

## PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



January 23, 2024

Advice Letter 6848-E/E-A

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

**SUBJECT: Creating Pacific Gas and Electric Company's New Net Billing Tariff (NBT) Rate Schedule Per Decision (D.) 22-12-056, Ordering Paragraphs 12b**

Dear Mr. Dietz:

Pacific Gas and Electric Company Advice Letter 6848-E/E-A is effective as of March 1, 2023 per Resolution E-5301.

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

March 24, 2023

**Advice 6848-E-A**

(Pacific Gas and Electric Company ID U 39 E/)

Public Utilities Commission of the State of California

**Subject: Supplemental: Creating Pacific Gas and Electric Company's New Net Billing Tariff (NBT) Rate Schedule Per Decision (D.) 22-12-056, Ordering Paragraph 12b**

**Purpose**

Pacific Gas and Electric Company ("PG&E") respectfully submits this Tier 2 supplemental Advice Letter to modify its Net Billing Tariff (NBT) language based on the changes proposed in "PG&E's Reply to protest on AL 6848-E", submitted on February 28, 2023. This supplemental AL partially replaces the original advice letter. The following parties submitted protests PG&E's original Advice Letter on February 21, 2023: the California Solar and Storage Association (CALSSA) and the Solar Energy Industries Association (SEIA).

**Background**

Senate Bill (SB) 656 (Alquist, Stats. 1995, ch. 369), codified in Section 2827 of the Public Utilities Code, established net energy metering (NEM) in California. The statute directed every electric utility in California to develop a standard contract or tariff to allow eligible customer-generators (customers who own and operate an electrical generating facility to offset part or all their own electrical requirements) to receive a financial credit on their electric bills for energy fed back to the utility's grid. The statute was subsequently amended several times, including among other changes, to add a new "option" to the NEM program to allow customers to aggregate load from multiple meters ("load aggregation," also referred to as "net energy metering aggregation").<sup>1</sup>

In 2013, Assembly Bill (AB) 327 (Perea, Stats. 2013, ch. 611) added Section 2827.1 to the Public Utilities Code and mandated that the Commission adopt a successor to the existing NEM tariff. Subsequently, the Commission approved Decision (D.) 16-01-044, which adopted a revised NEM tariff, now referred to as NEM2.

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<sup>1</sup> SB 594 (Wolk, 2012) codified at Public Utilities Code Section 2827 (h)(4)(D).

On August 27, 2020, the Commission initiated a rulemaking to revisit the NEM tariffs adopted by D.16-01-044. Subsequently, on December 15, 2022, the Commission adopted D.22-12-056, adopting a successor to the current NEM2 tariff. Specific to this advice letter, D.22-12-056 orders the following changes:

OP 12(b):

“Step 2: Within 45 days of the effective date of this decision, Joint Utilities shall each submit Tier 2 advice letter to provide the details of the successor tariff and all subtariffs, as adopted in this decision. Joint Utilities shall coordinate before submitting the advice letters to ensure language uniformity to the extent possible. The individual advice letters shall summarize Joint Utilities’ interpretation of how the successor tariff will be structured and include indicative levels of price components and containing rate factors based on the applicable revenue and associated tariff sheets. Joint Utilities shall ensure language uniformity.”

CALSSA and SEIA protested PG&E’s AL-6848-E, to which PG&E responded on February 28, 2023. PG&E submits this Supplemental Advice Letter to incorporate revisions to the NBT in response to the protests as indicated in its February 28 response.

### **Tariff Revisions**

The following specific tariff changes are made to the proposed NBT:

- Applicability section: PG&E revised the language to clarify the closure of the NEM2 tariff and application of the NBT, including revisions to address existing customers modifying their system above the allowable threshold (10% or 1 kW), as proposed by CALSSA.
- Applicability section: PG&E clarifies that during the application process a builder/developer may sell a commercial property and the new customer may be treated as the Change of Party Customer for Interconnection agreement requirements, as proposed by CALSSA.
- Applicability section: Deletion of footnote #1 since D.22-12-056 only identifies E-ELEC as an eligible residential rate.
- Export Credits: PG&E clarifies the 9-year lock in period as proposed by SEIA.
- Export Credits: PG&E adds language specifying that an NBT customer has the right to opt out of the lock-in period as proposed by SEIA.
- Interconnection: PG&E clarifies that a template single line diagram can be selected from the interconnection portal for systems with 30 kW or less, as suggested by CALSSA.
- Net Surplus Compensation (NSC): PG&E inadvertently omitted the NBT-Paired Storage (NBT-PS) sub-schedule in its initial AL, such that it appeared that NBT customers with storage are not eligible for NSC. Therefore, PG&E has added “NBT-PS” in the NSC eligibility section, as proposed by CALSSA.

- NBT Legacy Provisions: PG&E added a sentence to ensure that customers adding storage to their existing Generating Facility will not impact their 9-year legacy period, as proposed by SEIA.
- NBT Legacy Provisions: PG&E makes minor revision to the language regarding transferability of the legacy period from a builder/contractor to a customer for newly constructed buildings, as proposed by CALSSA.

### **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 Letter 6848-E and not reopen the protest period. This supplemental only addresses changes made in response to protests to Advice Letter 6848-E.

### **Effective Date**

Pursuant to General Order (GO) 96-B, Rule 5.2, and OP 11 of D.22-12-056, this advice letter is submitted with a Tier 2 designation. PG&E requests that this Tier 2 advice submittal become effective on April 15, 2023, which is the day that Net Billing Tariff will be available after the NEM2 Sunset.

### **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 and the parties on the service list for R.20-08-020, R.14-07-002/A.16-07-015. 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/>.

/S/

\_\_\_\_\_  
Sidney Bob Dietz II  
Director, Regulatory Relations

### **Attachments:**

Attachment 1: Clean Tariff  
Attachment 2: Redline Tariff Revisions

cc: Service Lists R.20-08-020, R.14-07-002/A.16-07-015



# 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 (U 39 E)

Utility type:

- ELC       GAS       WATER  
 PLC       HEAT

Contact Person: Stuart Rubio

Phone #: (951)965-8905

E-mail: PGETariffs@pge.com

E-mail Disposition Notice to: stuart.rubio@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) #: 6848-E-A

Tier Designation: 2

Subject of AL: Supplemental: Creating Pacific Gas and Electric Company's New Net Billing Tariff (NBT) Rate Schedule Per Decision (D.) 22-12-056, Ordering Paragraphs 12b

Keywords (choose from CPUC listing): Compliance, Tariffs

AL Type:  Monthly  Quarterly  Annual  One-Time  Other:

If AL submitted in compliance with a Commission order, indicate relevant Decision/Resolution #: D.22-12-056

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: N/A

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: 4/15/23

No. of tariff sheets: 11

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<sup>1</sup>: N/A

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

<sup>1</sup>Discuss 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](mailto: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: (415)973-2093  
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.
55791-E	ELECTRIC SCHEDULE NBT NET BILLING TARIFF (NBT) SERVICE Sheet 1	
55792-E	ELECTRIC SCHEDULE NBT NET BILLING TARIFF (NBT) SERVICE Sheet 4	
55793-E	ELECTRIC SCHEDULE NBT NET BILLING TARIFF (NBT) SERVICE Sheet 10	
55794-E	ELECTRIC SCHEDULE NBT NET BILLING TARIFF (NBT) SERVICE Sheet 11	
55795-E	ELECTRIC SCHEDULE NBT NET BILLING TARIFF (NBT) SERVICE Sheet 21	
55796-E	ELECTRIC SCHEDULE NBT NET BILLING TARIFF (NBT) SERVICE Sheet 25	
55797-E	ELECTRIC SCHEDULE NBT NET BILLING TARIFF (NBT) SERVICE Sheet 28	
55798-E	ELECTRIC SCHEDULE NBT NET BILLING TARIFF (NBT) SERVICE Sheet 29	
55799-E	ELECTRIC TABLE OF CONTENTS Sheet 1	55774-E
55800-E	ELECTRIC TABLE OF CONTENTS Sheet 7	55698-E
55801-E	ELECTRIC TABLE OF CONTENTS Sheet 8	55699-E



**ELECTRIC SCHEDULE NBT  
NET BILLING TARIFF (NBT) SERVICE**

Sheet 1

**APPLICABILITY:** This Net Billing Tariff (NBT) Schedule pursuant to Decision (D.) 22-12-056 is applicable to a customer (hereinafter "eligible customer-generator" or "customer") who uses a Renewable Electrical Generation Facility (REGF), as defined below. The NBT schedule may also be referred to as the "Solar Billing Plan" in customer-facing communications. (N)

Residential customers taking service on NBT must take service on the E-ELEC (ELECTRIC HOME) rate schedule and if applicable may choose to enroll in critical peak pricing (PG&E's SmartRate) or peak day pricing rates. Non-Residential customers may take service on any open applicable time-of-use rate schedule. This NBT Schedule does not offer load Aggregation.

To be eligible on this NBT Schedule, customer's REGF (as defined below) must be (a) located on the customer's owned, leased, or rented Premises (as defined in PG&E's Electric Rule 1); (b) interconnected to, and operating in parallel with, PG&E's transmission and distribution systems; and (c) intended primarily to offset the customer's own electrical requirements. However, customer is allowed to oversize their REGF to meet expected increased future electrical usage (i.e., increased electrical usage resulting from an electric vehicle or other electrical appliances to support electrification) by executing the NBT Oversized Generating Facility Attestation. Under such circumstances, the REGF's estimated annual production should be no larger than:

- a. 150 percent of the Customer's most recent 12 months of total usage; or
- b. 150 percent of the Customer's estimated annual usage (for new construction and/or customers that do not yet have 12 months of usage only); or
- c. If the Customer attests to having recently increased their usage, 150 percent of the Customer's current usage projected over 12 months.

The expected increased electrical usage should correspond with the size of the REGF and should materialize within 12 months from issuance of Permission to Operate (PTO).

Pursuant to Decision (D.) 22-12-056, Electric Schedule NEM2 (Net Energy Metering Service (the NEM2 tariff)<sup>2</sup> will close to customers requesting interconnection for new REGFs, or modified REGFs exceeding the allowable threshold (10% of original REGF or 1 kW), after April 14, 2023. Customers applying for interconnection after April 14, 2023, will take service on this NBT Schedule, unless they are applying for NEM2 Load Aggregation. Customers who do not submit complete applications for interconnection by April 14, 2023, will interconnect under the terms of this NBT Schedule. (N)

<sup>2</sup>[https://www.pge.com/tariffs/assets/pdf/tariffbook/ELEC\\_SCHEDS\\_NEM2.pdf](https://www.pge.com/tariffs/assets/pdf/tariffbook/ELEC_SCHEDS_NEM2.pdf)

(Continued)

<i>Advice</i>	6848-E-A	<i>Issued by</i>	<i>Submitted</i>	<u>March 24, 2023</u>
<i>Decision</i>	D.22-12-056	<b>Meredith Allen</b>	<i>Effective</i>	<u>                    </u>
		<i>Vice President, Regulatory Affairs</i>	<i>Resolution</i>	<u>                    </u>





**ELECTRIC SCHEDULE NBT  
NET BILLING TARIFF (NBT) SERVICE**

Sheet 10

RATES:  
(Cont'd.)

For both residential and nonresidential customers who submit a complete interconnection application on or after April 15, 2023 and no later than December 31, 2027, Export Compensation Rates will be based on a “locked-in” nine-year schedule of values for each hour from the most recent CPUC Avoided Cost Calculator, adopted as of January 1 of the calendar year of the customer’s interconnection date. After the nine-year lock-in period, measured from the date of issuance of PTO, the Export Compensation Rates will be based on averaged hourly avoided cost values from the most recent Avoided Cost Calculator, adopted as of January 1 of the applicable calendar year. Customers enrolling on NBT after its initial five years of availability will not receive a locked-in nine-year schedule for their Export Compensation Rate and will instead be compensated at the average hourly avoided cost values from the most recent Avoided Cost Calculator, adopted as of January 1 of the applicable calendar year in which the compensation is being provided. The Export Compensation Rate values are posted at <https://www.pge.com/energyexportcredit>.

Pursuant to Decision 22-12-056, section 8.5.1, NBT customers: (1) may choose to exit their lock-in periods early but may not re-enter them after exiting; and (2) who exit their lock-in period early will subsequently receive export compensation rates calculated using the most recently adopted Avoided Cost Calculator.

For Customers enrolled in the California Alternate Rates for Energy (CARE) and Family Electric Rates Assistance (FERA), the CARE and FERA discount shall not be applied to the retail export compensation rate.

**Methodology for calculating the Export Compensation Rate based on ACC:**

The Export Compensation Rates for a given installation vintage of customers in a given calendar year are based on the applicable vintage of Avoided Cost Calculator (ACC) forecast of values for that year. Because the ACC outputs different values by climate zone and for every hour of the year, the following process is used to aggregate values into a single set of values for each month, day-type, and hour for all PG&E customers.

1. For each Climate Zone, create a set of 8760 hourly avoided costs using the ACC value for the Delivery components. Generation components do not vary by climate zone, so only a single set for generation Export Compensation Rate is necessary to collect.
2. Create a geographically weighted average value for each hour of the delivery component, using the documented installed kW capacity of NEM and NBT participants per Climate Zone at the end of the previous calendar year.
3. Because the Avoided Cost Calculator output is in Pacific Standard Time, adjust time and hour labels to account for daylight savings time, and identify weekdays and weekend/holidays.
4. For each monthly Delivery and Generation components, calculate the average of all prices by hour, per weekday and weekend. This calculation will render the Export Compensation Rate components (Delivery and Generation) for each month’s weekday and weekend values.
5. Apply floor of \$0/kWh to Delivery and Generation components of the Export Compensation Rate.

(N)

(N)

(Continued)



**ELECTRIC SCHEDULE NBT  
NET BILLING TARIFF (NBT) SERVICE**

Sheet 11

RATES:

**Methodology for calculating the Export Compensation Rate based on ACC (Cont'd):**

(N)

(Cont'd.)

6. For each hour and weekday/weekend, the full Export Compensation Rate will then be the sum of the corresponding Generation and the Delivery components for that hour/ weekday/ weekend.

**D. Avoided Cost Calculator Plus (ACC Plus)**

An Avoided Cost Calculator Plus (ACC Plus) adder, in the form of a credit in cents per kilowatt-hour exported, is available to residential NBT customers who interconnect during the first five years of the tariff. The ACC Plus applicable to a given customer will be based on the customer's calendar year of interconnection. The ACC Plus available to new NBT customers will decrease over five years as shown in the table below. The applicable ACC Plus adder will remain constant for a customer for nine years from the customer's Permission to Operate (PTO) date. The ACC Plus may also be referred to as the "Energy Export Bonus Credit" in customer-facing materials.

<b>Adopted Avoided Cost Calculator Plus Adder (ACC Plus)</b>					
<b>Customer Segment</b>	<b>2023 \$/kWh</b>	<b>2024 \$/kWh</b>	<b>2025 \$/kWh</b>	<b>2026 \$/kWh</b>	<b>2027 \$/kWh</b>
<b>Residential</b>	0.0220 0	0.0176 0	0.01320	0.00880	0.00440
<b>Residential Low Income</b>	0.0900 0	0.0720 0	0.05400	0.03600	0.01800
<b>Non-Residential</b>	<b><u>Not Eligible</u></b>				

The adder will decrease by 20 percent annually, for newly enrolled tariff customers, as measured by the first-year adder rate until the adder reaches zero. The adder will be a discrete line on the customer's utility bill, will apply to all charges, and will apply to future bills until the credit is used.

The ACC Plus is not available to:

- (i). Customers transitioning from the NEM/NEM2 tariff to NBT tariff at the end of their legacy period;
- (ii). Customers who have purchased a building with an existing system (Change of Party Customers);
- (iii). Non-Residential Customers; and
- (iv). Customers who are required to add solar (e.g., by California's building code).

(N)

(Continued)



**ELECTRIC SCHEDULE NBT  
NET BILLING TARIFF (NBT) SERVICE**

Sheet 21

SPECIAL  
CONDITIONS:  
(Cont'd.)

3. Interconnection: (Cont'd.)

(N)

Customers with an interconnection application date after the NEM2 Sunset Date (April 14, 2023) will take service and be billed on the NEM2 tariff on an interim basis and transition to the Net Billing Tariff, once it is operational. The NEM2 tariff legacy period is not applicable in this case.

The interconnection application date is defined as the submission date of an application that is free of major deficiencies and includes a complete application, a single-line diagram (for systems smaller than or equal to 30 kW, applicant does not need to upload a site-specific single-line diagram, but can instead select a template single-line diagram in the portal if applicable), and, if applicable, a complete California Contractors State License Board Solar Energy System Disclosure Document, a signed California Solar Consumer Protection Guide, a signed Agreement and Authorization form, and an NBT oversizing attestation.

The eligible customer-generator must meet all applicable safety, and performance standards established by the National Electrical Code, the Institute of Electrical and Electronics Engineers, and accredited testing laboratories such as Underwriters Laboratories and, where applicable, rules of the California Public Utilities Commission regarding safety, reliability, and consumer protection.

To promote the safety and reliability of the customer REGF, the customer-generator shall comply with Electric Rule No. 21 Sections L.2-L.4 and Section L.7. for interconnecting to the electrical grid. Equipment on the California Energy Commission (CEC) list will meet this requirement and does not need to be verified. Other equipment, as determined by PG&E, should be verified by the customer as having safety certification from a nationally recognized testing laboratory.

Applicant is required to verify as a part of each interconnection request for this tariff that (i) a warranty of at least 10 years, or (ii) a 10-year service warranty or executed "agreement" ensuring proper maintenance and continued system performance has been provided on all equipment and on its installation.

Pursuant to Decision (D) 22-12-056 customers on this tariff must pay for the interconnection of their REGF as provided in Electric Rule 21, including an application fee. This application fee must be paid through PG&E's online application portal in order to complete the application, unless otherwise directed by PG&E. For application fees for Customers impacted by a Natural or Human-Made Disasters<sup>6</sup>, see Special Condition 8.

(N)

<sup>6</sup> Natural or human-made disasters includes such events as a fire, earthquake, flood, or severe storms.

(Continued)

<i>Advice</i>	6848-E-A	<i>Issued by</i>	<i>Submitted</i>	March 24, 2023
<i>Decision</i>	D.22-12-056	<b>Meredith Allen</b>	<i>Effective</i>	
		<i>Vice President, Regulatory Affairs</i>	<i>Resolution</i>	



**ELECTRIC SCHEDULE NBT  
NET BILLING TARIFF (NBT) SERVICE**

Sheet 25

SPECIAL  
CONDITIONS:

**5. NET SURPLUS COMPENSATION (NSC):**

(N)

Pursuant to P.U. Code Sections 2827 (h)(3), this Special Condition was established to provide a NEM customer having **Net Surplus Electricity** (defined as all electricity generated by an eligible customer measured in kilowatt-hours over a Relevant Period that exceeds the amount of electricity consumed by that eligible customer), with Net Surplus Compensation for the Net Surplus Electricity. This benefit is extended to NBT customers pursuant to Decision (D). 22-12-056.

An NBT customer who has Net Surplus Electricity will be known as a **Net Surplus Generator**.

a. NSC Applicability – All bundled Net Surplus Generators that satisfy the conditions in the Applicability Section of this tariff and take service under this rate schedule are eligible to receive NSC at the end of the Relevant Period, i.e. at the time of their true-up. This includes Net Surplus Generators on sub-schedules NBT-S, NBT-EXP, NBT-PS and NBT-EXP-OTR. An NBT-MT Net Surplus Generator is also eligible to receive NSC but only for the one or more generators at the same metered account eligible for billing treatment under Special Condition 2.a through 2.f of this NBT schedule, or the applicable tariff for the non-NBT generator.

Net Surplus Generators who receive Direct Access (DA) Service from an ESP or who receive Community Choice Aggregation (CCA) Service from a CCA are not eligible to receive NSC from PG&E but may contact their ESP or CCA Provider to see if they provide NSC.

b. The NSC Rate – The NSC Rate is defined as the simple rolling average of PG&E's default load aggregation point (DLAP) price from 7 a.m. to 5 p.m., for a 12-month period. PG&E shall use the NSC Rate as the value of the electricity portion of its net surplus compensation rate.

PG&E will calculate the NSC Rate each month. It will be effective on the first day of that month and PG&E will use it in the NSC Calculation for any Net Surplus Generators with a Relevant Period completed in that month (True-Up Month).

The DLAP Cutoff Date will be defined as the twentieth (20th) day of the month prior to the True-Up Month.

PG&E will wait five (5) days after the DLAP Cutoff Date for the CAISO to have time to finalize the day-ahead PG&E DLAP prices. The NSC Rate will then be calculated as the simple average of the prices for all hours between 7 a.m. and 5 p.m. over a one (1) year period ending on the DLAP Cutoff Date.

(N)

(Continued)

Advice 6848-E-A  
Decision D.22-12-056

Issued by  
**Meredith Allen**  
Vice President, Regulatory Affairs

Submitted  
Effective  
Resolution

March 24, 2023



**ELECTRIC SCHEDULE NBT  
NET BILLING TARIFF (NBT) SERVICE**

Sheet 28

SPECIAL  
CONDITIONS:  
(Cont'd)

**6. NBT Legacy Provisions**

(N)

This Special Condition is applicable to all Customers receiving service on this NBT Schedule, and who have submitted all documentation necessary to receive service on this schedule.

- a. 9-Year Transition Period. Pursuant to Decision 22-12-056, customers who receive service on the NBT Schedule, or who have submitted all documentation necessary to receive service on the NBT Schedule, are eligible to continuously stay enrolled on the NBT Schedule for a period of up to 9 years from the original permission to operate (PTO) date. The 9-year enrollment period ends at the conclusion of the Customer's applicable Relevant Period on or after the 9th anniversary of the original PTO date. For example, if a Customer initially received PTO on May 1, 2023, the Customer is eligible to continue receiving service on the NBT Schedule through the conclusion of the Relevant Period ending immediately on or after April 30, 2032.

Customers electing to switch to this NBT Schedule prior to the conclusion of their Schedule NEM or NEM2 Legacy Period permanently forfeit any of their Generating Facility's remaining transition period eligibility on Schedule NEM or NEM2 and may not later change back to receiving service under these schedules. Customers at the end of their NEM or NEM2 Legacy Period enrollment who transitioned to the NBT Schedule may not restart a new Legacy Period under NBT. These customers will not receive a 9-year legacy treatment under NBT. They will remain on this NBT Schedule and will be transitioned to the applicable successor tariff required for customers installing eligible renewable technologies if and when a new successor tariff becomes effective.

- b. Modifications<sup>8</sup>. REGFs eligible for the 9-year transition period outlined above that are modified and/or repaired shall remain eligible for the remainder of their 9-year transition period as long as the modifications and/or repairs do not increase the REGF by more than the greater of:

- 1) 10 percent of the REGF's nameplate rating capacity, as established when the REGF was originally interconnected, or
- 2) 1 kW;

and provided the modifications and/or repairs do not result in the REGF exceeding the Customer's annual onsite load unless customer executed the oversizing attestation.

Pursuant to D.22-12-056, the addition of energy storage to the Customer's existing Generating Facility shall not disqualify Customer from the remainder of their 9-year Transition Period on this Schedule.

(N)

<sup>8</sup> Customers making modifications and/or additions to their REGF that exceed the 10 percent, or 1 kW limit referenced above shall remain on this tariff until the Commission develops a successor tariff to this or directs these customers to another tariff. This requirement will only be enforced upon the development of a new NBT Successor Tariff, or by the direction of the CPUC.

(Continued)







ELECTRIC TABLE OF CONTENTS

Sheet 7

Table with columns: SCHEDULE, TITLE OF SHEET, CAL P.U.C. SHEET NO. Includes sections for Rate Schedules and Other, listing various services like NEM2V, NEMVMASH, etc.

Rate Schedules Agricultural

Table listing agricultural rate schedules: AG, AG-1, AG-R with corresponding sheet numbers and continuation markers (L).

(Continued)



**ELECTRIC TABLE OF CONTENTS**

Sheet 8

SCHEDULE	TITLE OF SHEET	CAL P.U.C. SHEET NO.
<b>Rate Schedules Agricultural (Cont'd)</b>		
AG-V	Short-Peak Time-of-Use Agricultural Power.....	48979,48980,48981,52614, (L)
	.....	48983,55594,55595,55596,53371,53372,53373,53374,54903,53376-E
AG-4	Time-of-Use Agricultural Power.....	48934,48935,48936,52593,48938,
	.....	55581,55582,55583,48942,48943,48944,51991,
	.....	54885,48947-E
AG-5	Large Time-of-Use Agricultural Power.....	48948,48949,48950,52598,48952,55584,
	.....	55585,54888,55586,55587,45824,45825,45826,45827,
	.....	53353,54891,46446,48959-E
AG-F	Flexible Off-Peak Time-of-Use Agricultural Power .....	46232,54823,48961,48962,55588,
	.....	55589,55590,48966,48967,48968,54895,07330,48970-E (L)
<b>Rate Schedules Direct Access</b>		
CCA-CRS	Community Choice Aggregation Cost Responsibility Surcharge .....	52000,50654
	.....	55623,54937,54938,52652-E
DA-CRS	Direct Access Cost Responsibility Surcharge.....	52004,47489
	.....	55625,54941,54942,52008-E
E-CCA	Services to Community Choice Aggregator.....	52883,52884,35799,41757,
	.....	52885,52886,52887,52888-E
E-CCAINFO	Information Release to Community Choice Aggregators.....	32786,40157,32788-32789-E
E-CREDIT	Revenue Cycle Services Credits .....	52679, 52680, 52681, 52682, 52683,
	.....	52684, 52685, 52686, 52687, 52688, 52689, 52690-E
E-DASR	Direct Access Services Request Fees.....	32791-E
E-ESP	Services to Electric Service Providers.....	41771,41772,52889,52890,32799-E
E-ESPNSF	Electric Service Provider Non-Discretionary Service Fees.....	32800,52891-E
E-EUS	End User Services.....	41774,41775,32703-E
TBCC	Transitional Bundled Commodity Cost .....	40911,31836,31837,40582,
	.....	31839,31840,31841-31842-E

(Continued)

## **Attachment 2**

### **Redline Tariff Revisions**



**ELECTRIC SCHEDULE NBT**  
**NET BILLING TARIFF (NBT) SERVICE**

Sheet 1 (N)  
(N)

**APPLICABILITY:** This Net Billing Tariff (NBT) Schedule pursuant to Decision (D.) 22-12-056 is applicable to a customer (hereinafter "eligible customer-generator" or "customer") who uses a Renewable Electrical Generation Facility (REGF), as defined below. The NBT schedule may also be referred to as the "Solar Billing Plan" in customer-facing communications. (N)

Residential customers taking service on NBT must take service on the E-ELEC (ELECTRIC HOME) rate schedule<sup>+</sup> and if applicable may choose to enroll in critical peak pricing (PG&E's Smart-Rate) or peak day pricing rates. Non-Residential customers may take service on any open applicable time-of-use rate schedule. This NBT Schedule does not offer load Aggregation.

To be eligible on this NBT Schedule, customer's REGF (as defined below) must be (a) located on the customer's owned, leased, or rented Premises (as defined in PG&E's Electric Rule 1); (b) interconnected to, and operating in parallel with, PG&E's transmission and distribution systems; and (c) intended primarily to offset the customer's own electrical requirements. However, customer is allowed to oversize their REGF to meet expected increased future electrical usage (i.e., increased electrical usage resulting from an electric vehicle or other electrical appliances to support electrification) by executing the NBT Oversized Generating Facility Attestation. Under such circumstances, the REGF's estimated annual production should be no larger than:

- a. 150 percent of the Customer's most recent 12 months of total usage; or
- b. 150 percent of the Customer's estimated annual usage (for new construction and/or customers that do not yet have 12 months of usage only); or
- c. If the Customer attests to having recently increased their usage, 150 percent of the Customer's current usage projected over 12 months.

The expected increased electrical usage should correspond with the size of the REGF and should materialize within 12 months from issuance of Permission to Operate (PTO).

Pursuant to Decision (D.) 22-12-056, Electric Schedule NEM2 (Net Energy Metering Service (the NEM2 tariff)<sup>2</sup> will close to customers requesting interconnection for new REGFs, or modified REGFs exceeding the allowable threshold (10% of original REGF or 1 kW), after April 14, 2023. Customers applying for interconnection after April 14, 2023, will take service on this NBT Schedule, unless they are applying for NEM2 Load Aggregation. Customers who do not submit complete applications for interconnection by April 14, 2023, will interconnect under the terms of this NBT Schedule. (N)

<sup>+</sup> Customers on Schedules such as ET, ES, and ESR, which have no corresponding TOU Rate, are not required to switch to TOU rates, unless and until such a rate becomes available.

<sup>2</sup> [https://www.pge.com/tariffs/assets/pdf/tariffbook/ELEC\\_SCHEDS\\_NEM2.pdf](https://www.pge.com/tariffs/assets/pdf/tariffbook/ELEC_SCHEDS_NEM2.pdf)

(Continued)

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		<i>Vice President, Regulatory Affairs</i>	<i>Resolution</i>	
		Public		





**ELECTRIC SCHEDULE NBT**  
**NET BILLING TARIFF (NBT) SERVICE**

Sheet 10 (N)  
(N)

RATES:  
(Cont'd.)

For both residential and nonresidential customers who submit a complete interconnection application on or before after the first five years of the NBT being available starting on April 15, 2023 and no later than December 31, 2027, Export Compensation Rates will be based on a “locked-in” nine-year schedule of values for each hour from the most recent CPUC Avoided Cost Calculator, adopted as of January 1 of the calendar year of the customer’s interconnection date. After the nine-year lock-in period, measured from the date of issuance of PTO, January 1 of the calendar year in which the customer interconnected, the Export Compensation Rates will be based on averaged hourly avoided cost values from the most recent Avoided Cost Calculator, adopted as of January 1 of the applicable calendar year. Customers enrolling on NBT after its initial five years of availability will not receive a locked-in nine-year schedule for their Export Compensation Rate and will instead be compensated at the average hourly avoided cost values from the most recent Avoided Cost Calculator, adopted as of January 1 of the applicable calendar year in which the compensation is being provided. The Export Compensation Rate values are posted at <https://www.pge.com/energyexportcredit>.

Pursuant to Decision 22-12-056, section 8.5.1, NBT customers: (1) may choose to exit their lock-in periods early but may not re-enter them after exiting; and (2) who exit their lock-in period early will subsequently receive export compensation rates calculated using the most recently adopted Avoided Cost Calculator.

For Customers enrolled in the California Alternate Rates for Energy (CARE) and Family Electric Rates Assistance (FERA), the CARE and FERA discount shall not be applied to the retail export compensation rate.

**Methodology for calculating the Export Compensation Rate based on ACC:**

The Export Compensation Rates for a given installation vintage of customers in a given calendar year are based on the applicable vintage of Avoided Cost Calculator (ACC) forecast of values for that year. Because the ACC outputs different values by climate zone and for every hour of the year, the following process is used to aggregate values into a single set of values for each month, day-type, and hour for all PG&E customers.

1. For each Climate Zone, create a set of 8760 hourly avoided costs using the ACC value for the Delivery components. Generation components do not vary by climate zone, so only a single set for generation Export Compensation Rate is necessary to collect.
2. Create a geographically weighted average value for each hour of the delivery component, using the documented installed kW capacity of NEM and NBT participants per Climate Zone at the end of the previous calendar year.
3. Because the Avoided Cost Calculator output is in Pacific Standard Time, adjust time and hour labels to account for daylight savings time, and identify weekdays and weekend/holidays.
4. For each monthly Delivery and Generation components, calculate the average of all prices by hour, per weekday and weekend. This calculation will render the Export Compensation Rate components (Delivery and Generation) for each month’s weekday and weekend values.

(Continued)

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**ELECTRIC SCHEDULE NBT**  
NET BILLING TARIFF (NBT) SERVICE

Sheet 10

(N)

(N)

5. Apply floor of \$0/kWh to Delivery and Generation components of the Export Compensation Rate.

56. For each hour and weekday/weekend, the full Export Compensation Rate will then be the sum of the corresponding Generation and the Delivery components for that hour/ weekday/ weekend.

(Continued)

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**ELECTRIC SCHEDULE NBT**  
**NET BILLING TARIFF (NBT) SERVICE**

Sheet 21

(N)  
(N)

SPECIAL

3. Interconnection: (Cont'd.)

(N)

CONDITIONS:

(Cont'd.)

Customers with an interconnection application date after the NEM2 Sunset Date (April 14, 2023) will take service and be billed on the NEM2 tariff on an interim basis and transition to the Net Billing Tariff, once it is operational. The NEM2 tariff legacy period is not applicable in this case.

The interconnection application date is defined as the submission date of an application that is free of major deficiencies and includes a complete application, a single-line diagram (for systems smaller than or equal to 30 kW, applicant does not need to upload a site-specific single-line diagram, but can instead select a template single-line diagram in the portal if applicable), and, if applicable, a complete California Contractors State License Board Solar Energy System Disclosure Document, a signed California Solar Consumer Protection Guide, a signed Agreement and Authorization form, and an NBT oversizing attestation.

The eligible customer-generator must meet all applicable safety, and performance standards established by the National Electrical Code, the Institute of Electrical and Electronics Engineers, and accredited testing laboratories such as Underwriters Laboratories and, where applicable, rules of the California Public Utilities Commission regarding safety, reliability, and consumer protection.

To promote the safety and reliability of the customer REGF, the customer-generator shall comply with Electric Rule No. 21 Sections L.2-L.4 and Section L.7. for interconnecting to the electrical grid. Equipment on the California Energy Commission (CEC) list will meet this requirement and does not need to be verified. Other equipment, as determined by PG&E, should be verified by the customer as having safety certification from a nationally recognized testing laboratory.

Applicant is required to verify as a part of each interconnection request for this tariff that (i) a warranty of at least 10 years, or (ii) a 10-year service warranty or executed "agreement" ensuring proper maintenance and continued system performance has been provided on all equipment and on its installation.

Pursuant to Decision (D) 22-12-056 customers on this tariff must pay for the interconnection of their REGF as provided in Electric Rule 21, including an application fee. This application fee must be paid through PG&E's online application portal in order to complete the application, unless otherwise directed by PG&E. For application fees for Customers impacted by a Natural or Human-Made Disasters<sup>6</sup>, see Special Condition 8.

(N)

<sup>6</sup> Natural or human-made disasters includes such events as a fire, earthquake, flood, or severe storms.

(Continued)

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**ELECTRIC SCHEDULE NBT**  
**NET BILLING TARIFF (NBT) SERVICE**

Sheet 25

(N)  
(N)

SPECIAL  
CONDITIONS:

**5. NET SURPLUS COMPENSATION (NSC):**

(N)

Pursuant to P.U. Code Sections 2827 (h)(3), this Special Condition was established to provide a NEM customer having **Net Surplus Electricity** (defined as all electricity generated by an eligible customer measured in kilowatt-hours over a Relevant Period that exceeds the amount of electricity consumed by that eligible customer), with Net Surplus Compensation for the Net Surplus Electricity. This benefit is extended to NBT customers pursuant to Decision (D). 22-12-056.

An NBT customer who has Net Surplus Electricity will be known as a **Net Surplus Generator**.

a. NSC Applicability – All bundled Net Surplus Generators that satisfy the conditions in the Applicability Section of this tariff and take service under this rate schedule are eligible to receive NSC at the end of the Relevant Period, i.e. at the time of their true-up. This includes Net Surplus Generators on sub-schedules NBT-S, NBT-EXP, **NBT-PS** and NBT-EXP-OTR. An NBT-MT Net Surplus Generator is also eligible to receive NSC but only for the one or more generators at the same metered account eligible for billing treatment under Special Condition 2.a through 2.f of this NBT schedule, or the applicable tariff for the non-NBT generator.

Net Surplus Generators who receive Direct Access (DA) Service from an ESP or who receive Community Choice Aggregation (CCA) Service from a CCA are not eligible to receive NSC from PG&E but may contact their ESP or CCA Provider to see if they provide NSC.

b. The NSC Rate – The NSC Rate is defined as the simple rolling average of PG&E’s default load aggregation point (DLAP) price from 7 a.m. to 5 p.m., for a 12-month period. PG&E shall use the NSC Rate as the value of the electricity portion of its net surplus compensation rate.

PG&E will calculate the NSC Rate each month. It will be effective on the first day of that month and PG&E will use it in the NSC Calculation for any Net Surplus Generators with a Relevant Period completed in that month (True-Up Month).

The DLAP Cutoff Date will be defined as the twentieth (20th) day of the month prior to the True-Up Month.

PG&E will wait five (5) days after the DLAP Cutoff Date for the CAISO to have time to finalize the day-ahead PG&E DLAP prices. The NSC Rate will then be calculated as the simple average of the prices for all hours between 7 a.m. and 5 p.m. over a one (1) year period ending on the DLAP Cutoff Date.

(N)

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**ELECTRIC SCHEDULE NBT**  
**NET BILLING TARIFF (NBT) SERVICE**

Sheet 28

(N)  
(N)

**SPECIAL CONDITIONS:**

**6. NBT Legacy Provisions**

(N)

This Special Condition is applicable to all Customers receiving service on this NBT Schedule, and who have submitted all documentation necessary to receive service on this schedule.

- a. 9-Year Transition Period. Pursuant to Decision 22-12-056, customers who receive service on the NBT Schedule, or who have submitted all documentation necessary to receive service on the NBT Schedule, are eligible to continuously stay enrolled on the NBT Schedule for a period of up to 9 years from the original permission to operate (PTO) date. The 9-year enrollment period ends at the conclusion of the Customer's applicable Relevant Period on or after the 9th anniversary of the original PTO date. For example, if a Customer initially received PTO on May 1, 2023, the Customer is eligible to continue receiving service on the NBT Schedule through the conclusion of the Relevant Period ending immediately on or after April 30, 2032.

Customers electing to switch to this NBT Schedule prior to the conclusion of their Schedule NEM or NEM2 Legacy Period permanently forfeit any of their Generating Facility's remaining transition period eligibility on Schedule NEM or NEM2 and may not later change back to receiving service under these schedules. Customers at the end of their NEM or NEM2 Legacy Period enrollment who transitioned to the NBT Schedule may not restart a new Legacy Period under NBT. These customers will not receive a 9-year legacy treatment under NBT. They will remain on this NBT Schedule and will be transitioned to the applicable successor tariff required for customers installing eligible renewable technologies if and when a new successor tariff becomes effective.

- b. Modifications<sup>8</sup>. REGFs eligible for the 9-year transition period outlined above that are modified and/or repaired shall remain eligible for the remainder of their 9-year transition period as long as the modifications and/or repairs do not increase the REGF by more than the greater of:

- 1) 10 percent of the REGF's nameplate rating capacity, as established when the REGF was originally interconnected, or
- 2) 1 kW;

and provided the modifications and/or repairs do not result in the REGF exceeding the Customer's annual onsite load unless customer executed the oversizing attestation.

(N)

Pursuant to D.22-12-056, the addition of energy storage to the Customer's existing Generating Facility shall not disqualify Customer from the remainder of their 9-year Transition Period on this Schedule.

<sup>8</sup> Customers making modifications and/or additions to their REGF that exceed the 10 percent, or 1 kW limit referenced above shall remain on this tariff until the Commission develops a successor tariff to this or directs these customers to another tariff. This requirement will only be enforced upon the development of a new NBT Successor Tariff, or by the direction of the CPUC.

(Continued)

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**ELECTRIC SCHEDULE NBT**  
**NET BILLING TARIFF (NBT) SERVICE**

Sheet 29

(N)  
(N)

SPECIAL  
CONDITIONS:  
(Cont'd.)

6. NBT Legacy Provision (Cont'd.)

(N)

c. Transferability. The 9-year legacy period is linked to the customer who originally causes the system to be installed, not to the system itself. If the original customer moves away within nine years from the system's permission to operate (PTO) and another utility customer takes control of (e.g., buys, leases, or pays a power purchase agreement for) the system<sup>9</sup>, the subsequent utility customer does not have a legacy period. There are three exceptions to this:

1. For residential customers: when the subsequent customer is or was the legal partner (e.g., spouse or domestic partner of the customer who installed the REGF).
2. For non-residential customers: when the account-holding entity continues to be majority controlled by the same underlying individuals or entities from the time the legacy system was installed by the original customer.
3. When a builder/contractor constructs a new building and receives PTO ~~before in their name, the new owner following a sale of the building (whether the sale is completed before or after issuance of PTO) may will is eligible to retain the 9-year legacy period starting from the date of PTO, provided that the builder/contractor does not reside in or conduct business from the building after its construction selling the unit. In such cases, the new owner will retain the 9-year legacy period starting from the date of PTO.~~

(N)

For these exceptions, the legacy period does not restart when the subsequent customer takes control of the system. Rather, the legacy period remains based on the REGF's PTO date.

<sup>9</sup> The transfer of an existing REGF to a new location is considered a new installation requiring a new Interconnection Agreement that is subject to the applicable tariffs in place at the time the new Interconnection Request is completed.

(Continued)

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**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 Blaising 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  
Downey Brand LLP  
Dish Wireless L.L.C.

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

GenOn Energy, Inc.  
Green Power Institute  
Hanna & Morton  
ICF

iCommLaw  
International Power Technology  
Intertie

Intestate Gas Services, Inc.

Johnston, Kevin  
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