

March 5, 2024  
Energy Division  
Tariff Unit  
California Public Utilities Commission  
505 Van Ness Avenue, Room 4004 San  
Francisco, CA 94102

**Re: Clean Coalition Protest of Pacific Gas & Electric Advice Letter 7175-E, Creating Pacific Gas and Electric Company’s New Virtual Net Billing Tariff (NBTV) Per Decision (D.) 23-11-068, Ordering Paragraph 12b**

Dear Energy Division Tariff Unit,

**Introduction**

According to the California Public Utilities Commission (“the Commission”) General Order (“GO”) 96-B, the Clean Coalition submits this protest of Pacific Gas & Electric’s (“PG&E”) Advice Letter (“AL”) 7175-E. AL 7175-E was submitted on February 14, 2024 for the purpose of modifying PG&E’s Virtual Net Energy Metering (“VNEM”) tariff to meet the requirements of the Virtual Net Billing Tariff (“NBTV”), in accordance with the requirements of D. 23-11-068.

In accordance with General Rule 7.4.2(2), the Clean Coalition is protesting AL 7175-E. As currently written, the modifications in the advice letter do not provide sufficient information to allow an applicant to provision a facility taking service under the NBTV with resilience in a standard or replicable fashion. The language adopted in D. 22-12-056 and PG&E AL 6792-E-A makes clear that isolated operation during grid outages and testing is permitted but provides little detail on how to configure such a system to provide resilience. AL 7175-E does not build on AL 6792-E with additional tariff language or interconnection forms/specifications. The lack of available options to meet the requirements for isolated operation in the sub tariff modifications proposed in AL 7175-E puts resilience functionally out of reach for facilities utilizing the NBTV. This AL perpetuates the existing lack of information about resilience without offering any solutions/workarounds. The Energy Division should reject AL 7175-E without prejudice until PG&E provides more information in the tariff or offers a timeline for developing standard options. Required workshops to address grid charging do not suffice to meet this need, given that the same requirements (no load registering on the Generator Account or the Benefitting Accounts) still must be met. Promoting the deployment of solar+storage without a cost-effective configuration available to enable resilience reduces the value of each deployment and ignores the significant need for resilience in a rapidly electrifying society.

**Background**

The Clean Coalition is a nonprofit organization whose mission is to accelerate the transition to renewable energy and a modern grid through technical, policy, and project development expertise. The Clean Coalition drives policy innovation to remove barriers to procurement and interconnection of distributed energy resources (“DER”) — such as local renewables, demand response, and energy storage — and we establish market mechanisms that realize the full potential of integrating these solutions for optimized economic, environmental, and resilience benefits. The Clean Coalition also collaborates with utilities, municipalities, property owners, and other stakeholders to create near-term deployment opportunities that prove the unparalleled benefits of

local renewables and other DER.

### **Discussion**

There are several challenges when it comes to provisioning a multi-unit facility with resilience with a front-of-meter solar or solar+storage deployment under the NBTV. First, there is no streamlined process in PG&E’s service territory for a single-site non-utility entity to utilize distribution infrastructure during a grid outage for the purpose of delivering renewables-driven resilience to a multi-meter facility. For a single-property multi-meter site to be fully resilient, the deployment of a grid isolation switch is the most straightforward option. In PG&E’s service territory, a facility has the option to apply for a Community Microgrid configuration via the Community Microgrid Enablement Tariff (“CMET”); no single-site project has completed this process thus far. The other option, the Microgrid Incentive Program (“MIP”), is limited to multi-property Community Microgrids. For both Community Microgrid options, the multi-year study and deployment process makes it unlikely that many sites will choose this route. The Commission authorized a temporary workaround in D. 22-12-056 to enable isolated operation at a VNEM site without allowing the deployment of a Community Microgrid, while the development of a more standardized option is underway. The Commission approved PG&E’s implementation of the Decision in AL 6792-E-A, which includes the phrase:

The REGF and storage device can be operated in isolation to serve loads that are otherwise part of the NEM2V arrangement (i.e., loads associated with any meter that is part of the arrangement during normal, parallel operation) only during grid outages and for testing purposes. Ant device supporting isolated operation must be interconnected according to Rule 21 and all PG&E and other applicable standards. All loads to be powered by the REGF and battery storage in isolation mode must be located under the same PG&E delivery point. The isolated operation must be configured such that no load or generation registers on Generation of Benefitting Account meters when operating in isolation.<sup>1</sup>

No other language, specifications, forms, or templates have been added since then. Second, the language in AL 6792-E-A sets the precedent that a non-utility cannot directly serve utility grade meters during a grid outage, meaning that a single site with multiple meters and a standard VNEM configuration cannot be resilient solely through the addition of energy storage. An applicant must also pursue a non-standard configuration, resulting in added hardship, cost, and complexity for what should be a standard function of a solar+storage deployment. Following the Commission’s approval of AL 6792-E-A, PG&E’s implementation process for the NBTV offers no additional information, leaving potential applicants without any certainty. AL 7175-E does not provide details on whether provisioning resilience necessitates a different connection than during normal grid operations or an entirely separate configuration. No single line diagram is available nor are any technical specifications, leaving potential applicants to guess how to design a solution that complies with the language. Furthermore, AL 7175-E does not clarify that a site seeking resilience using this option will not lose legacy status as part of the reconfiguring process. The Commission has made it clear that adding a battery does not constitute a modification resulting in the loss of legacy status; the same has not been said of adding wiring or reconfiguration. With the possibility of losing legacy status, sites with existing VNEM solar will likely not take the risk of deploying storage and provisioning resilience, despite having an appetite for resilience.

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<sup>1</sup> PG&E AL 6792-E-A, at p 3.

The prohibition of any load registering on the Generating Account or Benefitting Accounts during a grid outage suggests that a second set of wiring or controls could possibly be permitted. Yet, no further details are provided beyond the few sentences from AL 6792-E. The lack of information is uncharacteristic considering that the rest of the VNEM application process is so detailed, requiring an applicant to present information on every aspect of the proposed configuration, technology to be used, and site details needed to promote the safe operation of the solar and the grid in all circumstances. The result, from a practical perspective, is that attaining resilience is not feasible for an NBTV applicant. The vagueness surrounding the cost implications of resilience and the lack of clarity about what is needed to receive approval from PG&E paint a picture of an extremely uncertain process, unlikely to be utilized by applicants seeking approval via the NBTV. The Clean Coalition is uncertain why AL 7175-E does not provide any additional information that clarifies the vague language in AL 6792-E-A. PG&E does not provide additional forms, questionnaires, or technical specifications, or a staff contact to illustrate what a cost-effective configuration that does not register load on the Generating Account or Benefitting Accounts might look like. This is not an efficient outcome for potential applicants and will lead to additional utility resources being utilized to answer a myriad of questions from any applicant interested in resilience.

At a high level, the preservation of incentives for low-income ratepayers demonstrates the Commission's continued interest in ensuring that the benefits of the NBT and NBTV flow to low and medium-income ("LMI") ratepayers and residents of disadvantaged vulnerable communities ("DVCs"). It is inconsistent with the Commission's stated goals in the DER Action Plan 2.0 and the ESJ Action Plan to approve a tariff and interconnection forms intended to enable resilience without a standard configuration or detailed information that can be clearly presented to interested applicants. Therefore, we urge the Commission to reject this AL. Unfortunately, the lack of clarity in AL 6792-E-A and AL 7175-E perpetuates existing inequalities in opportunities for resilience between single-meter and multi-meter facilities. Single-meter facilities taking service under the NBT can deploy certain solar+storage configurations or a Solar Microgrid for resilience. Multi-meter facilities using the NBTV are left guessing over how to interpret a single paragraph in the tariff.

The Clean Coalition understands that the Commission's ability to act in this matter is limited by Public Utilities Code §780.5, which requires individual metering for residential units at multi-unit housing facilities. However, it is worth noting that the most effective and streamlined solution for resilience at a multi-meter facility is to deploy a master meter. A master meter functions as a grid isolation switch at the point of common coupling (which meets the requirement in AL 6792-E-A for a single point of common couple), allowing a multi-meter facility to operate in isolation without using grid infrastructure, like a Solar Microgrid at a single-meter facility. We recommend that PG&E investigate use cases that include the use of a master meter for resilience at a VNEM site and include greater detail on how VNEM systems can be configured for resilience under the current language in the NBTV.

For these reasons, we urge the Commission to reject PG&E's Advice Letter.

## **Conclusion**

The Clean Coalition respectfully submits this comment letter on PG&E AL 7175-E and looks forward to continuing the dialogue on the most effective ways to provision multi-meter facilities with resilience.

Dated: March 5, 2024

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