

Prevailing Wage Checklist, Disclosure Form and Tariff Language

December 15, 2023

Prevailing Wage Overview of Tier 1 Changes

- Checklist (incorporated into interconnection portals and application forms)
- Disclosure Form (to be filed as a new form)
- Interconnection Agreement language
- Tariff language

Prevailing Wage Checklist

Pursuant to CPUC Decision 23-11-068, the following information must be provided. If the answer to all the following questions is “no,” your contractor must comply with California Public Utilities Code 769.2.

Additionally, consistent with the Commission’s Tribal Consultation Policy, contractors and investor-owned utilities that have implementation questions with respect to Renewable Electrical Generating Facilities on Indian Lands should contact the Commission’s Deputy Executive Director of Energy and Climate Policy or the Commission’s Office of the Tribal Advisor.

1. Is this a residential Generation Facility with a maximum capacity of 15 kW or less of electricity?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
2. Is this a single-family home?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
3. Is this a public works project (as defined in Section 1720 of the Labor Code) that is subject to Article 2 (commencing with Section 1770) of Chapter 1 of Part 7 of Division 2 of the Labor Code?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
4. Does this Generating Facility serve only a modular home, a modular home community, or multiunit housing that has two or fewer stories?	<input type="checkbox"/> Yes	<input type="checkbox"/> No

Prevailing Wage Disclosure

This renewable generating facility is subject to the Prevailing Wage provisions of California Public Utility (PU) Code [Section 769.2](#). This Disclosure Form provides important information about your Contractor’s obligations under PU Code Section 769.2 the violation of which may result in the loss of the generating facility (identified below) for participation in any SDG&E/PG&E/SCE tariffs developed pursuant to California PU Code 2827 or 2827.1.

<i>Contractor Company Name:</i>	
<i>CSLB Number:</i>	
<i>Contact Name:</i>	
<i>APP ID:</i>	
<i>Generating Facility Service Address:</i>	
<i>Service Account:</i>	

Prevailing Wage Disclosure (Cont'd.)

Pursuant to PU Code Section 769.2 and California Public Utilities Commission (CPUC) Decision 23-11-068, if the Customer's contractor is found to have willfully violated Section 769.2 of the PU Code by failing to pay its workers a prevailing wage, the Customer's Renewable Electrical Generating Facility (REGF) shall be ineligible to participate in a tariff adopted pursuant to PU Code 2827 or 2827.1, including but not limited to Net Energy Metering (NEM) or Net Billing Tariff (NBT).

Upon receiving notification of willful violation of section 769.2 from the Department of Industrial Relations (or CPUC), SDG&E/SCE/PG&E shall transition the renewable generating facility on the next billing cycle under the Public Utility Regulatory Policy Act of 1978 (PURPA) Compliant tariff. All the terms of the Customer's interconnection agreement not related to NEM/NBT tariff will remain in effect and the Customer will either temporarily or permanently be compensated and served under the PURPA Compliant tariff. The Customer has the right to choose an alternate applicable tariff before or after the transition. If the Customer didn't choose another applicable tariff on time, SDG&E/SCE/PG&E will transition the Customer to the PURPA Compliant tariff to avoid delayed billing. The Customer will remain on the PURPA Compliant tariff until the willful wage violation is reversed or nullified by the determining body as directed by the Commission. During this time, these Customers will be subject to Departing Load and Standby Charges (if applicable) as they are no longer served under the applicable NEM/NBT tariffs.

Prevailing Wage Disclosure (Cont'd.)

If the Permission to Operate has not been issued under the provisions of PU Code 2827 or 2827.1 then this application will be rejected/withdrawn, and the Customer would need to apply for the PURPA compliant tariff or any otherwise applicable tariff.

This provision does not apply to the following Customers that are being served by tariffs pursuant to PU Code 2827 and 2827.1: (1) Residential Renewable Electrical Generating Facilities (REGFs) that have a maximum generating capacity of 15 kilowatts or less of electricity; (2) Residential REGFs installed on a single-family home ; (3) Public Work projects that are subject to Article 2 of Chapter 1 of Part 7 of Division 2 of the Labor Code; (4) REGFs that serve only a modular home, a modular home community, or multi-unit housing that has two or fewer stories. By signing this disclosure, I acknowledge that I have read and understand the requirements set forth herein.

By signing this disclosure, I acknowledge that I have read and understand the requirements set forth herein.

Customer Name (Printed): _____

Customer Signature: _____

Date: _____

Proposed Prevailing Wage Interconnection Agreement Language

Pursuant to Public Utilities (PU) Code Section 769.2 and California Public Utilities Commission (CPUC or Commission) Decision 23-11-068, when the <Customer's/ Producer's> contractor is found to have willfully violated Section 769.2 of the PU Code by failing to pay its workers a prevailing wage, SDG&E/SCE/PG&E shall remove this Renewable Electrical Generating Facility (REGF) from the applicable NEM/NBT Schedule. Upon notice of a willful violation of Section 769.2 from the Department of Industrial Relations or the Commission, SDG&E/SCE/PG&E shall transition the renewable generating facility under the Public Utility Regulatory Policy Act of 1978 (PURPA) compliant tariff. All the terms and conditions of this agreement will remain in effect except that the Customer/Producer will not receive billing under tariffs developed pursuant to 2827 or 2827.1, including but not limited to NEM or NBT.

The Customer/Producer has the right to choose an alternate applicable tariff before or after the transition. If the Customer/Producer does not choose another applicable tariff in advance of the next billing cycle, the billing will transition to the PURPA compliant tariff to avoid any delay in billing. Customer/Producer will remain on the PURPA compliant tariff (or other applicable tariff if available and chosen by the Customer/Producer) unless the willful wage violation is reversed or nullified by the determining body.

This provision does not apply to the following Customers that are being served by tariffs pursuant to PU Code 2827 and 2827.1: (1) Residential Renewable Electrical Generating Facilities (REGFs) that have a maximum generating capacity of 15 kilowatts or less of electricity; (2) Residential REGFs installed on a single-family home; (3) Public Work projects that are subject to Article 2 of Chapter 1 of Part 7 of Division 2 of the Labor Code; (4) REGFs that serve only a modular home, a modular home community, or multi-unit housing that has two or fewer stories.

Proposed Prevailing Wage Tariff Language

The following proposed language will be added at the end of each applicable tariff as a separate Special Condition:

California Public Utilities (PU) Code 769.2 requires a contractor that installs a Renewable Electrical Generation Facility (REGF) or associated battery storage to comply with prevailing wage requirements in order for the facility to participate in a tariff developed pursuant to PU Code Section 2827 or 2827.1. These requirements are stated in PU Code 769.2 and in case of any discrepancy between tariff language and the PU Code, the language in the PU Code prevails.

The requirements are:

- (1) The contractor shall pay each construction worker employed, at minimum, the general prevailing rate of per diem wages, except that an apprentice registered in a program approved by the Chief of the Division of Apprenticeship Standards shall be paid, at minimum, the applicable apprentice prevailing rate.
- (2) The contractor shall maintain and verify payroll records pursuant to Section 1776 of the Labor Code and make those records available for inspection and copying as provided in that Section. The contractor shall not be required to provide copies of certified payroll records to any entity other than the Department of Industrial Relations or the California Public Utilities Commission (Commission).
- (3) The contractor shall biannually, on July 1 and December 31 of each year, submit to the Commission digital copies of its certified payroll records for projects.

Proposed Prevailing Wage Tariff Language (Cont'd.)

The requirements of PU Code Section 769.2 do not apply to projects with a complete interconnection application submission date before January 1, 2024. All projects with an interconnection application submission date on or after January 1, 2024, including applications to modify an existing REGF, are subject to the PU Code 769.2 requirements with the following exceptions:

1. A residential REGF that has a maximum generating capacity of 15 kilowatts or less of electricity.
2. A residential REGF that is installed on a single-family home.
3. A project that is a public work, as defined in Section 1720 of the Labor Code, and that is subject to Article 2 (commencing with Section 1770) of Chapter 1 of Part 7 of Division 2 of the Labor Code.
4. A REGF that serves only a modular home, a modular home community, or multiunit housing that has two or fewer stories.

If PU Code 769.2 applies, the customer must execute the “**Prevailing Wage Disclosure Form**” and submit the form with their interconnection application, and customer’s contractor shall confirm to PG&E/SCE/SDG&E that it is up to date with their past required submittals of payroll records.

If a willful violation PU Code 769.2 has been enforced against the customer’s contractor for the construction of customer’s REGF, *that facility* shall not be eligible to receive service pursuant to a tariff developed based on PU Code Sections 2827 or 2827.1.

Proposed Prevailing Wage Tariff Language (Cont'd.)

If a willful wage violation is alleged, the customer's REGF will remain on the tariff until the Department of Industrial Relations (Department) or a court completes their assessment and makes a final determination. At that time, if the contractor is found in willful violation, then PG&E/SCE/SDG&E will be required to remove the customer's REGF implicated by the violation from the applicable NEM/NBT tariffs and transition the Customer to the PURPA compliant tariff on the next billing cycle. While on the PURPA compliant tariff, the REGF will be compensated based on that tariff and the REGF may be subject to Departing Load and Standby charges (if applicable), as the REGF is no longer served under the applicable NEM/NBT tariffs. The customer's REGF billing meter will be trued up before transitioning to the PURPA compliant tariff and any credits remaining after true-up will be forfeited. If the customer's REGF is enrolled in a virtual tariff all benefitting/aggregated accounts will also lose their credits.

If the violation occurs on a single generating account and there are no benefitting/aggregated account(s), PG&E/SCE/SDG&E will notify the Customer at least 30 days in advance of automatically transitioning the customer's REGF on their next billing cycle to a PURPA compliant tariff.

If the violation occurs on a single generating with benefitting/aggregated accounts PG&E/SCE/SDG&E will notify the Customer(s) at least 60 days in advance of automatically transitioning the customer's REGF on their next billing cycle to a PURPA compliant tariff.

If a willful wage violation is reversed or nullified by the determining body and the generation account holder or Customer/property owner provides documentation to the utility evidencing such reversal/nullification, then the REGF will be able to regain access to the applicable NEM/NBT tariff as of the next billing cycle after the reversal of the willful wage violation.

Electric Tariff Schedules

<u>SCE's Tariffs</u>	<u>PG&E's Tariffs</u>	<u>SDG&E's Tariffs</u>	<u>Tariff Name based on SDG&E's Tariffs</u>
NEM*	NEM*	NEM*	Net Energy Metering
NEM-ST*	NEM2*	NEM-ST*	Net Energy Metering - Successor Tariff
MASH-VNM:	NEMVMASH	VNM-A	Virtual Net Energy Metering for Multifamily Affordable Housing
MASH-VNM-ST	NEM2VMSH	VNM-A-ST	Virtual Net Energy Metering for Multifamily Affordable Housing - Successor Tariff
NEM-V	NEMV	NEM-V	Virtual Net Energy Metering for Multi-Tenant and Multi-Meter Properties
NEM-V-ST	NEM2V	NEM-V-ST	Virtual Net Energy Metering for Multi-Tenant and Multi-Meter Properties - Successor Tariff
SOMAH-VNM	NEM2VSOM	VNEM-SOMAH	Virtual Net Energy Metering - Solar on Multifamily Affordable Housing
NBT*	NBT*	NBT*	Net Billing Tariff

*Includes the NEM (and future NBT) Aggregation Sub-Tariff

QUESTIONS?