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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Pacific Gas and Electric Company (U39E) for Approval of Electric Rule No. 30 for Transmission-Level Retail Electric Service.

Application 24-11-007

**ADMINISTRATIVE LAW JUDGE'S RULING
ESTABLISHING PROCEEDING SCHEDULE**

This ruling sets a new proceeding schedule for the remainder of the proceeding and directs parties to consider submitting additional testimony and comment on specified questions related to cost allocation.

1. Procedural Background

On November 21, 2024, Pacific Gas & Electric Company (PG&E) filed Application (A.) 24-11-007 (Application) proposing a new electric rule tariff, identified as Electric Rule 30 (Electric Rule 30), to interconnect transmission-level customers seeking retail services.

On December 23, 2024, The Utility Reform Network (TURN) and the Public Advocates Office at the California Public Utilities Commission (Cal Advocates) filed their protests to the Application.

The Joint Community Choice Aggregators (Joint CCAs),¹ filed a response to the Application.

On January 2, 2025, PG&E filed a reply to the protests and response.

¹ The Joint CCAs consist of Ava Community Energy, Central Coast Community Energy, Marin Clean Energy, Peninsula Clean Energy, Redwood Coast Energy Authority.

A prehearing conference (PHC) was held on January 29, 2025, to determine the need for a hearing, set the schedule for resolving the matter, and address other matters as necessary. San Jose Clean Energy's (SJCE's) oral motion for party status as a Joint CCA was granted at the PHC.

On January 24, 2025, PG&E filed a motion for interim implementation, urging the Commission to act expeditiously and approve the interim implementation of Electric Rule 30 (Motion).²

On February 10, 2025, the Joint CCAs,³ TURN and the Cal Advocates filed their responses opposing the Motion.

PG&E filed a reply to the responses on February 18, 2025.

On March 11, 2025, the Assigned Commissioner issued a Scoping Memo and Ruling (Scoping Memo).

On March 18, 2025, an Administrative Law Judge (ALJ) ruling was issued requesting additional information from PG&E regarding the Motion (ALJ Ruling).

Shell Energy North America (US), L.P. (Shell Energy) filed a motion for party status on March 20, 2025, which was granted via an ALJ ruling on April 21, 2025.

On March 21, 2025, PG&E served a consolidated Initial Prepared Testimony and additional supplemental testimony in a single exhibit, Supplemental Testimony, organized based on the identified issues in the Scoping Memo.

² Motion at 4.

³ The Joint CCAs consist of Ava Community Energy, Central Coast Community Energy, Marin Clean Energy, Peninsula Clean Energy, Redwood Coast Energy Authority, San José Clean Energy and Silicon Valley Clean Energy.

On June 6, California Community Choice Association (CalCCA) filed a motion for party status.⁴ A June 18, 2025, ALJ ruling granted the request.

Following rounds of party comment responsive to the ALJ Ruling, on July 28, 2025, Decision (D.) 25-07-039 was issued, partially granting Pacific Gas and Electric Company's (PG&E's) January 24, 2025 motion for interim implementation of Electric Rule 30. This decision allows for interim implementation for transmission-level customers who provide advance or actual cost payments and voluntarily prefund up to 100 percent of specific transmission network upgrades. The decision requires new transmission-level customers seeking retail services to be responsible for the initial costs of all transmission facilities, rather than those costs being borne by ratepayers.

The Motion was partially denied for the interim implementation period regarding any refunds for advances, actual cost payments, or contributions, as well as associated accrued interest. These matters are deferred to the final decision of the proceeding, at which point the Commission will examine cost allocation and causation in light of the entire record. Similarly, repayments of pre-funded loans were also denied during this interim period, and their full repayment is not guaranteed. D.25-07-039 is effective until a subsequent or final decision on Electric Rule 30 is issued, without prejudicing the determination of these issues in the final decision in this proceeding.

⁴ CalCCA represents the interests of 24 community choice electricity providers in California, including the Joint CCAs: Apple Valley Choice Energy, Ava Community Energy, Central Coast Community Energy, Clean Energy Alliance, Clean Power Alliance, of Southern California, CleanPowerSF, Desert Community Energy, Energy For Palmdale's Independent Choice, Lancaster Energy, Marin Clean Energy, Orange County Power Authority, Peninsula Clean Energy, Pico Rivera Innovative Municipal Energy, Pioneer Community Energy, Pomona Choice Energy, Rancho Mirage Energy Authority, Redwood Coast Energy Authority, San Diego Community Power, San Jacinto Power, San José Clean Energy, Santa Barbara Clean Energy, Silicon Valley Clean Energy, Sonoma Clean Power, and Valley Clean Energy.

On September 18, 19, and 22, evidentiary hearings were held in this proceeding. Opening Briefs were filed on October 24, 2025. On November 21, 2025, an ALJ ruling was issued suspending the proceeding schedule.

2. Questions to Consider for Further Record Development

After reviewing testimony and Opening Briefs, it has been determined that additional record development is necessary to ensure that the Commission is able to render a well-informed decision. Parties shall consider and may provide comment on the questions below, which relate to Scoping Memo Issues 3(a), 3(d), and 3(e):

Broader Cost Causation Questions

1. If a preliminary engineering study determines that a customer seeking transmission-level energization has triggered the need for a Type 4 upgrade, how should the costs for that upgrade be allocated? Specifically, should such costs be allocated to that customer, or among a defined class of large load or data center customers? If multiple customers involved in a cluster study collectively require a Type 4 upgrade, how should the costs of that upgrade be allocated among participants in that cluster study, and what allocation methodology would be appropriate (*e.g.*, by MW ratio of total MW of the cluster study)?

Questions on Financing for Type 4 Facilities

2. For Type 1-3 facilities, customers finance the initial costs of these facilities. Is it reasonable to impose an additional financing requirement on large-load transmission customers to reflect the costs of transmission network upgrades (*i.e.*, Type 4 facilities), and if so, why?
3. If the Commission were to adopt an additional financing requirement for transmission network upgrades, please provide responses below detailing how that requirement should work. In any proposals, specify the methodology for determining share (*e.g.*, based on peak load share), inputs or

data required, a comparison of how this method differs from PG&E's proposed approach, any jurisdictional considerations underlying your proposal, and how to avoid double-counting of California Independent System Operator-planned upgrades. Please answer the following questions.

- a. How should an additional financing requirement for Type 4 facilities be calculated?
- b. Is it reasonable to calculate an additional financing requirement per Mega-watt (MW) of capacity requested, so it applies equally to all customers based on needed capacity? If so, how should this per-MW additional financing amount be calculated? (For example: [\$100,000/MW default value] x [requested capacity in MW]).
- c. Is it reasonable to calculate customer-specific financing requirements based on the actual transmission network upgrades (i.e., Type 4 facilities) required to energize each customer, and the specific location or other characteristics of each customer? If so, how should this customer-specific additional financing amount be calculated? For example: $\sum [\text{cost of each upgrade}] \times [\text{percentage of that upgrade's capacity used by customer}]$.
- d. How should this additional financing occur? For example, should the financing occur through a pre-funded loan or other up-front payment mechanism? Alternatively, should the financing occur through a methodology similar to the Base Annual Revenue Calculation process, like for Types 1-3 Facilities?
- e. Given your answers above, how should the financing mechanism treat a subsequent customer whose energization depends on the same transmission network upgrades?
- f. PG&E performs cluster studies to identify some of the needed transmission network upgrades. Given your answers above regarding how the proposal allocates a

cluster's upgrade costs to each transmission-level customer in the cluster study, are there any issues with the proposed financing requirement aligning with PG&E's cluster study process?

Questions on Apportionment of Facility Costs for Subsequent Customers

4. Explain how costs for Facility Types 2 & 3 should be allocated to a subsequent customer who uses facilities built and funded entirely or partially by the initial customer. Please provide examples. In your response, specify:
 - a. Scenarios as examples on how calculations would work;
 - b. The basis for the subsequent customer's cost responsibility if it did not incur upfront costs;
 - c. How the "total refund amount" for the subsequent customer is calculated and how refund amounts that exceed subsequent customer's total refund amount is calculated;
 - d. Whether and how cost responsibility is reallocated among customers when additional customers begin taking service; and
 - e. Whether the initial customer's previously incurred costs become the baseline for subsequent customers' BARC reviews or other refund calculations.
5. Explain how PG&E should administer refunds when there is an Apportionment Agreement among Joint Applicants under Section C.6, and a subsequent customer arrives outside the Joint Applicant group who uses the same facilities. Please provide examples. Specifically:
 - a. How should the agreed-upon apportionments among Joint Applicants interact with PG&E's refund obligations;
 - b. Should Joint Applicants' internal cost allocations modify subsequent customers' refund obligations; and
 - c. How should refunds be administered if the sequencing of energization differs among Joint Applicants and subsequent customers?

6. PG&E proposes that an initial customer may receive additional refund amounts from subsequent customers that exceed the subsequent customer's total refund amount, as long as they do not exceed the initial customer's Total Refund Amount. Please provide examples and explain:
- a. How such additional refunds are calculated;
 - b. The source of funds for these refunds if the subsequent customer's own BARC-eligible refunds or net revenues are insufficient to support the refund obligation;
 - c. How these calculations apply in cases where the initial customer materially underperforms its load commitment while the subsequent customer materially over-performs; and
 - d. Whether PG&E's proposed BARC mechanism is capable of supporting such irregular refund flows without exposing ratepayers to risk.

3. New Proceeding Schedule

In order to fully develop the record on the above questions, further testimony is needed. Parties shall be given the opportunity to submit limited testimony responsive only to the questions presented in this ruling. The following proceeding schedule is established:

EVENT	DATE
Limited Opening Testimony on questions presented in this ruling	February 18, 2026
Limited Rebuttal Testimony on questions presented in this ruling	March 13, 2026
Parties submit Joint Motion regarding need for Evidentiary Hearing	March 23, 2026
Evidentiary Hearings, if needed	April 1, 2026
Limited Opening Briefs due on questions presented in this ruling	April 10, 2026

EVENT	DATE
Reply Briefs due on all issues	April 24, 2026

IT IS RULED that:

1. Parties are directed to consider the questions presented in this ruling and may provide testimony and comment on them.
2. The proceeding schedule presented in Section 3 is adopted.

This order is effective today.

Dated January 9, 2026, at San Francisco, California.

/s/ GARRETT TOY
Garrett Toy
Administrative Law Judge