

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking Regarding
Policies, Procedures and Rules for the
California Solar Initiative, the Self-Generation
Incentive Program and Other Distributed
Generation Issues.

Rulemaking 12-11-005
(Filed November 8, 2012)

**THE DIVISION OF RATEPAYER ADVOCATES' OPENING COMMENTS ON
ASSIGNED COMMISSIONER'S RULING REGARDING THE TRANSFER OF
RESPONSIBILITY FOR COLLECTING SOLAR STATISTICS FROM THE
CALIFORNIA SOLAR INITIATIVE TO THE NET ENERGY METERING
INTERCONNECTION PROCESS**

DIANA L. LEE

Attorney for the Division of Ratepayer Advocates

California Public Utilities Commission
505 Van Ness Ave.
San Francisco, CA 94102
Phone: (415) 703-4342
E-mail: diana.lee@cpuc.ca.gov

VALERIE KAO

Analyst for the Division of Ratepayer Advocates

California Public Utilities Commission
505 Van Ness Ave.
San Francisco, CA 94102
Phone: (415) 703-1341
E-mail: valerie.kao@cpuc.ca.gov

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I. INTRODUCTION

Pursuant to the August 22, 2013 “Assigned Commissioner’s Ruling Regarding the Transfer of Responsibility for Collecting Solar Statistics from the California Solar Initiative to the Net Energy Metering Interconnection Process” (Ruling), the Division of Ratepayer Advocates (DRA) submits these opening comments. DRA supports the continued collection and publication of data regarding customer-side solar installations, as reflected in its March 11, 2013 Prehearing Conference Statement for this Rulemaking (R.12-11-005).¹ In the interest of maximizing the value of ratepayers’ investment in the original dataset created through the California Solar Initiative (CSI),² DRA recommends that the investor owned utilities (IOUs) collect and/or provide specific additional items of information; in making this recommendation, DRA emphasizes that incremental costs to either the utilities or to Energy Solutions (or any future California Solar Statistics (CSS) administrator), if any, should be minimal.

II. DISCUSSION

A. **Costs to continue collecting and publishing important data should be minimal.**

Each IOU currently uses electronic forms to collect net energy metering (NEM) interconnection data.³ It appears, however, that only one of the IOUs’ NEM interconnection processes may be fully automated.⁴ It is not clear whether the relevant “solar statistics” data that would be required per the final decision could be automatically extracted and transmitted electronically to Energy Solutions (or any future CSS administrator) or if some data would

¹ R.12-11-005 The Division of Ratepayer Advocates’ Pre-hearing Conference Statement, filed March 11, 2013, p. 1 (available at <http://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M059/K454/59454990.PDF>).

² See Public Resources Code 25780(a).

³ Except for certain forms that require a ‘wet’ signature and/or attachments (e.g., single line diagrams), all IOUs’ NEM interconnection forms are currently electronic: <http://www.sdge.com/nem-documents>; <https://www.sce.com/wps/portal/home/residential/generating-your-own-power/net-energy-metering/nem-forms-documents>; and http://www.pge.com/includes/docs/pdfs/mybusiness/customerservice/brochuresforms/ELEC_FORMS_79-1101.pdf. San Diego Gas & Electric Company (SDG&E) filed Advice Letter 2407-E on October 12, 2012, in part to collect post-CSI data; the Commission approved SDG&E’s AL 2407-E on February 13, 2013, in Resolution E-4561. Pacific Gas & Electric Company (PG&E) also filed Advice Letter 4263-E, in part to collect post-CSI project data, on July 31, 2013.

⁴ See SDG&E’s interconnection webpage for installations smaller than 30 kW: <http://www.sdge.com/clean-energy/apply-nem/apply-nem>.

require manual entry and additional work by the IOUs' interconnection staff. Regardless, this process should be automated so as to minimize the need for ongoing expenditures. Once the Commission determines which data items it will require the IOUs to collect and/or transmit to the CSS administrator, there may be a one-time cost for any system reconfigurations needed in order to automate the process of querying, formatting and transmitting the data. This process can and should be conducted in a way that minimizes or obviates the need for either the IOUs or the CSS administrator to incur ongoing costs. Energy Division's updated CSI Measurement and Evaluation (M&E) plan states: "[w]hile challenging, this effort is not expected to be prohibitively difficult."⁵ While this suggests that *costs* should not be prohibitively high, there is insufficient information on the record to assess the potential cost of this transition process.⁶

B. The utilities should collect additional data through their NEM interconnection processes.

DRA agrees that all data defined in the ACR should be collected and transmitted to the CSS administrator. DRA recommends that the utilities also collect and provide the following additional items.⁷ DRA explains why this additional information is important to collect and track, and explains that some of this additional information should remain unpublished in order to protect customer privacy as is specified in the ACR. Finally, DRA has indicated the level of priority associated with each item.

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⁵ August 2, 2013 memo from Energy Division to CSI Program Administrators regarding CSI Measurement and Evaluation Plan Update, <http://www.cpuc.ca.gov/NR/rdonlyres/B7183251-54E3-478D-9628-1393693AB145/0/2013MandEPlanUpdate.pdf> ("2013 CSI M&E Update"), pp. 5-6.

⁶ DRA staff learned through informal communication with Energy Division staff that the current plan is for both the IOUs and Energy Solutions to incur one-time costs for necessary system reconfiguration, which should minimize the need for ongoing costs.

⁷ DRA may recommend that additional and/or other items be collected, in its reply comments.

RECOMMENDED ADDITIONAL DATA FROM NEM
INTERCONNECTION PROCESS

| Level of priority | Field | Include on NEM form | Supplied by utility | Published to CA solar statistics |
|-------------------|---|---------------------|---------------------|----------------------------------|
| High | Interconnection-related costs (e.g., inspection costs, supplemental review, etc.) | | X | X |
| High | Does the utility's current distribution plan reflect a forecasted capacity deficiency for the interconnected feeder circuit and/or substation? If so, identify the interconnected feeder circuit and/or substation. | | X | X |
| High | Installer CSLB # | X | | X |
| High/ Medium | Energy Efficiency audit – have done or will do? | X | | |
| High/ Medium | Energy Efficiency measures – have done or will do? If yes, specify the measure(s) | X | | |
| Medium | If third party-owned, then specify any terms regarding escalation of payments | X | | |
| Medium | If third party-owned, third party owner's CSLB # (if applicable) | X | | X |
| Medium | If third party-owned, will third party retain ownership of renewable energy credits? | X | | |
| Medium | Electric tariff – pre-NEM installation | | X | |
| Medium | [If and when meter aggregation per SB 594 is allowed] with meter aggregation? If so, specify the annual load on each meter | | X | |

1. Costs associated with interconnection and administrative services: Draft Resolution E-4610 identifies a lack of data regarding NEM interconnection costs, which hinders the Commission's and stakeholders' ability to accurately evaluate the costs and benefits of customer-side distributed generation. Additionally, the 2010 NEM Cost-

Benefit Analysis highlighted the divergence in NEM billing costs among the three utilities.⁸ Tracking such costs will enable a better-informed assessment of NEM costs as well as provide a basis for scrutinizing cost differences among the utilities.

2. Potential for DG to provide distribution system capacity benefits: In July 2013, Energy Division Staff solicited informal responses to a number of questions regarding its analysis of the technical potential of renewable DG.⁹ Specifically, in question 6, Energy Division Staff solicited parties' input on how the State could work towards targeting renewable DG where it can provide distribution system capacity benefits. Generally, the IOUs responded that DG needs to meet certain criteria, for instance, the DG needs to be installed in the right location, in order to enable distribution deferrals.¹⁰ However DRA submits, as reflected in its own response, that the utilities would need to provide information at a greater level of granularity (e.g., more geographically specific load forecasts that factor into the IOUs' distribution planning processes) in order to enable DG and other distributed energy resources to meet the criteria for distribution deferral. Going forward, such information at the necessary level of detail will be increasingly important to track, and make available through discovery or evaluation studies, in order to better assess the benefits of DG.

3. Installer's Contractors State Licensing Board (CSLB) number: In using the CSS dataset, DRA staff has observed a lack of consistency in how installer names are inputted, resulting in inaccurate representations of how many installers are participating in the CSI program, where those installers operate, etc. The CSLB number is a more useful identifier and arguably less susceptible to potential data entry errors.

⁸ Net Energy Metering (NEM) Cost-Effectiveness Evaluation, January 2010, http://www.cpuc.ca.gov/NR/rdonlyres/0F42385A-FDBE-4B76-9AB3-E6AD522DB862/0/nem_combined.pdf, pp. 39-40.

⁹ Email from Adam Schultz, Energy Division Staff, to parties to proceedings R.11-05-005 (Renewables Portfolio Standard), July 3, 2013; R.11-09-011 (Rule 21/Distribution Interconnection), July 5, 2013; and R.12-03-014 (Long-Term Procurement Planning, July 5, 2013.

¹⁰ In D.03-02-068 the Commission adopted SDG&E's 'right time, right place, right size, and with physical assurance' criteria for determining the circumstances under which DG could enable distribution deferrals or avoidances.

4. Energy efficiency audit, energy efficiency measures: An important condition of the CSI program was to require reasonable and cost-effective energy efficiency measures.¹¹ While NEM interconnection does not involve such a requirement, collecting and tracking this data is important for Commission and State policy objectives, including ambitious Zero Net Energy goals; further development of an integrated demand-side management framework; and potential modifications to resource planning processes such that supply-side investment decisions are more closely aligned with demand-side resources. While this information need not be published to CA Solar Statistics, it would be useful for the IOUs to retain that information so that Commission staff and intervenors could obtain it via data request.

5. Third-party ownership: As the Commission has noted, third party-owned systems (e.g., solar leasing) have quickly outpaced customer-owned systems in recent years.¹² Given the Commission's lack of jurisdiction over third-party owners, DRA recommends that the IOUs collect important details that would enable the Commission to assess the state of competition and consumer protection with respect to this growing market segment.

6. Electric tariff, pre- [and post-] installation: When requesting NEM interconnection, customers are able to choose a different rate tariff that may be more consistent with their expected 'net' usage and load profile. The 'pre-solar' tariff is the more accurate baseline for comparing what those customers' bills would have been in the absence of NEM, since without NEM they likely would have remained on the same tariff.¹³

¹¹ Public Resources Code §25782(b)(3).

¹² California Solar Initiative Annual Program Assessment, June 2012, <http://www.cpuc.ca.gov/NR/rdonlyres/0C43123F-5924-4DBE-9AD2-8F07710E3850/0/CASolarInitiativeCSIAnnualProgAssessmtJune2012FINAL.pdf>, pp. 28-31.

¹³ Based on the assumption that the 'electric tariff' specified in the Ruling refers to post-installation, as the 2010 NEM Cost-Effectiveness study utilized customers' post-installation tariffs to estimate bill credits.

7. Meter aggregation: If and when the Commission approves meter aggregation per Senate Bill 594 (2012), distinguishing NEM arrangements by this characteristic will be useful for assessing the different costs and benefits of such systems.

C. The Commission should ensure compatibility between the current and proposed CSI database, such that users of this dataset retain the ability to identify and assess historical trends with little or no need to modify or make subjective conclusions about the data.

To the greatest extent possible, data that is currently collected through the CSI program and that the Commission will direct the IOUs to collect through NEM interconnection should be stored in the Working Data Set consistently, so that users are able to continue analyzing historical trends.¹⁴

As Energy Division notes in its update to the CSI M&E plan, there is likely a “growing tendency of building owners to install rooftop PV without the benefit of rebates.”¹⁵ As the details of this data transition plan are finalized, the potential grows for a noticeable ‘data gap’ during which many NEM systems are installed outside of the CSI or other rebate programs, and before this new process is implemented. Any such period should be documented so that apparent anomalies in historical trends can be assessed accurately and in a proper context.

III. CONCLUSION

DRA supports the continued collection of customer solar data beyond the termination of the CSI program as proposed by the ACR. DRA also supports the Ruling’s proposal to collect specific items of information through the NEM interconnection forms, and recommends collecting additional items that will enable the Commission to assess the state of competition and customer protections in the customer solar market after the CSI program ends. Finally, DRA notes the possibility of a ‘data gap’ during this period of transition, and recommends that any such gap be clearly identified for purposes of analysis and interpretation.

¹⁴ ‘Working Data Set’ refers to the CSV file that is publicly available for download through the CSS website: http://www.californiasolarstatistics.ca.gov/current_data_files/

¹⁵ 2013 CSI M&E Update, p.6.

Respectfully submitted,

/s/ DIANA L. LEE

Diana L. Lee
Staff Counsel

Attorney for the Division of
Ratepayer Advocates

California Public Utilities Commission
505 Van Ness Ave.

San Francisco, CA 94102

Phone: (415) 703-4342

E-mail: dil@cpuc.ca.gov

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