

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking to Develop a  
Successor to Existing Net Energy Metering  
Tariffs Pursuant to Public Utilities Code  
Section 2827.1, and to Address Other Issues  
Related to Net Energy Metering.

Rulemaking 14-07-002  
(Filed July 10, 2014)

And Related Matter.

Application 16-07-015

**APPLICATION FOR REHEARING OF DECISION 20-08-007 BY  
SAN DIEGO GAS & ELECTRIC COMPANY (U 902 E)**

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**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA**

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And Related Matter.

Application 16-07-015

**APPLICATION FOR REHEARING OF DECISION 20-08-007 BY  
SAN DIEGO GAS & ELECTRIC COMPANY (U 902 E)**

Pursuant to Commission Rules 1.8(d) and 16.1, San Diego Gas & Electric Company (“SDG&E”) applies for rehearing of Decision 20-08-007 (“Decision”).<sup>1</sup> Rehearing should be granted because the Decision, in properly denying a petition for modification directed at Pacific Gas and Electric Company’s (“PG&E”) virtual net energy metering (“VNEM”) tariff,<sup>2</sup> improperly ordered PG&E and Southern California Edison Company’s (“SCE”) to modify their VNEM tariffs to be consistent with SDG&E’s, while effectively foreclosing an opportunity for SDG&E to propose tariff modifications it wished to make to its tariff. The relief ordered by the Decision addresses an issue that was not the subject of the petition, and which put in play for staff disposition, without a record, important principles limiting the availability of VNEM. It is beyond dispute that any net energy metering (“NEM”) arrangement confers on the NEM customer a substantial subsidy from bundled customers, many of whom cannot access the benefits of rooftop solar. Without proper availability limits, VNEM could be extended to

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<sup>1</sup> *Decision Modifying Decision 16-01-044 Regarding Virtual Net Energy Metering Eligibility Requirements* (August 11, 2020).

<sup>2</sup> *Petition for Modification of the California Solar and Storage Ass’n of D.16-01-044 Regarding Clarification of Virtual Net Energy Metering Eligibility Requirements* (November 20, 2019) (“petition”).

thousands of homes, exacerbating this inequitable cost-shift and potentially making the owner of the solar generation a substantial load-serving entity. Rehearing should be granted to place the scope of VNEM before the Commission in the new NEM OIR,<sup>3</sup> rather than diverting to a staff process as in the Decision.

**I. BACKGROUND – THE VNEM TARIFF AND THE PETITION ADDRESSED BY THE DECISION**

**A. D.16-01-044 extended VNEM to “multiple delivery points at a single site” expressly to assist low-income families on a single property**

The Decision (at 2, n. 1) defines VNEM as providing for “for netting of energy from a single eligible renewable generation facility among multiple customers / accounts that belong to the same multifamily or multitenant property.” The Decision (at 2-5) describes the evolution of the concept from serving multifamily affordable solar homes<sup>4</sup> to D.16-01-044,<sup>5</sup> which adopted the CALSEIA<sup>6</sup> proposal:

... that the VNM tariff should be expanded to allow multiple service delivery points at a single site ... This has been allowed under the MASH VNM tariff since the adoption of D.11-07-031, and has been used successfully by participants, without administrative problems.<sup>7</sup>

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<sup>3</sup> Rulemaking (“R.”) 20-08-020, *Order Instituting Rulemaking to Revisit Net Energy Metering Tariffs Pursuant to Decision 16-01-044, and to Address Other Issues Related to Net Energy Metering* (September 3, 2020) (“new NEM OIR”).

<sup>4</sup> D.08-10-036 established VNEM for Multifamily Affordable Solar Homes (“MASH”) projects to offset tenant loads. Only “multifamily affordable housing properties” with customers or accounts behind a single service delivery point were eligible to take service on a VNEM tariff.

<sup>5</sup> *Decision Adopting Successor to Net Energy Metering Tariff* (February 5, 2016).

<sup>6</sup> CALSEIA is the predecessor to the petitioner, California Solar and Storage Ass’n (“CALSSA”).

<sup>7</sup> D.16-01-044 at 99. Unlike the Decision, which uses the acronym VNEM, the earlier decision uses VNM throughout.

In sum, D.16-01-044 extended VNEM to “general market” participants.<sup>8</sup> The Decision (at 11) describes the filing and approval of the tariffs implementing the VNEM portion of D.16-01-044.

**B. The petition sought only to clarify PG&E’s VNEM tariff definition of “property”**

The Decision addresses a CALSSA petition for modification alleging that PG&E’s general market VNEM tariff had been implemented to define “property” as a single tax parcel in violation of D.16-01-044.<sup>9</sup> The petition sought no other relief, nor did it discuss the other principles in PG&E’s tariff to limit availability – the petition focused solely on the availability of the tariff to contiguous or adjacent properties. The Decision dismissed the petition on grounds that petitioner did not justify filing the petition more than one year after D.16-01-044 issued, per Rule 16.4(d).

**II. THE DECISION IMPROPERLY DECIDED AN IMPORTANT MATTER NOT IN CONTROVERSY, WITHOUT A FULL RECORD**

**A. The proposed decision removed the “common function” requirement of the tariff without a record**

The proposed decision (“PD”) in this matter<sup>10</sup> focused on the petition’s complaint about PG&E’s tariff definition of property. Although the PD dismissed the petition on procedural grounds, it nonetheless ordered PG&E and SCE to modify the “property” definition in the VNEM tariffs of SCE and PG&E to conform to the definition in SDG&E’s VNEM tariff, so that “customers or accounts behind multiple service delivery points and on multiple contiguous

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<sup>8</sup> The Decision references the “general market” VNEM tariffs, apparently to distinguish such tariff from any, such as MASH, that are limited to low-income customer segments, and to make it clear that VNEM is generally available to qualifying NEM customers.

<sup>9</sup> Petition at 5.

<sup>10</sup> Proposed *Decision Modifying Decision 16-01-044 Regarding Virtual Net Energy Metering Eligibility Requirements* (July 6, 2020) by Administrative Law Judges Kao and Doherty.

parcels (whether tax /assessor or legal) may take service on a VNEM tariff.”<sup>11</sup> This had the effect of removing an important requirement in the PG&E and SCE tariffs – that the parcels receiving VNEM service serve a “common function.” And it effectively precludes SDG&E from proposing its own tariff modification to be consistent with the PG&E and SCE tariffs by including this important limiting principle.

There was no discussion of, nor references to, the “common function” requirement in the petition, the PD, or the Administrative Law Judge’s May 13, 2020, ruling (“May 13 ruling”) that preceded the PD.<sup>12</sup> The PD would effectively eliminate the “common function” requirement in the PG&E and SCE tariffs by requiring all the utilities to conform to the SDG&E tariff definition of “Property,” which lacks the “common function” language. The Decision adopted this portion of the PD.

The PD’s (at 10) rationale for adopting SDG&E’s tariff language is as follows:

Because no parties have raised issues or concerns with the definition employed in SDG&E’s NEM-V-ST tariff, and because SDG&E has implemented D.16-01-044 according to Commission intent, this decision directs PG&E and SCE to modify their general market VNEM tariffs to include the same definition of “property” as SDG&E’s Schedule NEM-V-ST.

This reasoning is erroneous and procedurally improper – there were no objections to SDG&E tariff language because it was not placed at issue by the petition.<sup>13</sup> Similarly peculiar is

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<sup>11</sup> Decision at 1, 9, *citing* D.16-01-044.

<sup>12</sup> *Administrative Law Judge’s Email Ruling Requiring Supplemental Information Re: [CALSSA]Petition to Modify D.16-01-044*. The utilities’ responses to this ruling constitute the only record in this proceeding, other than the responses to the petition itself and the rounds of comment on the PD.

<sup>13</sup> There was also no objection to SCE’s tariff language by any party, and SCE offered on its own to clarify its tariff to confirm that an “integral parcel” can be a “cluster of one or more contiguous tax parcels.” *Responses of Southern California Edison Company (U 338-E) on Administrative Law Judge’s E-mail Ruling Requiring Supplemental Information Regarding Petition to Modify D.16-01-044* (May 29, 2020) at 4. *See also* PD at 9.

the PD’s suggestion (at 9) that SDG&E’s comments on the May 13 ruling advocated identical definitions of property in the utility tariffs, stating, “... we agree with SDG&E that including the same definition of ‘property’ in each of the electric IOUs’ general market VNEM tariffs would best achieve consistency.” But the cited SDG&E comment simply responded to a general – and tautological – question in the May 13 ruling “How can the utilities best achieve consistency among the tariffs?”<sup>14</sup> Is there really any other simple answer other than the one SDG&E gave? The PD (in language adopted by the Decision) wrongly implies that SDG&E advocated conformance by the other utilities to its tariff. But to answer the question in the May 13 ruling did not advocate adoption of SDG&E’s tariff language, especially given that SDG&E’s response to the ruling stated concern that its current tariff did not have enough safeguards against a customer serving as a load serving entity (“LSE”).<sup>15</sup> This distinction is procedurally important here: by adopting this portion of the PD, the Decision adopts a position advocated by nobody, but presents it in a way that suggests otherwise.

The PD did provide SDG&E, PG&E and SCE with an opportunity to “each submit a Tier 2 advice letter to propose modifications to their respective virtual net energy metering successor

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<sup>14</sup> May 13 ruling at 4; *Comments of ... [SDG&E] in Response to May 13, 2020 Ruling Regarding CALSSA Petition for Modification of VNM Eligibility Requirements* (May 29, 2020) at 3-4.

<sup>15</sup> *Comments of ... [SDG&E] in Response to May 13, 2020 Ruling Regarding CALSSA Petition for Modification of VNM Eligibility Requirements* (May 29, 2020) at 2-3.

tariffs to specify the requirements for a load serving entity.”<sup>16</sup> SDG&E, PG&E and SCE commented jointly on the PD, pointing out that requiring SCE and PG&E to adopt SDG&E’s property definition would remove the “common function” limitation, and that this limitation had not been sought by the petition or otherwise considered in the proceeding.<sup>17</sup>

The Joint PD comments (at 3) observed that the common function limitation is important to prevent a customer from using VNEM to act as a load serving entity. Accordingly, the Joint PD comments proposed simply adding “and serving a common function” at the end of the property definition in SDG&E’s tariff.<sup>18</sup> In the alternative, the Joint PD comments suggest that the utilities could be ordered to adopt SCE’s tariff definition, which, as the PD notes, has not been the subject of complaint, and SCE states “it is acceptable for SCE to clarify within the definition of ‘Property’ that an ‘integral parcel’ can be a ‘cluster of one or more contiguous tax parcels.’”<sup>19</sup>

#### **B. The Decision punted the common function issue to the Advice Letter process**

The Decision essentially confirmed the PD’s *sua sponte* requirement that the utilities all use the current SDG&E tariff definition of property, and it adopted the PD’s rationale for doing

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<sup>16</sup> PD, ordering paragraph 5 at 13. The PD notes (at 9-10) that this opportunity was provided at the request of SDG&E in its comments responding to the May 13 ruling. Although SDG&E’s May 13 comments did not specifically reference “common function,” joint utilities’ [SDG&E, PG&E and SCE] PD comments state that “SDG&E made the request because its VNEM tariff lacked the ‘common function’ requirement and SDG&E realized that commercial entities in non-residential endeavors might qualify under its current tariff.” *Joint Comments of ... [SDG&E, SCE, and PG&E] on Proposed Decision Modifying Decision 16-01-044 Regarding Virtual Net Energy Metering Eligibility Requirements* (July 27, 2020) (“Joint PD comments”) at 3.

<sup>17</sup> Joint PD comments at 4.

<sup>18</sup> Joint PD comments at 4, and Appendix at A-1 – A-2.

<sup>19</sup> PD at 9, citing *Responses of Southern California Edison Company (U 338-E) on Administrative Law Judge’s E-mail Ruling Requiring Supplemental Information Regarding Petition to Modify D.16-01-044* (May 29, 2020) at 4.



so. To address the utilities' concern in their Joint PD comments, the Decision (at 11) concluded:

In reply comments to the proposed decision, CALSSA questions the necessity of including the 'common function' requirement and further raises concern that the electric IOUs may interpret 'common function' inconsistently, given there is no explicit definition of the term in either PG&E's or SCE's tariffs. Given the concerns raised by CALSSA, we will not require the electric IOUs to include the 'common function' requirement in their respective general market VNEM tariffs, but they may propose to do so as part of proposing modifications to their respective general market VNEM tariffs. If the electric IOUs propose including the 'common function' requirement in the definition of an eligible property, as part of proposing modifications to their respective general market VNEM tariffs, they must each include a proposed definition of 'common function' that is the same across all three IOUs. We urge the IOUs to engage with stakeholders on these proposed modifications prior to submitting them for approval.

In accordance with the foregoing, the Decision ordered SCE and PG&E to file Tier 2 advice letters within 30 days of the Decision's issuance containing tariff revisions with an identical property definition.<sup>20</sup> The advice letters in compliance with the Decision have been submitted concurrently with the filing of this application for rehearing.

### **III. IT IS IMPROPER TO PLACE "COMMON FUNCTION" INTO A STAFF PROCESS WITHOUT A RECORD, ESPECIALLY BECAUSE THE SCOPE OF NEM IS UNDER CONSIDERATION IN OTHER COMMISSION PROCEEDINGS**

#### **A. There is no record to support placing common function in play**

No party questioned or disputed the common function language from the time it first appeared in the advice letters filed in compliance with D.16-01-044,<sup>21</sup> until the PD put the concept in play by ordering relief – conformance to SDG&E's tariff – that removed the common function requirement. No consideration has been given to the propriety of the common function language in any of the proceedings in this rulemaking thus far, and there has never been any complaint about the provision in other contexts. The petition did not address the common

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<sup>20</sup> Decision, ordering paragraphs 3 and 4 at 15.

<sup>21</sup> The Decision (at 4) recites that the relevant PG&E advice letter was approved in August 2016.

function language at all; therefore, it lacked a supporting declaration asserting facts to justify why the Commission should reconsider “common function” language in PG&E and SCE’s tariffs.<sup>22</sup> Removing this requirement may have substantial adverse consequences, including:

- extending the substantial and inequitable net metering cross-subsidy at a time when, as discussed below, the Commission is preparing to fix it and to address VNEM tariffs generally;<sup>23</sup>
- compromising system reliability by creating a pathway for generators to circumvent LSE obligations; and
- without appropriate limiting principles, a “customer” (solar developer) might argue that adjacent parcels under common ownership could comprise a development of thousands of homes.<sup>24</sup>

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<sup>22</sup> Rule 16.4(b) requires that a petition for modification must support “any factual allegations ... with specific citations to the record in the proceeding or to matters that may be officially noticed. Allegations of new or changed facts must be supported by an appropriate declaration or affidavit.” No such citations or declarations have been provided relating to “common function.”

<sup>23</sup> See, e.g., Rulemaking (“R.”) 20-08-020, *Order Instituting Rulemaking to Revisit Net Energy Metering Tariffs Pursuant to Decision 16-01-044, and to Address Other Issues Related to Net Energy Metering* (September 3, 2020) (“new NEM OIR”). These cross subsidies are substantial, and tend to be paid by less affluent customers to support more affluent customers with, for example, newer roofs. The average non-NEM SDG&E residential customer pays about \$200 per year to support NEM customers. The NEM cost-shift is growing, and the community solar and microgrid proposals, aided by unrestricted VNEM, would put the cost shift on steroids.

<sup>24</sup> SDG&E does not concede that this would qualify for service, even if SDG&E’s tariff is adopted as the Decision requires. This concern is not speculative. In R.19-09-009 (Microgrid and Resiliency OIR) several parties recently advocated “community microgrids” – *i.e.*, configurations of solar generation and energy storage that serve multiple parcels, even across streets, that can detach from the grid and operate independently for a period. Such proposals appear to depend upon extending the NEM credits (and cross-subsidy) via VNEM. Indeed, some parties complained about the adjacent parcel tariff limitation, apparently to this end. *E.g.*, August 14, 2020 Track 2 comments by Google at 4-7 and 12-13; Microgrid Resource Coalition at 9-12; Schneider Electric at 6; Center for Sustainable Energy at 2-3; Vote Solar and Climate Center at 4-6; Solar Energy Industries Association 7-8; and Applied Medical Resources at 5-9.

Such matters merit deeper consideration than the twenty-day comment period the rules provide for a proposed decision. The Commission cannot and should not eliminate the “common function” requirement from Commission-approved tariffs without a properly litigated, factual record designed to carry out the spirit and the letter of D.16-01-044’s policy rationale for VNEM.

In sum, as can be seen from the foregoing decisional history, the common function issue simply has not been properly teed up for considered disposition at this time, and therefore rehearing should be granted. As discussed below, the record that exists shows that eliminating the common function requirement is inconsistent with D.16-01-044 and the public interest.

**B. “Common function” supports the D.16-01-044 focus on residential customers**

As the Decision notes (at 9), D.16-01-044 focuses on making VNEM benefits available to residents of multifamily and multitenant housing:

The Commission’s intent is apparent from D.16-01-044, which adopted CALSEIA (now CALSSA)’s proposal without modification: to make VNEM eligibility requirements for non-MASH multifamily and multitenant customers the same as for affordable housing tenants.

The focus on residents of multi-unit dwellings makes sense from a public interest perspective. The common function requirement helps to limit the applicability of the tariff and the availability of VNEM benefits, which includes a substantial subsidy from bundled customers, many of whom cannot access the benefits of rooftop solar.

Given that the CALSSA’s petition did not challenge the Commission’s foundational policy rationale for VNEM, seek to modify this language quoted from D.16-01-044, nor eliminate the “common function” language manifesting this principle from PG&E’s and SCE’s

tariffs, retaining the “common function” language should be noncontroversial.<sup>25</sup> But it certainly should not be put in play absent any evidence or record.

**C. “Common function” helps prevent a customer from taking on LSE responsibilities, and thus it should be left intact**

The May 13 ruling specifically asked SCE and SDG&E whether their current non-MASH VNEM tariffs prevent customer generators from serving as a LSE without scheduling or other LSE responsibilities.<sup>26</sup> The Decision requires SDG&E, PG&E and SCE to “each submit a Tier 2 advice letter to propose modifications to their respective virtual net energy metering successor tariffs to specify the requirements for a load serving entity.”<sup>27</sup> The Decision states (at 9-10) that this opportunity was provided at the request of SDG&E in its comments<sup>28</sup> responding to the May 13 ruling.

As noted above, SDG&E made the request recognizing that its VNEM tariff lacked the “common function” requirement and commercial entities in non-residential endeavors might qualify under its current tariff. While “common function” may not be sufficient to prevent all such abuse, coupled with any tariff terms addressing the LSE issue, it should help protect the public interest by eliminating this loophole. Whether SDG&E amends its tariff to include the important pro-ratepayer “common function” principle, as proposed in the Joint PD comments, should not be placed in a context, as in the Decision, where the presumption is that “common function” is presumed eliminated.

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<sup>25</sup> As far as the utilities know, no party ever raised or complained about the “common function” language in the PG&E and SCE tariffs in any context until the Joint PD comments raised the issue in this proceeding.

<sup>26</sup> May 13 ruling at 3-4. *See* PD at 9; Decision at 6-7.

<sup>27</sup> Decision, ordering paragraph 5 at 15-16.

<sup>28</sup> *Comments of ... [SDG&E] in Response to May 13, 2020 Ruling Regarding CALSSA Petition for Modification of VNM Eligibility Requirements* (May 29, 2020) at 4.

**D. VNEM is specifically being considered in other Commission proceedings with much more robust stakeholder participation**

To eliminate the common function requirement is not only inconsistent with D.16-01-044 and the public interest, but it would improperly preempt current Commission proceedings. Indeed, the new NEM OIR specifically sets VNEM for consideration.<sup>29</sup>

The CALSSA petition is further evidence that a “gold rush” is underway in California.<sup>30</sup> That is, the solar and storage industry, aware that current NEM cross-subsidies face imminent reconsideration, urges the Commission to act quickly to adopt policies that would grandfather these inequitable benefits to NEM systems.<sup>31</sup> In 2013, the Legislature recognized that the NEM subsidy was no longer justified nor fair to non-participating customers and enacted Assembly Bill (“AB”) 327. This law required the Commission to revise the NEM subsidy to equalize the benefits and costs to all customers. The Commission recently undertook to comply with this directive to reconsider the NEM tariffs – including VNEM - by issuing the new NEM OIR.<sup>32</sup> SDG&E expects that this new NEM OIR will work to eliminate inequitable cross-subsidies, set a date for transition to a new tariff for distributed solar customers, and potentially address the

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<sup>29</sup> New NEM OIR at 7.

<sup>30</sup> *See, e.g.*, D.14-03-041, which described the concern in implementing new customer enrollments to the successor (now current) NEM tariff that the transition would encourage a “gold rush,” in which significant numbers of customers install systems just before the new tariff comes into effect, in order to take advantage of the transition period. *Id.* at 12, and 25.

<sup>31</sup> In addition to the petition here, this gold rush was recently evidenced by the number of intervening parties in the Commission’s microgrid OIR (R.19-09-009) advocating “community microgrid” arrangements that embody NEM – or VNEM. It while not precisely defined, it appears that a “community microgrid” concept shares with “community solar” central station solar generation, likely coupled with battery storage, serving numerous customers; the only difference is that the community microgrid can isolate from and separately operate portions of the utility distribution system.

<sup>32</sup> New NEM OIR at 7. VNEM is specifically set for consideration.

grandfathering of such cross-subsidy benefits. It should also consider the scope of NEM – and VNEM – tariff service.

Note that the new NEM OIR (at 1) specifically states its intent to “coordinate ... closely” with other proceedings, including the Microgrid OIR<sup>33</sup> and the instant NEM proceeding.<sup>34</sup> By diverting into a Tier 2 advice letter process an important, unlitigated issue affecting the scope of NEM and the cross subsidies, the Decision evades the “close coordination” sought by the new OIR, and preempts direct Commission consideration of this important issue.<sup>35</sup> The increasing size of the cost shift is serious, and it should not be addressed piecemeal, especially by diverting important constituent issues to a staff process.<sup>36</sup> The fact that VNEM will be litigated in the new NEM OIR does not obviate the fact that under NEM grandfathering principles, an open-ended VNEM yielded under the Decision’s process will increase the size of the cost shift pending resolution in the New NEM OIR.

#### **IV. SPECIFIC RELIEF SOUGHT**

SDG&E requests that the Decision be modified to simply dismiss the petition for the reasons stated in the Decision, and to accept the tariff changes proposed in the utilities’ Joint PD

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<sup>33</sup> R.19-09-009, *Order Instituting Rulemaking Regarding Microgrids Pursuant to Senate Bill 1339 and Resiliency Strategies*.

<sup>34</sup> New NEM OIR at 1, “and R.14-07-002 on the development of a successor tariff to the original NEM tariff.”

<sup>35</sup> Per Commission General Order (“GO”) 96-B, section 5.1, General Rules – Matters Appropriate to Advice Letters, the “advice letter process provides a quick and simplified review of the types of utility requests that are expected neither to be controversial nor to raise important policy questions.” GO 96-B Energy Industry Rules provide that Tier 2 advice letters are effective upon staff approval (§ 5.2) and Tier 3 require Commission approval (§ 5.3).

<sup>36</sup> As noted above, these cross subsidies are substantial, and tend to be paid by less affluent customers to support more affluent customers with, for example, newer roofs. For example, the average non-NEM SDG&E customer pays about \$200 per year to support NEM customers. The NEM cost-shift is growing, and the community solar and microgrid proposals, aided by unrestricted VNEM, would put the cost shift on steroids.

comments providing the “common function” language.<sup>37</sup> In this context, the Commission should confirm that the scope of VNEM will be addressed in the new NEM OIR. In the alternative, the Decision should be amended to require that the required advice letters be submitted under Tier 3 to permit consideration by the full Commission.

## V. CONCLUSION

For the foregoing reasons, SDG&E requests that the Commission grant rehearing along the lines requested in the Joint PD comments in this proceeding, such that SDG&E, PG&E and SCE’s respective VNEM tariffs retain or include the common function requirement. In the alternative, the Commission should grant rehearing to provide that the advice letter filings required by the Decision be set as Tier 3, rather than Tier 2 advice letters. The Commission should take up the scope of VNEM in the new NEM OIR.

Respectfully submitted,

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<sup>37</sup> For convenient reference, the Rule 14.3(b) appendix to the Joint PD comments is attached hereto.

**Appendix - Rule 14 .3(b)**

***Appendix from the Joint Comments of San Diego Gas & Electric Company (U 902-E) Southern California Edison Company (U 338-E ) and Pacific Gas and Electric Company (U39-E) on Proposed Decision Modifying Decision 16-01-044 Regarding Virtual Net Energy Metering Eligibility Requirements (R.14-07-002, July 27, 2020)***



## APPENDIX – RULE 14.3(b)

Utilities propose the following modifications to the PD’s findings of fact, conclusions of law, and ordering paragraphs<sup>38</sup> as follows (in blackline and strikeout format; numeration is that of the PD):

### Changes to findings of Fact

**Edit Finding of Fact 5 as follows:**

5. No parties have raised issues or concerns with the definition of “property” included in SCE’s or SDG&E’s Schedule NEM-V-ST tariff.

**Insert a new finding of fact 6 after Finding of Fact 5 as follows:**

**The “common function” requirement should be retained in the PG&E and SCE general market VNEM tariffs, and added to that of SDG&E.**

### Changes to Conclusions of Law

**Edit Conclusion of Law 3 as follows:**

PG&E and SCE should be directed to modify their general market VNEM tariffs to include the same definition of “property” as SDG&E’s Schedule NEM-V-ST tariff, **with the addition of the phrase “and serving a common function” at the end of the definition. SDG&E also shall add that phrase to its tariff.**

### Changes to Ordering Paragraphs

**Edit Ordering Paragraph 3 as follows:**

3. Within 30 days after the issue date of this decision, Pacific Gas and Electric Company shall submit a Tier 2 advice letter proposing revisions to its NEM2V tariff to make effective the following definition of “Property”:

~~All of the real property and apparatus employed in a single multi-tenant or multi-meter facility on contiguous parcels of land. These parcels may be divided by a dedicated street, highway or public thoroughfare or railway, so long as they are otherwise contiguous, part of the same single multi-tenant or multi-meter facility, and all under the same ownership.~~

**Property: All of the real property and apparatus employed in a single multi-tenant or multi-meter facility on contiguous parcels of land. These parcels**

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<sup>38</sup> Rule 14.3(b) requires that the appendix contain revisions to the PD’s findings of fact and conclusions of law. These comments include changes to the ordering paragraphs to assist the Commission.

**may be divided by a dedicated street, highway or public thoroughfare or railway, so long as they are otherwise contiguous, part of the same single multi-tenant or multi-meter facility, and all under the same ownership and serving a common function.**

**Edit Ordering Paragraph 4 as follows:**

4. Within 30 days after the issue date of this decision, Southern California Edison Company shall submit a Tier 2 advice letter proposing revisions to its NEM-V-ST Schedule to make effective the following definition of “Property”:

~~All of the real property and apparatus employed in a single multi-tenant or multi-meter facility on contiguous parcels of land. These parcels may be divided by a dedicated street, highway or public thoroughfare or railway, so long as they are otherwise contiguous, part of the same single multi-tenant or multi-meter facility, and all under the same ownership.~~

**Property: All of the real property and apparatus employed in a single multi-tenant or multi-meter facility on contiguous parcels of land. These parcels may be divided by a dedicated street, highway or public thoroughfare or railway, so long as they are otherwise contiguous, part of the same single multi-tenant or multi-meter facility, and all under the same ownership and serving a common function.**

**Insert a new ordering paragraph after Ordering Paragraph 4 as follows:**

**Within 30 days after the issue date of this decision, San Diego Gas & Electric Company shall submit a Tier 2 advice letter proposing revisions to its NEM-V-ST Schedule to make effective the following definition of “Property”:**

**Property: All of the real property and apparatus employed in a single multi-tenant or multi-meter facility on contiguous parcels of land. These parcels may be divided by a dedicated street, highway or public thoroughfare or railway, so long as they are otherwise contiguous, part of the same single multi-tenant or multi-meter facility, and all under the same ownership and serving a common function.**