

SURGE-DIR Informational AB 2143 Webinar Q&A Document

The following document contains questions asked during the SURGE Webinar on 4/16/25.

- To access the webinar PPT slides, click here: <u>CPUC SURGE-DIR Webinar Slides 04.16.25</u>
- To access the webinar recording, click here: <u>CPUC SURGE & DIR Informational Webinar</u>

Upcoming Events

Click here to view a list of DIR events: Support Center (ca.gov)

SURGE Reminders:

JULY 1ST DEADLINE ALERT: Contractors with a project that began after December 31, 2023, are subject to prevailing wage requirements and must upload copies of Certified Payroll Reports no later than **July 1, 2025**. Failure to meet this deadline may result in interconnection application processing delays.

Click here to register/submit copies of certified payroll reports: SURGE Compliance Portal

Disclaimer

The information provided in this Q&A document is for general informational purposes only and does not constitute legal advice of Assembly Bill 2143 (AB 2143) or Public Utilities Code Section 769.2 (PUC \$769.2). Contractors and stakeholders are responsible for ensuring their own compliance with all applicable laws and regulations. The SURGE initiative is directed by the California Public Utilities Commission (CPUC) to provide education and resources to support contractor understanding of prevailing wage compliance.

Have Questions?

Contact us at 1-800-549-2143 or email us at info@cpucSURGE.org.
For additional information, please visit our website at www.cpucSURGE.org.



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April 16th Webinar

15kW

Q: Is the prevailing wage requirement for over "15kW" determined by system size or the inverter rating?

A: Statute refers to a maximum generating capacity of 15 kW or less. Energy Division's understanding is that this refers to the system size.

Q: If all SFR [Single Family Residences] 15kW and over are exempt, why is it part of the questionnaire?

A: To clarify, the 15kW exemption applies only to *residential* buildings. Single family homes are always exempted from AB 2143. Additionally, if by "questionnaire" you are referring to the Prevailing Wage Checklist that is now included in the interconnection applications, the questions mirror the bill. They are included because they each encompass a different scenario which could exempt the project. Below is an example of the Prevailing Wage Checklist with AB 2143 exemptions:

- 1) Is the project a residential Generation Facility with a maximum generating capacity of 15kW or less?
- 2) Is the project a single-family home?
- 3) Is the project already a public works project (as defined in Section 1720 of the Labor Code)?
- 4) Does this Generating Facility serve only a modular home, a modular home community, or multiunit housing that has two or fewer stories?

If the answer is "NO" to each of these questions, AB 2143 would apply. However, if the answer was "YES," the project would be exempt.

Applicability

Q: If a project is privately funded, but falls under Net Metering laws, would it fall under AB 2143? E.g. a private commercial business that has received financing through their lender and had submitted an interconnection application in 2024 for NEM2.

A: Yes. AB 2143 projects are all privately funded; however, if they receive the Net Energy Metering tariff (and do not fall under one of the exemptions), AB 2143 requirements would apply. If it is a publicly funded project, it will fall under the exemption of already being a public works project. But as a general rule, the projects that fall under the AB 2143 regulation will involve private funds between the property owner and the prime contractor.

Q: If we installed a solar system on a commercial property prior to AB 2143, and now the customer is asking for us to add a 60kwh battery to the system, would this battery installation fall under AB 2143?



A: Pursuant to the regulation, that is likely, but more information is needed to provide a definitive answer (I.E. was a new interconnection application submitted, was a new contract executed, etc.) That being said, the regulation does specifically state that any "upgrades" are subject to AB 2143, so this would likely fall under the regulation. To be sure, we recommend requesting a "Coverage Determination" from the DIR by emailing pwcoverage@dir.ca.gov. **Be sure to reference "AB 2143" in the subject line and body of your email.**

Q: If an AB 2143 project is part of an otherwise private project, for example a private apartment building project, do AB 2143's requirements apply only to the AB 2143 project (the energy improvement) rather than the entire project?

A: If you have an overall construction project, and part of it is not subject to AB 2143, the only part that would be subject to AB 2143 is the part that involves the installation of the solar panels or the associated battery storage-wherever the solar commercial construction component is being performed. This is a scenario where we would need a bit more information to help determine applicability.

Awarding Body

Q: If a site host or landowner is not going to actually own a PV [photo voltaic] system being built to benefit them (like a third party owned system contracted under a power purchase or lease agreement), is that entity still considered the Awarding Body or "project owner?"

A: This would require a bit more information and evaluation. But as a general rule, the Awarding Body is going to be the entity or individual that entered into the contract with the prime contractor. However, these kinds of scenarios usually require a more in depth analysis, and would likely need to go to the DIR to help determine. We recommend emailing publicworks@dir.ca.gov for clarification. **Be sure to reference "AB 2143" in the subject line and the body of your email.**

Q: We're having a lot of project delays due to private business owners attempting to register as an awarding body with the DIR, and the DIR not ever approving them as an awarding body. Can we move forward with the project and register on SURGE while we wait for DIR, or do we have to wait?

A: Yes, the SURGE Portal is separate from DIR's, so you can register your project in SURGE while waiting for a DIR Project ID number. However, the SURGE team will open your project registration for editing and request that the DIR Project ID number be added when it is available.

Additionally, per the DIR, the issue with the Awarding Bodies (I.E. Project Owners) registering projects is that their email addresses require manual verification. In California, a typical "Awarding Body" is a public entity with a ".gov" or ".edu" email domain. These types of email addresses are automatically verified in DIR's system. However, since AB 2143 project owners are not public entities and typically do not have a ".gov" or ".edu" email domain, the DIR must manually verify their email addresses, which is what is causing the delay. The DIR has provided the following guidance for AB 2143 Project Owners:



- Add "AB 2143" to the end of the awarding body/project owner name, example: "Jim's Solar Project – AB 2143".
- Create a personal email account with AB 2143 in the address, example: "JimSolarAB2143@solarmail.com".
- Notify the Labor Commissioner's Office of the issue by emailing publicworks@dir.ca.gov with the subject line "AB 2143 EMAIL VERIFICATION"

You can also visit the DIR Support Center for assistance.

Q: Just confirming, the awarding body does not need a contractor license number to register the project via the DIR.

A: Yes, that is correct.

Q: What is the process of registering an Awarding Body?

A: This will happen through the <u>DIR Service Portal</u>, where you will register your individual account so that you can access the system, and then register your public works projects on behalf of the awarding agency that you work for. There are step by step guides for this in the <u>DIR Support Center</u>. Each support guide is tagged for its intended audience, we would recommend looking at all of the guides tagged for awarding bodies.

Additionally, per the DIR, the issue with the Awarding Bodies (I.E. Project Owners) registering projects is that their email addresses require manual verification. In California, a typical "Awarding Body" is a public entity with a ".gov" or ".edu" email domain. These types of email addresses are automatically verified in DIR's system. However, since AB 2143 project owners are not public entities and typically do not have a ".gov" or ".edu" email domain, the DIR must manually verify their email addresses, which is what is causing the delay. The DIR has provided the following guidance for AB 2143 Project Owners:

- Add "AB 2143" to the end of the awarding body/project owner name, example: "Jim's Solar Project – AB 2143".
- Create a personal email account with AB 2143 in the address, example: "JimSolarAB2143@solarmail.com".
- Notify the Labor Commissioner's Office of the issue by emailing publicworks@dir.ca.gov with the subject line "AB 2143 EMAIL VERIFICATION"

Compliance

Q: Does AB 2143 compliance extend to O&M [operations and maintenance] after the project has been handed over to the owner? If so, how long does compliance apply?

A: AB 2143 is intended to apply to the construction phase. Ongoing support and maintenance would probably require more information as to the tasks being performed in operation and



maintenance. If those tasks are going to be covered by prevailing wage, that is going to require a separate analysis to provide a definite answer on what would be covered. We recommend emailing the DIR for a "Coverage Determination" at pwcoverage@dir.ca.gov. Be sure to reference "AB2143" in the subject line and body of your email.

Q: Do Non-Export projects need to comply with AB 2143?

A: Generally, no. If a project is connected to a system that cannot export back to the grid, this means it inherently is not on a NEM/NBT tariff and will not need to comply with AB 2143. The language of the regulation defines a qualifying project as any project that benefits from a NEM Tariff (any tariff developed under Public Utilities Code 2827.1). For further assistance, please reach out to us at info@cpucsurge.org with more specific information about the project and we will provide guidance.

DIR Related Questions

Q: There doesn't seem to be a "solar/energy storage" wage classification on the DIR website. What is the appropriate classification and prevailing wage rate for solar installations? Is that the same class/rate for energy storage installations?

A: Any question on which classification to choose is county and project specific, so there isn't a general answer on this. However, you can reach out to the Prevailing Wage Research Unit within the Office of the Director at statistics@dir.ca.gov or (415) 703-4774. Send them the project information, the scope of work, the county, and contract date, and they should be able to provide the correct classification to use for your project. Additionally, please reference "AB 2143" in the subject line and in the body of your email any time you correspond with DIR.

You may also review the "Scopes of Work" that are posted with each Wage Determination to see if there is a classification that most closely aligns with the work being performed onsite.

Q: Can you provide details of the notification on the website that states "NOTIFICATION PAUSING ENFORCEMENT OF PW SYSTEM REQUIREMENTS - 1771.4(a)(3)"

A: Yes, the DIR upgraded their online system in June 2024. However, there were some technical issues with the Public Works Contractor Registration function and the Electronic Certified Payroll (eCPR) submission function. Therefore, the DIR posted a notification on their website stating that no penalties will be issued from 6/22/24 through 6/22/25 for contractors that are unable to register or submit eCPRs due to system issues. This does not mean that contractors are not required to register as a public works contractor or submit eCPRs during this time. It simply means the DIR is pausing enforcement of these requirements due to the technical difficulties. Contractors that are able to register and submit eCPRs should do so. Contractors that are having difficulties should first review the How-To-Guides that are posted on DIR's Support Center and/or contact DIR at publicworks@dir.ca.gov for assistance.

Additionally, it is important to note that the requirement to submit eCPRS is separate and distinct from the obligation in Labor Code Section 1776 which is unaffected by this notice.



Under this Labor Code, contractors are required to maintain and submit their Certified Payroll Reports upon request.

Q: Do I have to report to DIR monthly even if it's under AB 2143?

A: Yes, since AB 2143 deems these projects as public works, all public works requirements apply. This includes the obligation to furnish Electronic Certified Payroll Reports (eCPRs) monthly to the Labor Commissioner. The only exemptions to this requirement are if the project is \$25k or less for construction, alteration, demolition, installation, or repair or if the project is \$15k or less for maintenance. Then, the project would not need to be registered with DIR and you would not need to submit eCPRs (however, you are still required to maintain A-1-131 Certified Payroll Reports and submit them upon request).

Q: How can I guide a project owner who represents the landowner and has hired us but doesn't hold a contractor or CSLB license number to register the project to the DIR?

A: A CSLB number is not required to register the project with the DIR. Since the project registration is done by the Awarding Body, there is no assumption that they have a contractor's license or registration.

Q: If the awarding body (owner) does not want to register the project with DIR is there any other way to register the project?

A: No, <u>Labor Code Section 1773.3</u> establishes that it is the Awarding Body's responsibility to register the project.

Q: Why can't a contractor register a project?

A: Because the awarding agency is the one that is considered responsible for the project since they are the ones that awarded the project to the contractor. From the DIR's perspective that makes the awarding body the project owner, so the registration of that project is their responsibility, separate from the contractor whose responsibility is to register themselves as a public works contractor with DIR.

Q: Where does the project owner go to register their project and what form?

A: Please navigate to the DIR website at <u>dir.ca.gov</u>, and click the blue link that says "<u>Public Works"</u>. There will be a large blue button that says "<u>DIR Service Portal</u>" which will take you to where you need to be.

On the SURGE side, for a contractor registering a project in SURGE, you would go to the <u>SURGE</u> website. Project registration for SURGE will be completed by the prime contractor, whereas for the DIR, the project registration will be completed by the awarding body.

Q: There are many owners that have no idea how to register a project. Is it acceptable for the prime contractor to help with this?

A: From the perspective of the labor code, it is the awarding body's responsibility to register the project, however, the prime contractor can send them links to the <u>DIR Support Center</u> and walk them through the process if they are less familiar.



Q: Why does it still take weeks to a month for DIR to approve Awarding Body registrations? This is causing major financial/scheduling impacts for our company.

A: Per the DIR, the issue with the Awarding Bodies (I.E. Project Owners) registering projects is that their email addresses require manual verification. In California, a typical "Awarding Body" is a public entity with a ".gov" or ".edu" email domain. These types of email addresses are automatically verified in DIR's system. However, since AB 2143 project owners are not public entities and typically do not have a ".gov" or ".edu" email domain, the DIR must manually verify their email addresses, which is what is causing the delay. The DIR has provided the following guidance for AB 2143 Project Owners:

- Add "AB 2143" to the end of the awarding body/project owner name, example: "Jim's Solar Project – AB 2143".
- Create a personal email account with AB 2143 in the address, example: "JimSolarAB2143@solarmail.com".
- Notify the Labor Commissioner's Office of the issue by emailing publicworks@dir.ca.gov with the subject line "AB 2143 EMAIL VERIFICATION"

You can also visit the Support Center for assistance.

Q: Is a CSLB number needed to register the project with the DIR?

A: A CSLB number is not required to register the project with the DIR. Since the project registration is done by the Awarding Body, there is no assumption that they have a contractor's license or registration.

Q: How long does it usually take for the statistics to respond to a request for wage rates?

A: That is a separate division within the DIR, so unfortunately it is difficult to give an estimate on their turnaround time. They do also have a phone line at (415) 703-4774, and if the issue is more time-sensitive we would recommend giving them a call.

Eligibility Exceptions

Q: Are commercial projects under 15kW required to pay prevailing wage and comply with reporting requirements?

A: Yes. The 15 kW threshold only applies to residential projects.

Q: To clarify, the 15kW limit only applies to residential use projects, correct? If it is a privately funded commercial project under 15kW, it would fall under AB 2143...?

A: Correct, the 15kW threshold applies only to <u>residential</u> projects. All AB 2143 projects are privately funded, so if the project is receiving a Net Energy Metering tariff (any tariff developed under PUC 2827.1) and does not fall under one the exemptions, then AB 2143 applies.



Q: Does AB 2143 apply to residential single-family homes where no business is being conducted if the system is over 15kW?

A: No it does not. Single family residences are exempt from AB 2143, no matter how many kilowatts they generate.

Exemption

Q: We wanted to confirm that projects completed before 2024 do not have to be registered into the SURGE portal, correct?

A: Generally, yes, that is correct. If you completed all project activities (I.E. the project started, you received your IOU interconnection application number, the project ended, you received final inspection report, etc.) prior to January 1st, 2024, the project will most likely be exempted from AB 2143. However, there are various parts that will need to be verified. Sometimes those activities will overlap between 2023 and 2024. The best practice is to reach out to the SURGE Team at info@cpucsurge.org with the subject line "AB 2143 Exemption" and provide the circumstances and supporting documentation, and we can help in determining if the project is exempt. Supporting documentation can include executed contracts, building permits, final approved inspection record or building permit, etc.

Q: We will be installing PV [Photovoltaic] on multifamily housing units larger than 15 kW. There are 3 stories, but the first story is comprised of just garages. Are we exempt from AB 2143?

A: This would require what is called a "Coverage Determination" from the DIR on the characterization of the structure. In most cases it will likely still be considered a three-story building. To request a coverage determination, please email the DIR at pwcoverage@dir.ca.gov. Be sure to specify that this is an AB 2143 project in the subject line and the body of your email.

Q: Are projects under \$25,000.00 exempt from these rules?

A: If by "these rules," you are referring to the requirement to register the project with the DIR, yes, there are certain exemptions. Specifically for public works projects, small projects (\$25,000 or less for construction, alteration, demolition, installation, or repair work) are exempt from a few DIR requirements, including project registration, contractor registration, and eCPR reporting. It is important to note, however, that they are not exempt from requirements to pay prevailing wages (that applies to all projects that are \$1,000 or greater for public works projects) and they are also not exempt from the requirement to maintain the form A-1-131 payroll records and provide them upon request. Additionally, it is important to note that **AB 2143 does not exempt based on a dollar threshold**. You would still have to submit the A-1-131 Certified Payroll Reports to the California Public Utilities Commission (via the SURGE Portal) and pay prevailing wage pursuant to AB 2143 and Public Utilities Code 769.2.

Interconnection

Q: Our company was hired to complete the interconnection process for a project that was completed prior to 2023, but the installing company is no longer in business. Will we have an



issue with these requirements when applying for interconnection for this project, as we did not do any work on the project ourselves?

A: If the interconnection application is submitted after 1/1/24, it will likely be flagged as an AB 2143 project (unless one of the exemptions apply). To avoid holds on your interconnection applications please email a copy of the executed contract between the project owner and the prime contractor showing it was executed *prior to 1/1/24* to info@cpucsurge.org with the subject line "AB 2143 Project Exemption." Please include all supporting documentation in the email as well as your Contractor State License Board number (CSLB), project name, and project Interconnection Application ID number. The SURGE team will then review and let the Utility know if the project is exempt from AB 2143.

Q: If there is a bid date, does this apply to AB 2143 or is this triggered by when the interconnection application is filed?

A: The term bid advertisement typically applies if you have a public works project that is subject to a request for proposal or something similar where you have public funds involved. For projects that are privately funded, you won't have a public solicitation or bid advertisement date. What you would use instead of a bid advertisement date in that scenario is the *contract execution date* (the date the contract was signed by the project owner and the prime contractor). If this did not sufficiently answer your question, please email us at info@cpucsurge.org.

Misc.

Q: Is there a clear and concise definition of a "Single Family Home"?

A: In California, a single-family home is generally defined as a standalone residential structure intended for occupancy by one household.

Payroll Reports

Q: Are we required to submit payroll reports regularly if we are only installing one project in the prevailing wage requirement?

A: Yes. All projects that are subject to prevailing wage have the requirement to maintain A-1-131 Certified Payroll Records and submit them upon request (LC Section 1776). Additionally, contractors are required to furnish their Electronic Certified Payroll Reports (eCPRs) to the DIR on a monthly basis while the project is ongoing (LC Section 1771.4 (3) (A) (i) (ii)). Lastly, under Public Utilities Code Section 769.2, contractors with projects subject to AB2143 are required to submit their A-1-131 Certified Payroll Reports to the California Public Utilities Commission (via the SURGE portal) bi-annually on July 1 and December 31.

Statements of Non-Performance should be submitted after the first performing payroll if there were any periods where no onsite work was performed. Once the prevailing wage labor is complete, a <u>final</u> Certified Payroll Report or Statement of Non-Performance should be submitted (I.E. Mark the payroll as "FINAL").

Q: The DIR is not currently taking eCPR's, I assume that the A-1-131 can't be uploaded also?



A: The form A-1-131 are hard copy certified payroll records. They will not be uploaded online and so will not be affected by any issues with the service portal. You still have the obligation to maintain those form A-1-131 records since they don't interact with the online portal. Even though some users are having issues, the eCPR portal is still functional, so if you are having issues, please reach out to DIR at publicworks@dir.ca.gov.

Q: So, the A-1-131 is not sent to the DIR, it is only kept at the contractor's office with the rest of the paperwork?

A: Yes, that is correct. Under <u>Labor Code Section 1776</u>, contractors are required to maintain and submit A-1-131 Certified Payroll Reports upon request. A-1-131 Certified Payrolls are *separate and distinct* from Electronic Certified Payroll Records (eCPRS) which must be furnished to the Labor Commissioner monthly (<u>LC Section 1771.4 (3) (A) (i) (ii)</u>). Additionally, under <u>Public Utilities Code Section 769.2</u>, contractors with projects subject to AB 2143 are required to submit their A-1-131 Certified Payroll Reports to the California Public Utilities Commission (via the SURGE Portal) biannually on July 1 and December 31 of each year. Please note that eCPRs do not need to be uploaded into the SURGE Portal.

Prevailing Wage

Q: Do commercial installations that are installed as "Non-Export" still have the prevailing wage requirement?

A: Generally, no. If the facility is not taking the NEM tariff, or if it is not eligible for that, then no. AB 2143 only applies to projects that interconnect using a NEM tariff (any tariff developed under PUC 2827.1. For a full list of eligible tariffs visit: <u>Prevailing Wage for Qualified Renewable Energy Facilities</u>). When you submit your interconnection application for these non-export projects, you may want to pose that question to the utilities.

Q: Prevailing Wage Determination to be paid - Is Davis Bacon the primary rates used by trade by county - Journeyman vs Apprentice

A: This would depend on the funding source for your project. If the project has federal funding only and is subject to Davis Bacon, the <u>Davis Bacon wages</u> should be used. If the project has state funding only, the <u>California Director's General Prevailing Wage Determinations</u> should be used. If the project has both state and federal funding, the higher of the two rates must be paid.

There is one important caveat regarding projects that are federally funded but controlled by a California Awarding Body. Per the <u>DIR's Frequently Asked Questions on Public Works</u>:

"If an awarding body is awarded a contract directly by a federal agency, must it comply with California public works law?

The awarding body must pay careful attention to whether the project is administered and controlled by the federal agency, or if the federal agency is only providing financial support or assistance to a project under the direction and control of a state or local agency. California's prevailing wage requirements do not apply to projects awarded by and under the complete control of the federal government. However, federally funded or assisted projects that are controlled or carried out by awarding bodies in California, including most highway construction projects, are subject to the



state's prevailing wage laws. Those projects must comply with state requirements, including contractor and project registration, reporting certified payroll records, and payment of California's prevailing wage rates, if they exceed corresponding Davis-Bacon rates."

Q: Would fabricating material for a prevailing wage job (not fabricating on site) be paid as prevailing wage as well?

A: No. Prevailing Wages only apply to covered work being performed onsite.

Q: When submitting interconnection applications to PGE for residential single-family homes for solar and energy storage, the online application is pre-filling the prevailing wage selection based on other information inputted. We have seen many of them say they are in the prevailing wage requirement simply because the inverter rating on the Tesla Powerwall 3 with an existing inverter on site, even though the Powerwall 3 inverter is not being utilized. Should we anticipate that these actually are required to have the prevailing wage since PGE has preselected it even though it is not accurately selected based on the information you have provided regarding single family residences?

A: This is a project-specific question, and is outside of the scope of the webinar, but you can reach out to PGE for more information regarding this question. Please provide them with any relevant information regarding the project, along with screenshots/pictures of the interconnection application or the interconnection email.

Public Works

Q: If a project is already considered Public Works, the SURGE [AB2143/PUC 769.2] requirements don't apply, but we still need to report to DIR, and pay prevailing wages?

A: Yes, that is correct.

Q: If a commercial solar installation project is not a public works project, does the business owner still need to register the project with the DIR?

A: If the project is subject to AB2143, yes, the project owner would need to register it with the DIR.

Request for Information

Q: Are we able to get the slides after this webinar?

A: Yes, the presentation slides will be emailed to the attendees after the webinar and posted to the SURGE website at www.cpucsurge.org.

Q: I was hoping this training would show the SURGE platform & how to navigate that portal. Is there training for this?

A: Yes, we have tutorials posted on our website under the "Education" tab:

SURGE Contractor Registration Walkthrough

<u>SURGE Project Registration Walkthrough - YouTube</u>

SURGE Certified Payroll Submission Walkthrough



Q: Would you mind sharing the training videos you mentioned as well?

A: Yes, we have tutorials posted on our website under the "Education" tab:

SURGE Contractor Registration Walkthrough

SURGE Project Registration Walkthrough - YouTube

SURGE Certified Payroll Submission Walkthrough

SURGE

Q: How do we get the interconnection application ID into the SURGE portal? For instance, we were trying to register a project on the website, and it said that the interconnection ID was invalid and when I called a representative with SURGE said it was on PG&E's side, is there a way we can make sure the interconnection ID is entered into the system at the beginning of a project?

A: The interconnection application ID is generated through the Investor-Owned Utility (IOU) portal. Once the application is submitted, an ID number should be provided. If you are unclear about the interconnection application ID number, it is best to contact your utility for guidance. The SURGE team checks each interconnection application in the IOU Portal to verify the project is legitimate and subject to AB 2143. If there is an issue and we are unable to locate the project on the IOU portal it may be due to a few reasons:

- The Interconnection Application ID Number is incorrect.
- The Prevailing Wage Checklist was filled out incorrectly marking the project exempt from AB 2143 (meaning the SURGE team would not have access to it in the IOU portal).
- It could be a simple timing issue. We have had several contractors submit an interconnection application and then try to register the project in SURGE shortly after. The interconnection application may not be visible to the SURGE team, yet.

Q: Do we need our contractors to register for non-export projects with SURGE?

A: If a solar project is not connecting using a NEM/NBT tariff (a tariff developed under PUC 2827.1), then it does not fall under AB 2143. Therefore non-export projects—assuming they are not interconnecting under a NEM tariff—are not required to follow AB 2143 requirements.

Q: It seems like there is double reporting to DIR monthly, but SURGE [AB2143/PUC 769.2] requires just twice a year. If we are compliant with SURGE [AB2143/PUC 769.2] but not reporting monthly for DIR, will we be fined or penalties applied?

A: The DIR and SURGE [AB2143/Public Utilities Code 769.2] have separate responsibilities, requirements, and penalty enforcements. Disregarding the fact that there is currently an enforcement pause on the eCPR uploads due to technical issues with DIR's new system, if you were to not upload your certified payroll records in a timely manner to the DIR, you would still be liable for penalties under the labor code because that is a *separate requirement* from reporting obligations to SURGE. Being in compliance with SURGE [AB2143/PUC 769.2] does not necessarily



mean you are in compliance with the DIR since they have the monthly requirement, rather than the biannual requirement.

Q: If a project is registered on SURGE, does it also have to be registered on the DIR? Do our subs submit certified payroll reports on one or the other website or both?

A: Yes, if the project is subject to AB 2143 it must be registered with SURGE and DIR. Additionally, contractors are required to submit Electronic Certified Payroll Reports (eCPRs) to the Labor Commissioner on a monthly basis and A-1-131 Certified Payroll Reports to the California Public Utilities Commission (via the SURGE Portal) bi-annually on July 1 and December 31 of each year. Please note that contractors do not need to wait for the bi-annual deadlines to submit in the SURGE Portal. We recommend submitting monthly to coincide with DIR requirements.

Q: Let's say there's a commercial building project that includes solar. The prime contractor for the whole building will sub out the solar install portion. Would the prime be responsible for the SURGE registration?

A: Yes, the <u>prime contractor</u> is still responsible for 1) registering as a contractor with SURGE and 2) registering the project with SURGE (even if they subcontracted the solar portion of the work out).