

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



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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

Application 22-05-023

Application 22-05-024

And Related Matters

**REPLY COMMENTS OF VALTA ENERGY, LLC ON PROPOSED DECISION
MODIFYING GREEN ACCESS PROGRAM TARIFFS AND ADOPTING A
COMMUNITY RENEWABLE ENERGY PROGRAM**

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Application 22-05-022

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Application 22-05-024

**VALTA ENERGY, LLC COMMENTS ON ADMINISTRATIVE LAW JUDGE’S
PROPOSED DECISION MODIFYING GREEN ACCESS PROGRAM TARIFFS AND
ADOPTING A COMMUNITY RENEWABLE ENERGY PROGRAM**

Pursuant to Rule 14.3(d) of the California Public Utility Commission’s (“Commission”) Rules of Practice and Procedure, Valta Energy, LLC (“Valta”) respectfully submits the following Reply Comments on the Commission’s Proposed Decision Modifying Green Access Program Tariffs and Adopting a Community Renewable Energy Program (“Proposed Decision”), issued March 4, 2024.

I. Introduction and Summary

Valta believes it is critical for the Commission to authorize a viable community solar and storage program as soon as possible that mirrors the Coalition for Community Solar Access (“CCSA”) Net Value Billing Tariff (“NVBT”) proposal. Valta agrees with numerous party comments including TURN, CCSA, SEIA, CBD, CUE, Solar Landscape, Arcadia, Clean Coalition, Cypress Creek, and others that the NVBT is the best foundation for any Commission Community Renewable Energy Program (“CREP”) to meet AB 2316 bill language requirements. As written, Valta and other CREP developers will be unable to finance any meaningful projects to enable a viable community solar and storage program in California.

II. The NVBT is PURPA Compliant

Valta agrees with CCSA's Comments authored by former Federal Energy Regulatory Commissioner ("FERC") Norman Bay that identify flaws in the proposed "PURPA-minus CREP" program lacks the evidentiary record necessary for the Commission to reach conclusions on its compliance with AB 2316 with no analysis to demonstrate that its PURPA compliant proposal would comply with the requirements of Section 769.3(c) of the Public Utilities Code. Valta also agrees with CCSA that the Commission's Proposed Decision lacks detail on program participation by community choice aggregators (CCAs) and energy service providers (ESPs), and doesn't include critical program features such as minimum share of project revenue for low-income participants and necessary consumer protections.

Based on these flaws, the Commission should reject the Proposed Decision, and adopt the NVBT as the foundation of a viable, scalable, and equitable CREP. NVBT has been discussed in detail on the record and demonstrates how it can be complementary to and consistent with Title 24 requirements. The Commission should significantly modify the Proposed Decision or reject it entirely and issue an alternate decision.

III. The NVBT Does Not Create a Cost Shift

Valta agrees with TURN, CCSA, SIEA and other parties that the Commission's Proposed Decision inaccurately state the NVBT will have excessive cost shifts to non-participating customers. In particular, the proposed PURPA program does not accurately represent the cost of developing similar resources under an alternative tariff like NVBT. Additionally, the NVBT has the potential to reduce costs by providing another option to meet Title 24 requirements. CCSA's analysis shows that utilizing NVBT resources could result in savings of \$1.08-4.14 billion over the life of NVBT facilities. These cost savings were not mentioned in the PD, and the cost shift

analysis should be updated accordingly. It is important to ensure that the cost-effectiveness of NVBT is certain for developers, and this can be achieved by implementing modifications such as locational requirements, load modifier status, and improving the ACC separately as needed.

In addition, Valta agrees with TURN, SEIA and other Parties that using the Avoided Cost Calculator (ACC) to value power exported from an eligible distribution-connected generation project would represent a subsidy in comparison to using PURPA avoided costs. Valta agrees with TURN that the Commission's Proposed Decision "is fundamentally flawed, does not recognize that virtually no projects are being contracted at PURPA avoided costs, and does not accurately recognize the value of the NVBT projects."

As written, the Proposed Decision's use of the PURPA rate rather than NVBT proposed rate is inadequate for a developer like Valta to develop new community solar projects. The Proposed Decision proposes to use \$33 million of legislatively appropriated funds "to address the concern that wholesale tariff compensation such as REMAT and PURPA avoided costs may be insufficient to create and grow interest in community renewable energy program projects." As TURN explains, if "these funds are used to provide a 3 cents/kWh bill credit, the \$33 million would only be able to support 10 years of bill credits for approximately 50 MW of new generation which could serve approximately 18,000 low-income customers across the three IOUs." The benefits don't outweigh the costs of developing the Proposed Decision CREP.

IV. CONCLUSION

The Commission's Proposed Decision is fatally flawed, will not result in any projects being built and, therefore, should be dropped. The NVBT is the most viable community solar option and should be adopted in an Alternate Proposed Decision.

Respectfully submitted this 2nd day of April, 2024 from Dana Point, California.

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