

PUBLIC UTILITIES COMMISSION

SAN FRANCISCO, CA 94102-3298



September 23, 2003

Advice Letter: 1692-E-A

Akbar Jazayeri
Director of Revenue and Tariffs
Southern California Edison Company
P O Box 800
Rosemead, CA 91770

OCT 08 2003
REVENUE & TARIFFS DEPT.

Reference: Implementation of the Experimental Schedule BG-NEM, Net Energy Metering

Dear Mr. Jazayeri:

Advice Letter 1692-E-A is effective April 12, 2003. A copy of the advice letter is included herewith for your records.

Sincerely,

A handwritten signature in cursive script that reads "Paul Clanon".

Paul Clanon, Director
Energy Division

Filed 9/19/03
Effective 4/12/03

jjr

Septmeber 19, 2003

ADVICE 1692-E-A
(U 338-E)

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA
ENERGY DIVISION

SUBJECT: Supplement to the Implementation of the Experimental
Schedule BG-NEM, Biogas Net Energy Metering

In compliance with Assembly Bill (AB) 2228, Section 1(c),¹ and Resolution E-3827 Southern California Edison Company (SCE) hereby submits for filing the following Biogas Net Energy Metering (NEM) tariff schedule. The revised tariff sheets are listed on Attachment A and are attached hereto.

PURPOSE

This advice filing, as required by AB 2228 and Resolution E-3827, authorizes SCE to provide eligible biogas digester customer-generators with net energy metering by allowing for the netting out of generation charges against generation charges on a time of use basis, under a pilot program. AB 2228 adds Section 2827.9 to the Public Utilities Code and shall remain in effect only until January 1, 2006, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2006, deletes or extends that date.

This supplemental advice filing replaces Advice 1692-E in its entirety.

BACKGROUND

AB 2228 was signed into law on September 24, 2002, with an effective date of January 1, 2003,¹ to establish a pilot program to provide net energy metering

¹ AB 2228 Section 1 (c) states "Every electrical corporation shall, not later than 60 days from the effective date of this section, file with the commission a standard tariff providing for net energy metering for eligible biogas digester customer-generators, consistent with this section."

for eligible biogas digester customer-generators to enhance the continued diversification of California's energy resource mix and to encourage the installation of livestock air emission controls that the State Air Resources Board believes may produce multiple environmental benefits.

AB 2228 adds Section 2827.9 to the Public Utilities Code to establish, in part: (1) an eligible biogas customer-generator means a customer of an electrical corporation who uses a biogas digester electrical generating facility with a capacity of not more than one megawatt that is located on or adjacent to the customer's owned, leased, or rented premises, is interconnected and operates in parallel with the electric grid, is sized to offset part or all of the eligible biogas digester customer-generator's own electrical requirements, and is the recipient of local, state, or federal funds, or who self-finances pilot projects designed to encourage the development of eligible biogas digester electrical generating facilities; (2) The biogas net energy metering tariff shall be available to all eligible biogas digester customer-generators upon request, on a first come, first serve basis, until the total cumulative rated generating capacity used by eligible biogas digester customer-generators equals 5 megawatts within the service territory of SCE. Additionally, the combined statewide cumulative rated generating capacity used by the eligible biogas digester customer-generators in the service territories of all three electrical corporations in the state may not exceed 15 megawatts; (3) net energy metering shall be accomplished using a time of use meter capable of registering the flow of electricity in two directions and if the eligible customer-generator's existing meter is not capable of measuring the flow of electricity in two directions, the eligible customer-generator shall be responsible for all expenses involved in purchasing and installing a meter that is able to measure electricity flow in two directions; (4) net out generation charges against generation charges, exclusive of any surcharges, on a time of use basis over an entire relevant period. All other charges, including all surcharges, shall be calculated in accordance with the eligible biogas customer-generator's applicable tariff and based on the total kilowatthours delivered by the electrical corporation to the customer in each monthly billing cycle; (5) eligible dairy operations shall have their qualified load aggregated for the purposes of determining if they were a net consumer or net producer of electricity over an entire relevant period.

On June 19, 2003, the Commission issued Resolution E-3827, approving with modifications, SCE's Advice 1692-E, Implementation of Experimental Schedule BG-NEM, Biogas Net Energy Metering. Resolution E-3827, among other things, approved SCE's proposal for customer eligibility, load aggregation for dairy operations, and interconnection. Additionally, Resolution E-3827 ordered SCE to file revised tariff sheets incorporating the modifications ordered in the resolution. However, in SCE's response to Sustainable Conservation's protest

of Advice 1692-E, dated April 11, 2003, the same tariff modifications ordered in Resolution E-3827 were addressed to the satisfaction of all interested parties and such modifications were incorporated into the tariff sheets and filed with the Commission via substitute sheets. Therefore, at the time Resolution E-3827 was issued, SCE was already in compliance with the tariff modifications ordered in Resolution E-3827.

On September 11, 2003, the Commission's Energy Division ordered SCE to re-submit, in its entirety, a supplement to Advice 1692-E. Therefore, pursuant to the Energy Division's request, this supplemental advice filing replaces Advice 1692-E in its entirety. However, the BG-NEM tariff sheets contained in this supplemental advice filing are identical to those contained in substitute sheets for Advice 1692-E.

No cost information is required for this advice filing.

This advice filing will not increase any rate or charge, cause the withdrawal of service, or conflict with any other schedule or rule.

EFFECTIVE DATE

Consistent with SCE's request in Advice 1692-E, this advice filing shall become effective on April 12, 2003, subject to review by the Energy Division.

NOTICE

Anyone wishing to protest this advice filing may do so by letter via U.S. Mail, facsimile, or electronically, any of which must be received by the Energy Division and SCE no later than 20 days after the date of this advice filing. Protests should be mailed to:

IMC Program Manager
c/o Jerry Royer
Energy Division
California Public Utilities Commission
505 Van Ness Avenue, Room 4002
San Francisco, California 94102
Facsimile: (415) 703-2200
E-mail: jjr@cpuc.ca.gov

Copies should also be mailed to the attention of the Director, Energy Division, Room 4004 (same address above).

In addition, protests and all other correspondence regarding this advice letter should also be sent by letter and transmitted via facsimile or electronically to the attention of:

Akbar Jazayeri
Director of Revenue and Tariffs
Southern California Edison Company
2244 Walnut Grove Avenue, Rm. 303
Rosemead, California 91770
Facsimile: (626) 302-4829
E-mail: advicetarrifmanager@sce.com

Bruce Foster
Vice President of Regulatory Operations
c/o Karyn Gansecki
Southern California Edison Company
601 Van Ness Avenue, Suite 2040
San Francisco, California 94102
Facsimile: (415) 673-1116
E-mail: karyn.gansecki@sce.com

There are no restrictions on who may file a protest, but the protest shall set forth specifically the grounds upon which it is based and shall be submitted expeditiously.

In accordance with Section III, Paragraph G, of General Order No. 96-A, SCE is mailing copies of this advice filing to the interested parties shown on the attached service list and R.99-10-025. Address change requests to the attached GO 96-A Service List should be directed to (626) 302-4039 or by electronic mail at advicetarrifmanager@sce.com. For changes to all other service lists, please contact the Commission's Process Office at (415) 703-2021 or by electronic mail at process_office@cpuc.ca.gov.

Further, in accordance with Public Utilities Code Section 491, notice to the public is hereby given by filing and keeping the advice filing open for public inspection at SCE's corporate headquarters. To view other SCE advice letters filed with the Commission, log on to SCE's web site at <http://www.sce.com/adviceletters>.

For questions, please contact George Coutts at (626) 302-6568 or by electronic mail at george.coutts@sce.com.

Southern California Edison Company

Akbar Jazayeri

AJ:mm/el
Enclosures

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
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Schedule BG-NEM
Experimental Biogas Net Energy Metering

Sheet 1

APPLICABILITY

Applicable to Bundled Service Customers served under a Time-of-Use (TOU) rate schedule who: (1) interconnect and operate in parallel with SCE's electrical system an Eligible Biogas Digester Electrical Generating Facility, as defined herein below pursuant to PU Code Section 2827.9, with a generating capacity no greater than 1,000 kW, located on or adjacent to the customer's premises as the sole source of customer generation, intended to offset part or all of the customer's electrical requirements, and (2) is the recipient of local, state, or federal funds, or who self-finance projects designed to encourage the development of biogas digester electrical generating facilities. Customers eligible for service under this Schedule are exempt from: (1) any new or additional charges not included in their Otherwise Applicable Tariff (OAT), and (2) Standby Charges. Pursuant to PU Code Section 2827.9, this Schedule is available on a first-come, first-serve basis and will be closed to new customers once 5,000 kW of rated generating capacity is served under this Schedule and will expire on January 1, 2006 unless extended by legislation.

TERRITORY

Within the entire territory served.

RATES

The following rates are applicable to all Eligible Biogas Digester customer-generators on this Schedule.

NET CONSUMERS OF ENERGY

When an Eligible Biogas Digester customer-generator is a net consumer, E_S is greater than E_F where E_S is energy supplied by SCE and E_F is energy generated by the eligible customer and fed back into SCE's system, measured over an entire Relevant Period, as defined in Special Condition 5.e, the total net consumed kWh will be a generation charge, calculated by multiplying the total net consumed kWh by the generation rate component of the customer's OAT, in each TOU period when such customer was a net consumer of energy (E_S exceeds E_F). At the end of the Relevant Period Special Condition 4.b shall be invoked. Additionally, all other charges shall be calculated in accordance with the customer's OAT, for E_S (energy supplied by SCE) and shall be due and payable monthly, in accordance with SCE's normal monthly billing cycle.

(Continued)

(To be inserted by utility)
Advice 1692-E-A
Decision _____

Issued by
John R. Fielder
Senior Vice President

(To be inserted by Cal. PUC)
Date Filed Sep 19, 2003
Effective Apr 12, 2003
Resolution E-3827

Schedule BG-NEM
Experimental Biogas Net Energy Metering

Sheet 2

(Continued)

RATES (Continued)NET PRODUCERS OF ENERGY

When an Eligible Biogas Digester customer-generator is a net producer, E_F is greater than E_S where E_S is energy supplied by SCE and E_F is energy generated by the eligible customer and fed back into SCE's system, measured over an entire Relevant Period, as defined in Special Condition 5.e, the total net produced kWh will be a generation credit, calculated by multiplying the total net produced kWh by the generation rate component of the customer's OAT, in each TOU period when such customer was a net producer of energy (E_F exceeds E_S), excluding any portion of the generation rate component of the customer's OAT that represents generation surcharges in effect after January 3, 2001. At the end of the Relevant Period Special Condition 4.b shall be invoked. Additionally, all other charges shall be calculated in accordance with the customer's OAT, for E_S (energy supplied by SCE) and shall be due and payable monthly, in accordance with SCE's normal monthly billing cycle.

SPECIAL CONDITIONS

1. Required Contract: A Biogas Digester Net Energy Metering and Interconnection Agreement (Form 14-750) is required for service under this Schedule.
2. Load Aggregation: Customers served under this Schedule that have dairy operations with more than one TOU metered service account, located on the property adjacent or continuous to the customer-generator's Eligible Biogas Digester Electrical Generating Facility with load serving, but not limited to, the milking operations, milk refrigeration, and water pumping of the customer-generator's dairy operations shall have such TOU metered service accounts' generation energy charges, along with each TOU metered service accounts' corresponding consumed kWh, as measured in each TOU period, accumulate until the end of the Relevant Period, as defined in Special Condition 5.e. At the end of the Relevant Period, if the customer's service account serving the interconnected Biogas Digester Generating Facility with SCE's electrical system, has any remaining generation credits after Special Condition 4.b.2 has been invoked, such remaining generation credits will be converted back into net produced kWh by dividing the remaining generation credit, in each TOU period a generation credit exist, by the corresponding generation rate component excluding any generation surcharges. These remaining net produced kWh, as calculated above, will be applied to the customer's dairy operations TOU metered service accounts that qualify for this Special Condition, in a sequential order specified in the Required Contract (Form 14-750), and these remaining net produced kWh will converted back into generation credits calculated in accordance with the Rates Section of this Schedule until all net produced kWh have been used. If there are unused net produced kWh at the end of the Relevant Period after invoking this Special Condition to all of the customer's dairy operations TOU metered service accounts, Special Condition 4.b.3 shall apply. All other charges shall be calculated monthly on all customer service accounts eligible for this Special Condition and shall be due and payable monthly, in accordance with SCE's normal monthly billing cycle.

(Continued)

(To be inserted by utility)

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Schedule BG-NEM
Experimental Biogas Net Energy Metering

Sheet 3

(Continued)

SPECIAL CONDITIONS (Continued)

3. Metering:

- a. Biogas Digester Net Energy shall be measured (metered) using a TOU meter capable of separately registering the flow of electricity in two directions. If the customer's existing meter is not capable of satisfying the requirements to participate on this Schedule, such meter shall be installed by SCE at the customer's expense prior to interconnection to SCE's electric system.
- b. If SCE determines that dual metering is required for the purposes set forth herein, such customer shall consent to, and pay all costs associated with the installation of dual metering, prior to interconnecting to SCE's electrical system.
- c. Dairy operations with service accounts that qualify for Special Condition 2 are required to meet the provisions of Special Condition 3.a and 3.b for the account serving the Eligible Biogas Digester Electrical Generating Facility only, all other service accounts are only required to be TOU.

4. Billing:

- a. SCE shall provide the customer with both energy supplied by SCE, and energy generated by the eligible Customer and fed back into SCE's system in each TOU period, over the applicable Relevant Period, on each monthly bill. Such monthly bills shall include accumulated net kWh produced, along with the corresponding generation credit, and/or accumulated net kWh consumed, along with the corresponding generation charge for each TOU period, over the applicable Relevant Period. All charges except the generation charge shall be due and payable monthly, in accordance to SCE's normal monthly billing cycle for all accounts served on this Schedule. This Special Condition applies to all eligible Load Aggregation dairy operations TOU service accounts, as defined in Special Condition 2.

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Schedule BG-NEM
Experimental Biogas Net Energy Metering

Sheet 4

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SPECIAL CONDITIONS (Continued)

4. Billing: (Continued)

- b. At the end of each Relevant Period, as defined in Special Condition 5.e, following the Date of Final Interconnection of the customer's generator to SCE's electric system, SCE shall proceed as follows:
 - 1. SCE will present the customer with their annual Relevant Period bill, which will include the current month's charges in addition to any outstanding accumulated Relevant Period generation charges and shall be due and payable in accordance to SCE's normal billing cycle.
 - 2. Where a customer's net generation credits exceed their net generation charges, during any TOU period, as calculated in the Rates Section of this Schedule, such excess generation credits will be applied to any remaining generation charges in other TOU periods, at the end of a Relevant Period.
 - 3. Any remaining generation credits, and/or unused generation kWh for qualified Load Aggregation TOU service accounts, after Special Condition 4.b.2 above has been applied, shall be zeroed out without compensation to the customer and a new Relevant Period shall commence.
- c. If a customer terminates service under this Schedule prior to the end of the Relevant Period Special Condition 4.b shall be invoked.

5. Definitions: The following definitions are applicable to service provided under this Schedule.

- a. Eligible Biogas Digester Electrical Generating Facility: A generating facility used to produce electricity by a manure methane production project or as a byproduct of the anaerobic digestion of bio-solids and livestock waste that meets all applicable safety and performance standards established by the National Electrical Code, the Institute of Electrical and Electronics Engineers, and accredited testing laboratories such as Underwriters Laboratories and, where applicable, rules of the Public Utilities Commission regarding safety and reliability.
- b. Date of Final Interconnection: The date SCE provides the customer with SCE's written approval to commence parallel operation of the Generating Facility for purposes of participating on this Schedule.

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(To be inserted by utility)

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Schedule BG-NEM
Experimental Biogas Net Energy Metering

Sheet 5

(Continued)

SPECIAL CONDITIONS (Continued)

5. Definitions: (Continued)

c. Net Energy: The difference between the electricity supplied and/or delivered through SCE, and the electricity generated by the customer and fed back into SCE's electric system, measured over the Relevant Period. Thus, where E_S is energy supplied and/or delivered by SCE, and E_F is energy generated by the customer and fed back into SCE's system:

$$\text{Net Energy} = E_S \text{ minus } E_F$$

d. Otherwise Applicable Tariff (OAT): The customer's regularly filed rate schedule under which service is rendered.

e. Relevant Period: A twelve-month period, or portion thereof, commencing on the anniversary Date of Final Interconnection of the customer's generator to SCE's electric system.

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LIST OF CONTRACTS AND DEVIATIONS 31106-31079-19469-27091-24944-17894-17895-E
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