

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



**FILED**

12/08/25

10:31 AM

R2507013

Order Instituting Rulemaking to Improve the California  
Climate Credit.

Rulemaking 25-07-013  
(Filed July 24, 2025)

**POST-PREHEARING CONFERENCE STATEMENT OF  
THE UTILITY REFORM NETWORK**



Ruthie Lazenby  
Matthew Freedman  
The Utility Reform Network  
360 Grand Avenue, #150  
Oakland, CA 94610  
415-929-8876  
rlazenby@turn.org  
December 8, 2025

# **POST-PREHEARING CONFERENCE STATEMENT OF THE UTILITY REFORM NETWORK**

## **I. Introduction**

The Utility Reform Network (“TURN”) respectfully submits this post-prehearing conference (“PHC”) statement pursuant to Administrative Law Judge (“ALJ”) Sotero’s November 21 *Email Ruling Allowing Post-PHC Statements and Responding to Inquiry Regarding the Deadline for Notices of Intent*. TURN clarifies and elaborates on three issues: 1) the issues to be addressed in Phases 1A, 1B, and 2; 2) the value of a shared modeling tool or alternative coordinated data process; and 3) the need for legal briefing.

## **II. Issues in Phases 1A, 1B, and 2**

TURN clarifies its position on the issues appropriate to address in Phase 1A, Phase 1B, and Phase 2 below. These clarifications are responsive to proposals made by other parties in the PHC and to ALJ Sotero’s explanation that Phases 1A and 1B would run concurrently.

TURN agrees that Phase 1A and 1B should begin together and run simultaneously. It is important, however, that the Phase 1A decision not be contingent on any development in Phase 1B, in order to ensure that Phase 1A can address the timing and number of disbursements of the 2026 Credit in time to implement those changes.

Phase 1A should focus primarily on ensuring changes to the fall 2026 Climate Credit can be adopted quickly enough to provide bill relief in 2026. These changes should be limited to the timing and number of disbursements. Any changes set out in a Phase 1A decision should not prejudice a broader consideration of improvements to credit timing, eligibility, and calculation in a later phase of the proceeding. Certain parties highlighted the urgency of this proceeding at the PHC and recommended including additional issues in Phase 1A. TURN agrees on the urgency but believes that including more issues in Phase 1A has the potential to impede the delivery of an improved Climate Credit in 2026. Other high priority issues should instead be considered in the concurrent Phase 1B.

Phase 1B should focus on procedural and preliminary issues, including scheduling party workshops, public workshops and other forms of public engagement, and developing a tool or other coordinated data analysis. At the PHC, some parties proposed that parties should begin developing the record promptly in Phase 1B. TURN agrees that efficient phasing would permit parties to begin addressing certain substantive issues early in the proceeding, but cautions that it would be inefficient to dedicate substantial time and resources to issues dependent on the outcome of the California Air Resources Board (“CARB”) rulemaking. The Commission can issue a revised scoping ruling to account for changes relevant to this proceeding once CARB’s cap-and-invest rulemaking has concluded. Preliminary issues that would be appropriate to address prior to CARB’s decision include establishing guiding principles, certain considerations

around AB 1207 implementation, and whether the Commission should modify any prior Commission-adopted Climate Credit objectives, definitions and rules.

Phase 2 should be timed to begin promptly once the CARB rulemaking concludes but after Phase 1A has concluded in order to avoid three concurrent phases. Phase 2 should include a consideration of the issues that are dependent on the outcome of the CARB rulemaking: the calculation methodology for the Climate Credit (specifically, whether a volumetric approach is possible and desirable) and potential changes to the natural gas Credit. Because timing, eligibility, and calculation of the Credit should be considered together, these larger changes should be the primary subject of Phase 2.

If the utilities' fall deadline for changes to the 2027 Credit is not flexible, the Commission will need to consider the tradeoffs of an expedited Phase 2 process. If the CARB rulemaking concludes in the spring of 2026, it may be possible to conclude Phase 2 before the utilities' fall deadline, but such an expedited process could come at the expense of a meaningful public engagement process and of deeper analysis by parties.

TURN has advocated for robust public engagement through a public workshop process that involves non-parties in the process. Individual customers can offer valuable insights into the relative value of various proposed changes to the Climate Credit including which options would provide the greatest financial impact. Public engagement can also help inform future outreach and education including the types of messaging that are likely to be most effective.

### **III. Data Analysis Tool or Alternatively, Coordinated Data Sharing**

As expressed in comments and the PHC, TURN supports the development of a shared tool to model the distributional impacts of party proposals. This proceeding will consider changes to the timing, number of disbursements, eligibility, and calculation methodology for the Climate Credit. A common tool would allow the Commission to measure the ratepayer impacts of various permutations and alternatives proposed by parties. Parties could use the tool to clearly evaluate overall costs and benefits and clearly identify the particular subgroups of ratepayers expected to benefit or experience bill increases under each proposal. Such a tool should allow parties to adjust inputs for the months and number of disbursements, whether the timing of the disbursements varies based on baseline territory, eligibility constraints (such as all ratepayers, only CARE/FERA, and only non-Net-Energy-Metering customers), and several calculation methodologies. Parties could file comments proposing the specific inputs they would like to be provided in such a tool.

A public tool was created in R.22-07-005 to support party proposals for an income-graduated fixed charge. As explained in the staff guidance memo accompanying the Ruling:

Parties will be able to use the tool to understand the volumetric rate impact associated with a chosen fixed charge. Parties can then also use the tool to design an income-

graduated design for that fixed charge such that it allows for equitable revenue collection while avoiding any revenue shortfall.

The goal is to make this tool available to parties so it may aid in the development and evaluation of party proposals. By providing common datasets that parties can use to develop their proposals, this ensures that comparison of different proposals are objective and uniform. This also obviates the need to submit multiple, lengthy data requests to the IOUs over the course of the proceeding.<sup>1</sup>

Given the comparable challenges associated with each party modeling the impact of its proposals in a common format using consistent data, the Commission should find that a similar public tool is appropriate for this proceeding. If the Commission decides not to order the development of a single tool, it could direct each utility to develop its own tool that would be available to parties. Developing three separate tools would be less efficient than developing one, but still far more efficient than requiring each party to develop their own bill impacts models. We urge the Commission to address parties' data needs proactively to avoid this inefficient outcome. Forcing each party to develop its own modeling will be time- and resource-intensive and will almost certainly result in substantial duplication of labor. Additionally, such individualized processes will produce data with discontinuities, making direct comparisons of parties' results challenging if not impossible.

As TURN stated at the PHC, if the Commission is not inclined to develop a tool for this purpose, we would recommend an alternative coordinated process. The Commission could provide an opportunity for parties to set out different scenarios through party comments and direct the utilities to analyze the ratepayer impacts of a set of these scenarios. Such scenarios could include a range of outcomes on the timing, number of disbursements, calculation, and eligibility of the Climate Credit. Parties may want to understand the distributional impacts of two versus three summer disbursements, for example, or of how a volumetric allocation changes ratepayer costs depending on whether eligibility is limited to certain customer subsets.

The utility analyses of these scenarios would serve as the beginning, rather than the endpoint of analysis and discovery. Based on the utility analyses of ratepayers impacts from each scenario, parties could engage in discovery to determine more granular impacts to relevant constituencies and to determine how variations on these proposals would impact ratepayers. As the discovery process continues, parties would likely propose additional scenarios for the utilities to model.

If the Commission rejects all three of these options, it should order expedited timelines for utility responses to intervenor data requests in this proceeding. Parties are likely to submit many rounds of iterative data requests to model different scenarios if the Commission does not

---

<sup>1</sup> Administrative Law Judge's Ruling Providing Guidance for Phase 1 Track A Proposals and Requesting Comments on a Consulting Services Proposal, R.22-07-005, January 17, 2023, Attachment 2, p. 13.

adopt a coordinated data strategy. The utilities will need to respond to data requests expeditiously because they are uniquely capable of providing the high quality bill impact data covering different baseline zones and customer types that must be carefully evaluated to inform party positions.

#### **IV. Legal Briefing**

TURN believes legal briefing is unlikely to be necessary early in the proceeding on most of the topics enumerated in the draft PHC agenda. Regarding the specific issues raised in the PHC agenda:

- Funding for the California Transmission Accelerator Fund:
  - TURN does not believe briefing should be necessary on the timeline for directing 5% to the transmission accelerator.
  - TURN does not believe briefing should be necessary regarding the Commission's responsibility to be compliant with CARB regulations. The Commission's obligation is to comply with its statutory directives. However, if the Commission disagrees, this issue can be briefed on a slower timeline in Phase 1B.
- Distribution of the Fall 2026 Climate Credit:
  - The distribution of the fall 2026 Credit to August and September should be the core issues in Phase 1A. Briefing may be required if there are disagreements of law.
- Outreach Plans:
  - Several of the PHC agenda's sub-questions regarding outreach plans are a mix of law and fact. TURN believes comments should be adequate to address most of these issues, but does not object to briefing where the Commission determines it necessary.

#### **V. Conclusion**

TURN appreciates the opportunity to clarify and elaborate on these issues and looks forward to continuing to engage with other parties in this proceeding.

Respectfully submitted,

/s/

Ruthie Lazenby  
Matthew Freedman  
The Utility Reform Network  
360 Grand Avenue, #150  
Oakland, CA 94610

415-929-8876  
rlazenby@turn.org  
December 8, 2025