

BEFORE THE PUBLIC UTILITIES COMMISSION OF  
THE STATE OF CALIFORNIA



**FILED**  
11/01/19  
04:59 PM

Application of Southern California Edison  
Company (U338E) for Approval of Its Carbon-  
Free Surplus Energy Transaction with Bonneville  
Power Administration.

Application 19-10-001  
(Filed October 1, 2019)

PROTEST OF THE UTILITY REFORM NETWORK



Matthew Freedman  
The Utility Reform Network  
785 Market Street, 14<sup>th</sup> floor  
San Francisco, CA 94103  
415-929-8876 x304 Voice  
415-929-1132 Fax  
[matthew@turn.org](mailto:matthew@turn.org)  
November 1, 2019

## PROTEST OF THE UTILITY REFORM NETWORK

Pursuant to Rule 2.6 of the Commission Rules of Practice and Procedure, The Utility Reform Network (TURN) hereby submits this protest to the application of Southern California Edison (SCE) for approval of its carbon-free surplus energy transaction with Bonneville Power Administration (BPA).<sup>1</sup>

SCE requests authority to recover \$2.989 million in incremental contract costs relating to a transaction for carbon-free power from BPA's generation portfolio. SCE proposes to recover the premiums paid to BPA through a "Clean Power Fee" ranging between \$34.65 and \$36.55/MWh.<sup>2</sup> This premium includes an "EE Program Cost" of \$22.75/MWh that would be recovered from all customers (including those served by Community Choice Aggregators and Electric Service Providers) through the Public Purpose Program (PPP) charge.<sup>3</sup> The remaining costs would be collected in generation rates charged to SCE bundled service customers.

TURN may address all of the following issues in this proceeding:

- Whether the proposed transaction constitutes an example of resource shuffling that would be prohibited under Cap-and-Trade rules adopted by the Air Resources Board.
- Whether the practical impact of this transaction would be the increased dispatch of GHG-emitting resources within the Western grid.

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<sup>1</sup> Since the application was noticed on the Daily Calendar on October 4th, this protest is timely filed.

<sup>2</sup> SCE testimony, pages 5-6.

<sup>3</sup> SCE testimony, page 8.

- The actual composition of the product from BPA’s Asset Controlling Supplier portfolio and mechanics of delivery to SCE.
- Whether the transaction is likely to result in any prospective commitments to incremental energy efficiency that would not otherwise have occurred.
- Whether the 5 MW transaction represents “incremental” energy efficiency savings given that they are the result of activities previously undertaken by BPA in 2016 and 2017.<sup>4</sup>
- The extent to which the Commission should rely upon energy efficiency targets developed by other entities or jurisdictions to determine “incremental” efforts.
- The potential volume of “incremental” carbon free energy that could be made available if the Commission bases eligibility on energy efficiency savings in excess of previously adopted targets.
- The reasonableness of recovering a portion of the costs of this transaction through the Public Purpose Program charge.

TURN intends to participate by conducting discovery, attending any workshops, preparing testimony, attending evidentiary hearings, and filing briefs. TURN believes that hearings may be necessary given the issues of fact presented by the initial application.

SCE’s proposed schedule appears generally reasonable although TURN may seek some adjustments to specific dates for hearing and briefing based on other

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<sup>4</sup> SCE testimony, Appendix B.

scheduling constraints. TURN intends to identify any such concerns at the prehearing conference and is willing to work with SCE and other active parties on the development of a schedule that accommodates all relevant interests.

Respectfully submitted,

MATTHEW FREEDMAN

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Attorney for

The Utility Reform Network

785 Market Street, 14<sup>th</sup> floor

San Francisco, CA 94103

Phone: 415-929-8876 x304

[matthew@turn.org](mailto:matthew@turn.org)

Dated: November 1, 2019