BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA



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Order Instituting Rulemaking to Advance Demand Flexibility Through Electric Rates.

Rulemaking 22-07-005 Filed: July 14, 2022

JOINT RESPONSE OF PACIFIC GAS AND ELECTRIC COMPANY (U-39-E), SAN DIEGO GAS & ELECTRIC COMPANY (U-902E), AND SOUTHERN CALIFORNIA EDISON COMPANY (U-338E) TO JOINT MOTION FOR PUBLIC PARTICIPATION HEARINGS

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TABLE OF CONTENTS

Page

I.	INTRODUCTION		1	
II.	DISCU	JSSION		
	A.	The Motion Is Premature	2	
	B.	Logistical Considerations for Public Participation Hearings	3	
III.	CONC	LUSION	4	

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I. INTRODUCTION

Pursuant to Rule 11.1(e) of the California Public Utilities Commission's Rules of Practice and Procedure, Pacific Gas and Electric Company (PG&E), San Diego Gas & Electric Company (SDG&E), and Southern California Edison Company (SCE) (collectively, the Joint Utilities) submit this response to the July 13, 2023 Joint Motion for Public Participation Hearings by California Efficiency + Demand Management Council, California Solar & Storage Association, Center for Energy Efficiency and Renewable Technologies, Clean Coalition, Solar Energy Industries Association, and Utility Consumers' Action Network (Motion).^{1/}

The Joint Utilities support transparency and active participation in this proceeding on behalf of all affected interests, including residential customers. However, Public Participation Hearings are premature at this stage of the proceeding. If the Commission believes that Public Participation Hearings are appropriate for this rulemaking, they should be conducted after all of

^{1/} Pursuant to Commission Rule 1.8(d), counsel for SDG&E and SCE have authorized PG&E to file this document on their behalf.

the issues have been fully briefed. In addition, the Commission should allow parties the opportunity to comment on the scope and manner of the hearings (if any) at the appropriate time.

II. DISCUSSION

A. The Motion Is Premature

On June 19, 2023, the Administrative Law Judge issued a ruling requesting comments on the implementation pathway for the income-graduated fixed charges (IGFC).^{2/} Specifically, the ruling requested comments on the design of the "first version" of the IGFC, effectively tabling the broader proposals previously submitted by the parties in testimony.^{3/} Opening comments in response to the June 19 ruling are due on July 31, 2023, and reply comments are due on August 21, 2023.^{4/} If evidentiary hearings are held (which has yet to be determined), briefing would not conclude until October 27, 2023.^{5/}

The Joint Utilities believe it is premature to conduct Public Participation Hearings in this rulemaking until proposals for the first version of the IGFC have been presented and briefed. At this juncture, it is still difficult to determine how much variation there will be among the various proposals, or how many parties will submit proposals. If, for example, dozens of parties were to submit comments in response to the June 19 ruling, with widely diverging proposals, it may be difficult to manage Public Participation Hearings or focus them on the issues that will assist the Commission in reaching a decision.

Also, because this rulemaking proceeding involves many different proposals submitted at the direction of the Commission rather than a single utility "application to increase any rate," it is

^{2/} Administrative Law Judge's Ruling on the Implementation Pathway for Income-Graduated Fixed Charges (June 19, 2023).

^{3/} *Id.*, p. 4.

^{4/} Email Ruling Granting Joint IOUs' Motion for Extension of Track A Deadlines (July 18, 2023).

^{5/} Assigned Commissioner's Phase 1 Scoping Memo and Ruling (November 2, 2022), p. 9.

unlike the typical ratemaking proceeding in which Public Participation Hearings are ordered under Rule 13.1(b). Thus, the procedural nature of this proceeding is unique and should be considered by the Commission in deciding whether Public Participation Hearings are necessary, and if so, how and when they should be conducted.^{6/}

The Joint Utilities suggest that Public Participation Hearings (if necessary) be held after the submission of reply briefs, no earlier than the November 2023 time frame, and at least two months after a ruling on the Motion. Given the unique nature of this rulemaking, its procedural posture, and the logistical considerations described below, the Joint Utilities believe this is the most practical approach, both substantively and logistically.

In addition, the Joint Utilities request that should the Commission be inclined to hold Public Participation Hearings, it allow the parties an opportunity to provide comments on the scope and manner of the hearings to ensure that they are as productive and efficient as possible.

B. Logistical Considerations for Public Participation Hearings

Public Participation Hearings require extensive notice and preparation by both the Commission and the Joint Utilities. For example, the Joint Utilities need, at minimum, two months^{7/} of lead time to properly notice public hearings in their service territories, including through bill inserts (if applicable).^{8/} For that reason, Public Participation Hearings should be held no earlier than the November time frame (and with sufficient lead time following a ruling

^{6/} Because this proceeding is not a utility "application to increase any rate," it is not governed by Rule 13.1(b)'s notice requirements. The Joint Utilities recognize that the Commission may have discretion to order Public Participation hearings when appropriate. However, if it elects to do, the Commission should be clear that any such order is being made using the Commission's discretionary power, and not pursuant to Rule 13.1(b).
7/ This estimate assumes there is room in the bill packages for bill inserts during the relevant billing cycle.

The Joint Utilities note that Rule 13.1(b) only requires notice via (1) posting notice in public places, and (2) publishing notice in newspapers of general circulation. However, should the Commission require additional methods of notice – such as via bill insert – then the Joint Utilities would need sufficient time to complete that process.

on the Motion) to allow the Commission and the Joint Utilities time to prepare for the hearings and attend to these logistical issues.

In addition, the Motion requests at least *eight* in-person Public Participation Hearings throughout California before the end of the year.^{9/} That is a significant undertaking and not likely practical given the timing concerns expressed above as well the July 1, 2024 statutory deadline for a final decision. The Joint Utilities request an opportunity to comment further later in the proceeding regarding the scope and manner of the hearings, but in no event do they believe eight separate hearings are necessary, particularly when a virtual hearing could be attended by customers throughout the state.

III. CONCLUSION

The Joint Utilities support transparency and public participation in this proceeding. However, the Joint Utilities believe that Public Participation Hearings are premature at this time and should not be conducted until after briefing has been completed. Given the current procedural schedule, the Joint Utilities believe hearings beginning in November 2023 or later this year would be more practical. Should the Commission decide to order Public Participation Hearings, the Joint Utilities ask that they be given sufficient lead time (at least two months) to ensure they are able to comply with any applicable notice requirements. In addition, the Joint Utilities ask that they be allowed to comment on the scope and manner of the Public Participation Hearings should the Commission deem them necessary or appropriate.

9/

Joint Motion for Public Participation Hearings (July 13, 2023), p. 5.

Respectfully submitted,

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