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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of San Diego Gas & Electric Company (U902E) for Authority to Implement Optional Pilot Program to Increase Customer Access to Solar Generated Electricity.

Application 12-01-008
(Filed January 17, 2012)

And Related Matters.

Application 12-04-020
Application 14-01-007

**ASSIGNED COMMISSIONER AND ADMINISTRATIVE LAW JUDGE'S
SCOPING RULING FOR PHASE IV OF CONSOLIDATED PROCEEDING**

Summary

Pursuant to Rule 7.3 of the Commission's Rules of Practice and Procedure (Rules), this Scoping Memo and Ruling sets forth the scope and procedural schedule for the Phase IV of this proceeding, following the Prehearing Conference (PHC) held on February 23, 2015. In Phase IV of this proceeding, the Commission will consider: (1) program design issues; (2) general procurement issues, (3) procurement for Enhanced Community Renewables (ECR); (4) issues specific to Environmental Justice (EJ) reservation; and (5) rate design issues. The issues will be considered through a two-step process. Track A, which will begin in summer 2015, will focus on issues that can be resolved in the immediate timeframe. Track B, which will begin in fall 2015, will address the remaining issues.

1. Background

On January 29, 2015, the Commission issued its Decision Approving Green Tariff Shared Renewables Program for San Diego Gas & Electric Company (SDG&E), Pacific Gas and Electric Company (PG&E), and Southern California Edison Company (SCE) pursuant to Senate Bill (SB) 43, Decision (D.) 15-01-051. D.15-01-051 begins the implementation of SB 43 (Stats. 2013, ch. 413 (Wolk)). SB 43 set a formal requirement for the three large electrical utilities to implement the Green Tariff Shared Renewables (GTSR) Program. As envisioned by statute, the GTSR Program can include both a Green Tariff component and an enhanced community renewables (ECR) component.

D.15-01-051 addressed the first three phases of the proceeding, setting forth the steps for PG&E, SCE, and SDG&E, collectively referred to as the investor-owned utilities (IOUs), to implement the Green Tariff and ECR components, including procuring resources that qualify for the reservations set forth in Section 2833(d). D.15-01-051 assigned the examination of additional actions to optimize participation in the GTSR Program to this subsequent phase, Phase IV.

On February 9, 2015, the Presiding Officer issued a ruling confirming the Phase IV PHC, inviting PHC statements, and providing guidance on the issues to be addressed in Phase IV. The parties' submitted PHC statements on February 17, 2015. On February 23, 2015, the PHC was held at the Commission.

At the PHC, parties stressed that before Phase IV begins, parties need to focus on: (a) providing feedback to the IOUs on topics in the implementation Advice Letters; (b) timely filing of the implementation Advice Letters; and (c) review and comment on the implementation Advice Letters.

Parties also discussed the proposed inclusion of aspects of GTSR as applied to California Alternate Rates for Energy (CARE) customers, in Application (A.) 14-11-007 (the consolidated CARE and Energy Savings Assistance (ESA) applications of the utilities). Parties generally agreed that the strictly legal issue of what is required by statute for the CARE discount in the GTSR proceeding should be addressed in the CARE proceeding. However, parties expressed concern that the budget for outreach to CARE and low-income customers should be addressed in the GTSR Program proceeding. Parties suggested that adding Energy Division staff with expertise in outreach for the CARE program would be the most efficient way to bring the Commission's expertise in outreach to low-income customers into this proceeding.

At the PHC, the assigned Administrative Law Judge (ALJ) discussed with PG&E and Marin Clean Energy (MCE) whether an additional issue should be added to the scope to address measurement of greenhouse gas reduction for the purpose of comparative marketing materials reviewed by the Public Advisor's Office. Parties were invited to file comments regarding whether this issue should be included in the scope. Coalition of California Utility Employees commented that it believes this issue should be included. This issue was addressed in a letter from the Executive Director dated March 17, 2015, which was e-mailed to the service list of R.03-10-003. The Executive Director's letter stated that because there is disagreement regarding the proper method of calculating GHG emissions associated with retail load, PG&E and the CCAs should refrain from including GHG emission rates in the annual joint rate comparison that is mailed to customers within CCA service areas. Because this issue is germane to any claims regarding the GHG emission rates of GTSR retail products, we will include it in the scope of this proceeding.

Finally, as reflected in the procedural schedule below, parties determined that CalEnviroScreen is an issue that should be resolved quickly and can likely be done so through a consultation or workshop process, followed by a joint filing. The CalEnviroScreen issue involves determination of the appropriate way to apply the CalEnviroScreen when identifying areas eligible for projects under the EJ reservation.

2. Implementation Advice Letter Workshops

Separate from Phase IV, the IOUs will be filing Advice Letters as required by D.15-01-051: the Joint Procurement Implementation Advice Letter (JPIAL), Customer Side Implementation Advice Letter (CSIAL), and the Marketing Implementation Advice Letter (MIAL). Prior to filing, the IOUs will hold workshops to allow parties to provide input on the Advice Letters.

At the February 23 PHC, the parties agreed that webinars would be a sufficient forum for the workshops. Interested parties were not opposed to webinars as long as written materials are available in advance of the webinars and parties have the ability to provide feedback during the webinar.¹

There will be separate workshops for each type of Advice Letter.

At the February 23 PHC, parties addressed whether or not to hold separate webinars for each IOU. The CSIAL and MIAL webinars will be held separately for each IOU.² For the JPIAL, the three utilities will hold a joint webinar.

The proposed schedule filed on March 16, 2015 by PG&E included a tentative schedule for these workshops. The final schedule is as follows. The

¹ Transcript 112-115.

² Transcript 110.

utilities will provide agendas at least three days prior to the applicable workshop.

Event	Date
PG&E, SCE, SDG&E webinar on Joint Procurement Implementation Advice Letter	April 20, 2015 10 a.m. – 11:30 a.m.
SDG&E webinar on Customer-Side and Marketing Implementation Advice Letters	April 21, 2015 10 a.m. -- noon
SCE webinar on Customer-Side and Marketing Implementation Advice Letters	April 22, 2015 1:00 p.m. -- 4:00 p.m.
PG&E webinar on Customer-Side and Marketing Implementation Advice Letters	April 23, 2015 9 a.m. - noon

3. Scope of Phase IV Proceeding

3.1. Track A Scope

Track A will focus on issues that are a high priority that can be addressed before the GTSR Program is fully implemented. Track A will address the following issues:

1. Options for customers to lock-in rates and have long-term contracts;
2. Options to make the GTSR Program affordable to more customers;
3. Use of Renewables Auction Mechanism (RAM) to procure ECR projects;
4. Mechanism to include rate design elements from other proceedings (such as the Renewable Integration Charge);
5. Determining the market value of a Renewable Energy Credit;
6. Implementation of CalEnviroScreen;
7. Threshold at which the Commission should revisit allocation of overhead costs between participating and non-participating customers;

8. Following determination of the statutory requirements for applying the CARE discount to the GTSR Program in A.14-11-007, approve a CARE discount structure for the GTSR Program;
9. Alternative ECR transactions structures; and
10. Safety issues related to or raised by the Track A issues.

3.2. Track B Scope

Track B, which will follow Track A, will address the remaining issues in Phase IV. These issues should benefit from the experience gained through the implementation of the GTSR Program. Track B will address:

1. Consideration of sub-500 kilowatt projects;
2. Procurement of renewable resources other than solar;
3. Optimizing procurement under the GTSR Program, including utilizing other mechanisms for procurement aside from Renewables Portfolio Standard solicitation based on (RAM) model;
4. Adoption of a uniform methodology for calculating the GHG emissions rate associated with various retail electricity products;
5. In light of Distribution Resources Plans, more accurately reflecting distribution costs and benefits of GTSR projects;
6. Criteria for demonstrating community interest;
7. Additional definitions of “community” for purposes of siting ECR projects;
8. Additional objective standards to evaluate and accept securities opinions from law firms outside of the AmLaw 100;
9. Prioritizing EJ Projects; and
10. Safety issues related to or raised by the Track B issues.

3.3. Coordination with Implementation Advice Letter Process

The three implementation Advice Letters will cover many of the details of the GTSR Program. It is anticipated that D.15-01-051 provided sufficient guidance for the IOUs to file these Advice Letters and for the Energy Division to review and approve them. However, in the event that additional guidance is necessary, the scope of Phase IV may be amended. For example, it may be necessary to amend the scope to include issues that are not fully resolved through the implementation Advice Letter process, such as certain mechanisms for prioritizing GTSR Projects.

However, Track A will follow the procedural schedule below and will not wait for final Commission approval of the implementation Advice Letters.

4. Category, Need for Hearing, and *Ex Parte* Rules

There is no change in the category of this proceeding as ratesetting, as defined in Rule 1.3(e). At the PHC, parties agreed that evidentiary hearings may not be necessary. Today's scoping ruling adopts a procedural schedule that does not include evidentiary hearings, but motions for evidentiary hearings will be considered as part of the procedural schedule. In a ratesetting proceeding *ex parte* rules as set forth in Rules 8.1, 8.2, 8.3, 8.5, and Public Utilities Code Section 1701.3(c) apply, until such time as a final determination is made regarding the need for hearings.

5. Assignment of Proceeding

Michael Picker is the assigned Commissioner and ALJ Jeanne M. McKinney is the Presiding Officer for this proceeding.

6. Schedule

Parties proposed a comment and workshop schedule. The schedule for the remainder is set forth below. It should be noted that the schedule will be revised if it appears that there are factual issues requiring written testimony or evidentiary hearings.

Event	Date
Workshop on CalEnviroScreen	June 1, 2015 at 2:00 p.m.
Joint Statement of Parties on CalEnviroScreen filed	June 15, 2015
Workshop on Advice Letters and CalEnviroScreen	June 22, 2015 at 2:00 p.m.
Track A Opening Comments filed	August 7, 2015
Track A Reply Comments; Motions for Evidentiary Hearings	August 28, 2015
Track A Workshop	September 28, 2015 at 9:00 a.m.
Track A proposed decision expected	November 2015
Track B Opening Comments filed	November 2, 2015
Track B Reply Comments; Motions for Evidentiary Hearings filed	December 2, 2015
Track B Workshop	January 5, 2016 at 9:00 a.m.
Track B proposed decision expected	March 2016

The assigned Commissioner or assigned ALJ may modify the schedule as necessary to promote the efficient and fair resolution of this proceeding. In any event, it is anticipated that this proceeding will be resolved within 18 months of

the date of this scoping ruling, pursuant to the requirements of Pub. Util. Code § 1701.5.

IT IS RULED that:

1. The scope of these consolidated proceedings is as set forth herein.
2. The utilities will host the webcast workshops described above.
3. The procedural schedule is as set forth herein and may be modified by the assigned Administrative Law Judge or Commissioner if needed.
4. This proceeding continues to be categorized as ratesetting pursuant to Rule 7.1(a).

Dated April 15, 2015, at San Francisco, California.

/s/ MICHAEL PICKER
Michael Picker
Assigned Commissioner

/s/ JEANNE M. MCKINNEY
Jeanne M. McKinney
Administrative Law Judge