or NEMVMASH and may not later change back to receiving service under Schedule NEM, NEMV or NEMVMASH. Customers at the end of their 20-year NEM enrollment who transitioned to the NEM2 tariff may not restart a 20-year transition period under NEM2. They should remain on the current NEM successor tariff (currently NEM2) and will be transitioned to the applicable tariff, as may be directed by future CPUC decision. ~~required for customers installing NEM-eligible technologies if and when a new successor tariff becomes effective.~~

(N)
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|
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(N)

(Continued)

**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