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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Pacific Gas and Electric Company for Approval of 2024-2031 Energy Efficiency Business Plan and 2024-2027 Portfolio Plan U39M.

Application 22-02-005

And Related Matters.

Application 22-03-003

Application 22-03-004

Application 22-03-005

Application 22-03-007

Application 22-03-008

Application 22-03-011

Application 22-03-012

**ADMINISTRATIVE LAW JUDGE'S RULING
DENYING MOTION TO CONSOLIDATE**

This ruling denies the motion of the Public Advocate's Office of the Public Utilities Commission (Cal Advocates) to consolidate this proceeding with Application (A.) 21-12-009.

1. Procedural Background

On December 20, 2021, Southern California Edison Company (SCE) filed A.21-12-009 for approval of its proposed Building Electrification programs (BE Application). On March 4, 2022, SCE filed A.22-03-007 for approval of its 2024-2031 Energy Efficiency (EE) Business Plan and 2024-2027 Portfolio Plan (EE Application).

By ruling of Chief Administrative Law Judge Simon on March 17, 2022, SCE's EE Application is consolidated with seven other EE proceedings. While

the wording of each caption might differ slightly, each proceeding is essentially an application by the following entities for approval of its 2024-2031 Energy Efficiency Business Plan and 2024-2027 Portfolio Plan. The result consolidates these eight applications (A.22-02-005 *et al.*, the consolidated EE proceeding):

- A.22-02-005: Pacific Gas and Electric Company
- A.22-03-003: Association of Bay Area Governments
- A.22-03-004: County of Ventura
- A.22-03-005: San Diego Gas & Electric Company
- A.22-03-007: SCE
- A.22-03-008: Southern California Gas Company
- A.22-03-011: Southern California Regional Energy Network
- A.22-03-012: Marin Clean Energy

On April 15, 2022, Cal Advocates filed a motion to consolidate A.21-12-009, SCE's BE Application, with A.22-03-007, SCE's EE Application, in A.21-12-009.

On April 21, 2022, Cal Advocates filed a parallel motion to consolidate SCE's BE and EE Applications in A.22-02-005 *et al.*, this consolidated EE proceeding.

On May 2, 2022, a response in support was filed by The Utility Reform Network (TURN), and responses in opposition were filed by SCE and San Diego Gas & Electric Company (SDG&E). On May 12, 2022, Cal Advocates filed a reply to responses to its motion for consolidation.¹

2. Discussion

The Commission may consolidate proceedings that involve related questions of law or fact. (Rule 7.4 of the Commission's Rules.)

¹ On May 5, 2022, Cal Advocates requested permission to reply to the responses. (Rule 11.1(f) of the Commission's Rules of Practice and Procedure (the Commissioner's Rules).) On May 6, 2022, I granted Cal Advocates' request.

Consolidation of all eight EE proceedings listed above was justified given closely related questions of law and fact along with interests of judicial economy, conservation of resources, and no prejudice to any party. In contrast, this proceeding is sufficiently distinct from A.21-12-009, the BE Application proceeding, to deny the motion for consolidation.

There are several reasons to decline consolidation with SCE's BE Application. First, the EE applications are directed at existing funding sources and are designed to fit within more well-defined market transformation and cost-effectiveness goals and standards. SCE's BE Application proposes additional goals and cost-effectiveness considerations along with new cost recovery and rate-making treatment. Examination of these additional issues may not be fully considered within the important range of traditional EE issues given the vast scope of issues to be addressed in the consolidated EE proceeding. That would not be acceptable. Alternatively, examination of these other issues would require separate consideration. Separate consideration within a consolidated docket would neither promote judicial economy or conservation of resources, nor be more efficient than separate and focused consideration in this proceeding.

Second, coordination among eight distinct applications, business plans, portfolio plans, range of EE issues, and eight entities is already complex enough. The BE Application has some related but also some important different issues and goals from those in the consolidated EE proceeding, including different ratemaking proposals and considerations. Adding distinct BE issues to this consolidated EE proceeding will not promote judicial economy and conservation of resources.

Third, the subject matter experience and expertise required to fully engage in eight EE business plans is significant. While related, it is also different than

the experience and expertise needed to fully engage in BE matters. BE, for example, targets climate, public health, and social justice issues that sometimes attract different stakeholders than those in the consolidated EE proceeding. Opponents of the motion point out that in several if not many cases, a party will use different experts for the two different proceedings in order to maximize the party's effectiveness. Consolidation runs the risk of being needlessly prejudicial to parties in both the BE and the consolidated EE proceeding who must now expand their expertise and engage separate experts to fully participate in a more complex consolidated proceeding. On the other hand, to the extent one expert can address both EE and BE issues for parties such as Cal Advocates or TURN, that expert can do so without undue burden absent consolidation. The possible synergies are outweighed by the likely prejudice.

Finally, the schedules differ. The BE Application schedule expects a final decision by April 2023.² The EE schedule has not been set, but A.22-02-005 *et al.* proposes a final decision many months later. Consolidation would likely mean either that the BE issues would not be resolved until after April 2023, or the BE issues would need to be resolved in a separate, earlier decision. Neither outcome is optimal.

Thus, consolidation is not reasonable in this case. Rather, while there are related questions of law and fact, there are important and fundamental differences. Moreover, consolidation would not serve the purposes of judicial economy, conservation of resources, and avoidance of prejudice to any party.

Rather, close coordination, as opposed to consolidation, is the preferred and adopted approach. That coordination is not only with the identified BE

² A.21-12-009 *Assigned Commissioner's Scoping Memo and Ruling*, issued April 27, 2022, at 8.

Application, A.21-12-009, but also with the Building Decarbonization Rulemaking (R.) 19-01-011, SCE's Energy Savings Assistance Building Electrification Pilot Application (A.19-11-003 *et al.*), the Self-Generation Incentive Program Rulemaking (R.20-05-012),³ and other related proceedings.

IT IS RULED that the April 21, 2022 *Motion of the Public Advocates Office to Consolidate the Application of Southern California Edison Company for Approval of its Building Electrification Programs and Application of Southern California Edison Company (U338E) for Approval of its 2024-2031 Energy Efficiency Business Plan and 2024-2027 Portfolio Plan Application* is denied.

This order is effective today.

Dated May 25, 2022, at San Francisco, California.

/s/ VALERIE U. KAO

Valerie U. Kao
Administrative Law Judge

³ As identified in Cal Advocates' Prehearing Conference Statement filed on March 18, 2022.