



**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE
STATE OF CALIFORNIA**

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Application of Pacific Gas and Electric Company)
for Adoption of Electric Revenue Requirements) A.14-05-024
and Rates Associated with its 2015 Energy) (Filed May 30, 2014)
Resource Recovery Account (ERRA) and)
Generation Non-Bypassable Charges Forecast)
(U39E).)

**SOUTHERN CALIFORNIA EDISON COMPANY'S (U 338-E) COMMENTS ON
PROPOSED DECISION**

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Dated: **August 08, 2016**

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Subject Matter Index of Recommended Changes

Pursuant to California Public Utilities Commission (Commission) Rule 14.3(b), Southern California Edison Company (SCE) provides the following subject index listing recommended changes to the *Proposed Decision Resolving Vintaging Methodology for Power Charge Indifference Adjustment for Community Choice Aggregation Customers* issued by Administrative Law Judge (ALJ) Tsen on July 19, 2016 (PD):

- Clarify the Conclusions of Law and Ordering Paragraphs to address certain circumstances where a Community Choice Aggregator (CCA) phases in service to a geographic area.
- Clarify the Conclusions of Law and Ordering Paragraphs to address certain circumstances where CCA expands service to additional geographic area(s).
- Clarify the procedural steps the parties should follow to facilitate the implementation of any results achieved by the “Working Group” ordered by the PD.

SCE’s proposed modifications to the PD are included as Appendix A to these comments.

I.

INTRODUCTION

Pursuant to California Public Utilities Commission (Commission) Rule of Practice and Procedure 14.3, Southern California Edison (SCE) respectfully submits these Opening Comments on the July 19, 2016 Proposed Decision (PD) pending in this proceeding. While the PD does not adopt all of the arguments SCE advanced in briefing, SCE agrees that it is a reasonable resolution of the Power Charge Indifference Amount (PCIA) vintaging rules for Community Choice Aggregation (CCA) customers. SCE has limited comments on the PD. First, SCE’s comments below respectfully request that the Commission clarify certain aspects of the PD regarding the vintaging rules so as to avoid future, implementation-related confusion and controversy between the Investor-Owned Utilities (IOUs) and CCAs. Second, SCE recommends adding two process-related clarifications regarding the “working group” on PCIA issues to be led by Sonoma Clean Power (SCP) and SCE.

II.

SCE’S PROPOSED CLARIFICATIONS ON PCIA VINTAGING RULES

The PD essentially holds that all customers in a CCA – other than those who expressly opt-out of CCA service and later opt-in – will be assigned the vintage of the original “date of service” by the CCA. This date of service can be established by the submission of a Binding Notice of Intent (BNI) or through the actual initiation of service (sometimes referred to as the “cut-over date”).¹ While mindful of the PD’s reluctance to address “the endless permutations in which PCIA vintages can be reset,” and its intent to avoid a process that is “administratively cumbersome,” SCE believes it is important to add additional clarity to the PD for a couple of

¹ See PD at p. 14. The PD’s reference to a “separate agreement” being an additional valid way to establish a vintaging date apparently refers to the process adopted in D.05-01-009 for the City of Cerritos Community Aggregator (CA). SCE notes that this “separate agreement” with the City of Cerritos pre-dated the establishment of the BNI process in D.05-12-041.

these potential “permutations.”² This clarity will help avoid future disputes and controversies regarding vintaging during the implementation of new CCAs.

First, while SCE agrees that it is appropriate for all customers in a multi-phase CCA established through a BNI to receive the original vintage date, that is only true if – and to the extent that – the CCA abides by the scheduling and other terms of its BNI.³ Additionally, customers in a multi-phase CCA without a BNI will receive the original vintage date associated with their phase of service (i.e., when the CCA actually initiates service for their phase).

Second, and similar to a multi-phase CCA, if a CCA established through a BNI expands to additional service areas, and the original or subsequent BNI addressed that expansion, the expanded service areas should receive a vintage based on the date of the original or subsequent BNI, as appropriate. But if instead the original or subsequent BNI did not contemplate such expansion, the expanded service areas should receive a vintage based on the “initiation of service” for their particular areas.

III.

SCE’S SUGGESTIONS ON WORKING GROUP PROCESSES

SCE appreciates the Commission’s focus on providing working groups as a forum to discuss issues identified in the PCIA Workshop and Workshop Report. SCE believes that working groups will be a helpful forum to better understand party concerns and potential areas of compromise. However, SCE would like to provide two additional suggestions on the working groups.

First, SCE suggests that the Commission allow the Working Group to either file a Petition to Modify (PFM), or, in the event that the Working Group is unable to achieve consensus and provide recommendations, allow the Working Group to file a Report explaining

² See *id.*

³ The PD does not change Electric Rule 23.2’s protections for the IOU’s remaining bundled service customers should a CCA fail to do so.

the positions of the different parties and why the working group was unable to provide a recommendation.

Second, SCE suggests that the Commission allow the Working Group to request an extension beyond the six-month time frame to file either any PFM or the Report discussed above. The issues raised in the March workshop were extensive in scope and complicated in nature; it may take more than six months for parties to reach consensus and provide recommendations. If the Working Group believes that it is making progress in providing a recommendation, but feels that additional time would be useful, SCE suggests that the Working Group be allowed to request an additional six months to develop its recommendation and file it with the Commission.

In making these suggestions, SCE would like to clarify that these changes would in no way preclude other parties from filing their own PFMs. However, SCE believes it is useful to have these two other options to provide some flexibility for any filing by the Working Group as a whole.

Respectfully submitted,

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Appendix A

**PROPOSED MODIFICATIONS TO CONCLUSIONS OF LAW AND ORDERING
PARAGRAPHS**

PROPOSED MODIFICATIONS TO CONCLUSIONS OF LAW AND ORDERING PARAGRAPHS

Pursuant to Commission Rule of Practice and Procedure 14.3(b), SCE respectfully proposes the following changes to the Conclusions of Law and Ordering Paragraphs in the PD. Underlining reflects proposed additions and strikethroughs proposed deletions.

Conclusions of Law

1. PCIA vintage should be assigned to a CCA territory based on the date of initial CCA service, except for customers that opt to remain with the incumbent utility and then opt back into CCA service at a later time. If a CCA phases-in service for a geographic area, the vintage date for CCA customers in the geographic area will be based on: (1) the date the Binding Notice of Intent (“BNI”) addressing the phased service is submitted by the CCA; or (2) the date a customer is given the opportunity to receive (or opt-out of) CCA service if no BNI has been submitted. If a CCA expands service to an additional geographic area(s), the vintage date for CCA customers in the additional geographic area(s) will be based on (1) the date a BNI addressing the additional geographic areas(s) is submitted by the CCA; or (2) the date a customer in the additional geographic area(s) is given the opportunity to receive (or opt-out of) CCA service if no BNI has been submitted.

3. Customers opting out of CCA service ~~at the phase-in date~~ should be assigned a new vintage if and when they opt into CCA service at a later date.

Ordering Paragraphs

1. Investor Owned utilities (IOUs) in California shall assign a Power Charge Indifference Adjustment vintage to loads within a Community Choice Aggregation (CCA) territory based on the initial service date by a CCA except for customers that opt out of CCA service and later choose to opt back in. If a CCA phases-in service for a geographic area, the vintage date for CCA customers in the geographic area will be based on: (1) the date the Binding Notice of Intent

(“BNI”) addressing the phased service is submitted by the CCA; or (2) the date a customer is given the opportunity to receive (or opt-out of) CCA service if no BNI has been submitted. If a CCA expands service to an additional geographic area(s), the vintage date for CCA customers in the additional geographic area(s) will be based on (1) the date a BNI addressing the additional geographic areas(s) is submitted by the CCA; or (2) the date a customer in the additional geographic area(s) is given the opportunity to receive (or opt-out of) CCA service if no BNI has been submitted.

2. If Customers opt out of Community Choice Aggregation service ~~at the phase-in date~~ and opt back into CCA service as a later date, the Investor-Owned Utilities shall assign a Power Charge Indifference Adjustment vintage based on their date of departure from bundled service.