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

Order Instituting Rulemaking to Consider New Approaches to Disconnections and Reconnections to Improve Energy Access and Contain Costs.	Rulemaking 18-07-005 (Filed July 12, 2018)

CALIFORNIA COMMUNITY CHOICE ASSOCIATION'S REPLY RESPONSE TO PARTY COMMENTS FILED MARCH 5, 2021 IN RESPONSE TO THE ADMINISTRATIVE LAW JUDGE'S E-MAIL RULING REQUESTING COMMENTS ON FOUR QUESTIONS

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March 19, 2021

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The California Community Choice Association[1] (CalCCA) respectfully submits this reply response to Party comments filed March 5, 2020 in response to the *Administrative Law Judge's E-Mail Ruling Requesting Comments on Four Questions* (ALJ Ruling), issued January 28, 2021.

I. INTRODUCTION

CalCCA represents the interests of operating community choice aggregators (CCAs) and additional affiliated cities and counties interested in exploring the opportunities of community choice energy. CalCCA's members strongly support this proceeding's aim to reduce the number of customers experiencing disconnection after nonpayment. With this aim in mind, CalCCA replies to two proposals in parties opening comments and recommends:

- Percentage of Income Payment Plan (PIPP) discounts -- like discounts provided for customers participating in the California Alternate Rates for Energy (CARE), Family Electric Rate Assistance (FERA), and/or the Arrearage Management Plan

[1] California Community Choice Association represents the interests of 24 community choice electricity providers in California: Apple Valley Choice Energy, Baldwin Park Resident Owned Utility District, Central Coast Community Energy, Clean Energy Alliance, Clean Power Alliance, CleanPowerSF, Desert Community Energy, East Bay Community Energy, Lancaster Choice Energy, Marin Clean Energy, Peninsula Clean Energy, Pico Rivera Innovative Municipal Energy, Pioneer Community Energy, Pomona Choice Energy, Rancho Mirage Energy Authority, Redwood Coast Energy Authority, San Diego Community Power, San Jacinto Power, San José Clean Energy, Silicon Valley Clean Energy, Solana Energy Alliance, Sonoma Clean Power, Valley Clean Energy, and Western Community Energy.

(AMP) programs – be tracked and recovered by the investor-owned utility (IOU) through the Public Purpose Program charge (PPPC).

- Any PIPP pilot program of more than 18 months should include unbundled customers.

CalCCA urges the Commission to adopt these recommendations in designing the PIPP pilot program.

II. REQUIRING CCAS TO INDEPENDENTLY RECOVER THEIR PERCENTAGE OF INCOME PAYMENT PLAN (PIPP) COSTS COULD DISPROPORTIONATELY IMPACT RATEPAYERS IN SMALL COMMUNITIES.

In opening comments, Pacific Gas and Electric Company (PG&E) recommends that "IOUs and CCAs each track and recover their own costs, both PIPP implementation and bill subsidy, separately." [2] PG&E does not provide a substantive reason for this recommendation beyond its own convenience, observing that it "would eliminate the need for remittance from the investor-owned utilities (IOUs) to third-party service providers." [3] PG&E fails, however, to offer any detailed explanation of which this remittance – which it already performs for CARE, FERA, and AMP customers – would be unduly burdensome.

More importantly, PG&E's position ignores the public benefit provided through these discounts. Like other public benefit programs, spreading PIPP discounts across all load-serving entities (LSEs) through the PPPC is in the best interest of all ratepayers. Including the costs in the PPPC spreads the costs more equitably over a larger ratepayer base since bundled and unbundled customers in an IOU's service territory pay the non-CARE subcomponents of the PPPC. Broadly distributing the burden of any discounts dilutes the impact a program like the PIPP would have on a smaller ratepayer base that may have higher enrollment rates than other

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2 *Pacific Gas And Electric Company's (U 39 M) Opening Comments In Response To The Administrative Law Judge's Ruling Dated January 28, 2021*, Mar. 5, 2021 (PG&E Opening Comments), at 6.

3 *Ibid.*

LSEs due to, for example, more eligibility (*e.g.,* the LSE services customers with lower incomes). In addition, because the Commission has no authority to *direct* CCAs to participate in this rate program, providing for PPPC recovery for all LSEs will remove any barrier to CCA participation.

If, despite the merits of PPPC recovery, the Commission were to require LSEs to independently track and recover their PIPP costs, then the Commission should also require IOUs' PIPP costs to be recovered through bundled generation rates, as proposed by Southern California Edison Company (SCE).[4] It would be inequitable to allow IOUs to recover their costs through the PPPC, which CCA customers must also pay, while CCAs can only recover their PIPP costs through their generation rates.

Because a program like PIPP serves a public purpose that would benefit low-income customers, CalCCA urges the Commission to utilize the PPPC to recover all LSE PIPP costs and prevent burdening more economically challenged communities from bearing a disproportionate amount of the PIPP's costs.

III. A PIPP PILOT RUN OF MORE THAN 12-18 MONTHS SHOULD BE EXPANDED TO INCLUDE UNBUNDLED CUSTOMERS.

In opening comments, various parties suggest that the PIPP pilot should exclude unbundled customers.[5] As stated in CalCCA's March 5, 2021 opening comments, CalCCA has previously recommended that a PIPP pilot of 12-18 months limited to bundled customers. If a

[4] *Opening Comments Of Southern California Edison Company (U 338-E) On Administrative Law Judge's E-Mail Ruling Requesting Comments On Four Questions Concerning The Percentage Of Income Payment Plan*, Mar. 5, 2021 (SCE Opening Comments), at 4.

[5] *Opening Comments Of San Diego Gas & Electric Company (U 902 M) To Administrative Law Judge's Ruling Requesting Responses And Replies To Four Questions Concerning PIPP Cost Recovery*, Mar. 5, 2021 (SDG&E Opening Comments), at 5; PG&E Opening Comments, at 3 and 6; *Opening Comments Of The Utility Reform Network On The Administrative Law Judge's Email Ruling Requesting Comments On Four Questions*, Mar. 5, 2021 (TURN Opening Comments), at 3-4.

longer term is adopted, however, CalCCA does not support the exclusion of unbundled customers.[6] Unbundled customers and bundled customers alike should have equal access to the benefits of a lengthier pilot. Additionally, as was mentioned in SCE's opening comments "the inclusion of CCA customers [in the PIPP pilot] would also have the added benefit of better evaluation data from the pilot, as exclusion may remove entire cities from consideration in the pilot."[7] CalCCA agrees with SCE that unbundled customers should be included in the pilot if the duration of the pilot is longer than the originally contemplated 12-18 months.

IV. CONCLUSION

For all the foregoing reasons, CalCCA respectfully requests consideration of this reply response and looks forward to continuing to work with the Commission and other stakeholders to develop the Percentage of Income Payment Plan.

Respectfully submitted,

Evelyn Kahl

Evelyn Kahl
General Counsel to the
California Community Choice Association

March 19, 2021

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[6] *Response Of The California Community Choice Association To The Administrative Law Judge's E-Mail Ruling Requesting Comments On Four Questions*, Mar. 5, 2021 (CalCCA Opening Comments), at 4.

[7] SCE Opening Comments, at 5.