BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

Application of Southern California Edison Company (U338E) for Approval of its Energy Savings Assistance and California Alternate Rates for Energy Programs and Budgets for Program Years 2015-2017.

And Related Matters.

Application 14-11-007
(Filed November 18, 2014)

Application 14-11-009
Application 14-11-010
Application 14-11-011

OPENING COMMENTS OF THE INTERSTATE RENEWABLE ENERGY COUNCIL, INC. REGARDING PROPOSED DECISION AND ALTERNATE PROPOSED DECISION ON LARGE INVESTOR-OWNED UTILITIES’ CALIFORNIA ALTERNATE RATES FOR ENERGY (CARE) AND ENERGY SAVINGS ASSISTANCE (ESA) PROGRAM APPLICATIONS

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I. INTRODUCTION

On August 16, 2016, a Proposed Decision (PD) and Alternate Proposed Decision (APD) were issued in this proceeding. Pursuant to Rule 14.3, the Interstate Renewable Energy Council, Inc. (IREC) timely files these opening comments, focused exclusively on IREC’s CleanCARE pilot proposal.

As explained in more detail in prior filings, IREC is a 501(c)(3) non-partisan, non-profit, independent organization working nationally to expand and simplify consumer access to reliable and affordable distributed clean energy. The scope of IREC’s work includes expanding programs that facilitate consumers’ ability to host a renewable energy system to directly self-supply energy needs or sell energy, and implementing shared renewable energy programs to expand options for consumers that cannot host a renewable energy system. As part of this work, IREC developed a proposal for a CleanCARE pilot program that we submitted for consideration in this docket.1

IREC also presented on CleanCARE at the June 18, 2015 workshop in this proceeding. CleanCARE is simultaneously under consideration in Rulemaking (R.) 14-07-002 regarding the successor to the current net energy metering (NEM) tariff as a way to promote growth in customer-sited distributed generation for “disadvantaged communities.”

In the instant proceeding, IREC has requested that the Commission indicate that CleanCARE is legally permissible under existing CARE statutes in order to facilitate any further refinement and approval of CleanCARE in R.14-07-002 that the Commission deems necessary. Both the PD and APD contain similar language regarding CleanCARE, and do not offer the

requested guidance. They state: “The current record is insufficient to establish whether or not CleanCARE would meet the Commission’s statutory obligation to provide overall bill reductions to CARE customers.” The PD would “deny this proposal without prejudice,” and the APD would do the same, and goes on to state that “IREC may refile the proposal through a Petition for Modification in a manner that addresses the concerns expressed herein.” In addition to ensuring the requisite bill reduction, the PD and APD identify certain other outstanding issues with respect to CleanCARE, including: the definition of “disadvantaged communities” and its relationship to CleanCARE participant eligibility; potential customer confusion; expansion of CleanCARE beyond Tier 3 customers and potentially to include an energy efficiency component; and administrative costs and maintaining non-participant indifference.

While IREC appreciates the PD’s and APD’s constructive criticisms regarding CleanCARE, which will inform future iterations of the proposal, we continue to request that the Commission state in its final decision that CleanCARE concept and basic structure is permissible under the existing CARE statutes. To the extent additional details and safeguards need to be explored to ensure the requisite bill discount is achieved and the program is sufficiently robust, IREC suggests that the Commission condition its statement accordingly, and explicitly indicate that such further refinement should occur in R.14-07-002 prior to final Commission approval, e.g., in response to a Petition for Modification in the instant docket. Ultimately, IREC is seeking additional, express guidance from the Commission regarding the appropriate procedural path for

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2 PD at 322-23; APD at 383-85.
3 PD at 323; APD at 385.
4 PD at 323.
5 APD at 385.
6 PD at 322-23; APD at 383-85.
further consideration and development of CleanCARE. In addition, IREC clarifies below certain misunderstandings and misstatements regarding CleanCARE in the PD and APD.

II. THE PROPOSED AND ALTERNATE PROPOSED DECISIONS MISREPRESENT CERTAIN KEY ASPECTS OF IREC’S CLEANCARE PROPOSAL AND REQUIRE MODIFICATIONS.

IREC does not reiterate the details of our CleanCARE proposal in these comments, but rather we focus our attention on two statements regarding CleanCARE in the PD and APD that misrepresent the proposal. We indicate where in the record the Commission may find support for our comments regarding these factual errors and respectfully suggest that any final decision be modified on these points.


The APD erroneously characterizes CleanCARE as only being “practically available to those who own or control their own home and have a sufficiently strong roof to support solar PV.” It goes on to state that expensive roof repairs may be necessary and would serve as a “high barrier for many CARE customers,” and also expresses concern regarding the ability of tenants to receive NEM bill credits in a multifamily building scenario. In addition, the PD and APD characterize the renewable generation as either “on-site or shared” in describing CleanCARE.

IREC requests that any final decision in this proceeding be modified to indicate that CleanCARE would only involve shared solar facilities, including in particular off-site, ground-mounted facilities, located in “disadvantaged communities.”

7 APD at 385.
8 APD at 385.
9 PD at 308; APD at 369.
10 See Ex. No. 54, Att. 2 at 4-5.
would not be required to be located “on-site,” i.e., on the same building in which participating CleanCARE customers reside. While these shared facilities could conceivably be located on rooftops, their location would not need to be connected to the participating customers’ locations; rather, they could be sited on rooftops throughout a utility’s service territory, including commercial and industrial rooftops, or even carports or parking structures. Ultimately, we envision that the utility solicitation process would function to identify the most optimal locations for CleanCARE facilities within “disadvantaged communities.”

Therefore, IREC suggests that the APD’s concerns regarding barriers to participation related to rooftop ownership and roof repairs are misplaced in the context of our proposed CleanCARE pilot, and we request that these components of the APD be removed from any final decision. Indeed, the aim of our CleanCARE proposal is explicitly to address access barriers germane to the more traditional rooftop solar models and one of the potential benefits of CleanCARE is that it would overcome the rooftop-related barriers identified in the APD.


Both the PD and APD note that The Utility Reform Network (TURN) expressed concerns related to CleanCARE regarding “potential fraud, waste, and abuse by third party solar developers.”11 In evaluating CleanCARE, the PD further states, “[a]s parties have noted, foreseeable consequences to the CleanCARE proposal include customer confusion and the risk of waste, fraud, and abuse.”12

11 PD at 314; APD at 374.
12 PD at 322.
IREC requests that any final decision clarify that CleanCARE participants would not interact with third-party developers, and rather that the proposal envisions a utility-run solicitation for all solar resources, with participants only engaging with a Commission-approved program administrator to sign up for the program.\textsuperscript{13} Therefore, customers should be safeguarded from any waste, fraud, and abuse, to the extent the Commission sufficiently vets and, as necessary, monitors the performance of the program administrator. IREC suggests that the PD’s statements regarding these concerns should be removed from any final decision. In addition, we note that CleanCARE envisions a robust marketing, education, and outreach component that would leverage existing CARE resources and could include targeted information to ensure as little customer confusion as possible.\textsuperscript{14}

\section*{MANY PARTIES HAVE EXPRESSED SUPPORT FOR IREC’S CLEANCARE PROPOSAL.}

As indicated above, CleanCARE is concurrently under consideration in this docket as well as R.14-07-002 because it implicates both the CARE and NEM programs. In R.14-07-002, eight parties expressed support for IREC’s CleanCARE proposal in written comments.\textsuperscript{15} In addition, eight organizations—mostly but not entirely the same as those that filed supportive comments—jointly submitted a letter with IREC to Commissioner Sandoval, copying the rest of

\textsuperscript{13} See Ex. 54, Att. 2 at 4; see also Opening Brief of the Interstate Renewable Energy Council, Inc., at 8-9 (July 13, 2015) (responding to TURN’s concerns and explaining CleanCARE’s reliance on a program administrator) [IREC Opening Brief]; Reply Brief of the Interstate Renewable Energy Council, Inc., at 3 (Aug. 4, 2015) (responding similarly to Southern California Edison Company) [IREC Reply Brief].

\textsuperscript{14} See Ex. 54 at 17-18, Att. 2 at 4; see also IREC Opening Brief at 9 (emphasizing importance of customer education); IREC Reply Brief at 3 (same).

the Commission, stating their support for continued consideration of CleanCARE in R.14-07-002, and noting that “[w]ithout resolution of the threshold question of CleanCARE’s legality in A.14-11-007 et al., however, it will be challenging to move forward with refinement of CleanCARE’s programmatic details in R.14-07-002.”16 Although not all parties expressing their support in these forums are parties to this docket, some of them are.17 In addition, the California Solar Energy Industries Association (CALSEIA) filed a very similar version of CleanCARE, identical in all foundational components, jointly with IREC in our Post-Pre-Hearing Conference Statement, filed March 2, 2015. Therefore, IREC believes that the PD’s and APD’s statement that “[n]o parties offer clear support for CleanCARE as currently proposed” is not correct18 and respectfully requests that the Commission remove the sentence, and/or notice and reference the support CleanCARE has received in relation to R.14-07-002.


As indicated in the R.14-07-002 party comments and letter referenced above, a significant number of parties are ready to work together to refine CleanCARE in that proceeding. IREC suggests that such further development and refinement could address the points raised in the PD and APD, including those related to NEM, such as the definition of “disadvantaged


This letter was submitted properly noticed as a written ex parte communication in this docket and R.14-07-002 on May 17, 2016.

17 Based on the current service list, these parties include Greenlining, Brightline Defense Project, and CALSEIA.

18 PD at 313; APD at 374.
“disadvantaged communities” and appropriate bill credit valuation, as well as the other issues identified. IREC continues to believe such a path is appropriate because CleanCARE implicates the NEM program, including in particular the “disadvantaged communities” mandate included in Assembly Bill 327. We also note the utilities appear to support such a path; as the PD and APD indicate, they state that CleanCARE should be addressed in R.14-07-002.

To enable effective consideration and development of CleanCARE in R.14-07-002, IREC urges the Commission to indicate in this proceeding that CleanCARE’s basic framework is legal under the current CARE statutes. IREC has provided our analysis of CleanCARE’s legality under the statutes and responded to other parties’ concerns in our prior filings. IREC recognizes the Commission’s concern related to ensuring that the requisite “bill discount” is guaranteed for CleanCARE participants, and we agree that this should be a high-priority issue for further discussion and refinement in R.14-07-002. If needed, IREC suggests that the Commission could condition its statement regarding CleanCARE’s legality on the development of a satisfactory guarantee regarding the “bill discount.” At this time, IREC is primarily seeking confirmation from the Commission that the required “bill discount” could be provided via bill credits (as long as any necessary guarantees and other safeguards are in place) and is not limited to the current rate discount structure. Without such guidance, IREC is concerned that CleanCARE will face the same legality concerns in R.14-07-002 and will be redirected from that proceeding to the next CARE proceeding; in other words, we are worried that CleanCARE may in effect slip through the cracks between proceedings. Given the PD’s and APD’s express

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19 See PD at 322-23; APD at 383-85.
20 PD at 313; APD at 374.
21 Ex. 54 at 6-12; IREC Opening Brief at 4-9; IREC Reply Brief at 2-3.
support for the goal of “expanding low-income persons’ access to preferred resource generation and its attendant benefits,” and appreciation of innovative proposals in this area, IREC urges the Commission to provide more clear guidance to clear the path for further refinement of CleanCARE.

IREC has offered suggested language for revised Findings of Fact and Conclusions of Law appended to these comments, which would provide more clear guidance regarding CleanCARE’s legality and procedural next steps. Such assurance would enable the Commission and all interested parties to focus more effectively on any other necessary programmatic details in R.14-07-002, and the Commission could approve implementation of the refined CleanCARE pilot program in its final decision in that docket or else in response to a Petition for Modification in this docket. IREC believes that consolidating the conversation about CleanCARE in one docket would promote greater clarity regarding program details, and enable the Commission and interested stakeholders to concentrate their resources more efficiently in a single forum.

V. CONCLUSION

IREC appreciates the opportunity to provide these comments, as well as the Commission’s ongoing consideration of our CleanCARE proposal in this proceeding and R.14-07-002. We look forward to continuing to refine the CleanCARE concept in line with the Commission’s suggestions and guidance.

22 PD at 322-23; APD at 383-85.
DATED: September 6, 2016

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Appendix: Proposed Findings of Fact and Conclusions of Law

Numbering reflects both the PD and the APD (PD/APD).

Findings of Fact

[##]/90. It is reasonable to deny the IREC CleanCARE pilot without prejudice, and to allow it to receive further consideration in R.14-07-002.

Conclusions of Law

[##]/[##]. IREC’s CleanCARE Pilot proposal’s basic structure, allowing customers to receive the requisite “bill discount” via electricity bill credits instead of a rate discount, is legally permissible under the current CARE statutes, Public Utilities Code sections 739.1 and 382[, however it requires further refinement and safeguards prior to Commission approval].

Bracketed language provided if the Commission deems further clarity on this point is necessary.

198/202. IREC’s CleanCARE Pilot proposal should be denied without prejudice, however it may receive further consideration in R.14-07-002.

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