

July 20, 2023

**Advice 4778-G/6994-E**

(Pacific Gas and Electric Company ID U 39 M)

Public Utilities Commission of the State of California

**Subject: Payment to Projects Lacking Separate Metering for Non-Incentivized Equipment**

**Purpose**

Pacific Gas and Electric Company (PG&E) submits this Tier 2 advice letter to request a limited exception to the Self Generation Incentive Program (SGIP) rule that requires SGIP-incentivized storage equipment to be metered separately from non-incentivized storage equipment. PG&E requests this exception only for residential customer applications that have an approved SGIP funds reservation on or before April 17, 2023 and fail to install separate metering for non-incentivized equipment due to no fault of their own.

**Discussion**

Decision (D.) 20-07-015<sup>1</sup> states in Finding of Fact 18 that non-incentivized storage equipment must be separately metered from SGIP incentivized equipment. Although not specifically stated in D.20-07-015 (as metering of non-incentivized equipment was not the focus of the decision), PG&E believes the decision clarifies that non-incentivized equipment must be metered separately so that the SGIP Measurement and Evaluation (M&E) vendor can accurately assess the data for only the incentivized systems. However, the existing language in the SGIP Handbook was not modified.<sup>2</sup>

Since that time, PG&E has learned that it approved SGIP fund reservation requests for storage equipment that is metered in conjunction with non-incentivized equipment<sup>3</sup>.

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<sup>1</sup> D.20-07-015, p. 54, Finding of Fact 18 ("SGIP does not prohibit customers from installing additional energy storage equipment at a property that would cause the total installed capacity at the site to be greater than the system sized according to SGIP requirements, but this additional equipment is ineligible for SGIP incentives and must be separately metered from any SGIP-incentivized equipment.").

<sup>2</sup> Specifically, Section 7.4.2 of the SGIP Handbook currently states: "All SGIP systems require installation of metering devices to measure and record electrical output or offset, waste heat, and fuel consumption for M&E purposes."

<sup>3</sup> Although equipment may be non-incentivized, the equipment is on the [SGIP Public Equipment List](#).

PG&E believes that these projects do not comply with the rule because the SGIP Handbook does not clearly reference “separate” metering. The PAs’ recently submitted advice letter (Center for Sustainable Energy Advice Letter Number 142-E) clarifies this requirement by adding language regarding the separate metering requirement. PG&E estimates the number of approved projects with an SGIP funds reservation on or before April 17, 2023<sup>4</sup> and having non-incentivized equipment to be miniscule at less than 0.5% (~50 projects) of all approved projects since 2020 and a total incentive value of roughly \$300,000.<sup>5</sup>

Requiring these customers to install additional equipment to satisfy the separate metering rule would be unfair to these customers. Separate metering of storage equipment is not the standard practice. They may not have the means to pay for the additional equipment and installed their projects with the expectation that they would receive their SGIP fund reservation based on the project for which they applied. These customers would have received their SGIP fund reservation absent the separate metering issue.

Moreover, the limited exception sought by this advice letter will not frustrate the purpose of the separate metering rule to enable M&E of the incentivized equipment. First, as discussed above, the number of projects implicated is extremely small. Second, M&E of the incentivized equipment can still be accomplished; the M&E evaluator can simply use data estimates for the non-incentivized equipment to isolate the data needed for M&E of the incentivized equipment. It is PG&E’s understanding that data estimation is a routine practice in connection with such M&E work.

Therefore, for all the above reasons, granting an exception to the separate metering rule for customers with an approved SGIP reservation as of April 17, 2023 is reasonable and fair to customers. PG&E requests that it be authorized to grant the requested exception. All SGIP applications approved after that date would continue to be subject to the separate metering rule in accordance with D. 20-07-015.

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

### **Protests**

Anyone wishing to protest this submittal may do so by letter sent electronically via E-mail, no later than August 9, 2023, which is 20 days after the date of this submittal. Protests must be submitted to:

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<sup>4</sup> As of April 17, 2023, PG&E notified all new SGIP applicants of the requirement that non-incentivized equipment be separately metered.

<sup>5</sup> PG&E’s estimate is based on 16,062 paid residential applications since 2020 as of July 5, 2023, and an estimated 50 applications since 2020 that include non-incentivized equipment identified so far.

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 5.2, this advice letter is submitted with a Tier 2 designation. PG&E requests that this Tier 2 advice submittal become effective on regular notice, August 19, 2023, which is 30 calendar days after the date of submittal.

### **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. 20-05-021. 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  
CPUC Communications

cc: R. 20-05-021



# 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 M)

Utility type:

- ELC       GAS       WATER  
 PLC       HEAT

Contact Person: Kimberly Loo

Phone #: (279)789-6209

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) #: 4778-G/6994-E

Tier Designation: 2

Subject of AL: Payment to Projects Lacking Separate Metering for Non-Incentivized Equipment

Keywords (choose from CPUC listing): Self Generation

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: 8/19/23

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 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  
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