

PUBLIC UTILITIES COMMISSION

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Ratesetting

TO PARTIES OF RECORD IN APPLICATION 12-01-008 ET AL.:

This is the proposed decision of Administrative Law Judge Long. Until and unless the Commission hears the item and votes to approve it, the proposed decision has no legal effect. This item may be heard, at the earliest, at the Commission's December 16, 2021 Business Meeting. To confirm when the item will be heard, please see the Business Meeting agenda, which is posted on the Commission's website 10 days before each Business Meeting.

Parties of record may file comments on the proposed decision as provided in Rule 14.3 of the Commission's Rules of Practice and Procedure.

The Commission may hold a Ratesetting Deliberative Meeting to consider this item in closed session in advance of the Business Meeting at which the item will be heard. In such event, notice of the Ratesetting Deliberative Meeting will appear in the Daily Calendar, which is posted on the Commission's website. If a Ratesetting Deliberative Meeting is scheduled, ex parte communications are prohibited pursuant to Rule 8.2(c)(4).

/s/ ANNE E. SIMON

Anne E. Simon

Chief Administrative Law Judge

AES:lil

Attachment

Decision PROPOSED DECISION OF ALJ LONG (Mailed 11/12/2021)

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

And Related Matters.

Application 12-04-020

Application 14-01-007

**DECISION RESOLVING THREE PETITIONS FOR MODIFICATION OF
DECISION (D.) 15-01-051 AND D.16-05-006 THAT ADOPTED OR MODIFIED
THE GREEN TARIFF SHARED RENEWABLES PROGRAM**

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**DECISION RESOLVING THREE PETITIONS FOR MODIFICATION OF
DECISION (D.) 15-01-051 AND D.16-05-006 THAT ADOPTED OR MODIFIED
THE GREEN TARIFF SHARED RENEWABLES PROGRAM**

Summary

This decision resolves three separately filed Petitions for Modification of Decision (D.) 15-01-051 and D.16-05-006 which adopted or modified a Green Tariff Shared Renewables Program (GTSR). It:

- (1) conditionally grants the first petition for modification that was filed by Pacific Gas and Electric Company (PG&E);
- (2) grants in part a second petition filed by Central Coast Community Energy, the City and County of San Francisco, East Bay Community Energy, Marin Clean Energy, Peninsula Clean Energy Authority, Pioneer Community Energy, San José Clean Energy, Silicon Valley Clean Energy Authority, Sonoma Clean Power, and Valley Clean Energy Alliance, (collectively, the “Joint CCAs”) and denies without prejudice the remaining issues which may be considered in the Disadvantaged Communities Green Tariff (DAC-GT) and Community Solar Green Tariff (CSGT) applications in 2022 that may reexamine, review, or revise the Green Tariff Shared Renewables Program, or the Power Charge Indifference Adjustment (PCIA) proceeding, or a subsequent proceeding; and finally,
- (3) denies without prejudice all of the issues in the third petition filed by the Coalition for Community Solar Access (Community Solar Access) which may be considered in the DAC-GT and CSGT applications in 2022 that may reexamine, review, or revise the GTSR Program, the PCIA proceeding, or a subsequent proceeding.

This proceeding is closed.

1. Background

Senate Bill (SB) 43 (Stats. 2013, ch. 413 (Wolk)) set a formal requirement for the three large electrical utilities, Pacific Gas and Electric Company (PG&E),

Southern California Edison Company (Edison), and San Diego Gas & Electric Company (SDG&E), to implement the Green Tariff Shared Renewables (GTSR) Program. Decision (D.) 15-01-051 authorized the implementation of SB 43. As envisioned by statute, the GTSR Program could include both a Green Tariff Option (Green Tariff) component and an Enhanced Community Renewables (ECR) component.

D.15-01-010 required that the three large electric utilities begin procurement for GTSR as a part of the broader Sixth Renewable Auction Mechanism (RAM 6) and PG&E conducted a joint RAM 6/Solar Choice solicitation on July 7, 2015, which resulted in the addition of 52.75 megawatts (MW) under contract, with the key feature of being “additional” solar resources. PG&E markets its GTSR Program as “Solar Choice.” The Commission approved PG&E’s Advice Letter 4780-E on February 21, 2016, a request for additional resources, which included several power purchase agreements, including eight dedicated GTSR Power Purchase Agreements totaling 52.75 MW of additional renewable capacity. These resources were dedicated *additional* resources composing 19% of PG&E’s 272 MW GTSR allocation.

The implementing decision, D.15-01-051 found that: (1) indifference between participating and non-participating ratepayers can be achieved through careful rate design and procurement processes;¹ (2) the adopted GTSR Program satisfied the requirements of SB 43, complied with prior Commission decisions and other laws, and would not be anticompetitive; (3) the existing procurement mechanisms for the Renewables Portfolio Standard (RPS) should be temporarily used for GTSR Program procurement; and (4) to ensure additional renewable

¹ That is, there would be no cross-subsidization between participating and non-participating customers.

facilities are built, it was necessary to set minimum advance procurement goals for the start of the program.²

1.1. The First Petition – PG&E

The GTSR Program has been in place for several years, and PG&E filed its Petition for Modification (First Petition) to address a problem of oversubscription that it alleged was due to a dramatic decline in the price of the “Green” option. GTSR is based on a 50-100% renewable power compared with PG&E’s conventional portfolio. PG&E’s conventional energy portfolio is procured by PG&E to serve full-service customers and it has to comply with the Commission's policies on resource mix, dispatch protocols, must-take resources such as Qualified Facilities contracts complying with federal regulations etc., before considering the option of the GTSR Program. The GTSR Program is for bundled customers and is intended to be an option incrementally Greener than PG&E’s conventional portfolio, even as PG&E moves over time to reduce emissions and shift to a more Green portfolio.³ The Green option is the GTSR, which originally charged customers a small surcharge to be an early-adopter of a Greener portfolio. PG&E stated in the First Petition that there has been a significant change in the Power Charge Indifference Adjustment (PCIA) recently, which resulted in the Green Tariff option becoming a cheaper than the

² D.15-01-051 at 2.

³ Any customer that takes full-service from PG&E, which includes the commodity, distribution, and transmission service, is sometimes described as a “bundled” or a “full-service” customer. The GTSR program is an optional program for a bundled/full-service customer to have PG&E provide more “green” energy than the company otherwise provides as a part of the resource mix it procures to serve the other bundled, full-service, customers. An “unbundled” customer separately obtains the electricity commodity from either a direct access service provider or a CCA.

conventional tariff option. This caused a surge in enrollment and subsequent oversubscription.

According to PG&E in the First Petition, the amount of load participating in the GTSR Program increased from 35 MW in December 2020 to approximately 235 MW by April 2021, with much of this load attributable to larger nonresidential customers. This enrollment exceeds the current 52.75 MW of dedicated resource generation in PG&E's GTSR Program. At the request of the Commission's Energy Division staff, PG&E provided a new metric which it claimed more accurately shows the impact of a newly enrolled customer on enrollment capacity. This new metric was first included in PG&E's first quarterly report of 2021, which was filed the same day PG&E filed the First Petition. While the original reporting metrics continued to indicate that PG&E's 44.3 MW GTSR enrollment was less than PG&E's contractual 52.75 MW capacity, the new metric showed that PG&E had exceeded PG&E's 52.75 MW of available capacity in January 2021 with 58.2 MW of enrollment. However, PG&E continued to enroll new customers, reaching 215.5 MW of enrollment in March 2021. A subsequent report showed enrollment continuing to increase through June 2021, to 228.9 MW due to enrollment of residential customers, since PG&E had already reached its nonresidential program cap of 172.5 MW to 226.7 MW.⁴ In this same report, PG&E indicated that its Spring, 2021 solicitation for new renewables procurement did not produce viable offers.⁵

⁴ Of PG&E's 272 MW GTSR Program Capacity, 45 MW is reserved for Environmental Justice Communities, and 20 MW for the City of Davis, which leaves 207 MW in the unrestricted category. Overall, 1/6 of GTSR load – which may be allocated between Green Tariff or ECR – is reserved for residential customers, which reduces the non-restricted cap to 172.5 and the total cap to of all projects to 226.67 MW.

⁵ Quarterly Green Tariff Shared Renewables Program Progress Report of Pacific Gas and Electric Company (U39E) for Activities Occurring October-December 2019. January 31, 2020.

In sum, in PG&E's Advice Letter 6294-E, filed on August 13, 2021, and in its most recent quarterly report dated July 29, 2021,⁶ PG&E reported that program enrollment grew to 58 MW by the end of January, 135 MW by the end of February, and 215 MW by the end of March. This sudden increase in enrollment outstripped the additional Green energy procured for GTSR.

PG&E stated in the First Petition that "the facts and circumstances causing PG&E's inability to procure sufficient additional resources to meet the recent increased enrollment in the Solar Choice program could not have been anticipated or avoided." Yet, PG&E failed to explain in the First Petition why it continued to market to, and enroll, customers in its Green Tariff program for which it had no capacity.

PG&E described in the First Petition how the 2020 Energy Resource Recovery Allocation Account (ERRA) Forecast, and Greenhouse Gas Forecast Revenue Return and Reconciliation decision resulted in rate changes which meant a small rate credit, not an additional charge, over conventional service rates – for GTSR customers. PG&E stated that the linkage between the net credit and program growth is not direct, as evidenced by the fact that program participation growth remained slow through 2020 despite the favorable rates effective beginning May 2020.⁷ PG&E proposed in the First Petition to essentially count some of the Green resources in its conventional resource mix, the current RPS resources, towards its obligation to procure additional Green resources for its oversubscribed GTSR customers. PG&E has asserted that its non-GTSR

⁶ Quarterly Green Tariff Shared Renewables Program Progress Report of Pacific Gas & Electric Company for Activities Occurring April - June 2021, filed July 29, 2021. Available at: <http://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=ALL&DocID=396193348>.

⁷ PG&E Petition 2.

resources procured under the RPS include more than the minimum requirements of Green resources.

This decision grants PG&E permission to temporarily count those extra green resources towards the GTSR service but imposes an obligation for PG&E to track those resources and procure and bring online new resources in an expedited timeframe. PG&E must conduct GTSR solicitations to make up for the oversubscription which is temporarily served by existing green resources available in its RPS portfolio. PG&E must stop enrolling new GTSR customers until it has first brought new sources online.

1.2. The Second Petition – The Joint CCAs

In the Second Petition, Central Coast Community Energy, the City and County of San Francisco, East Bay Community Energy, Marin Clean Energy, Peninsula Clean Energy Authority, Pioneer Community Energy, San José Clean Energy, Silicon Valley Clean Energy Authority, Sonoma Clean Power, and Valley Clean Energy Alliance, (collectively, the “Joint CCAs”) proposed a modification to PG&E’s calculation of its Retained Resource Adequacy (RA) rate adder; the charge the utility incurs for the Capacity needed to serve its bundled customers as it applies to GTSR rates. The Retained RA adder is the volumetric cost PG&E incurs for the capacity to serve its bundled customers. For the GTSR Program this cost is converted to a volumetric rate which is added to the overall GTSR Program charges. The Joint CCAs noted that the Retained RA calculation had been updated in D.19-10-001, the Decision Refining the Method to Develop and True-Up Market Price Benchmarks, within the Order Instituting Rulemaking to Review, Revise, and Consider Alternatives to the PCIA. The Joint CCAs propose to clarify and add specificity to this calculation which had been adopted by the Commission after D.15-01-051.

Currently, the Retained RA adder is calculated and applied annually to the GTSR Program through the ERRA Forecast Proceeding.⁸ In that proceeding, the Joint CCAs asserted that updates stemming from D.19-10-001 had not been applied to GTSR rates and thus, there is a mismatch between the forecast Retained RA adder and the load it should serve. In that ERRA Decision, the Commission rejected the Joint CCAs claim on procedural grounds and proposed a petition for modification would need to be filed in this GTSR proceeding first, before the change could be applied in the subsequent ERRA forecast proceeding. This is what the Joint CCAs have done. We grant this narrow modification, and order PG&E to confirm that these changes have been implemented in the 2022 ERRA Proceeding November Update; if not, PG&E shall submit a Tier 2 Advice Letter within 30 days with this Decision revising and detailing its GTSR rate calculations consistent with this Decision. This adopted change only applies to PG&E at this time.

Additionally, the Joint CCAs proposed modifications requiring Edison and SDG&E to each also align its GTSR tariffs with PG&E's, because the three companies appear to calculate the RA charge differently from PG&E and each other. These other proposed modifications raised by the Second Petition are denied now without prejudice and may be addressed in the Disadvantaged Communities Green Tariff (DAC-GT) and Community Solar Green Tariff (CSGT)

⁸ This was most recently determined in D.20-12-038 at 28.

"In D.15-01-051, the Commission determined that "[t]he utilities must charge all bundled customers, including GTSR customers, for the value of RA procured on their behalf" and that the "[Resource Adequacy] adder from the annual PCIA calculation is reasonable, fair, and consistent with SB 43." We find that PG&E's use of all PCIA-eligible capacity to calculate the Resource Adequacy charge is consistent with D.15-01-051. We note that the Joint CCAs may file a petition for modification of D.15-01-051 to propose updates to the methodology for calculating the Resource Adequacy charge." In this decision we now defer consideration of the Resource Adequacy Charge to a new set of applications described herein and due to filed in early 2022.

Applications in 2022 that will reexamine, review, or revise the GTSR Program, the PCIA proceeding, or a subsequent proceeding.

1.3. The Third Petition – Community Solar Access

In the Third Petition, filed by The Coalition for Community Solar (Community Solar Access)⁹ sought to modify the Enhanced Community Renewables (ECR) program within the GTSR¹⁰. The proposed modifications include:

- incorporating 20-year levelized values (differentiated by technology and utility) from the Avoided Cost Calculator (ACC) into the ECR rate structure, in place of several of the charges and credits currently utilized; and
- reducing the ECR project size limit from 20 MW to 5 MW.

Community Solar Access asserts that the ACC “could provide a better cost-based indifference charge rather than using ... [PCIA] as a proxy.” (Citing to Commission Resolution E-5028, pg. 42.)

As discussed in this decision, the Third Petition is denied without prejudice and the issues raised there may be considered in the DAC-GT and CSGT Applications in 2022 that will reexamine, review, or revise the GTSR Program, the PCIA proceeding, or a subsequent proceeding.

2. Procedural Background

2.1. The First Petition – PG&E

PG&E filed its Petition on April 30, 2021. Timely Responses were filed on May 17, 2021 by: (i) The Utility Reform Network (TURN); (ii) The Public Advocates Office; (iii) Coalition of California Utility Employees (CUE);

⁹ Community Solar Access is a business-led trade organization, comprised of over 60 member organizations, that works to expand access to clean, local, affordable energy nationwide through community solar projects.

¹⁰ Approved by Commission Decisions D.15-01-051 and D.16-05-006.

(iv) a Joint Response by East Bay Community Energy, Peninsula Clean Energy Authority, City and County of San Francisco, Pioneer Community Energy, San Diego Community Power, and Central Coast Community Energy (collectively, the “Six CCAs”); (v) Shell Energy North America (US), L.P., The Alliance for Retail Energy Markets, Direct Access Customer Coalition (collectively, the “Direct Access Retailers”); and (vi) by the Coalition for Community Solar Access (Community Solar Access). PG&E and CUE filed Replies to these Responses on May 21, 2021. Finally, on May 27, 2021, PG&E filed a Supplemental Reply to the May 17, 2021, Responses.

2.2. The Second Petition – The Joint CCAs

On May 17, 2021, the Second Petition for Modification to Modify D.15-01-051 was filed by Joint CCAs.¹¹ On June 16, 2021, PG&E timely filed a Response to the Second Petition. The Joint CCAs filed a timely Reply to Response to Petition for Modification of Decision 15-01-051 on June 28, 2021.

2.3. The Third Petition – Community Solar Access

On June 17, 2021, Community Solar Access filed its Petition to Modify D.15-01-051 and D.16-05-006. On July 19, 2021, a Joint Response was timely filed by PG&E, SDG&E, Edison; a Response by California Community Choice

¹¹ This group of Joint CCAs is not identical to the group Six CCAs that together filed a Response to the First Petition although some entities participated in both filings, *e.g.*, East Bay Community Energy.

Association (CalCCA);¹² and a Response by the Public Advocates Office.¹³ Community Solar Access timely filed a Reply on July 29, 2021. As discussed in this decision we defer these issues at this time and deny the petition without prejudice.

3. Rule 16.4 Petition for Modification

The Commission's Rules of Practice and Procedure (Rules) applicable to petitions for modification states in part: "(d) Except as provided in this subsection, a petition for modification must be filed and served within one year of the effective date of the decision proposed to be modified. If more than one year has elapsed, the petition must also explain why the petition could not have been presented within one year of the effective date of the decision. If the Commission determines that the late submission has not been justified, it may on that ground issue a summary denial of the petition."

Rule 16.4 also requires: "(b) A petition for modification of a Commission decision must concisely state the justification for the requested relief and must propose specific wording to carry out all requested modifications to the decision. Any factual allegations must be supported with specific citations to the record in the proceeding or to matters that may be officially noticed. Allegations of new or

¹² California Community Choice Association represents the interests of 22 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, Sonoma Clean Power, and Valley Clean Energy.

¹³ The name of Public Advocates Office is sometimes contracted to Cal Advocates – this decision will only use Public Advocates Office.

changed facts must be supported by an appropriate declaration or affidavit.” All three Petitions meet this requirement which is a threshold requirement separate from the essential question of whether the Petition is persuasive.

3.1. Timeliness Test

PG&E filed the First Petition more than a year after the effective date of the underlying decision. It however justified its filing by showing there have been material factual changes which adversely impact its GTSR Program and warrant consideration of the issues.

The Joint CCAs filed the Second Petition more than a year after the effective date of the underlying decision. The Joint CCAs made several recommendations which PG&E was willing to adopt and we therefore find that portion of the petition to be timely. It however failed to demonstrate for a portion of the petition that a material fact had changed and instead the petition would make a material long-term policy change to the underlying structure of the GTSR Program. This portion of the petition may be considered elsewhere as discussed below.

Community Solar Access filed the Third Petition more than a year after the effective date of the underlying decision. It however failed to demonstrate that a material fact had changed and instead the petition would make a material long-term policy change to the underlying structure of the GTSR Program. The issues raised in this petition may be considered elsewhere as discussed below.

3.2. Persuasiveness Test

The First Petition filed by PG&E meets the persuasiveness test: that its GTSR Program was oversubscribed, and the appropriate action needs to be authorized by the Commission and then implemented. As discussed further, this decision grants the request to temporarily, and conditionally, allow PG&E to use

Green resources not specifically acquired to fulfill the GTSR Program to be counted towards serving the oversubscription.

The Second Petition filed by the Joint CCAs fails both parts (d) and (b). The Joint CCAs essentially want a fundamental change to the GTSR Program which is too extensive to be fully explored for its direct and indirect impacts not just on the GTSR Program but on all other ratepayers based on the narrowly focused Petition. The Joint CCAs request is better addressed in an upcoming series of applications DAC-GT and CSGT applications in 2022 that may reexamine, review, or revise the Green Tariff Shared Renewables Program, or the PCIA proceeding, or a subsequent proceeding. PG&E has agreed to implement for its GTSR Program one of the proposed changes sought by the Joint CCAs, that D.15-01-051 be revised to reflect “Retained RA” as the Resource Adequacy capacity procured on bundled customers’ behalf, and we will authorize those changes for PG&E only. This decision makes no findings on the merits of the remaining issues beyond deferring to a subsequent proceeding. Like the Second Petition, the Third Petition also fails parts (d) and (b) of Rule 16.4 and should be denied without prejudice and deferred.

4. Forum for Review and Potential Modifications to GTSR

Apart from PG&E’s immediate problem of oversubscription to the GTSR tariff, the issues raised by the Second and Third Petitions are not timely filed within 12-months of the issuance of D.15-01-051 and D.16-05-006. They are not neatly and easily correcting flaws or structural mistakes in the program to improve its operation. They are, in fact, fundamental revisions to the core of the GTSR Program and the calculation of the PCIA which was not an invention of the GTSR Program but is instead a much broader ratesetting exercise.

The PCIA is a rate applied to customers that choose to receive electric commodity service from third-party service providers, such as Community Choice Aggregators (CCAs) or energy service providers serving Direct Access (DA) load, to ensure those customers continue to pay their portion of the above-market costs associated with resource commitments made by the utility on their behalf prior to their departure. The PCIA protects bundled customers from financial harm due to load departures and is intended to prevent above-market costs of prior resource commitments shifting from departing load customers to bundled customers. The PCIA revenues received from departing customers are credited to the ERRA to partially offset the cost of above-market generation. PCIA revenues do not affect the utility's earnings, these revenues offset costs which are only recoverable "dollar for dollar" in the ERRA.

Public Utilities Code (Pub. Util. Code) Sections (§) 365.2 and 366.3¹⁴ require that bundled customers be held indifferent to departing load, and that CCA and DA customers do not experience cost increases because of an allocation of costs not incurred on their behalf. And see, Pub. Util Code §§ 2831(h) and 2833(q) which apply the indifference requirement to the GTSR Program. D.06-07-030 approved the original total portfolio indifference calculation methodology. Later, D.07-01-030 modified the original total portfolio indifference calculation methodology and determined the above market costs associated with the Department of Water Resource contract obligations. D.11-12-018 and Resolution E-4475 established the current PCIA calculation method, which adopted reforms to the Market Price Benchmark (MPB) calculation.

¹⁴ All subsequent references to sections of statute are to the California Public Utilities Code unless otherwise indicated.

It is therefore unreasonable to make any changes to the GTSR Program that would involve changing the use of, or calculation of, the PCIA in the isolated circumstances of a Petition for Modification of D.15-01-051. As discussed herein, we have a timely set of Applications in 2022 where these issues can be more fully examined and litigated.

PG&E, Edison, and SDG&E will soon file applications for the first DAC-GT and CSGT Applications for Review, due for submission in April 2022.¹⁵ In D.18-06-027 the Commission directed the three major electric utilities to file applications for approval of the DAC-GT and CSGT programs and ordered that the proceedings would include a review of both programs' costs and benefits, which may result in revisions to the tariffs, as appropriate.¹⁶ To encourage consistency, and efficiency of programs offering alternatives to rooftop solar, the electric utilities have been encouraged to address remaining GTSR Program issues in these Applications.¹⁷

DAC-GT is modeled after the Green Tariff portion of the GTSR Programs adopted in D.15-01-051, while the CSGT Program is largely structured after the

¹⁵ In December 2020 the Commission granted a 1-year extension to the electric utilities. In October 2021, the Commission granted a further extension of 60 days following the issuance and service of the DAC-GT and CSGT Independent Evaluation Final Report to allow the utilities to incorporate and respond to the Report's findings. The new due date for the Applications is anticipated to be in April 2022, or the 60th day following issuance and service of the DAC-GT and CSGT Independent Evaluator's Final Report (currently expected by mid-February 2022).

¹⁶ D.18-06-027 at 54 and 88.

¹⁷ We can take notice here that on September 15, 2021, the Commission's Energy Division conducted an online workshop to present a proposed template for the DAC-GT and CSGT Applications. The workshop sought questions and feedback about the application process and to present the Energy Division recommendations that the electric utilities include the GTSR and ECR Programs as part of the DAC-GT and CSGT Applications for Review to better align these green access programs or rooftop solar alternatives.

ECR portion of the GTSR Program.¹⁸ Given that the Commission based portions of DAC-GT and CSGT Program design on the two GTSR Programs, Green Tariff and Enhanced Community Renewables, respectively, there are sufficient similarities to warrant evaluating the GTSR programs alongside the DAC-GT and CSGT programs together in the 2022 Applications.¹⁹

In these new Applications the Commission will consider the recommendations of all interested parties and can resolve the issues raised in the Second and Third Petitions. We therefore direct the three major electric utilities, PG&E, Edison, and SDG&E, to include the GTSR Program implementation details in these 2022 Applications. We order that all outstanding GTSR issues previously found by the Commission to be beyond the scope of the advice letter process or requiring formal review may be included in the Applications. Any potential changes to any of these programs must comply with the governing legislation.

The GTSR Program was originally scheduled to sunset on January 1, 2019,²⁰ but the electric utilities petitioned in December 2017 to terminate or extend the program beyond the initial sunset date; several parties also filed protests and replies with various suggestions and improvement. Within the thirteen filings, twelve expressed strong support for continuing the program²¹ and proposed a series of recommendations which they argued had the potential to streamline and improve the GTSR program. The Commission in

¹⁸ D.18-06-027 at 3.

¹⁹ D.18-06-027 at 51 states in respect to DAC-GT “This program will be in addition to, rather than part of, the existing Green Tariff program, and will be available only to low-income residential customers in DACs, defined as those meeting the qualifications for CARE or FERA.”

²⁰ SB 840 repealed § 2834, removing the GTSR sunset date.

²¹ Edison’s proposal to terminate the GTSR Program was denied.

Resolution E-5028 extended the GTSR program indefinitely until the 600 MW cap was reached, but also found that the proposed modifications, while they had merit, would result in a “different structure or materially different capacity” to the program. We find that the DAC-GT and CSGT 2022 Applications for Review and the forthcoming proceeding(s) launched by these Applications are an appropriate venue to consider such issues.

5. Responses to the First Petition by PG&E

5.1. Public Advocates Office

Public Advocates Office’s Response to the First Petition recommended that the Commission deny PG&E’s petition on grounds that there were significant shortcomings in PG&E’s request and allow PG&E to submit an amended Petition to address these shortcomings to ensure ratepayer protections. Specifically, Public Advocates Office argued that PG&E did not ensure ratepayer indifference; did not specify the likely duration of the proposed “temporary” relief; or how existing customers already in the GTSR program will be protected. To protect non-participating ratepayers from undue cost burdens, Public Advocates Office recommended that the Commission deny PG&E’s petition without prejudice and allow PG&E to refile because Public Advocates Office is not fundamentally opposed to the Petition, but rather seeks assurances of customer indifference. While Public Advocates Office proposes an amended Petition, as found herein, we adopt a solution to protect all existing and new GTSR customers and nonparticipating customers.

5.2. TURN

TURN, in its Response, offered conditional support to PG&E’s proposal to use existing renewable resources procured under the RPS as a temporary resource pool to serve an unanticipated increase in customer enrollments. TURN

had originally supported the use of an interim resource pool that relied on existing RPS resources in the proceedings leading up to D.15-01-051, arguing for advance procurement to address the significant lag time associated with the development of new resources. The Commission agreed with TURN that “prudent advanced procurement” was appropriate and that “additionality is a key aspect of SB 43.”²² To continue supporting this objective, TURN suggested in its Response that the Commission should direct PG&E to execute procurement commitments as soon as possible. Thus, TURN offered ongoing support for the program despite PG&E’s shortfall in procurement.

However, TURN raised several issues with PG&E’s proposal that it believed need further clarification. One, TURN stated that it is not clear how the proposed interim pool will interact with the RPS Voluntary Allocation and Market offer recently approved in R.17-06-026. Two, TURN recommended that PG&E be directed to procure additional RPS volumes for its bundled customers equal to the amounts transferred to the Solar Choice Program, to ensure additionality of generation.

5.3. CUE

CUE fully supported PG&E’s Petition was filed and asserted that it was necessary to avoid “stalling” the program, which would be counter to the intent of SB 43. CUE asserted that ratepayer indifference could be assured – *i.e.*, non-participating customers would not be harmed based on PG&E’s proposal to use the weighted average price of eligible bundled renewable resource projects with July 2015-2018 online dates.

²² D.15-01-051, at 26.

5.4. Community Solar Access

Community Solar Access filed the Second Petition for Modification one month after it responded to PG&E's First Petition. It did not object to PG&E's First Petition and believed PG&E proposed a reasonable course of action. However, its Response questions PG&E's ability to retain customers in the program given what it described as volatility and uncertainty in the GTSR rate structure.²³ Community Solar Access then built on this theme in the Second Petition, to propose a total programmatic change to adopt the ACC as an alternative to the PCIA for GTSR. Community Solar Access asserted this would bring a lasting commitment by customers to solar. Community Solar Access is trying to relitigate this issue which was not adopted in Resolution E-5028. As noted in the discussion on the Second Petition, this violated Rule 16.4.

5.5. Shell Energy North America (US), L.P. (Shell Energy), the Alliance for Retail Energy Markets (AREM), and Direct Access Customer Coalition

Shell Energy North America (US), L.P. (Shell Energy), the Alliance for Retail Energy Markets (AREM), and Direct Access Customer Coalition (collectively, "Direct Access Retailers") opposed PG&E's Petition and argued that it would violate SB 43's requirements, shift costs violating the "ratepayer indifference" standard, and fail the "additionality" test. They further argued that PG&E has failed to procure sufficient resources for the GTSR customers' load and that the proposal to use resources from the RPS supplies would divert cheaper Green resources away from non-GTSR customers. They further proposed that PG&E should return any over-subscribed customers to their former tariff. This is an obvious option: if PG&E lacks the resources to serve

²³ Response at 4.

customers under the GTSR tariff they should be returned to their otherwise applicable rate schedule or tariff.²⁴ Implicit in this position is that customers who cannot participate in PG&E's oversubscribed GTSR Program would either wait until PG&E acquires the additional necessary resources, or they may choose to find another service provider who can offer a greener solar option.

The Direct Access Retailers are correct that PG&E's proposal on its face fails the "additionality" test, and it has the potential to shift or misallocate costs. This decision addresses these problems.

Direct Access Retailers argued that the Commission should reject PG&E's petition because the request is contrary to statute (SB 43) and in conflict with the foundational principles of the GTSR Program as adopted in D.15-01-051. Because PG&E does not have sufficient eligible renewable supplies to meet its projected GTSR load, they argued that PG&E should be required to reduce its Solar Choice Program enrollment by returning its most recently enrolled participating customers to service under their previous rate schedule. PG&E's proposal to transfer PG&E's more recent vintage, lower cost Green supplies from PG&E's bundled portfolio to its Solar Choice Program portfolio, they argued, would improperly shift costs from Solar Choice customers to bundled sales customers and departing load customers in violation of Pub. Util Code §§ 2831(h) and 2833(q). Direct Access Retailers asserted that the Solar Choice Program portfolio is supposed to be entirely separate from PG&E's bundled procurement portfolio, *i.e.*, "additional" resources are to be procured for GTSR apart from resources that serve full-service bundled customers. They further

²⁴ PG&E would typically change a customer to the most applicable tariff whenever the customer or PG&E realize that the customer is on the incorrect tariff, regardless of whether the customer's bills would increase or decrease.

asserted that PG&E's plan fails to also meet the local proximity and size requirements in D.15-01-051.

We agree that these are reasonable concerns, and they are addressed in this decision.

5.6. Central Coast Community Energy, City and County of San Francisco, East Bay Community Energy, Peninsula Clean Energy Authority, Pioneer Community Energy, and San Diego Community Power

This group of Six CCAs filed a Response together to the First Petition. They are very concerned that PG&E is simply trying to avoid the additionality requirement of SB 43 and that PG&E has deliberately chosen to continue to enroll new GTSR customers without procuring the requisite additional, *i.e.*, separate resources. The Six CCAs argued that PG&E's GTSR price is incorrect, in fact under-priced, and they raise similar arguments to the issues included in the simultaneously filed Second Petition filed by the Joint CCAs. This filing in effect links a Response opposing the First Petition to support of the Second Petition. Members of the Six CCAs in the Response are also in the larger group of entities that filed the Second Petition.

6. Replies to the First Petition

PG&E filed a Reply and a Supplemental Reply which argued in support of its original petition and offered rebuttal to the Responses. Of particular note PG&E argued in its Supplemental Reply that temporarily using the RPS resources would not harm non-GTSR customers. CUE filed a Reply supporting PG&E's position and opposing the arguments that PG&E's proposal would harm non-GTSR customers and that PG&E violated the additionality requirement.

6.1. Authorizing PG&E's Proposal and Added Safeguards

The First Petition filed by PG&E proposed that currently enrolled customers be allowed to continue to participate in the Green Tariff Option even though PG&E is short on procured program capacity. PG&E stated that it would have needed to forecast the 2021 first quarter demand surge in 2018 in order to have brought procurement online in time to match current subscription levels. PG&E stated that it would have been nearly impossible to predict a 2021 demand spike in 2018, due to the dynamic nature of the Solar Choice rate, which is partly driven by the recent volatility of the PCIA rate that is approved on an annual basis through the ERRA proceedings. PG&E offered no credible justification for knowingly enrolling customers in the GTSR rate option once it became obvious to PG&E that more customers would result in the program being oversubscribed and out of compliance.

We agree with PG&E that there were structural obstacles to quickly procuring new generation to meet this sudden surge in demand, linked to the misalignment between multi-year procurement timelines and subscription increases driven by annual rate changes. In addition, due to the sunset clause of SB 43 – which was resolved by SB 840 (2016) and Resolution E-5028 – PG&E was prohibited from procuring new projects until 2019. However, PG&E could have, and should have, at least anticipated this potential surge in enrollment at the end of 2020 when Green Tariff rates were approved in the ERRA proceeding.²⁵

In the First Petition PG&E claimed that “(t)he linkage between the net credit and program growth is not direct, as evidenced by the fact that program growth remained slow through 2020 despite the favorable rates effective

²⁵ Specifically, D.20-12-038.

beginning May 2020.” PG&E failed to note, however, that the difference between the current Green Tariff “Premium” (which became a bill credit in 2020) was rather modest in 2020 and grew by nearly an order of magnitude in 2021, as shown in the table below.

PG&E Green Tariff Rate by Customer Class in 2020 vs 2021

	Residential: E-1	Small Business: A-1	Medium Business: A-10
2020 Rate ²⁶	0.18 ¢/kWh	0.12 ¢/kWh	0.041 ¢/kWh
Current Rate ²⁷	1.128 ¢/kWh	0.746 ¢/kWh	1.309 ¢/kWh

PG&E’s claim that customers would act the same in 2021 as they did in 2020, particularly when the GTSR credit for medium-sized commercial customers increased 30-fold from .041 cents to 1.3 cents per kWh, is not persuasive. PG&E could have, and should have, anticipated that this significant rate discount in 2021 would likely drive an increase in enrollments in its Solar Choice Program. As such, PG&E should have immediately informed the Commission with a timelier petition and halted enrollment when oversubscription began to occur in January 2021. Instead, as previously discussed, PG&E waited to file its Petition until April 30, 2021 and continued to enroll new customers. This demonstrates poor program administration and management on PG&E’s part, and a lack of transparency that is unacceptable.

We find, however, that it would be unfair to unenroll GTSR customers for PG&E’s poor program administration and management. These customers should not be faulted for deficiencies in PG&E’s GTSR Program design or implementation, and therefore we will not require them to be unenrolled from

²⁶ First Petition, Footnote at 2.

²⁷ PG&E Electric Schedule E-GT, Effective March 1, 2021. Available at: https://www.pge.com/tariffs/assets/pdf/tariffbook/ELEC_SCHEDS_E-GT.pdf.

GTSR. We do want to protect the integrity of the GTSR Program, which was designed to help contribute to California's clean energy goals, and which can help us achieve a decarbonized grid by 2045. We also want to avoid creating a situation where customers view renewable energy programs as unreliable, which could be an outcome if customers were unenrolled here. As mentioned previously, the GTSR Program is also set to be under review in 2022, with the objective to review and improve program design, implementation, and the program's goals going forward. For these reasons, we approve PG&E's proposal in the First Petition to allow currently enrolled customers to retain the Green Tariff Option to their electric service.

We also find that there is precedent in GTSR for using existing resources on an interim basis until new projects can be procured. In D.15-01-051, the Commission found "[because] of the lag between the launch of the GTSR Program and the time to bring new resources online, it is reasonable and efficient to use existing RPS resources to supply the customers who sign up for the GTSR Program before new resources are procured."²⁸ This avoided a long gap between program creation and program activation. That earlier situation is distinct from PG&E's current situation, where PG&E erroneously continued to enroll new GTSR customers after it exceeded the program's dedicated sources of energy. Because we are no longer jump-starting a new program, we find that borrowing available RPS resources is a reasonable short-term option for bridging the misalignment between multi-year procurement timelines and subscription increases driven by annual rate changes. In addition, we set the same limitations on use of existing resources that was established in D.15-01-015, namely that the

²⁸ D.15-01-051 at 42.

use of existing RPS resources for GTSR customers is a temporary measure applicable only until additional GTSR resources are brought online.²⁹ As is further discussed in the Solicitation Requirements for Borrowed GTSR Pool section, we require PG&E to procure new, additional GTSR resources and sign contracts for the projects by December 31, 2022.

Thus, this decision authorizes PG&E to borrow existing RPS resources that are in excess to its minimum RPS. To ensure transparency and cost indifference in this more mature phase of the GTSR Program, this decision enacts more specific and stricter requirements for PG&E's use of existing resources than previously required in D.15-01-051 for its start-up resource pool. We require PG&E to procure new, additional GTSR projects from appropriate resources acquired for that purpose, with specific deadlines, as detailed in the following section. We also require PG&E to fully track and report all energy consumed by GTSR customers which was generated by existing, non-GTSR resources.

PG&E is absolutely prohibited from enrolling new GTSR customers until new additional GTSR sources are online and PG&E has complied with the legislation and Commission decisions to procure these additional resources.³⁰

²⁹ D.15-01-051 at 43. The Commission allowed the utilities to temporarily use existing resources while starting up the DAC-GT program: "To expedite the timeline under which DAC customers could actually receive the benefit of the DAC-GT program, we will permit, but not require, the [Investor Owned Utilities] . . . to serve DAC-GT customers through existing GT or RPS projects that meet the eligibility requirements of the DAC-GT program on an interim basis until new DAC-GT projects come online. Once new DAC-GT projects come online, DAC-GT customers are to be transferred to these projects, and unsubscribed GT/RPS capacity will be reallocated to the GT/RPS programs." Resolution E-4999 at 24.

³⁰ "A participating utility shall use commission-approved tools and mechanisms to procure additional eligible renewable energy resources for the green tariff shared renewables program from electrical generation facilities that are in addition to those required by the California Renewables Portfolio Standard Program." Pub. Util. Code § 2833(c).

7. Borrowed GTSR Pool

When the GTSR Program was first launched, the electric utilities were expected to allow customers to sign up for GTSR even as they began the GTSR Program's separate procurement process to procure the necessary "additional" resources. As discussed above, during this original transition period, the electric utilities, including PG&E, were authorized to draw on existing RPS resources for an Interim GTSR Pool. Simultaneously, PG&E, Edison and SDG&E, were required to engage in a process to bring on a permanent GTSR dedicated supply of Green power, beyond any resources already in the RPS portfolio.

We require PG&E to mimic the approach used for the start-up of the GTSR to temporarily supply, track existing RPS resources for GTSR customers, and ultimately build new projects to end the temporary reliance on borrowing existing RPS projects in what we call a Borrowed GTSR Pool. As discussed below, we are concerned about which specific power contracts/sources PG&E tracks in the Borrowed GTSR Pool, and therefore require PG&E to submit a Tier 3 Advice Letter with the projects listed below as a starting point because we are statutorily obligated to ensure that nonparticipating ratepayers served by the RPS resources are ultimately held indifferent over the time that PG&E borrows from RPS and replaces the Borrowed GTSR Pool with additional new renewable resources. We note that PG&E is oversubscribed now and we direct that as of the effective date of this decision PG&E must no longer enroll new GTSR customers until its pool of new GTSR projects are interconnected and providing incremental new energy to California's grid which is sufficient to meet GTSR demand.

In the First Petition, PG&E proposed to temporarily use existing bundled renewable resources to serve oversubscribed customer load until a new

procurement solicitation is completed for the GTSR. These Green resources were procured by PG&E to serve its non-GTSR bundled customers as a part of its RPS program and would comply with the Commission's existing GTSR procurement requirements. PG&E further proposed that the price of these dedicated resources should be based on the weighted average price of eligible PG&E bundled renewable resource projects with July 2015 – 2018 online dates, to represent a hypothetical portfolio of the newest additional renewable resource contracts that would provide sufficient energy to fill average expected 2021-2023 Solar Choice customers' needs (Petition at 3). TURN and Public Advocates Office recognized that PG&E's language on the duration of this transfer was ambiguous and left open-ended opportunities for PG&E to transfer excess RPS capacity rather than procuring new capacity for the GTSR Program. We agree with TURN and the Public Advocates Office that PG&E's language was unclear.

PG&E did provide some aggregated information based on a hypothetical portfolio with sufficient quantity to meet the needs of the shortfall but did not provide sufficient information to ensure ratepayer indifference or to allay the "cherry picking" concerns described in D.15-01-051. The following table is prepared by the Commission's Energy Division, with prices removed, which could conceivably be the source of the Borrowed GTSR Pool.³¹

³¹ The Commission collects monthly project data through the RPS database which tracks the development status of all renewable energy projects executed by PG&E, Edison, and SDG&E. PG&E's RPS contracts executed to date can be accessed here:

<https://www.cpuc.ca.gov/industries-and-topics/electrical-energy/energy-reports-and-whitepapers/rps-reports-and-data>.

Table 1

Potential Projects for Borrowed GTSR Pool: Project Name	Actual Contract Operating Date	Capacity (MW)	2021 Generation (MWh)
Bakersfield 111	7/28/15	1.4	3,035
Fresno Cogeneration - Fresno Solar South	10/20/15	1.5	3,071
Fresno Cogeneration - Fresno Solar West	10/20/15	1.5	3,072
Columbia Solar Energy - RAM 2	10/21/15	19	40,012
Greenlight - Sirius Solar Project	10/22/15	0.999	2,031
Morelos del Sol - RAM 3	12/2/15	15	38,313
Woodmere Solar Farm - RAM 4	12/23/15	15	29,998
ImMODO- Lemoore 1	2/1/16	1.5	2,063
Greenlight - Peacock Solar Project	2/3/16	0.999	1,424
Pristine Sun- 2192 Ramirez	2/11/16	0.5	1,152
Greenlight - Castor Solar Project	4/7/16	1.5	3,503
CED Corcoran Solar 3, LLC - PV 3	12/1/16	20	51,141
CED Oro Loma Solar Project A - RAM 5	1/26/17	10	27,175
Avenal Solar Project A - RAM 5	1/26/17	7.9	19,428
CED Oro Loma Solar Project B - RAM 5	1/26/17	10	27,144
Avenal Solar Project B - RAM 5	1/26/17	7.9	18,899
Westside Solar, LLC - PV 3	3/13/17	20	57,323
Aspiration Solar G LLC - PV 3	9/26/17	9	23,653
Summer Wheat (FKA San Joaquin 1A - RAM 6)	10/11/18	19.24	29,998

https://www.cpuc.ca.gov/-/media/cpuc-website/industries-and-topics/documents/energy/rps/rps-public-database_october-2021.xlsx

These 19 projects have a combined capacity of 163 MW and are representative of the eligible projects in PG&E's RPS portfolio that meet eligibility requirements for the GTSR Program. We require that PG&E use these projects as the starting point for the Borrowed GTSR Pool, to help ensure PG&E does not "cherry-pick" high or low-priced projects that could have long-term negative impacts on either GTSR or non-GTSR customers. This starting list may also meet one intention of the statute that the GTSR projects bear a geographic proximity to the GTSR load to be served by the Borrowed GTSR Pool.³² PG&E must file a Tier 3 Advice Letter 15 days after the effective date of this decision to propose a final version of the Borrowed GTSR Pool. If PG&E deviates from the project list in Table 1, it must provide an explanation in the Advice Letter. PG&E is authorized to use existing RPS resources for the Borrowed GTSR Pool up to the oversubscribed capacity as of the effective date of this decision, not to exceed 176.15 MW.³³ We stress that this Borrowed GTSR Pool is a temporary one-time approval and will not be an option in the future.

PG&E must track the cost of the Borrowed GTSR Pool resources consistent with the process for the Interim GTSR Pool ordered in D.15-01-051, by using a "cost-sharing" mechanism to allocate the costs from the RPS resources to the Borrowed GTSR Pool. PG&E must also continue including cost-sharing information in its annual RPS Procurement Plans, which shall also be served on the GTSR service list until PG&E ceases to use the Borrowed GTSR Pool. All three utilities, PG&E, Edison, and SDG&E are still required by D.15-01-051 (at

³² Pub. Util. Code § 2833 (e) directs the electric utilities "to the extent possible . . . to favor "resources that are located in reasonable proximity to enrolled customers."

³³ Quarterly Green Tariff Shared Renewables Program Progress Report of Pacific Gas & Electric Company (U39E) for Activities Occurring April - June 2021, dated July 29, 2021. 228.9 MW Green Tariff Subscribed (Table 3) - 52.75 MW Green Tariff Procured (Table 1)

page 41) to include all information related to the transfer of megawatts from the existing RPS program to GTSR, or vice-versa. This information must include: the impact on the renewable net short and the need to bridge for any shortfall, the Renewable Energy Credits, list of contracts with price, and other relevant details. PG&E remains responsible for ensuring that use of RPS resources for GTSR does not cause it to fail to meet its RPS compliance requirements.

The Joint CCAs noted “there is good reason to be skeptical that any additional procurement will occur if this petition is granted.”³⁴ Indeed, the facts and PG&E’s own conduct bear out this concern: PG&E noted that it launched a “competitive” solicitation on May 3, 2021 to procure up to the remaining MWs in the Unrestricted and EJ Reservation categories, a total of up to 193.94 MW, and claimed that it received no competitive offers below the solicitation bid cap.³⁵ Given this very real concern that that PG&E is merely using the GTSR program to shore-up its over procurement in the RPS program, we adopt a modified version of the Public Advocates Office recommendation that “Any modification of the Decision should limit the duration of the transfer to avoid repeated and ongoing capacity shifts and should not extend beyond December 31, 2023 for these temporary transfers.”³⁶ We recognize that some circumstances are beyond PG&E’s control, and we therefore modify Public Advocates Office’s proposal and extend this deadline to December 31, 2024.

³⁴ Response Of Central Coast Community Energy, City and County Of San Francisco, East Bay Community Energy, Peninsula Clean Energy Authority, Pioneer Community Energy, and San Diego Community Power in Opposition to Emergency Petition for Modification of Decision 15-01-051 of PG&E. May 17, 2021.

³⁵ Quarterly Green Tariff Shared Renewables Program Progress Report of PG&E for Activities Occurring April - June 2021. July 29, 2021.

³⁶ Public Advocates Office Response and Opposition to PG&E’s Emergency Petition for Modification of Decision 15-01-051. May 17, 2021.

7.1. Solicitation Requirements for Borrowed GTSR Pool

D.15-01-051 required PG&E, Edison, and SDG&E to have advance procurement under contract within one year, in order to create a start-up pool of GTSR resources in a timely manner.³⁷ Consistent with D.15-01-051, we require PG&E to have new, additional RPS-eligible procurement under contract to meet its current oversubscription by no later than December 31, 2022, roughly a year from the issuance of this Decision. This additional procurement must be for at least 176.15 MW,³⁸ the current oversubscription shortfall at the time of this Decision. Should PG&E be unable to sign contract(s) for this additional procurement by December 31, 2022, it must seek an extension from the Commission pursuant to Rule 16.6 of the Commission's Rules. Any extension request must include a comprehensive explanation of the steps taken and why PG&E was unable to sign contracts by this date.

While D.15-01-051 required the utilities to sign a contract for procurement within one year, it was silent on when the procurement needed to be interconnected to the electric grid. In its response to the First Petition, Public Advocates Office recommended that the Commission create a time limit for the transfer of resources from the RPS bundled portfolio to the GTSR Program to avoid repeated and ongoing capacity shifts. We agree, and we believe PG&E should be held accountable to moving these projects through the pipeline as quickly as possible. Based on historical trends observed by our Energy Division staff, the average length of time between the start of a solicitation and

³⁷ D.15-01-051 at 181.

³⁸ Quarterly Green Tariff Shared Renewables Program Progress Report Of PG&E for Activities Occurring April - June 2021. July 29, 2021. Total Alternate GT Capacity (228.9 MW) - GT Procured (52.75 MW).

interconnection for renewable projects is two to three years. Therefore, we require PG&E to have at least 176.15 MW of incremental new RPS-eligible procurement interconnected and providing incremental new energy to California's grid by no later than December 31, 2024, roughly three years from the date of this Decision. Should PG&E find itself unable to interconnect this amount of new, additional procurement by December 31, 2024, it must seek an extension from the Commission pursuant to Rule 16.6. Any extension request must include a comprehensive and reasonable rationale for the failure to interconnect the procurement by this date. We also direct PG&E to transfer the projects in the Borrowed GTSR Pool back to the RPS Bundled portfolio by no later than December 31, 2024.

Several parties in responses raised concerns that PG&E failed to clarify in the First Petition how its proposal would interact with the Voluntary Auction Market Offer (VAMO) that the RPS Proceeding is currently considering. The RPS VAMO will be implemented in 2022, with deliveries beginning in 2023, and will exclude the resources in the Borrowed GTSR Pool. By requiring PG&E to transfer projects in the Borrowed GTSR Pool back to the RPS Bundled portfolio by no later than December 31, 2024, these projects shall continue to comprise a portion of the PCIA-eligible RPS portfolio eligible for future Voluntary Allocations, should the Commission approve additional allocations in future RPS compliance periods.³⁹ PG&E is required to include the Borrowed GTSR projects in RPS VAMO-related planning underway in the RPS Proceeding.

³⁹ D.21-05-030 approves a Voluntary Allocation during RPS compliance period 4 (2021-2024) and directs LSEs to file a Tier 2 advice letter to request an RPS VAMO for future RPS compliance periods.

In terms of the solicitation frequency, the Commission previously ordered PG&E, Edison, and SDG&E to hold two solicitations per year for the GTSR Program until the program sunsets, or the additional capacity contemplated in SB 43 is fully procured in D.16-05-006.⁴⁰ In Resolution E-5028, the Commission granted the utilities' request to hold a minimum of one solicitation per year, rather than two. This decision rescinds this flexibility for PG&E specifically starting in 2022 and requires PG&E to return to holding a minimum of two solicitations per year until their Procured Capacity exceeds Enrolled Capacity.

7.2. Independent Evaluator Input

In D.04-12-048 of the Long-Term Procurement Planning Proceeding, the Commission required the utilities to hire an independent evaluator to monitor competitive solicitations that involve affiliate transactions, utility-built or utility-turnkey bidders. Subsequently, D.06-05-039 required an Independent Evaluator to also monitor all RPS solicitations to separately evaluate and report on the utility's entire solicitation, evaluation and selection process for this and all future solicitations. The Independent Evaluator serves as an independent check on final selections, by ensuring solicitations are conducted in an open, fair, and transparent process. This requirement was adopted into the GTSR procurement process of RPS-eligible resources.

Of value is the Independent Evaluator report, which is included with the Tier 2 Advice Letter that accompanies *executed* Power Purchase Agreements. Currently, a solicitation which does not result in signed contracts does not

⁴⁰ The Decision Addressing Participation of Enhanced Community Renewables Projects in The Renewable Auction Mechanism and Other Refinements to the Green Tariff Shared Renewables Program (GTSR Phase IV Decision) at 10.

trigger an Independent Evaluator Report. As a result, these solicitations, which could benefit from the Independent Evaluator's expertise and insight on why no projects were selected, do not yield such a report.

PG&E launched a solicitation in May 2021 to procure the remaining MWs of capacity, a total of up to 193.94 MW. Like many GTSR solicitations, this competitive solicitation yielded no competitive "short-listed" bids; thus, the public did not receive the benefit of this report. Given the market failures discussed in the First Petition, the Commission directs PG&E to, at the conclusion of each solicitation, regardless of outcome, to submit a Tier 2 Advice Letter with an Independent Evaluator Report. PG&E shall also report the steps it will take to implement the Independent Evaluator's suggestions.

7.2.1. Reporting Requirements

In Resolution E-5028,⁴¹ the Commission streamlined and consolidated GTSR reporting requirements. Specifically, the Commission modified the frequency of its GTSR program reports from monthly to quarterly as part of an overall reduction from 26 to 11 reports per year. Until PG&E improves in its management of its Solar Choice Program, this authorization for a reduced reporting schedule is rescinded for PG&E only.

To aid in closer scrutiny and oversight of PG&E's program implementation and administration, PG&E must submit these reports monthly. The Energy Division Director, or designee, shall inform PG&E when it may return to quarterly reporting. Specifically, PG&E is ordered to reinstate its Monthly GTSR Program Progress Report, which shall continue including the

⁴¹ Ordering Paragraph 6. The specific reporting requirement changes are described in detail in Attachment C of PG&E Advice Letter 3920-G/5206-E.

new information referred to as “Table 3: Alternate GT Capacity Methodology Results (MW)” in PG&E’s Quarterly GTSR Program Progress Report.

PG&E may continue to file its ECR Contract Report and Generation Transfer Report on a quarterly basis. PG&E must also report its status on tracking both oversubscribed consumption in its existing quarterly compliance filing reports to the Energy Division and the service lists to this or subsequent proceedings. PG&E must ensure that it does not allow the GTSR program to become oversubscribed again. In addition to reporting the actual levels of usage in its monthly GTSR reports, PG&E must indicate any concerns it can forecast or anticipate about reaching or exceeding its dedicated GTSR capacity in a subsequent period. PG&E must also immediately report to the Commission and the Energy Division any urgent concerns that arise suddenly in between the scheduled reports.

For the oversubscribed GTSR customers, PG&E has “borrowed” Non-GTSR clean RPS power that would otherwise have been delivered to non-GTSR customers. By enrolling customers in GTSR PG&E has obligated itself to provide the additional green resources that are the focus of the GTSR Program.

**8. Second-Petition – Joint CCAs –
Filed on May 17, 2021**

In D.15-01-051, the Commission found that utilities must charge all bundled customers, including GTSR customers, for the value of Resource Adequacy procured on their behalf to ensure that there are sufficient generating resources available for anticipated load.⁴² These charges are reflected in PG&E’s

⁴² Pub. Util. Code § 380.

tariffs as part of GTSR's generation-related program charges.⁴³ The Joint CCAs propose a 1) "narrow modification" to update the Resource Adequacy (RA) charge component of GTSR rates consistent with the current calculation of "Retained RA," which was updated recently in D.19-10-001 and 2) that *each* utility update its GTSR rates in a manner that is consistent across service territories.⁴⁴ We approve the first proposal, and reject the second.

8.1. A Narrow Modification to Update the Resource Adequacy Charge in GTSR Rates

The Joint CCAs suggested that their narrow modification would also address, in part, the circumstances leading to PG&E's Petition. They argued that PG&E's latest modifications to the RA charge component adopted in its 2021 ERRRA Forecast application, which took effect January 1, 2021, understated the cost of RA used to serve its GTSR customers and contributed to the surge in enrollments in non-residential customers leading to the oversubscription problem discussed earlier.

PG&E had calculated its GTSR Resource Adequacy charge with the following simplified formula:

$$GTSR\ RA\ charge = \frac{\textit{The anticipated cost of capacity [numerator]}}{\textit{Forecasted load of customers in PG\&E's service territory [denominator]}}$$

The Joint CCAs noted that PG&E had multiplied its RA Adder used by the PCIA by all PCIA-eligible (generally those served by DA or CCAs) customers in the numerator. It then divided this total RA cost by the annual load for customers, both bundled and unbundled, in the denominator. PG&E's

⁴³ PG&E Advice Letter 4639-E: Green Tariff Shared Renewables Customer-Side Implementation Advice Letter at 9.

⁴⁴ Joint CCAs PFM at A1.

calculation of the RA cost per kWh of customer load did not match the RA capacity with the customer load it serves, thus understating the GTSR RA charge. Applying this updated calculation would result in an increase of \$7.71/MWh to PG&E's overall GTSR rate, or .771 ¢/kWh.⁴⁵ Coincidentally, the current GTSR credit to large, newly enrolled commercial customers⁴⁶ is .684 ¢/kWh. Had PG&E calculated the RA charge as recommended, the "unanticipated significant increase in Solar Choice enrollment . . . as a result of the Solar Choice rate changing from a net premium to a net discount, especially for very large non-residential customers⁴⁷" is unlikely to have occurred, as GTSR would have remained a premium product.

8.2. Updating the RA Charge Component Calculation

The Joint CCAs note that the details of the RA charge calculation for Edison and SDG&E are not readily apparent from their respective summaries of program prices and term, and propose ordering language to compel all three companies to revise the GTSR rate calculations consistent with the modifications recommended for PG&E.

We are being careful in this decision not to embark on a significant change in setting rates for the GTSR on the strength of these Petitions for Modification of D.15-01-051. Instead, broad changes to policy should be considered on a programmatic level when all stakeholders have time to properly vet applications

⁴⁵ Joint CCA PFM at 11, Figure 2, the difference in PG&E's Proposed RA charges to the Joint CCA's "Corrected" RA Charge of \$7.71/MWh converted to ¢/kWh.

⁴⁶ Tariff Sheet Electric Schedule E-GT, Green Tariff Program, Schedule E-19, generally considered medium-sized industrial customers whose demand exceeds 499 kilowatts. Effective March 1, 2021. https://www.pge.com/tariffs/assets/pdf/tariffbook/ELEC_SCHEDS_E-GT.pdf.

⁴⁷ First Petition at 1.

through written and even oral testimony. Therefore, we direct parties to the upcoming applications for the first DAC-GT, CSGT and GTSR Applications for Review as the broader forum to consider programmatic changes.

8.2.1. PG&E's Response to the Second Petition by the Joint CCAs

PG&E filed the only Response to the Joint CCAs' petition. PG&E's Response to the Petition for Modification did not oppose one of the Joint CCAs requests that D.15-01-051 should be modified to provide greater specificity as to how GTSR rates are calculated, and to reflect D.19-10-001's framework concerning Retained RA. PG&E correctly pointed out that D.15-01-051 was adopted prior to the Commission's reform of the PCIA methodology established by D.18-10-019, which established updated benchmarks, and before D.19-10-001, which refined the method to develop and true-up market price benchmarks. PG&E agreed with the Joint CCAs that recent Commission decisions refined the meaning of "procured on their behalf," and established a framework concerning the calculation of bundled customer costs associated with the PCIA-eligible portfolio. These more recent concepts are not reflected in the older D.15-01-051. And as a result, D.15-01-051 requires calculating the PCIA methodology based upon PCIA total portfolio costs, and those customers paying for those costs, to determine customer rates.

PG&E did not oppose updating the GTSR's RA charge to reflect recent Commission decisions to address the amount of RA products retained by bundled service customers. PG&E urged the Commission to adopt additional revisions beyond those the Joint CCAs proposed in the Second Petition to fully align with D.18-10-019 and D.19-10-001, which, in addition to defining Retained RA for forecast purposes, also established a true-up process associated with

Retained RA. The Second Petition, according to PG&E, does not ensure customer indifference to load departure, a significant component of PCIA reforms provided in D.18-10-019 and D.19-10-001, and therefore PG&E argued the Joint CCAs proposal should not be adopted in full.

According to PG&E's Response to the Second Petition, D.18-10-019 adopted an annual true-up mechanism "to ensure that any forecast-related errors in the annual PCIA are reconciled and cost-shifting is prevented." In addition to defining Retained RA, D.19-10-001 established data requirements and processes relevant to the true-up of Retained RA. D.19-10-001 also ordered the utilities to calculate the true up in their respective ERRA proceedings. We agree with PG&E that any revision to GTSR ratemaking to reflect changes to the PCIA calculation methodology should therefore also address a true-up, a critical component of PCIA ratemaking to ensure customer indifference.

The Second Petition did not address a true-up of Retained RA. However, PG&E suggested that including a true-up component could be fully consistent with the Joint CCAs' request that changes to PCIA ratemaking be considered as part of GTSR ratemaking. Specifically, the Petition argued that these decisions "serve as a necessary foundation in understanding a key component to the GTSR rate, *i.e.*, the RA capacity that is retained for bundled customers' use." If the Commission granted the Second Petition to align the foundation of GTSR rates with PCIA ratemaking, then PG&E urged revisions to ensure a true-up is also included.

PG&E therefore proposed with its additional changes discussed above in its Response, that a portion of the Joint CCAs' Petition could be or should be adopted for use in the next round of GTSR ratesetting.

8.2.2. The Joint CCAs Reply to PG&E's Response

The Joint CCAs filed a Reply to PG&E's Response⁴⁸ and asked in the Reply that the Commission adopt the narrow modification in its Petition that the Commission approve an update to the Resource Adequacy component of the GTSR rate calculations in upcoming ERRA proceeding to reflect recent Commission decisions concerning the indifference amount calculation utilized in the PCIA rates, with the additional true-up suggestions proposed by PG&E. These conditions only apply to PG&E, and we adopt this portion of the Petition along with PG&E's additional changes. This recommendation is unopposed, was acknowledged in the 2021 ERRA Decision, and is supported by the record.

Likewise, the Joint CCAs do not oppose PG&E's proposed true-up modifications to the Second Petition's requested relief and the Joint CCAs proposed that the GTSR RA charge would flow through the GTSR balancing account and into GTSR rates in an ERRA Forecast. Both PG&E and the Joint CCAs agree that using recent Commission decisions to refine these methodologies is in the interest of both GTSR and non-GTSR customers. We agree.

The Joint CCAs had provided illustrative examples of the potential rate impact if these non-controversial changes are adopted, and we find them to be reasonable, fair, and in the interest of all ratepayers.

PG&E opposed the Joint CCAs' second proposal in the Second Petition that would require all three large electric utilities to align their GTSR tariffs. We agree with PG&E, and do not impose the changes which PG&E accepted on Edison and SDG&E at this time. In D.15-01-051, the Commission knowingly and

⁴⁸ Joint CCAs' Reply to Response to Petition for Modification of Decision 15-01-051. June 28, 2021.

legally authorized unique tariffs for the three companies, and ordered them to file individual Customer Side Implementation Advice Letters addressing the details of each individual GTSR Program, including rate components. In contrast, the Commission ordered PG&E, Edison, and SDG&E to file a Joint Procurement Implementation Advice Letter, signaling the desire for a more uniform, statewide approach. Each company has separate ERRA filings where the mechanics of these rates are determined, separate billing systems, and information technology constraints, which could all benefit from a longer lead-time should a substantive change be imposed. There has been no persuasive justification to unravel those unique tariffs at this time.

9. Third Petition – Community Solar Access – Filed on June 17, 2021

The Third Petition, filed by Community Solar Access (Third Petition), clearly violates the intent of Rule 16.4(a): a Petition is not an alternative to appealing or rehearing an issue lost in litigating a decision; and (b) reintroducing a failed proposal does not offer new “facts.”

The Third Petition seeks to modify the ECR program, within the GTSR Program, as approved by D.15-01-051 and D.16-05-006. The proposed modifications include: (i) incorporating 20-year levelized values (differentiated by technology and utility) from the ACC into the ECR rate structure, in place of several of the charges and credits currently utilized; and (ii) reducing the ECR project size limit from 20 MW_{ac} to 5 MW_{ac}. (Petition at 2.) Thus, Community Solar Access has introduced a whole new set of proposals in the Third Petition and has extended its proposals beyond PG&E to also include SDG&E and Edison.

Community Solar Access points out that the Commission declined to make these changes previously in Resolution E-5028 (dated September 26, 2019) but did suggest a petition for modification would be one avenue. In fact, the Resolution found that “the PCIA mechanism remains a reasonable and best-available proxy to retain the ratepayer indifference mandated by SB 43. The Joint Solar Interests’ suggestion to remedy the PCIA mechanism for the GTSR Program is therefore rejected.” (E-5028 at 33.)

Three timely Responses were filed to the Third Petition: (1) a joint Response by PG&E, Edison, and SDG&E; (2) CalCCA, and (3) Public Advocates Office.

9.1. The Joint Utilities

The three utilities, PG&E, Edison, and SDG&E filed a Joint Response to the Third Petition (Joint Utilities) and raised four concerns. First, they argued that the Third Petition fails procedurally because it is beyond one-year from the latter of the two decisions, and because the issues raised are beyond the reasonable scope for a Petition for Modification. They point out that in their opinion the Third Petition “fails to demonstrate that non participating customers would remain indifferent to program participation if the PCIA and other actual costs and benefits utilized in ECR ratemaking were eliminated and replaced with proxy [ACC] CCA values.”⁴⁹ Second, the Joint Utilities also observed in a lengthy discussion that in their opinion the Petition failed to show that non-GTSR customers would remain indifferent to the ECR program if the actual utility costs and benefits, including the values relevant to the PCIA calculation, were replaced with proxy ACC values. The Commission has an equal duty to set

⁴⁹ Joint Utilities Response at 4.

just and reasonable rates for both the GTSR customers and Non-GTSR customers, so this is a compelling concern.

The three utilities also opposed reducing the size of ECR projects from 20 MW to 5MW. Because we defer the issues of the Third Petition, we will not address this issue here. Similarly, we will defer the proposal opposed by the utilities to consider using the ECR as “leverage” to create a compliance mechanism for the California Energy Commission’s Title 24 which requires new residential construction to be powered by solar, with the possibility that “community solar” could be used for building that cannot accommodate a solar installation. The merits of this proposal will be addressed elsewhere.

9.2. CalCCA

CalCCA, an organization which represents the interests of 22 community choice electricity providers in California, filed a response.⁵⁰ CalCCA opposed the Third Petition and argued that Community Solar Access seeks to modify the ECR rate structure to replace the PCIA, Solar Value Adjustment, and other components with 20-year levelized values from the Commission’s ACC. CalCCA argued that Community Solar Access aimed its proposal toward three objectives: 1) Meet the legislative mandate for cost indifference; 2) Remain consistent with the guidance provided by the legislature and Commission in prior decisions and rulings; and 3) Enable a financially viable program that can live up to its legislative intent and play a pivotal role in meeting California’s state

⁵⁰ 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, Sonoma Clean Power, and Valley Clean Energy.

energy goals. Further, CalCCA believes that Community Solar Access's proposed modifications do not meet these stated objectives and would discriminate against other bundled customers and customers of other load-serving entities. For these reasons, CalCCA argued the Petition should not be granted, or, at a minimum, Community Solar Access's proposals should be modified. We agree that the Commission must examine these detailed and significant changes in a broader application, as discussed in this decision.

9.3. Public Advocates Office

The Public Advocate Office argued the Third Petition should be denied because it was a significant revision to the ECR program and would require, for example, "significant modifications to D.16-05-006's policy conclusion that all Green Tariff Shared Renewables rate components except the generation component should remain variable." (Response at 1.) Along with other concerns explored in the Response, Public Advocates Office opposed the Petition. As discussed elsewhere in this decision we find it appropriate to defer the issues in the Petition for a comprehensive review rather than make policy adjustments at this time.

With the upcoming applications for the first DAC-GT and CSGT Applications for Review there is a broader forum available to again consider the use of the ACC assuming Community Solar Access and other interested parties are more persuasive than they were in the advice letter filings which led to Resolution E-5028.

10. Comments on Proposed Decision

The proposed decision of Administrative Law Judge (ALJ) Douglas M. Long in this matter was mailed to the parties in accordance with § 311 of the Pub. Util. Code and comments were allowed under Rule 14. Comments were

filed on _____, and reply comments were filed on _____ by _____.

11. Assignment of Proceeding

Martha Guzman Aceves is the assigned Commissioner and Manisha Lakhanpal and Douglas M. Long are the assigned Administrative Law Judges in this proceeding.

Findings of Fact

1. The GTSR Program is intended to provide retail customers an opportunity to select a more Green energy portfolio. Customers originally paid an additional rate component to pay for the additional Green resources PG&E acquired in addition to the existing resource mix available to serve its customers.

2. Recently the higher price differential between the additional GTSR rate option and the conventional rate options has shrunk and even reversed to become a savings.

3. PG&E knowingly continued to accept new GTSR customers and is in an over-subscribed position for its GTSR Program where the demand of enrolled customers exceeds the additional Green energy needed to fulfill the terms of the program. This is confirmed in PG&E Advice Letter 6294-E, filed on August 13, 2021. This means PG&E is out of compliance with SB 43 and the GTSR implementing decisions.

4. PG&E's Petition for Modification of D.15-01-051 was timely filed in conformance with Rule 16.4.

5. PG&E's Petition for Modification would punish overenrolled GTSR customers for PG&E's poor program administration and management if they were unenrolled.

6. There is a limited precedent in GTSR for using existing resources on an interim basis when the program was implemented to start the program before new projects were procured.

7. Allowing PG&E to temporarily borrow Green resources from its RPS portfolio to meet the needs of the GTSR tariff allows customers to be served under the GTSR tariff when PG&E is otherwise oversubscribed.

8. If PG&E tracks the capacity used to serve the over-subscribed load from the Borrowed RPS resources then Non-GTSR customers can be protected from harm.

9. The Joint CCAs' Petition for Modification of D.15-01-051 was timely filed in conformance with Rule 16.4.

10. The Community Solar Access Petition for Modification D.15-01-051 was not timely filed in conformance with Rule 16.4.

11. The extended deadline for the DAC-GT and CSGT Applications for Review will allow PG&E, Edison, and SDG&E to include the issues from the Second Petition and the Third Petition and allow the Commission to evaluate the proposals in a balanced and informed manner.

12. The Interim GTSR Pool previously authorized in D.15-01-051 is a viable model for a Borrowed GTSR Pool to control the use of RPS resources used to serve GTSR customers.

13. Additional information provided via PG&E's existing GTSR quarterly report as described in this decision would facilitate tracking of the Borrowed GTSR Pool as well as track the costs of the Borrowed GTSR Pool.

14. The methodology for the forecast RA charge needs to be updated. To determine the RA charge, the best methodology to apply to the bundled customers share of PCIA-eligible portfolios' RA attributes is: (1) to set the

amount of RA capacity procured on behalf of the GTSR customers at the forecasted level of Retained RA, as it is defined in D.19-10-001, in the forecast year; and (2) true-up the RA charge utilizing the methodology set forth in D.19-10-001 in PG&E's annual Energy Resource Recovery Account forecast proceeding.

15. Determining the RA charge on a forecast basis, using forecasted bundled customer load for the forecast year will match the anticipated capacity costs for bundled customers with the anticipated load of bundled customers.

Conclusions of Law

1. The Commission has the discretion to conditionally grant PG&E's Petition for Modification of Decision D.15-01-051.

2. By enrolling a customer in the GTSR Program PG&E has assumed an obligation to serve that customer in compliance with the GTSR Program rules and tariff conditions.

3. PG&E is not in compliance with SB 43 and the Commission decisions that implemented the GTSR Program because it has enrolled more customers than it can serve with the GTSR Program's existing resources.

4. It is reasonable to allow PG&E to borrow, and track, sufficient RPS resources to serve the over-subscribed load under its GTSR tariffs.

5. A Borrowed GTSR Pool is a reasonable means of tracking the use of RPS resources to temporarily serve the oversubscribed GTSR customers.

6. It is reasonable to require PG&E to acquire additional RPS-Eligible GTSR resources to replace the capacity borrowed from the RPS portfolio and to restore the GTSR to compliance with SB 43 and the Commission decisions and resolutions, which adopted and implemented the GTSR program.

7. It is reasonable to require PG&E to have an Independent Evaluator's Report for each new GTSR solicitation regardless of whether the solicitation results in an executed contract.

8. It is reasonable to require PG&E to comply with the reporting requirements for the Borrowed GTSR Pool.

9. It is reasonable to require PG&E to reinstate monthly reporting as described in this decision.

10. The Commission has the discretion to grant portions of the Joint CCAs' Second Petition for Modification of Decision 15-01-051.

11. The Commission has the discretion to deny without prejudice portions of the Joint CCAs' Second Petition for Modification of Decision 15-01-051.

12. The Commission has the discretion to reconsider portions of the Joint CCAs' Second Petition for Modification of Decision 15-01-051 in a subsequent proceeding that reexamines, reviews, or revises the Green Tariff Shared Renewables Program.

13. It is reasonable that the quantity of capacity used in the numerator to calculate the forecast RA charge should match PG&E's forecasted Retained RA. The billing determinants used in the denominator to calculate the forecast RA charge should match PG&E's forecasted load for bundled customers.

14. The RA charge must be trued-up based upon the PCIA methodology in PG&E's annual Energy Resource Recovery Account forecast proceeding.

15. The Commission has the discretion to consider the issues raised in the Community Solar Access Third Petition for Modification of Decisions 15-01-051 and 16-05-006 in a subsequent proceeding that reexamines, reviews, or revises the Green Tariff Shared Renewables Program.

16. These proceedings should be closed.

O R D E R**IT IS ORDERED** that:

1. Pacific Gas and Electric Company (PG&E) is authorized to borrow capacity and energy acquired for its existing Renewables Portfolio Standard portfolio to temporarily replace any shortfall to serve those customers who are enrolled in its Green Tariff Shared Renewables Program (GTSR). PG&E shall track and maintain complete records of the maximum number of customers, by class, that are oversubscribed, and the consumption over time by those customers, so that the borrowed capacity is replaced when PG&E next procures additional RPS-eligible resources that comply with the GTSR Program goals. PG&E shall not enroll new GTSR customers without a specific order of the Commission. PG&E shall subsequently justify the cost of the replacement energy and take into consideration that it is currently charging customers for additional green resources temporarily borrowed from the non-GTSR portfolio. Neither GTSR customers nor non-GTSR customers should be disadvantaged by this temporary arrangement.

2. Pacific Gas and Electric Company (PG&E) shall file a Tier 3 Advice Letter within 15 days of the effective date of this decision to establish its Borrowed Green Tariff Shared Renewables (GTSR) Pool. PG&E must specifically identify and justify the projects that it intends to use to meet the GTSR over-subscription load. PG&E shall use the sample table included in this decision as guidance for its proposed pool.

3. Pacific Gas and Electric Company (PG&E) shall acquire at least 176.15 megawatts of incremental new RPS-eligible procurement, and it must be interconnected and providing incremental new energy to California's grid, no later than December 31, 2024, which is approximately three years from the date

of this decision. We also direct PG&E to transfer the projects in the Borrowed GTSR Pool established pursuant to Ordering Paragraph 2 back to the Renewables Portfolio Standard Bundled portfolio by no later than December 31, 2024.

4. Beginning January 1, 2022, Pacific Gas and Electric Company (PG&E) shall file in its monthly Green Tariff Shared Renewables (GTSR) reports the information described in this decision on the cumulative number of oversubscribed customers, by class, and the level of borrowed Renewables Portfolio Standard energy and capacity to serve the oversubscribed customers. PG&E must continue to serve these reports on the service list of this proceeding and any other interested party that makes a request. PG&E must include the Borrowed GTSR projects in Renewables Portfolio Standard (RPS) Voluntary Auction Market Offer-related planning underway in the RPS Proceeding. The Energy Division Director, or designee, shall inform PG&E when it may cease monthly reporting and revert to quarterly reporting.

5. To facilitate oversight of Pacific Gas and Electric Company's (PG&E's) Green Tariff Shared Renewables (GTSR) Program implementation and administration by the Commission's Energy Division, and to provide transparency for interested parties, PG&E **must** submit these two reports monthly: 1) PG&E must reinstate its Monthly GTSR Program Progress Report, which shall **also** include new information as shown in "Table 3: Alternate GT Capacity Methodology Results (MW)" in PG&E's current Quarterly GTSR Program Progress Report; and (2) PG&E must continue to file its GTSR Report and Generation Transfer Report on a monthly basis. The Energy Division Director, or designee, shall inform PG&E when it may revert to quarterly reporting for these two reports.

6. Pacific Gas and Electric Company (PG&E) must now include cost-sharing information in its annual Renewables Portfolio Standard (RPS) Procurement Plan. PG&E is directed to include the following as part of that cost-sharing information: PG&E must now include all information related to the temporary use of megawatts from the existing RPS program used in the Borrowed Green Tariff Shared Renewables (GTSR) Pool. This information must include the impact on residual net short and the need to bridge for any shortfall, accounting of Renewable Energy Credits, list of contracts with price, and other relevant details pursuant to Decision 15-01-051. PG&E must ensure that use of RPS resources for the Borrowed GTSR Pool does not cause it to fail in its existing RPS compliance requirements.

7. Pacific Gas and Electric Company shall serve its annual Renewables Portfolio Standard Procurement Plan on the Application 12-01-008 service list.

8. Pacific Gas and Electric Company shall return to holding a minimum of two solicitations per year until their Procured Capacity exceeds Enrolled Capacity in the Green Tariff Shared Renewables Program.

9. Consistent with Decision 15-01-051, Pacific Gas and Electric Company (PG&E) shall acquire new, additional RPS-eligible procurement under contract to meet its current oversubscription by no later than December 31, 2024 approximately a year from the issuance of this decision. This additional procurement must be for at least the current oversubscription shortfall at the time of this decision. Should PG&E be unable to sign contract(s) for this additional procurement by December 31, 2022, it must seek an extension from the Commission pursuant to Rule 16.6 of the Commission's Rules of Practice and Procedure. Any extension request must include a comprehensive explanation of the steps taken and why PG&E was unable to sign contracts by this date.

10. Pacific Gas and Electric Company (PG&E) shall, at the conclusion of each solicitation, regardless of outcome, file a Tier 2 Advice Letter with an Independent Evaluator Report that evaluates the solicitation. PG&E shall also report the steps it proposes to implement to address the Independent Evaluator's recommendations.

11. Pacific Gas and Electric Company, Southern California Edison Company, and San Diego Gas & Electric Company shall include implementation details of their Green Tariff Shared Renewables Programs in their 2022 Disadvantaged Communities Green Tariff and Community Solar Green Tariff Applications for Review.

12. Pacific Gas and Electric Company (PG&E) shall submit a Tier 2 Advice Letter within 30 days of this Decision revising and detailing its Green Tariff Shared Renewables rate calculations consistent with this decision to include the Retained Resource Adequacy capacity as authorized in Decision 19-10-001 and as proposed in the Petition for Modification of Decision 15-01-051 filed by City and County of San Francisco, East Bay Community Energy, Peninsula Clean Energy Authority, Central Coast Community Energy, Marin Clean Energy, Valley Clean Energy Alliance, San Jose Clean Energy, Pioneer Community Energy, Silicon Valley Clean Energy Authority, and Sonoma Clean Power (Joint CCAs) (the Second Petition). With the Tier 2 Advice Letter, PG&E must include all workpapers, calculations, and assumptions, etc., to support its calculations. Except as expressly approved in this Ordering Paragraph, the Second Petition is denied without prejudice. The Joint CCAs may raise the remaining issues in a timely and relevant proceeding that reexamines, reviews, or revises the Green Tariff Shared Renewables Program including the forthcoming 2022 Green Tariff Shared Renewables Programs in their 2022

Disadvantaged Communities Green Tariff and Community Solar Green Tariff Applications for Review.

13. The Third Petition for Modification of Decision (D.) 15-01-051 and D.16-05-006 filed by the Coalition for Community Solar Access (Community Solar Access) is denied without prejudice. Community Solar Access may raise these issues in a timely and relevant proceeding that reexamines, reviews, or revises the Green Tariff Shared Renewables Program, including the forthcoming 2022 Green Tariff Shared Renewables Programs in their 2022 Disadvantaged Communities Green Tariff and Community Solar Green Tariff Applications for Review.

14. Any interested party, including Pacific Gas and Electric Company, Southern California Edison Company, and San Diego Gas & Electric Company, may include any outstanding Green Tariff Shared Renewables Program issue that was previously found to be beyond the scope of the Commission's advice letter process or requires formal approval by the Commission in the 2022 Green Tariff Shared Renewables Programs in their 2022 Disadvantaged Communities Green Tariff and Community Solar Green Tariff Applications for Review.

15. Pacific Gas and Electric Company shall concurrently conduct and publicize Green Tariff Shared Renewables Program and Enhanced Community Renewables solicitations at least twice a year until enrolled capacity is met by new dedicated sources.

16. We replace Ordering Paragraph 8 of Decision 15-01-051 to read as follows :

Each of Pacific Gas and Electric Company (PG&E), San Diego Gas & Electric Company, and Southern California Edison Company is directed to begin advance procurement of Green Tariff Shared Renewables (GTSR) resources and to have this advance procurement under contract within one year following issuance of this decision. The advance procurement

amounts are as follows and the full amount of the City of Davis reservation is authorized from the start of the program but is not required to be procured within one year. PG&E must use existing renewable resources to serve Green Tariff Shared Renewables customers on a temporary basis to operate a Borrowed GTSR Pool while PG&E's current GTSR procurement is insufficient to meet the customers' needs. PG&E must conduct RPS-eligible GTSR procurement solicitations to obtain additional procurement sufficient to serve its customer enrollment and replace the borrowed capacity used to serve GTSR customers during the period of oversubscription.

17. Application (A.) 12-01-008, A.12-04-020, A.14-01-007 are closed.

This order is effective today.

Dated _____, at San Francisco, California.