

**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

And Related Matters

Application 22-05-023

Application 22-05-024

**REPLY COMMENTS OF CLEAN POWER ALLIANCE OF SOUTHERN CALIFORNIA
AND CALIFORNIA CHOICE ENERGY AUTHORITY**

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Pursuant to Rule 14.3 of the Rules of Practice and Procedure of the California Public Utilities Commission (“Commission” or “CPUC”), Clean Power Alliance of Southern California (“CPA”) and California Choice Energy Authority (“CalChoice” and jointly with CPA the “SoCal CCAs”) hereby file these reply comments on Administrative Law Judge Hymes’ *Decision Modifying Green Access Program Tariffs And Adopting A Community Renewable Energy Program* (“Proposed Decision” or “PD”).¹

These reply comments address issues raised in Pacific Gas & Electric Company (“PG&E”) and Southern California Edison Company’s (“SCE”) opening comments, which read the Proposed Decision to close the Green Tariff Shared Renewables (“GTSR”) program and generally adopt PG&E’s successor proposal. The SoCal CCAs initially read the PD to modify but leave open the GTSR program. The disconnect between the parties’ understanding of those issues in the PD further illustrates why the Commission should revise the confusing and contradictory PD on matters specific to the GTSR program. The SoCal CCAs take no position on whether the Commission should approve PG&E’s successor proposal but urge the Commission to close the GTSR program and retain the vintage of the contracts serving SCE and PG&E’s GTSR programs.

¹ Application (“A.”) 22-05-022, *et al*, [Proposed] *Decision Modifying Green Access Program Tariffs and Adopting a Community Renewable Energy Program* (Mar. 4, 2024) (“PD” or “Proposed Decision”).

I. THE COMMISSION SHOULD CLOSE THE GTSR PROGRAM AND MAKE CLEAR IT IS DOING SO.

The SoCal CCAs' opening comments reflect an understanding that the PD modifies the GTSR program to create a new Green Tariff program. In total, the SoCal CCAs initially read the Proposed Decision to (1) preserve the current GTSR-Green Tariff ("GT") program (with modification) and SCE's GTSR-Green Rate ("GR") program specifically,² (2) eliminate GTSR-Enhanced Community Renewables ("ECR"), (3) increase the GTSR program's participation capacity to 562 MW statewide, and (4) enlarge the per-customer subscription cap from 2 MW to 40 MW.³ Within this context, the PD also fails to address the underlying problems with the GTSR program that make it vulnerable to dramatic enrollment shifts, depending on whether the rate offers a discount or a premium.⁴ Regardless, the Commission should close the GTSR program because it produces (among other flaws) cost shifts for non-participating customers and has not generated construction of incremental renewable energy projects to serve customers enrolled in the program. These are both requirements for the GTSR program under Senate Bill 43 and Decision ("D.") 15-01-051.⁵

However, PG&E and SCE's opening comments suggest they generally understand the PD to adopt PG&E's successor proposal as a new, distinct program and to close the current GTSR program. For example, PG&E expresses uncertainty with the holdings of the Proposed Decision and recommends the Commission "affirmatively state that PG&E's proposed successor Green Tariff is adopted subject to the modifications" proposed by the utility.⁶ Similarly, SCE states it sees the PD as accepting PG&E's successor proposal, with some revisions, which "replaces [the] existing GTSR Green Tariff with new program design."⁷

Unfortunately, the PD can be read to 1) retain but modify, and 2) replace the GTSR program. Section 3.4.6.3 of the PD, wherein the PD adopts PG&E's successor proposal, is unclear as to what it concludes. For example, the PD approves a "modified" Green Tariff and explicitly

² GTSR-GR is the name for SCE's GTSR-GT residential and small business program.

³ SoCal CCA Opening Comments at 6-7.

⁴ *Id.* at 2.

⁵ See D.15-01-051 at Findings of Fact 12, 37, and 99-106; Conclusion of Law 49 (prohibition on cost shifts). *Id.* at Findings of Fact 3, 8, 9; Conclusion of Law 1 (requirement that the GTSR program produce construction of incremental renewable energy projects).

⁶ PG&E Opening Comments at 2-3.

⁷ SCE Opening Comments at 5-7, 11.

eliminates only the ECR portion of the GTSR program.⁸ This language suggests the PD modifies the current GTSR-GT program by adopting a new Green Tariff and closes only the GTSR-ECR program. Similarly, the PD acknowledges that customers subscribing to the current GTSR program are limited to a subscription of 2 MW per customer and, in the same section, adopts a modified version of SCE’s proposal “to increase the cap [*i.e.*, the GTSR program cap] to a 50-megawatt soft cap.”⁹ Again, this language implies modification to the GTSR program, not the replacement of it. Section 3.4.6.3 of the PD is also replete with allusions to “modifying,” but not eliminating, the current GTSR-GT program.¹⁰

At the same time, PG&E and SCE’s opening comments suggest the Commission is not modifying GTSR but replacing it with Green Share. That interpretation relies on a sentence in the PD stating it adopts “PG&E’s proposal” with some “fine tuning,”¹¹ with the referenced “PG&E proposal” being cited as PG&E’s successor proposal,¹² *i.e.*, a renewable energy credit-purchasing program with no program-dedicated resources.¹³ In the end, it is unclear what action the PD takes. The Commission’s final decision should close the GTSR program for the reasons described in the SoCal CCAs’ opening comments; but it must make clear it is doing so.

II. IF THE FINAL DECISION CLOSES GTSR, THE COMMISSION SHOULD RULE EXISTING CONTRACTS WILL NOT BE REVINTAGED.

If the PD is in fact closing the GTSR program, as expressed by PG&E and SCE in their opening comments, the SoCal CCAs continue to urge the Commission to include a finding of fact and conclusion of law specifically rejecting the IOUs’ original revintaging proposals. SCE originally made a proposal to revintage contracts serving its GTSR-GR program upon closure of the program.¹⁴ PG&E also originally offered a similar proposal for its contracts serving its GTSR-GT program.¹⁵ The SoCal CCAs opposed such revintaging in rebuttal, and, in surrebuttal, SCE maintained its original proposal but also stated that “it does not oppose SoCal CCA’s proposal to

⁸ Proposed Decision at 142-143.

⁹ *Id.* at 144.

¹⁰ *See id.* at 142-144.

¹¹ *Id.* at 143.

¹² *Id.*, citing to A.22-05-022, *et al*, *Pacific Gas & Electric Company’s (U 39 E) Opening Brief*, pp. 15-17 (May 17, 2023) (“PG&E Opening Brief”) (discussing PG&E’s successor proposal). In fact, the PD rejects “PG&E’s Proposal”, *i.e.*, the successor proposal. *Id.* at Conclusion of Law 15.

¹³ PG&E Opening Brief at 15-17.

¹⁴ Exh. SCE-03 at 25.

¹⁵ Exh. PGE-02 at 19:5-9.

retain the existing vintages for GTSR-GR contracts upon that program’s termination if the Commission finds that it is reasonable to do so for purposes of enabling other LSEs to purchase an allocation of the Renewable Portfolio Standard [(“RPS”) attributes from these resources through the Voluntary Allocation and Market Offer [(“VAMO”)] process adopted in the Power Charge Indifference Adjustment (“PCIA”) OIR.”¹⁶ PG&E originally proposed to transfer existing GT Program dedicated resources to its RPS portfolio and allocate costs and revenues “in line with existing RPS portfolio, PCIA, and VAMO,”¹⁷ *i.e.*, it agreed with revintaging. However, in amended opening testimony, PG&E revised its proposal to mirror SCE’s. PG&E then remained silent on this issue in surrebuttal testimony. San Diego Gas & Electric Company (“SDG&E”), on the other hand, agrees with the SoCal CCAs and argues the Commission has already settled the vintaging effects cost allocation issues related to vintaging legacy GTSR resources when transferred to the PCIA-eligible RPS portfolio in D.21-12-036, wherein it adopted SDG&E’s proposal to vintage legacy GTSR projects based on the year they were executed.¹⁸

The Commission should expressly reject the utilities’ revintaging proposals because they conflict with prior Commission decisions and, in particular, SCE’s treatment of these resources. SCE has always considered any excess generation from these projects serving its GTSR-GR customers—generation that exceeded the needs of the GTSR participants—to be part of its PCIA-eligible resource portfolio.¹⁹ SCE’s Energy Resource Recovery Account Forecast proceedings already include the three contracts serving the GTSR-GR program as vintage 2015 and 2016 resources, with vintages assigned based on the contract execution date just like any other PCIA-eligible resource.²⁰ SCE records the cost of these contracts to the Portfolio Allocation Balancing Account and transfers only the portion needed to serve GTSR customers to the GTSR balancing account.²¹ Thus, in most respects, these contracts are already RPS resources for those specific vintages.

Moreover, the Commission has rejected two separate requests for revintaging in analogous situations. First, in D.21-12-036, the Commission adopted SDG&E’s proposal to vintage legacy

¹⁶ Exh. SCE-04 at 25:17-21.

¹⁷ Exh. PGE-02 at 19:5-9.

¹⁸ Exh. SDGE-04 at 12:18-13:5.

¹⁹ Exh. SoCal CCA-02 at 9:1-7.

²⁰ *Id.* at 9 (*citing* SCE Response to SoCal CCAs Data Request 3.06).

²¹ *Id.* at 9:7-9.

GTSR projects based on the year of contract execution.²² SDG&E decided to pursue this vintaging practice because it found that transferring the projects which serve the GTSR program to the RPS portfolio would not materially impact the larger set of bundled ratepayers from which the investor-owned utilities would recover rates and because the practice aligns with the vintaging practices already in place in PCIA.²³

Second, the Commission rejected a proposal similar to SCE and PG&E’s request in D.22-12-042.²⁴ In that case, due to suspension of its GTSR program, SDG&E proposed to absorb excess generation from its two dedicated GTSR contracts into its PCIA-eligible resource portfolio by vintaging the legacy GTSR contracts based on the year of contract execution (*i.e.*, 2015 and 2018). Opponents of the plan argued that the contracts should be assigned to vintage 2023, “the earliest that the contracts can support bundled customers.”²⁵ The Commission rejected those arguments, reasoning that D.15-01-051, which authorized the GTSR program, set forth that any over-procurement in the GTSR program be applied to the RPS program.²⁶ The Commission also explained that its approach to revintaging better aligned with the vintaging practice underlying the PCIA mechanism, “wherein the general practice is to assign the vintage year when the contract was entered into.”²⁷ The Commission noted that this revintaging practice resulted from “the agreement reached by the PCIA Working Group for determining PCIA vintages,” of which both SCE and PG&E were a part.²⁸

Thus, if the final decision closes GTSR, the Commission should maintain the current vintages of any GTSR contracts when they shift to only being RPS contracts. A specific finding of fact and conclusion of law stating as much will help ensure an orderly closure to the program.

III. CONCLUSION

For the reasons described in the SoCal CCAs’ opening comments on the PD and in these reply comments, the SoCal CCAs’ respectfully request that the Commission revise the PD such that is clear that it is closing the GTSR program and that existing vintages will be maintained.

²² Exh. SDGE-04 at 12:18-13:5.

²³ *Id.*

²⁴ *See* D.22-12-042 at 20-21.

²⁵ *Id.*

²⁶ *Id.*

²⁷ *Id.* at 21.

²⁸ *See id.* at 20-21.

Respectfully submitted,



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