

**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 and Rates)
Associated with its 2015 Energy Resource Recovery)
Account (ERRA) and 2015 Generation Non-)
Bypassable Charges Forecasts (U 39 E).)
_____)

Application No. 14-05-024
(Filed May 30, 2014)

**REPLY COMMENTS OF LEAN ENERGY US
ON THE PROPOSED DECISION**

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August 15, 2016

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In accordance with Rule 14.3(d) of the Rules of Practice and Procedure of the Public Utilities Commission of the State of California (Commission), LEAN Energy US (LEAN) submits the following reply comments on the *Proposed Decision of Administrative Law Judge Tsen* (PD). LEAN specifically replies to opening comments made by Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE) and the “CCA Parties” (collectively, city of Lancaster, Marin Clean Energy (MCE) and Sonoma Clean Power Authority (SCPA)).

I. REPLY COMMENTS

A. Attempts by both PG&E and SCE to Change the Clear and Administratively Simple Rule Regarding Vintaging Should Be Rejected as Contrary to Commission Policy and Unsupported by the Record

In its opening comments, PG&E attempts to recast the clear wording of the PD to its own desires and to introduce uncertainty where the PD has made cogent and clear rules to govern future PCIA calculations. SCE simply disagrees that it should be held to an administratively simple process of applying the PCIA vintage as outlined in the PD. Neither IOU states facts to support its positions, nor cites to errors in the record or misinterpretation of applicable law as required under Rule 14.3(c) of the Commission’s Rules of Practice and Procedure. The

Commission should therefore accord no weight to PG&E's or SCE's opening comments.

PG&E requests that the PD “[c]larify the Conclusions of Law and Ordering Paragraphs to address circumstances where a Community Choice Aggregator (“CCA”) phases in service to a geographic area.”¹ SCE wants to be responsible for assigning a vintage-based PCIA *only* when a binding notice of intent is provided by the CCA.² However, the PD is already clear on this point – “We...direct PCIA vintages to be assigned to CCA customers based on the date that CCA service is initiated in that area-whether it is through initiating service, or the binding notice of intent process. Rather than identifying how vintages should be assigned to the endless permutations of customer movement, we direct IOUs to track only customers that affirmatively opt out of CCA service and then opt back in at a later time.”³ “Since vintages are assigned based on initial service in a territory, that vintage should be locked to the service area.”⁴ As the CCA Parties clearly state in their opening comments “within a CCA service area there will be one PCIA vintage, with only one exception: a later vintage will be assigned to individual customers that affirmatively opt out of CCA service, receive service from an IOU and then return to CCA service, and in doing so negatively affect the IOU’s generation procurement liabilities.”⁵ Any phase-in or roll-out plan does not change the single vintage date assigned to a service territory. Neither PG&E or SCE cite to errors in the record or misapplications of law to support their novel changes to the PD.

¹ PG&E Opening Comments at 1.

² SCE Opening Comments at 3.

³ PD at 15 (emphasis added).

⁴ PD at 15 (emphasis added).

⁵ CCA Parties Opening Comments at 4.

B. Re-Vintaging of a Customer That Returns to CCA Service Should Only Occur When an IOU Demonstrates That the Customer’s Load has a Material Effect On The IOU’s Generation Liability

The CCA Parties make a valid argument that the re-vintaging exception should only apply to customers that might actually impact the IOUs’ generation liabilities. They cite to Decision (D.) 08-09-012 that requires the IOUs to adjust their load forecasts and resource portfolios to mitigate the effects of [departing load] on bundled service customers. The point of notifying the IOUs of load departure was to put them on notice to adjust their *load forecasting*, not as an opportunity to penalize the departing load customer for minor fluctuations in load. Therefore, to comport with prior Commission decisions, the PD should be revised to only require re-vintaging of customer load that is large enough to affect the IOUs’ generation forecast liability. Since the Commission has made it clear in numerous procurement decisions, as well as in D.04-12-046 and D.08-09-012, that it is the IOUs’ responsibility to perform reasonable resource planning, the burden of showing any single customer has a material effect on the PCIA lies with the IOU. The PD should be revised to clarify that the IOU has the burden of demonstrating that a customer that returns to CCA service has a material effect on the IOU’s generation liability that could not have been forecasted by the IOU.

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II. CONCLUSION

LEAN thanks ALJ Tsen and Commissioner Florio for their attention to the matters discussed herein.

Dated: August 15, 2016

Respectfully submitted,

/s/

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