

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



Date: February 26, 2020

Subject: Final Research Plan for Net Energy Metering (NEM) 2.0 Evaluation

To members of the service list for Rulemaking (R.)14-07-002:

Pursuant to California Public Utilities Commission (CPUC) Decision (D.)18-09-044, this letter approves the final research plan for the NEM 2.0 evaluation. The Decision authorizes ratepayer funding for a consultant to conduct a formal and independent evaluation of NEM 2.0 in order to analyze the costs and benefits of customer-sited renewable resources taking service on the tariff and its variants. The attached final research plan summarizes the research questions posed and the consultant's approach to answering those questions.

To initiate the NEM 2.0 evaluation, on September 6, 2019, San Diego Gas and Electric Company launched a request for proposals, on the CPUC's behalf, seeking a consultant to: (1) complete the NEM 2.0 evaluation; (2) provide ongoing technical assistance to the CPUC's Energy Division as needed within a new proceeding where the CPUC will evaluate and consider adopting a successor tariff(s) to NEM 2.0; and (3) conduct focus groups to receive feedback on the California Solar Consumer Protection Guide. Following a competitive bid process, the CPUC awarded the contract to Itron, Energy and Environmental Economics (E3), and ILLUME Advising. Itron is primarily responsible for the NEM 2.0 evaluation, E3 is primarily responsible for providing technical assistance to Energy Division during a new proceeding to revisit NEM 2.0, and ILLUME is tasked with conducting focus groups on the California Solar Consumer Protection Guide.

On November 27, 2019, Energy Division served Itron's draft research plan on this service list. On December 6, 2019, the CPUC and Itron hosted a workshop to present the draft research plan and receive feedback. On December 20, 2019, stakeholders submitted informal comments on the draft research plan. Itron and Energy Division have evaluated the comments and modified the research plan accordingly.

Itron shall complete the NEM 2.0 evaluation consistent with the approved final research plan. The study is scheduled for release by June 30, 2020.

Please contact Chris Westling at (415) 703-2392 or christopher.westling@cpuc.ca.gov with questions related to this letter.

Sincerely,

/s/ Simon Baker for

Edward Randolph
Deputy Executive Director for Energy and Climate Policy/
Director, Energy Division
California Public Utilities Commission