



FILED
09/03/20
03:24 PM

COM/MGA/smt 9/3/2020

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

And Related Matter.

Application 16-07-015

**ASSIGNED COMMISSIONER'S RULING PROPOSING
RECOVERY FUND FOR NET ENERGY METERING
SOLAR CONSUMERS**

Summary

This Assigned Commissioner's Ruling (ruling) solicits party comment on a proposal to create a recovery fund for residential solar consumers who are unable to receive benefits from their solar installation and lack recourse to have the system fixed by the installer. Parties submitting comments must file and serve their opening comments no later than four weeks after the date this ruling is filed, and reply comments no later than six weeks after the date this ruling is filed.

1. Background

This proceeding has extensively considered ways to reduce and prevent fraud and other harms encountered when consumers attempt to install solar. Previous decisions have adopted solutions to prevent fraud; and the Commission has explored comprehensive, multi-agency approaches to provide meaningful

restitution for consumers who have been financially harmed as a result of fraudulent practices by contractors including solar marketers and installers. The recourse provided by the Recovery Fund would timely advance a state interest by ensuring more solar installations are brought online in a safe manner and providing additional assurance to program participants.

Decision (D.) 20-02-011 noted my intent as the assigned Commissioner for net energy metering (NEM) to release a ruling with a proposed restitution fund for defrauded solar consumers. This is that proposal. The term “recovery” rather than restitution is used in this proposal to align with the administrative financial recovery process.

D.20-02-011 underscores the Commission’s commitment and obligation to address the problem of solar fraud:

[Investor-owned utility (IOU)] ratepayers being defrauded or misled, and being saddled with solar systems that do not provide benefits, runs counter to our energy goals and our overall responsibility to ensure a reliable electric grid... Some stakeholders assert that industry’s existing voluntary practices of complaint resolution are enough. We are not persuaded by this last point, particularly in the absence of any substantive, collective industry commitment to ensuring that some of the most egregious cases can be resolved. More must be done.

Even before D.20-02-011, the concept of a recovery fund has been raised in this proceeding. The March 8, 2019 *Assigned Commissioner’s Ruling Regarding Enhanced Consumer Protections for Net Energy Metering Customers* invited comments on enhanced consumer protections measures. These included the creation of a recovery fund as well as other measures, some of which were subsequently adopted. The October 18, 2019 *Assigned Commissioner’s Ruling regarding enhanced consumer protections via potential modifications to customer information packet signature requirement, and solar provider registration process for*

interconnecting under net energy metering also raised the potential for a recovery fund funded by citation program penalties.

Parties provided comments on these ideas, including:

- A neutral party such as Commission staff should coordinate on issues, interact with consumers with complaints, help direct cases to other agencies as needed, and help consumers determine whether solar providers or their agents have a valid license or complaints against them;
- Any Commission system for imposing penalties could focus on misrepresentations, violation of interconnection requirements, and blatant deception; existing civil and criminal penalties do not adequately address the problem.

Over the course of this proceeding, concern over solar fraud, particularly from unscrupulous lead generators and sales agents misleading consumers into entering harmful transactions, has grown. Through interagency coordination and direct contact from consumers seeking help, information about many fraud cases has come to the attention of the Commission and the Contractors State License Board (CSLB). In some cases, the consumer does not know the name of the salesperson, the name of the company that they supposedly have a contract with, and some do not even have a copy of the solar contract. In other cases, the consumers were told they were signing a tablet to determine if they were eligible for a free government program only to learn later that the signature was used on a contract that included significant debt they could not afford. Some consumers have been paying for years for panels that have yet to be interconnected.

One of the interagency efforts put in place during this proceeding is the Interagency Solar Consumer Protection Taskforce (Taskforce). Previous decisions have provided for the development of a memorandum of understanding (MOU) between the Commission and the CSLB, two key

participants of the Taskforce. The CSLB reported at the August 4, 2020 public Taskforce meeting that, as part of the IOU audit process required by D.18-09-044, it recently reviewed solar contracts collected by the IOUs. (These contracts are being collected in all interconnection applications as required by the Commission in D.18-09-044, and some of the contracts are sent to the Commission and provided to the CSLB.) The CSLB stated at the Taskforce meeting that its initial review of these contracts revealed troubling data suggesting a troubling regularity of unlawful business practices in California's NEM solar industry: over 90 percent of the 153 contracts reviewed by CSLB demonstrated a clear violation of the Contractors State License Law (Chapter 9, Division 3 of the Business and Professions Code (BPC)), particularly Article 10, the Home Improvement Business (BPC §§ 7150 – 7170).

CSLB noted that the most concerning issues were: 1) the Home Improvement Salesperson (HIS) listed on the contract was not registered or the HIS was registered but not to the prime contractor, both of which are violations of the law; 2) the commencement and completion dates did not comply with BPC § 7159; and 3) the payment schedules stated in the contract requested payments in advance of work performed, also in violation of BPC § 7159.

While this sample size is not representative – in 2019 there were nearly 147,000 approved residential NEM interconnections statewide – the percentage of contracts showing violations of laws regarding basic practices and data from recent CSLB complaints provides additional context about the scope of the challenge this proposal seeks to address.

The CSLB has provided the Commission with public, de-identified data and conclusions about its complaints in the last two years. These include the following:

- CSLB received an average of 90 new solar-related complaints per month in Fiscal Year (FY) 2019-20. This monthly average complaint count is the highest CSLB has experienced since 2015.
- In FY 2019-20, 122 complaints were referred by the CSLB to legal action. In terms of CSLB's process, "referring a complaint to legal action" means that the CSLB registrar has asserted through investigation that there is a preponderance of the evidence, or clear and convincing evidence, that the violation has occurred. Legal actions include, for example, a citation or license revocation or suspension.
A much higher number of complaints are closed due to insufficient evidence or are settled or referred to arbitration, than are referred to legal action.
- Between January 2018 and July 2020, CSLB referred 251 solar-related complaints to legal action.
- Of these, 141 complaints were closed by the CSLB because the contractor's license had already been revoked. In these cases, the CSLB adds the consumer's complaints to the series of complaints already reflected in the accusation against the license and records any additional financial injury owed to the consumer against the license. That amount will need to be paid by the contractor if the contractor is ever going to be licensed again.
- 17 complaints involved unlicensed contractors.
- In 110 of the 251 cases, the CSLB alleged either misrepresentation in violation of BPC § 7161 or a willful and fraudulent act in violation of BPC § 7116.
- In 124 of the 251 cases, the CSLB alleged poor workmanship in violation of BPC § 7109.
- In 72 of the 251 cases the CSLB alleged abandonment of the project by the contractor without legal excuse, in violation of BPC § 7107.

Solar fraud has particularly harmed low-income, elderly, and non-English speaking consumers and communities. Adoption of the recovery fund proposed herein in tandem with continued coordination between the partner agencies of the Interagency Solar Consumer Protection Taskforce has the potential to provide defrauded solar consumers with a remedy that also advances the State's interest in NEM adoption..

2. Guiding Principles

The proposed program has been developed to align with the following guiding principles. Parties are encouraged to propose changes to the proposal that also align with these principles.

Retroactive and reparative. This primary principle is essential. The Commission has considered and adopted many consumer protections to prevent or mitigate *future* harms against solar consumers. But we have not enacted any comprehensive programs specifically designed to right wrongs that have already occurred. An approach focused solely on prevention of harm would not align with this principle.

Incremental administrative recourse for consumers. There currently exists no administrative remedy to provide financial recompense for consumers who are victims of fraudulent practices in a solar transaction, even in the cases where the contractor has fully been disciplined to the extent of the law. In many of those cases, CSLB has ordered a financial injury paid to the consumer, but if the contractor declares bankruptcy or simply refuses to pay, the only recourse is for CSLB to discipline the license (*i.e.*, refer the complaint to legal action). The legal function of the CSLB Enforcement division is to remove bad actors from the marketplace, achieving consumer protections on a broad scale. While the CSLB does its best to protect consumers, it is ultimately focused on enforcing

contractor laws, not on making individual consumers whole; the CSLB's complaint-filing tutorial warns consumers that if their primary objective is to recover their financial damages they should consider civil action.

Efficacy. This is the principle that the fund or program can measurably and effectively compensate each eligible claimant with respect to their losses. An approach that merely offers consumers advice or “passes the buck” would not align with this principle.

Equity and inclusivity. This principle emphasizes that a broad range of harms have occurred and may still occur despite ongoing efforts to protect consumers. The program must have a broad reach such that consumers have equitable access to restitution. Cases of fraud are individually unique, and a truly protective and reparative program maximizes – not minimizes – the help it gives. An approach that narrowly defines and caps a few small harms and erects many barriers to accessing funds would not align with this principle.

Shared responsibility. This principle holds that the responsibility to ensure that consumers who have been defrauded or otherwise harmed can access financial restitution is shared among solar developers and contractors, utilities, government agencies, and solar consumers. Market failures that allow fraud to proliferate harm the solar industry. Defrauded consumers left without recourse harm the solar industry. True restitution benefits all.

3. Consumer Claims Eligible for Funds

The following sections provide detail on the fund and the administrative and implementation process. As an overview, the proposed elements are:

- A recovery fund account would be created by the IOUs and overseen by the Commission;

- A residential NEM consumer protection interconnection surcharge would be established, and the IOUs would collect it and place the revenue into the fund;
- The recovery fund would be administered by a third-party recovery fund administrator (RFA) under contract with the Commission or via a contract with one of the IOUs under Commission oversight;
- Under the MOUs established under the Taskforce, the RFA would receive eligible claims from the CSLB, verify recipient eligibility and disburse funds to claimants;
- In all cases in which consumers recover from the fund, the RFA will forward a certified attestation of that fact to the CSLB for inclusion in the contractor's license record.

This section provides an overview of the categories of consumer claims expected to be referred by CSLB. The main categories of claims are those related to fraud and misrepresentation impacting solar consumers' costs and savings,¹ stranded systems, and residual claims. These categories are not necessarily mutually exclusive.

a. Misrepresentation of Costs and Savings

Referred complaints in which the CSLB alleges misrepresentation and/or fraud in violation of BPC §§ 7161 and 7116 may be eligible for compensation from the recovery fund. These consumers have been misled about the real cost of investing in distributed solar as well as the cost of energy for solar consumers.

i. Annual True-ups

Many consumers report being misled by contractors' or sales agents' claims of "free solar," and false declarations that solar owners do not have to pay energy bills. In these instances, defrauded consumers are unaware of the annual

¹ Business and Professions Code Section 7161.

true-up bill they may face at the end of each year and therefore have not factored this cost into their decision to finance a solar system.

ii. Power Purchase Agreements (PPA)

In other cases, solar consumers have entered into a contract to lease a system, or pay for the electrical output of the system, without full knowledge or comprehension of the terms of the lease. PPAs are the leading type of financing.

iii. Other Harmful Misrepresentations

Claims that demonstrate similar harms resulting from lies or other misrepresentations (*for example*, the consumer did not even know they were agreeing to install solar).

b. Stranded systems

Some solar consumers who have been defrauded have systems which are partially installed and not connected to the grid, incomplete in another way, or are otherwise stranded. Examples of complaints include those related to Non-Interconnected Systems, systems with Noncompliant Inverters, and systems which require Panel Installation.

i. Non-interconnected systems

Some defrauded solar consumers have received systems which have not been connected to the grid. These consumers face a choice: either they can interconnect the system to the grid or remove the panels installed on their residence. In either case, there is an associated cost, either for interconnection (*e.g.* interconnection fee) or panel removal and roof repairs.

ii. Noncompliant inverters

In some cases, contractors have installed solar systems at consumers' residences without inverters or with noncompliant inverters. The Commission's Rule 21 governing interconnections requires distributed energy resources (DERs) including customer-sited solar systems to utilize smart inverters.

iii. Lack of system

Some defrauded consumers have entered into a contract for solar but never received a solar system or have a system that does not work and cannot be interconnected.

c. Exceptional claims

Finally, complaints regarding solar fraud which are not covered by any of the aforementioned categories may be referred by the CSLB (as long as they meet the eligibility requirements).

4. Proposed Recovery Fund for Solar Consumers

a. Eligible recipients: Residential customers of electric investor-owned utilities

Recovery funds will only be provided to solar consumers who are active residential customers of the electric IOUs, who are taking service under the NEM tariff or are eligible to do so, and whose claims are referred to the RFA by the CSLB, as described below.

Claims related to projects financed via Property Assessment Clean Energy (PACE) are under the authority of the Department of Business Oversight (DBO) which is empowered to achieve restitution for complaints related to those loans. Therefore, PACE-financed projects will not be eligible for funds under this proposal.

b. Referral of claims that exhaust existing remedies

The recovery fund is intended to benefit defrauded or otherwise financially harmed consumers whose claims have exhausted existing administrative options without recovering funds.

As such, the RFA will only accept claims referred by the CSLB in which the CSLB affirms the claims meet the following criteria:

- The complaint arises out of a contract for solar energy system as defined in subdivision (g) of BPC § 7169, installed at a residence and not as a standard feature on new construction; and The complaint investigation has resulted in a “legal action” (defined in Section 2, Background, supra), either a citation under authority of BPC § 7099 or administrative action to suspend or revoke a contractor’s license pursuant to BPC § 7090; and
- The legal action contains either (1) an order of payment of a specified sum to an injured party in lieu of correction pursuant to BPC § 7099, or (2) an order of restitution, as a condition of probation or of a new or reinstated license pursuant to BPC § 7095, 7102, and/or Government Code § 11519; and
- The order of payment of a specified sum to an injured party, or the order of restitution, has become the final decision of the registrar in a proceeding conducted in accordance with the provisions of Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code, and the consumer has not received the funds; and
- The action contains any one or more of the following causes of discipline: violation of BPC §§ 7107 (Abandonment), 7109 (Departure from Accepted Trade Standards or Plans or Specifications), 7110 (Violation of Building or Safety Laws), 7113 (Failure to Complete for Contract Price), 7115 (False Completion Certificate Filed to Obtain Financing), 7116 (Willful or Fraudulent Act Causing Harm), 7119 (Failure to Prosecute Work Diligently), 7120 (Failure to Pay for Materials or Services), 7159 et seq (Contract Form Requirements) or 7161 (Misrepresentation); and/or
- The action is against an unlicensed or a licensed contractor that the CSLB has referred to a local agency for prosecution, and that referral has resulted in a judgment following a plea or verdict of guilty or a plea of nolo

contendere or finding of guilt and contains a court ordered restitution or that has resulted in a judgment.

These criteria ensure that the only cases referred to the RFA will be solar complaint cases in which the CSLB determined that fraud/misrepresentation occurred, or that fraud/misrepresentation and/or poor workmanship or abandonment occurred; the consumer was financially harmed; payment of a specified sum to an injured party was established or an amount of restitution was ordered; and the consumer did not recover funds. With these rules in place the RFA can perform its administrative task of disbursing funds.

c. Recovery amounts per claim

The RFA will not adjudicate claim amounts. Every complaint that will be referred by the CSLB to the RFA for recovery will have an estimate of financial injury to the consumer and the RFA will disburse funds in that amount. For complaints involving fraud/misrepresentation in which the CSLB's financial injury determination may not sufficiently retribute the injured party, the consumer may receive a categorical amount predetermined by the Commission. The Commission is taking comments on the proper and reasonable approach for recovery funds to be provided in these cases in particular.

The CSLB does not estimate and thus the Recovery Fund will not provide traditional civil remedies in the form of damages (*e.g.* lost time, pain and suffering, emotional distress, lost work). It does calculate financial injury to the consumer in cases involving a violation of BPC § 7113. Multiple elements make up the CSLB's estimate of financial injury: Cost to Correct and Contract Price. Both elements are calculated pursuant to CSLB statute and administrative process.

- Cost to Correct: This is the amount of money required to bring the project up to the agreed-upon status. It is

calculated by independent industry experts retained per BPC § 7019 using the following equation:

(Amount paid to the contractor/on the contract + Amount paid to correct or complete the contract + Amount paid for materials or labor to prevent or remove a lien) – (Contract price + Agreed upon extras) = Cost to Correct

- **Contract Price:** This is the amount in dollars and cents for the work agreed to in the contract. BPC § 7159 subdivisions (c), (5) and (6) specify this definition, and also require that the contract separately present the contract price (money paid for the contract) from the finance charge (the cost of the money).

Whether the financial injury consists of any of these elements varies extensively case by case. For example, a consumer who was not misled but whose system was improperly built or abandoned may only have financial injury in the amount required to bring that system up to the trade standard as determined by the CSLB's industry experts. And consumers who were victimized by both misrepresentation and poor workmanship may have damages in both categories.

d. Recovery amount for subset of claims

If a consumer was defrauded via misrepresentation into signing a contract (*for example*, they were promised a utility bill of zero in perpetuity or they did not even know they were signing a contract), their financial injury estimated by the CSLB may not be sufficient. Note that this by design includes cases where the system works properly; many situations like this exist where the solar system works but the consumer cannot afford it or does not want it.

Under this proposal, these complaints would recover funds in the amount of the Contract Price, but party comment is requested on an alternative approach, described below.

i. Alternative approach for this subset of complaints

Instead of disbursing funds in the amount of the Contract Price, the RFA would provide a standard amount intended to only cover the funds needed to remove the solar panels and repair the roof if it is damaged. This amount would be set at one-third of the Contract Price, or \$10,000, whichever is greater. This would appropriately provide some restitution to defrauded consumers while mitigating overall costs.

e. Administration of claims

Upon receipt of a referred CSLB claim, the RFA will:

- Verify that the claimant is an active IOU customer by contacting the relevant IOU and confirming the active account number and customer information.
- If the customer cannot be verified as an active IOU customer, the RFA will notify the CSLB and the consumer that the referred claim is rejected.
- Contact the claimant and verify that the claimant is the individual identified in the referred claim and that their personal and contact information is accurate.
- Collect an attestation from the claimant that they have not received other restitution for the reimbursed damages, and that if they receive in the future any other restitution through civil or criminal court proceedings they will reimburse the fund for funds received.
- Disburse funds to the claimant in the amount identified in the referred claim as the financial injury.
- For claims demonstrating fraud and/or misrepresentation (violations of BPC §§ 7116 or 7161) in which the Contract Price is reflected in the financial injury estimate and the customer had a negative true-up bill at the end of their first year on the NEM tariff, the RFA will add that true-up amount as well.

- Provide a certified attestation to the CSLB of funds paid for inclusion in its records.

The RFA will provide a report to the Commission and CSLB quarterly on its activities, total claims and funds processed, and trends.

f. Protests or disputes related to claims process

If claimants wish to dispute the outcome of their claim, they may file a complaint at the CSLB under its existing process for registering a complaint against the CSLB with its Executive Office.

5. Program Funding Level and Source

The recovery fund will be funded by a new interconnection surcharge on residential IOU customers taking service under the NEM tariff. Interconnection Fees are one-time charges for customer-generators to cover the IOU's costs of interconnecting distributed systems to the grid. Using interconnection fees surcharge to fund recovery for IOU customers who are defrauded or misled about the costs and benefits of solar adoption and net energy metering – and who are measurably harmed by these violations, and/or whose solar systems are not providing benefits -- is consistent with the Commission's goal of ensuring grid reliability as well as the state's focus on expanding renewable deployment. It is also squarely within our responsibility to protect the public and ensure the provision of, and access to, safe and reliable utility infrastructure and services.

All NEM-eligible IOU customers are entitled to be served by contractors who abide by the law. It is reasonable for residential NEM interconnection fees to support the fund, particularly because going forward those who pay the fee will benefit from the recovery fund if they have been defrauded.

a. Data on financial damages informing overall fund amounts

The CSLB has provided the Commission recent data about the financial damages borne by consumers in the types of cases the recovery fund will address. The recovery account funding level and individual interconnection fee amount will be set based upon this data. The overall funding level is intended to be in line with a conservative estimate of the amount of funding that will be needed, based upon recent complaint data.

To arrive at an annual estimate of the number of complaints in this category and the corresponding funds needed for their Costs to Correct, the following recent data were used:

- Over the 27-month period from January 2018 to March 2020, 49 solar-related complaints referred to legal action by the CSLB were unresolved, meaning the Cost to Correct was not paid to the consumer. This represents about two-thirds of all the solar related complaints referred to legal action in this time period; in the other third of the complaints the contractor paid the costs or the costs were covered by the surety bond.
- Therefore, $49/27 = 1.8$ per month are estimated; 1.8 multiplied by 12 equals 21.7 (rounded to 22) complaints per year are estimated to be referred to the RFA.
- For the 49 complaints referenced above, the average Cost to Correct was \$7,996.
- Therefore, the estimated annual funds needed to cover Costs to Correct is $22 * \$7,996 = \$175,912$.

A separate analysis of data was used to estimate the funds needed to cover Contract Price. As discussed above, Contract Price is reflected in the Cost to Correct, but it is prudent to separately estimate the funds needed for this category to ensure the fund will remain solvent. This is because in some complaints, the entire amount of the contract will be paid and solar contracts are generally significantly higher in value than the \$7,996 average Cost to Correct.

- In the same 27-month period (January 2018 through March 2020), 142 complaints in which the CSLB alleged fraud and/or misrepresentation (violations of BPC §§ 7116 or 7161) were referred to legal action.
- In these 142 complaints the average contract price was \$33,857.
- $142/27 = 5.3$ complaints per month are estimated; 5.3 is multiplied by 12, yielding 63.6 (rounded to 64) estimated annual complaints related to fraud and/or misrepresentation.
- Because in one-third of recent complaints costs were recovered via the contractor or surety bond, the estimated number that will be referred to the RFA should be revised downwards by that amount, thus $64 * 0.67 = 42.9$ (rounded to 43).
- Thus, the estimated amount needed to fund the Contract Price element of financial injury is $43 * \$33,857 = \$1,455,851$.

Adding these two subtotals, the total estimated annual budget needed for the recovery fund is $\$175,912 + \$1,455,851 = \$1,631,763$.

Administrative costs are needed for the RFA to process complaints, verify basic data, disburse funds, coordinate with the Commission, the IOUs, and the CSLB, and produce written reports. Given the size of the fund and the administrative nature of these tasks, a budget for the RFA is proposed at \$100,000 annually.

Thus, the total annual estimated cost of the recovery fund is \$1,731,763.

The individual interconnection fee will be calculated by dividing \$1,731,763 by 140,000 (which is the number of residential NEM interconnection applications processed by the IOUs in 2019). This yields \$12.37, which for simplicity will be rounded to \$12.

6. Program Evaluation

Implementation of the initial version of the recovery fund is likely to yield new insights and opportunities for improvement. Accordingly, six months after the launch of the recovery fund, the Commission should review the fund's progress, consider expansion of eligibility factors as applicable per new complaint trends and the submission of any Residual Claims, evaluate the need for additional funding, and consider alternative or complementary sources of revenue.

7. Questions for Workshop and Party Comment

Parties are requested to respond to this proposal by filing and serving opening comments no later than four weeks after this ruling is filed and reply comments no later than six weeks after this ruling is filed. Comments should address the questions listed below and any other pertinent issues.

1. Should the Commission approve a recovery fund for solar consumers, either as proposed or with modifications?
2. If the Commission adopts a recovery fund, should any modifications be made to the proposed program? Provide examples and refer to existing recovery programs if possible.
 - a. Do other funding mechanisms under the Commission's jurisdiction exist, either in addition to the proposed approach or instead of it? In particular, do funding mechanisms that disincentivize violations exist?
 - b. Should there be income eligibility requirements, in which the recovery provided is adjusted to reflect the complainant's income or determine overall eligibility for the fund?
 - c. Should there be an overall cap on funds disbursed per claim?
 - d. Should the fund be proportionally divided, such that interconnection fees from one utility fund claims for

customers located in that same utility's territory?
Would an overall split based on proportion of NEM interconnections be reasonable?

- e. Is the proposed administrative budget reasonable?
Provide examples if you recommend changes.
 - f. If recent consumer protections intended to prevent future violations are successful, we would expect to see a decline in violations eligible for recovery. Should a mechanism to track recovery funds and potentially reduce or eliminate the fee in future years be developed? What other reporting is needed?
 - g. Please provide input and recommendations specific to the proposed and alternative approach for the subset of complaints that do not involve a violation of BPC §7113. Should complaints in this category be eligible? If so, should another standard recovery amount be set and based upon what metrics? Is it reasonable to provide recovery for the true-up bill in these cases?
- 3. If the proposal is not adopted, how would the Commission ensure financial recovery can be provided to IOU NEM customers in line with the proposed principles?
 - 4. Should claims related to PACE-funded projects be eligible for funds if they have exhausted DBO's administrative remedies? If so, how might a similar referral process from the Department of Business Oversight work?
 - 5. Assuming a recovery fund is adopted, what next steps to begin implementation are necessary? These may include:
 - a. A solicitation held by an IOU to select the RFA (in which the IOU holds the contract but the selection of the RFA and the oversight of the RFA is done by Energy Division in coordination with CSLB).
 - b. An initial workshop or Taskforce meeting focused on detailing the administrative process by which CSLB will interact with the RFA, working out such steps as how to ensure confidentiality, track complaints, and exchange information.

Prior to opening comments, a remote workshop will be held on September 22, 2020 at 10 a.m. Registration and other information for attending this workshop will be circulated to the service list at least 10 days prior to the workshop. A draft agenda is below.

Draft workshop agenda – Proposed Recovery Fund for NEM Solar Consumers:

- Overview of the proposal – Assigned Commissioner
- Background on CSLB process – CSLB
- Discussion and questions – Led by Assigned Commissioner’s Office and Energy Division Staff

IT IS RULED that:

1. Parties submitting opening comments in response to this ruling must file and serve their comments no later than four weeks after this ruling is filed.
2. Parties submitting reply comments in response to this ruling and opening comments must file and serve their comments no later than six weeks after this ruling is filed.

This order is effective today.

Dated September 3, 2020, at San Francisco, California.

/s/ MARTHA GUZMAN ACEVES
Martha Guzman Aceves
Assigned Commissioner