

**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.

U 39 E

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

**PACIFIC GAS AND ELECTRIC COMPANY'S (U 39 E) OPENING COMMENTS ON
THE PROPOSED DECISION TO TRANSFER RESPONSIBILITY FOR COLLECTING
SOLAR STATISTICS FROM THE CALIFORNIA SOLAR INITIATIVE TO THE NET
ENERGY METERING INTERCONNECTION PROCESS**

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I. INTRODUCTION

Pursuant to Rule 14.3 of the California Public Utilities Commission (CPUC or Commission) Rules of Practice and Procedure, Pacific Gas and Electric Company (PG&E) provides these comments on the *Proposed Decision To Transfer Responsibility For Collecting Solar Statistics From The California Solar Initiative To The Net Energy Metering Interconnection Process* (PD), issued on August 12, 2014. The PD directs the investor-owned utilities to collect data previously collected as part of the California Solar Initiative process instead through the interconnection process.

PG&E has no objection to collecting such information, and making it available to the public in conformance with the Commission's privacy policies. However, a number of items in the PD need to be clarified or revised. In particular:

- The Commission should clarify whether it is voluntary or mandatory whether NEM applicants report the listed information which is not needed for interconnection, and if mandatory, the deadlines and penalties for failure to comply.

- The Commission should allow a phased approach to collecting the new data via an online portal, instead allowing other methods of collecting the data while various phase of the online portal are developed.
- It is premature to make a determination that sufficient program administration funds are available to pay for the costs of developing the online portal.
- More work is needed before determining that a specific single uniform NEM interface should be adopted.
- The customer privacy discussion in the PD should be revised to conform to other Commission privacy decisions.
- The requirement in the PD that the Expected Performance Based Buydown (EPBB) calculator be incorporated into the NEM interconnection process should be removed.
- The Commission should consider allowing each utility to make information available to the public, and any state-wide database, if necessary, should be populated by the IOUs

II. DISCUSSION

A. The CPUC Should Clarify Whether Submission Of Data Other Than That Needed For Interconnection Is Mandatory, and If Mandatory, The Deadlines and Penalties.

The PD requires the collection of a variety of data not needed for interconnection. Both NEM customers and utilities need to know the consequences if the data requested is not supplied. The Commission should clarify whether the utilities are directed to refuse to interconnect customers who do not supply the requested data, and whether the utility should disconnect projects that are already operating if the data listed in the PD is not supplied. If so, the Commission should direct how long customers have to submit this data before they are disconnected.

PG&E recommends that if the Commission determines the data collection to be mandatory, it not require utility validation of data not directly required for interconnection. Such a requirement would likely lead to inefficiencies for the utilities and contractors/third-party owners, longer interconnection times, and customer dissatisfaction.

B. Several Changes Are Needed To The Online NEM Application Schedule And Proposal (PD section 2.3)

PG&E generally agrees with, and embraces, the Proposed Decision's order that each utility create an online NEM application tool.^{1/} In fact, as discussed below, PG&E plans to launch such a tool in the fourth quarter of 2014. However, particularly given the very short deadlines in the PD, there are several changes that should be made to allow for the deployment of a quality tool, as well as ensure gains in application processing efficiency. First, PG&E has almost completed its Online NEM portal for solar and wind generating facilities that are less than or equal to 30 kW (Standard NEM) and is targeting a release date in the fourth quarter of 2014. As such, PG&E asks that the Commission allow for a phased approach in deploying the CSI data fields that are to be collected. To add additional fields at this time in the project deployment cycle will lead to a delay in deployment as well as an increase in costs since it would be a change in requirements midstream through development. Therefore, PG&E proposes that the Commission only require the data fields already existing in the current NEM application forms be provided until the Online NEM portal can be updated in a second phase, to incorporate the final Decision reached here. PG&E currently plans to release an updated portal in second quarter of 2015, which can include the additional fields required to meet the data field requirements in Appendix A of the Proposed Decision.

By allowing for this phased approach, PG&E customers will be able to enjoy the efficiencies and benefits that the Online NEM portal will provide on schedule, as well as

^{1/} PD p. 8 and Ordering Paragraph 5, directing the IOUs to "place into service an online application and additional behind-the-scenes tools within 120 days of approval of the Advice Letters."

allowing for the faster processing of the nearly 4,000 Standard NEM applications that PG&E receives each month. With such large volumes, and the goal of maintaining cycle times of less than 5 business days (from receipt of complete application to permission to operate), it is vitally important that inefficiencies and manual steps not be introduced into the NEM process at this time. A measured and phased approach will allow PG&E to maintain its high level of excellence in NEM processing while working towards the goal of complying with the Commission's decision in a timely manner.

Second, PG&E asks that the Commission clarify that the use of the Online NEM portal be mandatory, once deployed, for receiving applicable NEM Interconnection Requests and that no other method of submission be allowed. This will lead to greater processing efficiency by reducing the channels by which an application can be submitted while increasing consistency and completeness of NEM applications due to the validation and error checking capabilities of the PG&E Online NEM portal.

With regards to Non-Standard NEM (Renewable Electrical Generating Facilities greater than 30 kW but not more than 1 MW) applications, after discussions with many industry stakeholders and CPUC staff, for some time, PG&E has been developing a second online portal, the Application Configuration and Eligibility Interconnection Tool (ACE-IT), that will guide customers with regards to which forms and information they would need to complete based on their interconnection needs. It also will allow for the online completion and submission of those forms in a tailor made application built specifically for the Interconnection Customer. However, ACE-IT will likely be completed and deployed by the fourth quarter of 2015, so PG&E asks that until that time, the Commission only require the fields already included in the existing NEM application forms for Non-Standard NEM Applications. In the intervening time, PG&E proposes that a similar phased approach to collecting the additional data fields listed in Appendix A be used as that described above. This will mean that any of the fields currently existing on the relevant interconnection request form will be provided while allowing until fourth quarter of 2015 for the additional fields to be added to the existing NEM application methods for

generating facilities that are not solar or wind and 30 kW or less. This will provide consistency for NEM projects of all sizes and technologies while allowing time for the creation and distribution of new application forms as well as any updates to back-end processing systems that will be required.

C. It Is Premature To Make A Determination That Sufficient Program Administration Funds Are Available To Pay For The Costs of Developing The Online Portal (PD section 2.3)

The PD states that CSI program administration funds are not expected to be necessary for future program administration.^{2/} PG&E disagrees with this premature assessment. Although the CSI program is scheduled to sunset in 2016, Program Administrators (PAs) will need funds to administer post-CSI activities related to managing Performance Based Incentives (PBI) which can go far beyond the CSI sunset date. For example, PBI timeline changes could potentially extend certain PBI payments as long as seven years past the 2016 sunset date which compounds the uncertainty of the PAs' administrative budget.^{3/} Therefore, while PG&E does not disagree that CSI administrative funds should be used to pay for costs associated with the development of an online NEM application portal, we urge the Commission to limit the funding source to the CSI Measurement and Evaluation (M&E) budget for these activities. Although there is \$1.87 million in unallocated CSI M&E funds, we need to first ensure that CSI M&E obligations are first met before utilizing the funds for other suggested activities in the PD. The Commission should specify that only funds available in the CSI PAs' M&E budgets should be used to support additional activity associated with developing the online NEM application portal.^{4/}

^{2/} PD pp. 8-9.

^{3/} Under AB 2804 (Hayashi, 2008), a school district project which has a confirmed reservation on December 31, 2016, could be allowed up to three 180 day extensions, which could extend a PBI payment date to 2024.

^{4/} August 2, 2013 CSI Measurement and Evaluation Plan Update, Summary of CSI M&E contracts by type and year, shows that there is Optional/Reserve Funding of \$1.869 million.

Furthermore, the Commission should recognize that the unallocated CSI M&E funds may not be sufficient to develop an online NEM application portal. There will be other costs that must be accounted for such as the cost associated with delivering and maintaining the data on the California Solar Statistics website, and the cost associated with development of statewide NEM application interface. There is a very high probability that the unallocated CSI M&E funding may not be sufficient to cover costs to meet the goals of the PD.

Thus, the costs, which have not yet been calculated, may be more than is available in CSI M&E and other funds. The PD says that utilities may seek cost recovery in General Rate Cases (GRCs) “upon expiration of the CSI.” [OP 3.] Because the administration of the CSI will last for many years, this should be modified to state that utilities may seek recovery of costs they are unable to collect from available CSI funds in their GRCs.

D. More Work Is Needed Before A Specific Proposal And Deadlines For A Single Uniform NEM Interface Are Adopted (PD Section 2.4)

The PD directs the IOUs to “work together to create one single statewide NEM interconnection interface, possibly adopting the system which SDG&E has put into place for its territory.”^{5/} It appears this applies to the entire interconnection application, not just a portal to house solar statistics. PG&E generally agrees and supports the goals listed in the PD of providing simplicity and uniformity for NEM applications, so that they have limited differences for applicants “to accustom themselves to.” However, it is not appropriate to require the adoption of a uniform NEM application portal for all utilities at this time, let alone require use of SDG&E’s portal. This item is out of the scope of this proceeding, as it has not even been listed as in issue in the scope of this case, and a separate interconnection rulemaking is addressing interconnection issues. In addition, there are a variety of technical complexities to be addressed and considered in deciding whether to adopt a single interface between one or more web portals and multiple, very different, back end processing systems. Nonetheless, in the spirit of this

^{5/} PD p. 9.

discussion, PG&E suggests that work to explore these goals could include the following aggressive schedule:

- Learn best practices in NEM application portals and processing through 2015.
- Hold discussions about the technical requirements needed to integrate back-end systems that could allow a single the web portal to provide real time error checking and validation across multiple business systems through 2016.
- If supported by customer, cost, and technical discussions, develop and deploy the uniform web portal interface in 2017, potentially coinciding with the release of the NEM Successor tariff.

E. The Customer Privacy Discussion In The PD Should Be Revised To Conform With Other Commission Privacy Decisions (PD section 2.6)

The PD rejects the request by PG&E and other parties to ensure that the personally identifiable information of utility customers or other confidential information be removed from any solar interconnection data collected and published on the public website. (PD pp. 10- 12). The PD finds that customers have no expectation of privacy for any such data, and in any event removing the customer’s name and address is sufficient to protect customer privacy despite the Commission’s previous application of aggregation standards to protect privacy, such as the so-called “15/15” rule. (PD pp. 10- 11).

These findings are inconsistent with other Commission decisions on Customer Privacy.

First, absent express customer consent, any personally identifiable information provided by a customer to a utility or to the Commission itself during the interconnection process is subject to a reasonable expectation by that customer that the information will be kept private. Second, the Commission’s privacy decisions make clear that simply removing the name and address of a customer from a data set is inadequate to protect the customer information from being “re-identified” where the data sets are small and not sufficiently aggregated. In the Commission’s recent Energy Data Center proceeding, the Commission found that aggregation of data sets of fewer than 100 residential customers and fewer than 15 non-residential customers is

required in order to protect the identities of the customers from being derived indirectly even where the data sets have removed all personal identifiers. (D.14-05-015, Findings of Fact 7, 13, 15 -20.) The Commission's and California's privacy rules apply to all customer-specific data, not merely energy usage data. (See D.11-07-056, Attachment B (summarizing CPUC rules, decisions and tariffs providing for protection of customer privacy); California Information Practices Act, California Civil Code Sections 1798.3(a), 1798.24(b) (requiring state agencies to obtain customer consent before disclosing personal information unless the disclosure is required for specific statutory purposes).

Here, much of the information proposed to be collected from customers and disclosed publicly is not required in order for the utilities or solar developers to comply with interconnection requirements and other utility service requirements. Nor is the information required as a condition of solar customers participating in a specific utility program, such as was the case with the California Solar Initiative (CSI) rebates program before it expired.

Accordingly, PG&E requests that the PD be revised to comply with the Commission's and California's customer privacy rules by requiring (a) customer-specific information be aggregated at levels consistent with those adopted in D.14-05-015 even where the name and address of the customer are removed; or, alternatively (b) express written customer consent be obtained from individual customers by the Commission or the utilities before any personal information collected from customers is publicly disclosed.^{6/}

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^{6/} PG&E also recommends that the PD be revised to clarify that information collected from customers by solar developers or utilities that is proprietary or confidential will be protected from public disclosure as required by California laws and rules applicable to trade secrets and market sensitive information. (California Civil Code Sections 654, 655, 3426- 3426.10; Public Utilities Code Section 454.5(g).)

F. The Requirement That The Expected Performance Based Buydown (EPBB) Calculator Should Be Incorporated Into The NEM Application Should Be Removed (PD section 2.7)

The PD proposes that annual energy output for DG systems, as estimated by the EPBB Calculator be a required input on NEM applications, and finds that “having this information will serve to protect customer against uneconomic installations.” That conclusion is simply not true. While having this information might be highly useful for customers, there are many other relevant factors that need to be examined to decide whether a particular installation is “economic” or has been sized in the ideal fashion. Further, even though the EPBB calculator might prove useful to customers, it is a separate question as to whether it is necessary to integrate that calculator into PG&E’s Online NEM Application portal. If the Commission will not be using the data for anything, and if it is available elsewhere, it is not clear why it should be integrated into the online application.

Further, if the Commission believes that “customers should be protected against uneconomic installations by forcing system installers to clearly and explicitly state the assumptions going into the process of deciding whether or not to install a rooftop system,”^{7/} integrating the EPBB calculator into the online NEM application will not address this concern. The Commission should recognize that the online NEM application portal will be used predominately by solar contractors and integrating the EPBB into the online portal will not benefit the consumer. Although the EPBB calculator is a useful tool, there are other tools that could help customer’s make a more informed decision before deciding to purchase a PV system. In fact, PG&E has a robust online solar calculator that can be used to determine system sizing and estimated cost of a PV system. Implementing the EPBB calculator into the online NEM application does not protect customers against uneconomic installations.

PG&E understands that consumer protection is very important. Therefore, last year PG&E revamped its solar website (“Solar and Renewables with PG&E”) to provide customers

^{7/} PD pg. 3.

with an improved solar journey by providing customers a four step process which includes; 1) how to get started; 2) understanding the process; 3) understanding NEM and billing; 4) and monitoring and maintaining renewable systems.^{8/} Particularly in the “How to Get Started” step, customer can learn about the different types of financial options; use PG&E’s solar calculator to estimate system sizing and costs; find out how to hire a contractor; and learn about PG&E’s renewable incentive programs. If customer protection is the concern, PG&E believes that providing information and tools would better serve customers than integrating the EPBB calculator into the online NEM application.

In addition, contrary to the statement in the PD that the EPBB Calculator^{9/} is a free online tool, there are real costs incurred with operating the tool and costs for users. The CSI Program currently funds the maintenance and hosting fees associated with the EPBB Calculator website. Therefore, the requirement to integrate the EPBB Calculator into the IOUs’ online NEM application process raises the immediate question of how a future funding source for the operation of the EPBB website as the CSI Program begins to sunset. Furthermore, the CSI EPBB Calculator was created to calculate expected performance of solar projects and establishes the CSI design factor for the use in CSI rebate applications. As the CSI Program begins to sunset, modifications will be needed to remove incentive fields, design factor, etc. Costs will also be shouldered by installers, including self-installers, who will need to obtain necessary equipment and related training to capture input fields required for the EPBB tool. This also raises questions of where EPBB users can turn to for training and support in using the EPBB calculator.

PG&E suggests this requirement be removed from the PD at this time.

^{8/} PG&E’s Solar and Renewables Website is available here (<http://www.pge.com/solar>).

^{9/} The CSI EPBB Calculator is available here (<http://www.csi-epbb.com/default.aspx>)

G. Customer Specific Data Collected During Interconnection Should Remain With the IOUs. Any State-Wide Database, If Necessary, Should Be Populated By The IOUs Following Customer Confidentiality Procedures Discussed Above.

The PD calls for a public data base to be housed with the contractor that manages the California Solar Statistics (CSS), currently Energy Solutions.¹⁰ PG&E suggests it is unnecessary and duplicative for the statewide site to maintain customer specific information, as opposed to aggregated and anonymous information. Unlike the CSI program, where the data was collected to support a CSI application, the data described in the decision will be collected as part of the interconnection process. As part of each utility's internal processes, such as interconnection, planning, billing, etc., the customer-specific data collected during the interconnection process will be housed with each utility. It would be duplicative and expensive to also maintain a database at a statewide portal. PG&E suggests each utility's current customer information website is a logical place to provide information about NEM customers, aggregated appropriately to meet customer confidentiality concerns. This would avoid duplication and the expense of maintaining a statewide data base. Should the CPUC determine that the publicly available information should be lodged at such a portal, the utilities could convey appropriately aggregated information to the entity managing that portal.

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¹⁰ PD p. 9.

III. CONCLUSION

PG&E appreciates the opportunity to provide these comments and requests that the Commission modify the PD as discussed above.

Respectfully submitted,

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