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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking To Continue Implementation and Administration, and Consider Further Development, of California Renewables Portfolio Standard Program.

Rulemaking 18-07-003

ADMINISTRATIVE LAW JUDGE'S RULING MODIFYING THE RENEWABLES PORTFOLIO STANDARD PROGRAM'S PROCEDURAL SCHEDULE TO ACCOMMODATE FILING OF VOLUNTARY ALLOCATION AND MARKET OFFER INFORMATION ADOPTED IN DECISION 21-05-030

Summary

This ruling sets forth a modified procedural schedule for the Renewables Portfolio Standard (RPS) program. The revised schedule enables timely filing and resolution of matters related to (a) Voluntary Allocation (VA), and/or Market Offer (VAMO) processes adopted in Decision (D.) 21-05-030 in the Power Charge Indifference Account (PCIA) Rulemaking 17-06-026 proceeding, (b) 2022 RPS Procurement Plans, and (c) the voluntary allocations of RPS attributes adopted under the Modified Cost Allocation Mechanism in Rulemaking (R.) 20-05-003.

1. Background

On May 19, 2022, in Rulemaking (R.) 20-05-003, the Commission adopted Administrative Law Judge (ALJ) Fitch's proposed decision on Modified Cost Allocation Mechanism (MCAM) to allocate costs resulting from incremental procurements. (MCAM decision). The MCAM decision authorizes voluntary

allocations of Renewables Portfolio Standard (RPS) resources through the Voluntary Allocation processes adopted in Decision (D.) 21-05-030 and that are currently being implemented in this proceeding.

On April 18, 2022, an ALJ ruling was issued to resolve a December 8, 2021 joint motion filed by Southern California Edison Company (SCE), Pacific Gas and Electric Company (PG&E), and San Diego Gas & Electric Company (SDG&E) (Joint investor-owned utilities or Joint IOUs) on matters related to Portfolio Content Category (PCC) classification. (PCC Ruling). In their joint motion, the IOUs sought clarity on processes resulting from the VAMO pursuant to D.21-05-030. The PCC Ruling requested party comments on whether our consideration of Voluntary Allocations and PCC classification issues resulting from VAMO necessitates adjusting the RPS program's procedural schedule.

On April 28, 2022, the Joint IOUs, the Alliance for Retail Energy Markets (AReM), California Community Choice Association (CalCCA), Coalition of California Utility Employees, The Utility Reform Network, Shell Energy North America (US), L.P. d/b/a Shell Energy Solutions (Shell Energy), Green Power Institute filed comments on the PCC Ruling.

On April 11, 2022, an Assigned Commissioner and Assigned Administrative Law Judges' Ruling identified the scope and schedule of review for 2022 RPS Procurement Plans. The ruling denied the Joint IOUs' motion to file advice letters for the Market Offer process. On April 21, 2022, an ALJ ruling modified the RPS Plan submission and review schedule to accommodate the filings in the RPS proceeding on the Market Offer process.

2. Parties Comments

The Joint IOUs and CalCCA proposed modifying the current RPS and VAMO schedule. Both of these parties stated their concerns about not being able

to complete the Voluntary Allocations process pending a decision on matters related to PCC classification.

The Joint IOUs state that resolving the PCC classification issue in June 2022 will allow the IOUs and load serving entities (LSEs) to complete the Voluntary Allocation process and include results in the IOUs' RPS Plan Motion to Update Draft RPS Procurement Plans in August 2022.

CalCCA states that until the PCC classification issues and the protests on IOUs' advice letters proposing Voluntary Allocation pro forma contract terms are resolved, LSEs are reluctant to take part in the Voluntary Allocation process. CalCCA points to Phase 2 in Table 2 adopted in D.21-05-030 and recommends revising the due dates so that contracting for both the Voluntary Allocation and Market Offer can be completed before January 2023.

AReM and Shell Energy state that no specific schedule changes are needed.

3. Discussion

Pursuant to D.21-05-030, the RPS proceeding is authorized to guide VAMO filings' timing and process.¹

We have reviewed the modified schedules proposed by CalCCA and the Joint IOUs. Energy Division has also considered the status and timeline of VAMO-related filings pursuant to D.21-05-030 that impact the RPS schedule and the overall implementation of the Voluntary Allocation and Market Offer timings.

We recognize the tight timeline for the parties to provide their Voluntary Allocation election information in the upcoming Draft 2022 RPS Procurement Plans due on July 1, 2022. Some LSEs may decide not to elect their allocation

¹ See D.21-05-030 Ordering Paragraph 6.

shares in the current RPS VAMO cycle, while others may still analyze the information through July 1, 2022. Therefore, LSEs may provide information on their Voluntary Allocations in their RPS Plans due on July 1, 2022, to the extent they have Voluntary Allocation information. We find it reasonable for LSEs that may not have up-to-date information in their Draft 2022 RPS Procurement Plan to include the Voluntary Allocation information in the RPS Plan Motion to Update due on August 15, 2022.

4. Schedule

The following schedule is revised and adopted here and may be modified by the ALJ to promote the efficient and fair resolution of the rulemaking.

The due dates for RPS Procurement Plan filing requirements, shown below, align with the procedural schedule adopted in the assigned Commissioner and assigned ALJ Ruling issued on April 11, 2022, and modified via an ALJ Ruling issued on April 21, 2022.

	Issue	VAMO/RPS Events	Original Date	Status	Modified Date/Effective Date
1.	RFI	[IOUs] File RFI Proposals	Q3 2021	Approved in D.22-01-004	
2.	VA	[IOUs] Propose methodology for Voluntary Allocations	Within 90 days of the effective date of D.21-05-030	ED Disposition Letter issued on October 25, 2021	
3.	RPS Plan	RPS Plan Ruling identifying issues and timeline to review 2022 RPS Plans	April 11, 2022		April 11, 2022
4.	VA	ALJ Ruling seeking comments on PCC classification for Voluntary Allocations under VAMO	April 18, 2022		April 18, 2022

5.	MO - RPS Plan	Ruling modifying the schedule to file Market Offer information as part of 2022 RPS Plans	April 21, 2022		April 21, 2022
6.	VA	Party comments submitted - PCC Classification/VAMO Schedule	April 28, 2022		April 28, 2022
7.	MO	[IOU] - Joint MO Process filed as Track 1 in 2022 RPS Plans	May 2, 2022		May 2, 2022
8.	MO	[IOUs] filed Individual MO Process - Confidential Filing	May 16, 2022		May 16, 2022
9.	VA	Proposed Decision - PCC Classification			May 20, 2022
10.	VA	Proposed Resolution on IOUs' Tier 2 Voluntary Allocation Pro Forma Contract Advice Letters	December 2022 (per D.21-05-030)		May 20, 2022
11.	VA	[IOUs] Provide Voluntary Allocation Offers - IOUs will inform LSEs of their Voluntary Allocation shares	February 2022	PG&E, SCE and SDG&E have provided VA shares; revisions shall be made if required by MCAM decision adopted on May 19, 2022, Ordering Para. 8-9. ²	May 31, 2022 (Including resources addressed in MCAM decision adopted on May 19, 2022 Ordering Para. 8-9)
12.	MO	Opening Comments - IOU MO Process	20 days from the Joint IOU proposal on Track 1 Market Offer Process		20 days from the Joint IOU proposal on Track 1 Market Offer

² See Decision on Modified Cost Allocation Mechanism for Opt-Out and Backstop Procurement Obligations (MCAM decision) in R.20-05-003, adopted at the May 19, 2022, Commission Voting Meeting. (A Final Decision number was yet to be assigned at the time of issuing this ruling).

					Process (June 5, 2022)
13.	VA	Opening Comments - PCC PD			June 9, 2022
14.	MO	Reply Comments - IOU MO Process	Within 5 days after the last day for filing comments		Within 5 days after the last day for filing comments (June 10, 2022)
15.	VA	Reply Comments - PCC PD Replies			June 14, 2022
16.	RPS Plan	[LSEs] file Draft 2022 Annual RPS Plans (May provide VAMO information to the extent available)	July 1, 2022		July 1, 2022
17.	RFI	[IOUs] report the status of RFI negotiations as part of the Draft RPS Plans	June 2022 (per D.21-05-030)		July 1, 2022
18.	VA	[LSEs] complete the process of determining interest in VA elections and sign VA contracts	May 2022 (per D.21-05-030)		July 29, 2022
19.	RPS Plan	Opening Comments - RPS Procurement Plans	August 1, 2022		August 1, 2022
20.	RPS Plan	Party motions requesting an evidentiary hearing due (note: If a motion is filed and granted, the ALJ may need to issue a revised schedule.)	August 1, 2022		August 1, 2022
21.	RPS Plan	Reply Comments - RPS Procurement Plans	August 15, 2022		August 15, 2022
22.	RPS Plan	[LSEs] submit Motions to Update Draft 2022 RPS Procurement Plans including request approval of voluntary allocations and up-to- date Voluntary Allocation information	June 2022 (per D.21-05-030) and August 15, 2022 (per RPS Plan Ruling)		August 15, 2022

23.	MO	Proposed Decision – MO Process	Quarter 3, 2022		Quarter 3 2022
24.	MO	Disposition on Tier 2 MO Pro Forma Contract Advice Letters			Quarter 3 2022
25.	RPS Plan	Proposed Decision – 2022 RPS Plans	Quarter 4, 2022		Quarter 4 2022
26.	VA	[IOUs] Request Approval of VA contracts, if contracts deviate from pro forma contract language	21 days after 2022 RPS Plans approval (per D.21-05-030)		No later than December 31, 2022
27.	RPS Plan	[LSEs] file Final 2022 RPS Plans	January 2023 (per D.21-05-030)		Quarter 1 2023
28.	RFI	[IOUs] Contract Assignments and Contract Modifications stemming from the RFIs filed for CPUC approval via a Tier 3 Advice Letter	January 2022 (per D.21-05-030)	No filings have been made yet. We expect advice letter filings stemming from the RFIs to come after IOUs execute contracts with the counterparties	No later than December 31, 2022 for 2022 RFI filings and no later than December 31, 2023 for 2023 for 2023 RFI
29.	Both	[IOUs] Commence VA and MO Deliveries	21 days after the Final 2022 RPS Plans filed		Quarter 1 2023
30.	Both	IOU Report – each IOU should file and serve in PCIA proceeding (and serve in RPS and IRP proceeding) a report	Within 90 days of completing VAMO		Quarter 1 – Quarter 2 2023
31.	Both	IOU Workshop – IOUs shall host a joint workshop to discuss reports	Within 60 days of the VAMO Report		Quarter 2 2023

ACRONYMS

ALJ	Administrative Law Judge
IOU	Investor-Owned Utility
LSE	Load Serving Entity
MCAM	Modified Cost Allocation Mechanism
MO	Market Offer
PCC	Portfolio Content Category
PD	Proposed Decision
RFI	Request for Information
RPS Plan	Renewables Portfolio Standard Procurement Plan
VA	Voluntary Allocation
VAMO	Voluntary Allocation and Market Offer

IT IS RULED that the revised proceeding schedule set forth above is adopted.

Dated May 20, 2022, at San Francisco, California.

/s/ MANISHA LAKHANPAL
Manisha Lakhanpal
Administrative Law Judge