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March 15, 2023

**Advice 6884-E**

(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

**Subject: PG&E Proposed Export Adjustment Factor for Bill Savings Estimates**

**Purpose**

Pursuant to Ordering Paragraph 4 of Decision (D.) 22-12-056, Pacific Gas and Electric Company (PG&E) submits this Tier 3 advice letter to provide export estimation adjustment factors for bill savings estimates.

**Background**

On December 15, 2022, the Commission adopted D.22-12-056, adopting a successor to the current net energy metering (NEM2) tariff. Ordering Paragraph 4 of D.22-12-056 directs as follows:

Within 90 days of the adoption of this decision, Pacific Gas and Electric Company, San Diego Gas & Electric Company, and Southern California Edison Company (Joint Utilities) shall submit a Tier 3 advice letter that proposes adjustment factors calculated using the difference in each utility's residential stand-alone solar customers' net exports under no netting versus interval netting in the last year. Joint Utilities shall update adjustment factors in a Tier 1 advice letter due annually thereafter.

The decision language provides additional context to this order:

Regarding the latter concern, the Commission recognizes the importance of providing accurate bill savings estimates to prospective customers. Cal Advocates provides a comparison of the annual difference in residential customer's net exports under no netting versus 15-minute interval netting. In that comparison, Cal Advocates offers an adjustment to convert total annual exports from hourly to no netting. The Commission finds an adjustment factor to be useful as a proxy for no netting. Joint Utilities are directed to propose adjustment factors through a Tier 3 advice letter to be submitted no later than 90 days from the adoption of this

decision and to update those adjustment factors in a Tier 1 advice letter annually thereafter. Following a Commission resolution on this Tier 3 advice letter, the adopted adjustment factor can be incorporated into the bill savings inputs and assumption requirements for developers.<sup>1</sup>

PG&E provided the data underlying the referenced comparison in Public Advocate's testimony cited in D.22-12-056, reproduced below. However, the title of this table was mislabeled as providing an adjustment factor to 15-minute interval data, rather than the hourly interval data portrayed as is apparent in the details of the table.

**Table 5-15. Annual Difference in Residential Customers' Net Exports Under Instantaneous Netting Vs. 15 Minute Interval Netting.**

		<u>PG&amp;E</u>	
		<u>1</u>	<u>2</u>
<u>Line</u>	<u>Netting Interval</u>	<u>Annual net exports</u>	<u>Net exports as % of total annual generation</u>
1	Instantaneous/No Netting of Channels 1 and 2	100%	51.5%
2	Median Reduction to Annual Exports under Hourly Netting	6.6%	3.4%
3	Hourly Netting (1-2)	93.4%	48.1%
4	Adjustment (Ratio) to Convert Total Annual Exports from Hourly to Instantaneous (1/2)	1.07	1.07

Since 15-minute interval data will not be available to most residential customers before they install solar (as their meters are currently only configured to report hourly data), in this advice letter PG&E provides only the hourly netting adjustment factors for residential customers. However, in the interest of also providing an estimate for 15-minute data, we also provide an adjustment factor using the same methodology for non-residential customers.

### **Methodology**

D.22-12-056 orders the adjustment factor only be calculated for standalone solar customers. PG&E has therefore limited the examined customers to standard NEM customers. In addition, PG&E is limiting the scope of the analysis to NEM 2 customers,

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<sup>1</sup> D.22-12-056 p. 134

as the relative age of the NEM 1 installations mean they are likely no longer a good proxy for prospective solar customers.

For standalone solar NEM 2 customers, we then sum the following usage measurements in calendar year 2022:

- A. Metered Import kWh
- B. Metered Export kWh
- C. Metering Interval Netted Import kWh
- D. Metering Interval Netted Export kWh

To calculate the adjustment factor, we then divide B by D to arrive at a percent scalar. The import metrics are not necessary for the calculation, but are provided for context.

Note that while we currently are using standalone solar NEM 2 customers to establish this adjustment factor, in future years we will revisit this to use Net Billing Tariff customer data. This will not be possible until the Net Billing Tariff has been in place for a full calendar year. Therefore, the 2024 update of this factor will still use NEM 2 customer data.

## **Results**

Based on the analysis of 2022 usage data described above, actual metered exports are 105.64% of exports when netted within the metering interval for residential NEM 2 customers. The adjustment factor, intuitively, is lower at 102.70% for non-residential NEM 2 customers, for whom the netting is applied at the 15-minute interval. See table 1 below for the associated numbers.

Table 1: Usage Statistics and Export Adjustment Factors

Measure	Residential (60 minute)	Non-Residential (15 minute)
Metered Import kWh	2,529,922,455	782,094,659
Metered Export kWh	2,047,142,399	334,226,218
Metering Interval Netted Import kWh	2,420,678,845	773,321,198
Metering Interval Netted Export kWh	1,937,898,789	325,452,757
Export Adjustment Factor	105.64%	102.70%

## **Protests**

Anyone wishing to protest this submittal may do so by letter sent electronically via E-mail, no later than April 4, 2023, which is 20 days after the date of this submittal. Protests must be submitted to:

CPUC Energy Division  
 ED Tariff Unit  
 E-mail: EDTariffUnit@cpuc.ca.gov

The protest shall also be electronically sent to PG&E via E-mail at the address shown below on the same date it is electronically delivered to the Commission:

Sidney Bob Dietz II  
Director, Regulatory Relations  
c/o Megan Lawson  
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 and 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**

Pursuant to General Order (GO) 96-B, Rule 5.3, (and OP 4 of D.22-12-056), this advice letter is submitted with a Tier 3 designation. PG&E requests that this Tier 3 advice submittal become effective upon Commission approval.

### **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. 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/

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Sidney Bob Dietz II  
Director, Regulatory Relations

cc: Service List R.20-08-020



# 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) #: 6884-E

Tier Designation: 3

Subject of AL: PG&E Proposed Export Adjustment Factor for Bill Savings Estimates

Keywords (choose from CPUC listing): Compliance

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:

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:

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 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:  
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  
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