

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



October 11, 2023

Advice Letter 6950-E/E-A*

Sidney Bob Dietz II
Director, Regulatory Relations
Pacific Gas and Electric Company
77 Beale Street
San Francisco, California 94177
E-mail: PGETariffs@pge.com

SUBJECT: Evaluation of PG&E's Customer Resiliency Support Program (CReSP)

Dear Mr. Dietz:

Pacific Gas and Electric Company Advice Letter 6950-E/E-A is effective as of October 9, 2023.

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

*Corrected

September 22, 2023

Advice 6950-E-A

(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

Subject: Supplemental: Evaluation of PG&E's Customer Resiliency Support Program (CReSP)

Purpose

Pacific Gas and Electric Company (PG&E) hereby submits this supplemental advice letter in support of Advice Letter (AL) 6950-E, PG&E's initial advice letter submitted on May 26, 2023 in accordance with Ordering Paragraph (OP) 2 of Resolution E-5079,¹ to report to the California Public Utilities Commission (CPUC or Commission) Energy Division whether the tariff changes to Electric Rule 21 Section E.5.c proposed in PG&E AL 5791-E² and AL 5791-E-A³ in support of PG&E's Customer Resiliency Support Program (CReSP) are providing the intended benefits and to evaluate whether the changes should remain or be eliminated.

This supplemental advice letter does not replace the original advice letter, but instead is intended to provide additional context.

Background

On September 12, 2019, pursuant to Senate Bill 1339,⁴ the CPUC initiated Rulemaking (R.) 19-09-009,⁵ which included a goal to "examine whether to launch pilot microgrid

¹ [Resolution E-5079](#). *Approving Pacific Gas and Electric Company's request for modifications to Electric Rule 21 Tariff to Support its Customer Resiliency Support Program*, issued June 5, 2020.

² [PG&E AL 5791-E](#) – Modifications to PG&E's Electric Rule 21 Tariff to Support PG&E's Customer Resiliency Support Program (CReSP), submitted March 24, 2020

³ [PG&E AL 5791-E-A](#) – Supplemental: Modifications to PG&E's Electric Rule 21 Tariff to Support PG&E's Customer Resiliency Support Program (CReSP), submitted April 15, 2020

⁴ Senate Bill (SB) 1339 (Stern, 2018). SB 1339 requires the Commission, in consultation with the California Energy Commission, and the California Independent System Operator Corporation, by December 1, 2020, to take a number of specific actions to facilitate the commercialization of microgrids for distribution customers of large electrical corporations. These actions include developing standards, protocols, guidelines, methods, rates, and tariffs that serve to support and reduce barriers to microgrid deployment while prioritizing system, public, and worker safety, and avoiding shifting costs between ratepayers.

programs to benefit communities most likely to be affected by public safety power shutoffs.”⁶

Subsequently on December 20, 2019, the Commission issued a scoping memo⁷ that divided the proceeding into three tracks. “Track 1 of the proceeding encompasses the Commission’s goal of deploying resiliency planning in areas that are prone to outage events and wildfires, with the goal of putting some microgrid and other resiliency strategies in place by Spring or Summer 2020, if not sooner.”

In order to meet the Track 1 goals, PG&E developed the Customer Resiliency Support Program (CReSP) to expedite interconnection of generation projects. Under CReSP, certain project types (i.e., Momentary Parallel Operation⁸ Applicants of any size, and Non-Export Applicants 30 kilowatts (kW) or less⁹) were exempted from the queue assignment requirement¹⁰ to facilitate interconnection cycle time improvements for all

⁵ Order Instituting Rulemaking Regarding Microgrids Pursuant to Senate Bill 1339 and Resiliency Strategies.

⁶ R. 19-09-009 page 2.

⁷ Assigned Commissioner’s [Scoping Memo And Ruling For Track 1](#).

⁸ Rule 21 Section C – Definitions – *Momentary Parallel Operation: The Interconnection of a Generating Facility to the Distribution and Transmission System for one second (60 cycles) or less.* (see Sheet 27). It is typically used to provide uninterrupted power to a customer load as the load transitions from utility interconnected, from when their generating facility starts up and is interconnected in *parallel momentarily* with the utility until it goes into “grid forming mode” when both load and generation are disconnected from the utility. It contrasts with a “break before make” interconnection, where during such a transition there is a momentary interruption of power to the load, and when the generating facility starts after the load is disconnected and hence the generating facility is never truly utility-interconnected and subject to Rule 21.

Momentary Parallel Operation is further discussed in Rule 21 Sections F.5.b, H.1.b & e, Hh.1.b & e.

⁹ PG&E continues to use the same 30 kilowatt limit it used when it created Form 79-1199 - *Agreement and Authorization Non-Export Stand-alone Energy Storage of 30 Kilowatts or Less* - in the March 29, 2019 [AL 5513-E](#) in Section C.

¹⁰ Per [Rulemaking \(R.\)11-09-011](#) and [D.12-09-018](#) page 4, which cites to the R. 11-09-011 June 20, 2012 [Assigned Commissioner’s Scoping Memo and Ruling](#) which for phase 1 in section 4 - *Scope of Issues* – identified as the third item: *Evaluate and determine appropriate processes for establishing distribution-level interconnection queues (serial or cluster).* Pages 23-24 of D.12-09-018 note, “*In addition, the rulemaking and the scoping memo confirm that this proceeding seeks to “evaluate and determine appropriate processes for establishing distribution-level interconnection queues (serial or cluster).”*⁵⁹ *Participants in the workshops identified this concern as the absence of a queue management system for exporting generating facilities.*⁶⁰ *The presently effective Rule 21 establishes a first-come, first-served approach to interconnection processing but does not explain how to implement this approach for exporting generating facilities that require detailed study and may or may not be electrically interdependent with each other, and/or the transmission system. The Revised Rule 21 remedies these flaws through the introduction of several steps. **First, the Revised Rule 21 establishes a first-ever public queue for non-net energy metering***

customer types. Please note that before the establishment of CReSP, all non-Net Energy Metering (NEM) Applicants and NEM-2 Applicants with Generating Facilities over 1MW were assigned a queue position once the application has been deemed complete and valid per Rule 21, Section E-5.¹¹

Advice Letters 5791-E and 5791-E-A

PG&E submitted AL 5791-E on March 24, 2020, and supplemental AL 5791-E-A on April 15, 2020, proposing revisions to Rule 21 Section E.5.c to create an exception for Momentary Parallel Operation Applicants of any size, and Non-Export Applicants 30 kW or less from the queue assignment requirement. Accordingly, PG&E revised the Electric Rule 21 tariff Section E.5.c to add the following language:

Applicants applying for Momentary Parallel Operation of any size, or Non-Export Applicants with Gross Nameplate Capacity of 30 kW or less, will not be assigned a queue position by the Distribution Provider.¹²

As discussed in PG&E's previous advice letters:

Momentary Parallel Operation project types, as defined in Rule 21, are specifically designed to provide resiliency and do not require system upgrades. Similarly, Non-Export Applicants 30 kW or less, when designed for resiliency, very rarely require system upgrades. Therefore, these project types have little to no impact on other queued project types but will benefit from the cycle time reduction resulting from this tariff change. Cost responsibility by Generating Facility Type is identified in Rule 21 Section E.4.f, Table E.2 and E.3, and will not be affected by this tariff change.

applicants, and sets out rules under which all non-net energy metering applicants may obtain a queue position.⁶¹ *An applicant's queue position relative to those further ahead in the queue determines the timing of interconnection studies and the applicant's share of triggered upgrades. ...* (Emphasis added.)

¹¹ As specified in Rule 21 Section E.5 copied here, PG&E is required to deem each interconnection application complete and valid when all required project items have been received. This includes the Applicant curing any application deficiencies identified by PG&E and submittal of the correct Interconnection Request fee payment. *"Any Applicant for Interconnection to Distribution Provider's Distribution or Transmission System must submit a complete and valid Interconnection Request. An Interconnection Request will be considered complete and valid when all items required for an Interconnection Request have been received by Distribution Provider and deemed valid by Distribution Provider."*

¹² [PG&E Electric Rule No. 21](#), Section E.5.c

By exempting Momentary Parallel Operation Applicants of any size, and Non-Export Applicants 30 kW or less from the queue assignment requirement, PG&E expects that these project types will experience an overall cycle time reduction of roughly two weeks. To ensure PG&E captures all such customers in the affected areas, the changes to Rule 21 are not specific to any particular customer type. PG&E recommends that this tariff change remain in effect for three years, through 2022, whereupon PG&E and the CPUC will review the tariff change to determine if it is providing the intended benefit and should remain or be eliminated.¹³

Resolution E-5079

On June 5, 2020, the CPUC issued Resolution E-5079, approving PG&E's request for the modifications to Rule 21 Section E-5.c to support CReSP.

The CPUC further directed PG&E in Resolution E-5079 OP 2 as follows:

Pacific Gas and Electric Company shall file a Tier 2 Advice Letter by May 28, 2023 to report to the Energy Division whether the tariff changes to Electric Rule 21 Section E.5.c are providing the intended benefits and to evaluate whether the changes should remain or be eliminated.

Advice Letter E-6950-E and CPUC Feedback

PG&E submitted Advice Letter 6950-E on May 26, 2023, presenting data analyzing the effects of the tariff changes to Rule 21 Section E.5.c. Based on PG&E's assessment of the data, PG&E reported that the tariff changes to Electric Rule 21 Section E-5.c were providing the intended benefits, and further recommended that the changes should remain.

The CPUC Energy Division reached out to PG&E with concerns, asking PG&E to confirm whether CReSP adheres with existing CPUC guidance on queueing.

This Advice Letter

PG&E reviewed CPUC guidance on queueing. Based on our research, PG&E maintains that the changes PG&E made in support of CReSP should remain, since CReSP is consistent with CPUC guidance.

¹³ [PG&E AL 5791-E-A](#) at p. 4.

Rule 21 Settlement

Per the CPUC Energy Division's request, PG&E researched the origin of the queue position requirement, which came about in CPUC D. 12-09-018 (Rule 21 settlement).¹⁴ Based on our findings, PG&E believes CReSP fits both the intent and means of the CPUC's guidance on queueing.

The Rule 21 settlement indicates that parties were concerned with an "absence of a queue management system for **exporting** generating facilities" (emphasis added), going on to say

The presently effective Rule 21 establishes a first-come, first-served approach to interconnection processing but does not explain how to implement this approach for **exporting** generating facilities that **require detailed study** and **may or may not be electrically interdependent with each other, and/or the transmission system.**¹⁵

In contrast, non-export projects, which are not "exporting" facilities and are not necessarily electrically interdependent, are not the target projects for which the CPUC sought to institute the queue position assignment requirement.

Working Group 2 and 3 Decision

Commission D. 20-09-035¹⁶ (the Working Group 2 and 3 Decision) stated (*emphasis added*):

Proposal B1 would require Utilities to implement Phase 1 of the Lightning Review. This would include making all **non-exporting storage less than or equal to 30 kVA generating facility aggregate nameplate rating** eligible for effectively the same process that applications for Standard net energy metering projects less than 30 kVA proceed through, subject to fees commensurate with those processes. **Proposal B1 would also require qualifying projects to be exempt from the queueing procedures that non-net energy metering and net energy metering greater than 1 MW projects experience.**¹⁷

¹⁴ [CPUC D. 12-09-018](#) – *Decision Adopting Settlement Agreement Revising Distribution Level Interconnection Rules and Regulations – Electric Tariff Rule 21 and Granting Motions to Adopt the Utilities' Rule 21 Transition Plans*, issued September 20, 2012

¹⁵ [CPUC D. 12-09-018](#) at p. 23.

¹⁶ [CPUC D. 20-09-035](#) – *Decision Adopting Recommendations From Working Groups Two, Three, and Subgroup*, issued September 30, 2020

¹⁷ *Id.* at p 74

Based on language in the Working Group 2 and 3 Decision, it appears that the CPUC is encouraging utilities to adopt processes to streamline interconnection, including exempting certain projects from the queue assignment requirement, particularly non-export projects less than 30 kVa. This guidance would be in line with PG&E's proposal under CReSP.

PG&E's Electric Rule 21 Tariff

PG&E also notes that, in accordance with its Electric Rule 21 tariff Section E.5.c, NEM projects <1MW are not queued. As stated in Rule 21 Section E.5.c,

Distribution Provider shall assign a queue position to all NEM-2 Applicants with Generating Facilities sized above 1 MW (except as provided in Section D.13.e) and all non-Net Energy Metering Applicants.

Notably, NEM projects under 30 kW currently are not assigned a queue position. What PG&E is proposing for non-export under 30 kW and Make Before Break projects is similar to that.

Accordingly, based on PG&E's research, PG&E maintains that the tariff changes to Rule 21 Section E.5.c. are providing the intended benefits. PG&E therefore recommends that the changes should remain.

Protests

Pursuant to GO 96-B, General Rule 7.5.1., PG&E request to maintain the original protest and comment period designated in Advice Letter 6950-E and not reopen the protest period.

Effective Date

Pursuant to Resolution E-5079 OP 2, this advice letter is submitted with a Tier 2 designation. PG&E requests that this Tier 2 advice submittal become effective on upon Commission approval.



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) #: 6950-E-A

Tier Designation: 2

Subject of AL: Supplemental: Evaluation of PG&E's Customer Resiliency Support Program (CReSP)

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 #: E-5079

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:

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 Blaising Smith Wynne, P.C.
California Community Choice Association
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

Electrical Power Systems, Inc.
Fresno
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
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