



COM/ARD/mef 12/2/2022

**FILED**

12/02/22

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

10 AM

A2205022

Application of Pacific Gas And Electric Company (U39E) for Review of the Disadvantaged Communities - Green Tariff, Community Solar Green Tariff and Green Tariff Shared Renewables Programs.

Application 22-05-022

And Related Matters.

Application 22-05-023

Application 22-05-024

## **ASSIGNED COMMISSIONER'S SCOPING MEMO AND RULING**

This Scoping Memo and Ruling (Scoping Memo) sets forth the category, issues to be addressed, need for hearing, and schedule of the proceeding pursuant to Public Utilities (Pub. Util.) Code § 1701.1 and Article 7 of the Commission's Rules of Practice and Procedure (Rules).

### **1. Background**

On May 31, 2022, Pacific Gas and Electric Company (PG&E) filed Application (A.) 22-05-002, seeking review of the Disadvantaged Communities Green Tariff (DAC-GT), Community Solar Green Tariff (CSGT), and Green Tariff Shared Renewables (GTSR) programs. The GTSR program has two components: the Green Tariff (GT) component and the Enhanced Community Renewables (ECR) component.

On July 6, 2022, response and protests were filed by the City and County of San Francisco (San Francisco); Coalition for Community Solar Access (CCSA); Center for Biological Diversity (Center); Public Advocates' Office of the

California Public Utilities Commission (Cal Advocates); Small Business Utility Advocates (SBUA); Solar Energy Industries Association (SEIA); The Utility Reform Network (TURN); and East Bay Community Energy, Marin Clean Energy, Peninsula Clean Energy Authority, San José Clean Energy, Clean Power Alliance of Southern California, Lancaster Choice Energy, Pico Rivera Innovative Municipal Energy, San Jacinto Power, and San Diego Community Power (collectively, the Joint CCAs). On July 18, 2022, PG&E filed a reply to parties' protests and responses.

On May 31, 2022, San Diego Gas & Electric Company (SDG&E) filed A.22-05-023, seeking review of SDG&E's Green Access Programs pursuant to Decision (D.) 18-06-027 and D.21-12-036. On July 6, 2022, responses and protests were filed by Cal Advocates, CCSA, Center, Joint CCAs, SEIA, SBUA, TURN, and Clean Energy Alliance and San Diego Community Power (referred to collectively as San Diego CCAs). On July 18, 2022, SDG&E filed a reply to parties' protests and responses.

On May 31, 2022, Southern California Edison Company (SCE) filed A.22-05-024, seeking review of its DAC-GT, CSGT, and GTSR programs. On July 6, 2022, responses and protests were filed by Cal Advocates, CCSA, Center, Joint CCAs, SBUA, SEIA, and TURN. On July 18, 2022, SCE filed a reply to parties' protests and responses.

On July 26, 2022, Cal Advocates filed a motion to consolidate the three applications into one proceeding. On August 10, 2022, an Administrative Law Judge's (ALJ) ruling granted the motion to consolidate the three applications. On September 12, 2022, an ALJ ruling requested submission of a Joint Prehearing Conference (PHC) Statement. On October 5, 2022, PG&E filed a Joint PHC Statement on behalf of parties. A PHC was held on

October 27, 2022 to address the scope of issues, need for hearing, proceeding schedule, and other procedural matters.

## **2. Scope of Issues**

After considering the responses to the Applications, recent legislation, Joint PHC Statement, and discussion at the PHC, we determine that the evaluation of the existing Green Access Programs, as required by Assembly Bill (AB) 2316 (Ward, 2022), should be conducted by parties. At this time, we decline to retain an independent evaluator to conduct an evaluation pursuant to AB 2316; however, the Commission may retain an independent evaluator in the future as warranted.

The scope of issues, including issues to be evaluated, are set forth below. We encourage parties to work together to submit joint evaluations and proposals, as detailed below.

### **Part A. Evaluation of the Existing Green Access Programs.**

Parties may evaluate all of the Green Access Programs or only a subset of the programs. A comprehensive evaluation of the performance of the existing Green Access Programs, pursuant to the requirements of AB 2316, must address each of the following components:

1. Propose working definitions and criteria for the following goals outlined in AB 2316, to determine whether each program meets these goals: (a) efficiently serves distinct customer groups; (b) minimizes duplicative offerings; and (c) promotes robust participation by low-income customers.
2. Evaluate the GTSR program (including GT and ECR programs), the DAC-GT program, and the CSGT program, applying the objectives of AB 2316 to determine whether each program meets the following goals: (a) efficiently serves distinct customer groups; (b) minimizes duplicative

- offerings; and (c) promotes robust participation by low-income customers.
3. Consider the continuing growth of Community Choice Aggregators (CCAs) and any impact departing load may have on current programs.

**Part B. Recommendations for Improving Green Access Programs.**

To improve the existing Green Access Programs, parties may provide to modify an existing tariff or program, or provide a recommendation for establishing a new tariff or program, if doing so would be beneficial to ratepayers (taking into account AB 2838 (O'Donnell, 2022)).

1. A viable recommendation must address the following issues:
  - a. How the recommendation specifically addresses any findings or gaps identified in your evaluation (or other parties' evaluations) of existing programs.
  - b. How a new community renewable energy program meets all of the requirements outlined in AB 2316, Pub. Util. Code § 769.3(c)(1)–(6).
  - c. Consider the continuing growth of CCAs and any impact departing load may have on new tariff proposals.
2. Depending on the program, a recommendation may address various issues and objectives, which are outlined in detail in Appendix A.

**3. Schedule**

After consideration of the discussion at the PHC, it is apparent that the timeline to access new federal and/or state funding sources related to community renewables programs (such as the Inflation Reduction Act and California Senate Bill 846 (Dodd, 2022)) has not yet been determined. The assigned Commissioner or ALJs may modify this schedule as necessary to

promote the efficient management and fair resolution of this proceeding. As such, the below schedule is adopted for this proceeding.

Event	Date
Proposals served as Opening Testimony – includes party evaluation of existing programs and proposals for revised and new programs	January 20, 2023
Workshop	Mid-February 2023
Revised Proposals served as Amended Opening Testimony	TBD
Reply Testimony on Proposals	March 17, 2023
Rebuttal Testimony on Proposals Motion for Hearings, Oral Argument, or Request for Briefing Due	March 31, 2023
Proposed Decision	Q3 2023

If there are workshops in this proceeding, notice of workshops will be posted on the Commission’s Daily Calendar to inform the public that decision-maker or an advisor may be present at the workshop. Parties shall check the Daily Calendar regularly for such notices.

Based on this schedule, the proceeding will be resolved within 18 months as required by Pub. Util. Code § 1701.5.

#### **4. Categorization**

This ruling confirms the Commission’s preliminary determination in Resolution ALJ 176-3511 that this is a ratesetting proceeding. Accordingly, *ex parte* communications are restricted and must be reported pursuant to Article 8 of the Commission’s Rules.

## **5. Need for Hearing**

Based on the Joint PHC Statement and discussion at the PHC, we determine that evidentiary hearings are not needed at this time. Pursuant to Rule 11.1 of the Commission's Rules, however, any party may make a motion to request evidentiary hearings on matters within the scope of this proceeding. The above proceeding schedule sets forth a deadline to file motions for evidentiary hearings.

## **6. Oral Argument**

Pursuant to Rule 13.14(b), motion for oral argument shall be made no later than the deadline for rebuttal testimony on proposals, March 31, 2023.

## **7. Discovery**

Discovery may be conducted by the parties consistent with Article 10 of the Commission's Rules. Any party issuing or responding to a discovery request shall serve a copy of the request or response simultaneously on all parties. Electronic service under Rule 1.10 is sufficient, except Rule 1.10(e) does not apply to the service of discovery and discovery shall not be served on the ALJs. Deadlines for responses may be determined by the parties. Motions to compel or limit discovery shall comply with Rule 11.3.

## **8. Public Outreach**

Pursuant to Pub. Util. Code § 1711(a), I hereby report that the Commission sought the participation of those likely to be affected by this matter by noticing it in the Commission's monthly newsletter that is served on communities and businesses that subscribe to it and posted on the Commission's website.

## **9. Intervenor Compensation**

Pursuant to Pub. Util. Code § 1804(a)(1), a party who intends to seek an award of compensation must file and serve a notice of intent to claim compensation by November 28, 2022, 30 days after the PHC.

## **10. Public Advisor**

Any person interested in participating in this proceeding who is unfamiliar with the Commission's procedures or has questions about the electronic filing procedures is encouraged to obtain more information at <http://consumers.cpuc.ca.gov/pao/> or contact the Commission's Public Advisor at 1-866-849-8390 or 1-415-703-2074 or 1-866-836-7825 (TTY), or send an e-mail to [public.advisor@cpuc.ca.gov](mailto:public.advisor@cpuc.ca.gov).

## **11. Service of Documents on Commissioners and Their Personal Advisors**

Rule 1.10 requires only electronic service on any person on the official service list. When serving documents on the ALJs, Commissioners, or their personal advisors, whether or not they are on the official service list, parties must only provide electronic service. Parties must not send hard copies of documents to Commissioners, their personal advisors, or the ALJs unless specifically instructed to do so.

## **12. Settlement and Alternative Dispute Resolution (ADR)**

The Commission offers ADR services consisting of mediation, facilitation, or early neutral evaluation. Use of ADR services is voluntary, confidential, and at no cost to the parties. Trained ALJs serve as neutrals. The parties are encouraged to visit the Commissioner's ADR webpage at <http://www.cpuc.ca.gov/adr>, for more information.

If requested, the assigned ALJ will refer this proceeding, or a portion of it, to the Commission's ADR Coordinator. Alternatively, the parties may contact the ADR Coordinator directly at [adr\\_program@cpuc.ca.gov](mailto:adr_program@cpuc.ca.gov). The parties will be notified as soon as a neutral has been assigned; thereafter, the neutral will contact the parties to make pertinent scheduling and process arrangements.

Alternatively, and at their own expense, the parties may agree to use outside ADR services.

**13. Assignment of Proceeding**

Alice Reynolds is the assigned Commissioner and Debbie Chiv and Kelly A. Hymes are the assigned ALJs for the proceeding.

**IT IS RULED** that:

1. The scope and schedule of this proceeding is set forth in Section 2 and Section 3 above.
2. The assigned Commissioner or Administrative Law Judges may adjust the proceeding schedule as necessary for efficient management and fair resolution of this proceeding.
3. Evidentiary hearings are not required at this time.
4. The category of the proceeding is ratesetting.

Dated December 2, 2022, at San Francisco, California.

/s/ ALICE REYNOLDS

Alice Reynolds  
Assigned Commissioner



# APPENDIX A

## APPENDIX A

### **Part B. Recommendations for Improving Green Access Programs.**

To improve the existing Green Access Programs, parties may propose to modify an existing tariff or program, or provide a recommendation for establishing a new tariff or program, if doing so would be beneficial to ratepayers (taking into account AB 2838).

1. A viable recommendation must address the following issues.
  - a. How the recommendation specifically addresses any findings or gaps identified in your evaluation (or other parties' evaluations) of existing programs.
  - b. How a new community renewable energy program meets all of the requirements outlined in AB 2316, Pub. Util. Code § 769.3(c)(1)–(6).
  - c. Consider the continuing growth of CCAs and any impact departing load may have on new tariff proposals.
2. Depending on the program, a recommendation may address the following issues and objectives.
  - a. A recommendation to modify or terminate an existing Green Access Program, or establish a new program, pursuant to AB 2316 or AB 2838, may consider:
    - i. How a program may impact participating and non-participating ratepayers.
    - ii. The impact of a proposed program's incremental ratepayer and grid benefits in the context of the current integrated resource planning (IRP) processes that yield a preferred system plan portfolio.
    - iii. For a new program proposal, how state, federal or ratepayer funding will be utilized by a proposed program, including: (a) date(s) by which applications are due; (b) date(s) funding is expected to be awarded; and (c) date(s) by which funds must be spent. Provide a detailed explanation and quantification of why an accelerated review timeline is in the best interest for ratepayers, including any citations to associated state or federal funding sources.
    - iv. An appropriate path or process for cost recovery.

- v. How to reconcile existing Power Purchase Agreements between developers and the CCAs/investor-owned utilities.
- vi. Identifying any remaining options for customers seeking greener power.
- vii. Ensuring developers and participating customers are made whole.
- viii. Consumer protections and concerns, such as ensuring participating customer bill savings, where applicable.
- b. For any of the Green Access Programs, consideration of methodologies for program improvement, such as:
  - i. The use of renewable portfolio standard resources in limited circumstances;
  - ii. Authorization to cease program solicitations, or seek program suspension or termination;
  - iii. Cost-effectiveness metrics for ongoing program evaluation or trigger mechanisms, such as negative prices or solicitations that yield no contracts, which would require additional review; and
  - iv. The impact of a program's incremental ratepayer and grid benefits in the context of the current IRP processes that yield a preferred system plan portfolio.
- c. For the DAC-GT/CSGT programs, consideration of methodologies for program improvement, such as:
  - i. Use of auto-enrollment;
  - ii. Methodology for determining qualifying disadvantaged communities, including tribal communities;
  - iii. Discretionary expansion of eligible technology types;
  - iv. Modification of the timing for submission of budget requests;
  - v. Use of centralized program reporting;
  - vi. Addressing CCA expansion within these programs;
  - vii. Automated data transfers to CCAs for the purposes of facilitating these programs (including data transfers with impacts on customer billing);

- viii. Calculation and presentation of 20 percent bill discount for all program participants;
  - ix. Whether to adjust the community sponsorship requirements for CSGT;
  - x. More flexible size and location requirements for program-dedicated resources; and
  - xi. Whether to adjust program cost containment thresholds.<sup>1</sup>
- d. For the GT and ECR programs, consideration of methodologies for program improvement, such as:
- i. The effectiveness of the required 20-year rate forecast as compared to using a 5-year forecast;
  - ii. Structural changes to program rate components and/or modification of the rate design, including whether the Power Charge Indifference Adjustment is the best available proxy for rate indifference or cost-effectiveness;
  - iii. More flexible location requirements for ECR programs and more flexible project size limits for Environmental Justice program eligibility;
  - iv. Whether capacity reservations (*e.g.*, allocations for Environmental Justice projects and for the City of Davis) should be maintained; and
  - v. Whether and how to demonstrate community interest in ECR.

(End of Appendix A)

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<sup>1</sup> See Resolution E-4999 at 36.