

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



FILED

01/23/26

10:30 AM

R2401018

Order Instituting Rulemaking to Establish Energization
Timelines

Rulemaking 24-01-018
(Filed January 25, 2024)

**ENVIRONMENTAL DEFENSE FUND REPLY COMMENTS ON PROPOSED
DECISION ESTABLISHING A STANDARD OFFER FOR FLEXIBLE SERVICE
CONNECTIONS**

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January 23, 2026

I. INTRODUCTION

Pursuant to the Proposed Decision of Commissioner Alice Reynolds, filed December 24, 2025, in Docket R.24-01-018 (“Proposed Decision” or “PD”), Environmental Defense Fund (“EDF”) respectfully files these Reply Comments.¹

II. DISCUSSION

A. The Commission Should Ensure Single-Phase Customers Are Eligible for FSCA Participation

EDF agrees with Enphase and AEU that FSC participation should not be limited to polyphase customers.² Single-phase customers represent a significant portion of the grid and can contribute meaningfully to relieving distribution constraints. Excluding them would arbitrarily limit access to flexibility solutions, reduce overall program effectiveness, and deny many residential and small commercial customers the benefits of FSCs. Ensuring that single-phase customers are eligible, and allowing those customers to individually decide if participation will be cost-effective for them, allows for broader participation, supports grid reliability, and helps maximize the value of controllable loads and DERs across all customer classes.

B. The Commission Should Investigate Emergency Ratings and FSCs Without Delaying a Final Decision

EDF agrees with the recommendations of multiple parties, including CALSTART and IREC, that the Commission should further investigate how the utilities’ emergency ratings policies will interact with FSC availability, but it should not delay a final Decision until after further record development on this topic, as IREC recommends.³ As the PD notes, PG&E’s current Load Limit Letter program is designed so that participating customers would not exceed emergency ratings if their load control fails.⁴ Maintaining that policy here, therefore, would keep the status quo in place while the Commission and stakeholders conduct further factfinding that could inform modifications. EDF recommends that the Commission clarify that, when applying the emergency rating limitation, utilities must use a customer’s load shape (specifically the customer’s coincident peak load on the constrained grid asset) rather than the customer’s cumulative nameplate capacity.⁵

¹ Docket R.24-01-018, *Order Instituting Rulemaking to Establish Energization Timelines*, Decision Establishing a Standard Offer for Flexible Service Connections (Dec. 24, 2025). [hereinafter “PD”].

² Enphase Opening Comments at 4; AEU Opening Comments at

³ CALSTART Opening Comments at 10; IREC Opening Comments at 3-7.

⁴ PD at 38.

⁵ See IREC Opening Comments at 7.

C. The Proposed Decision Should Extend to All Utilities, Not Just SCE and PG&E

EDF agrees with the recommendations of CALSTART, IREC, and TURN that the PD should extend beyond SCE and PG&E.⁶ The PD itself acknowledges that upstream capacity constraints are likely to arise in these utilities' service territories in the future.⁷ Given this, the PD should apply to all utilities that are reasonably expected to be affected. If the Commission chooses not to adopt EDF's recommendation that it apply this decision to SDG&E now, EDF supports the alternative recommendation of CALSTART, IREC, and TURN to require SDG&E to file an advice letter implementing this decision following the first instance of a capacity-driven energization delay in its service territory.

D. The Commission Should Not Defer Timeline Requirements for Deliverables

In its Opening Comments, SCE requests that the Commission modify the PD by extending the timelines for key deliverables, including advice letters, a standard offer tariff, revisions to Rules 2 and 3, and other reporting requirements.⁸ EDF disagrees that any such extensions are warranted. Similarly, PG&E asks that these timelines be "deferred" until it completes a comprehensive cost analysis related to establishing a standard offer for FSCs.⁹ EDF likewise opposes such delay.

Work on FSCs has been under development before the Commission for more than a year and has proceeded in coordination with related efforts across multiple proceedings, including the High DER proceeding. Significant stakeholder and Commission resources have been devoted to building a robust record that directly supports the findings and related Ordering Paragraphs in the PD. Allowing the utilities to delay or defer compliance at this stage would undermine that process and unnecessarily postpone implementation. Absent clear, demonstrable evidence that the established timelines are unworkable or would compromise the utilities' ability to provide safe and reliable service, the Commission should require strict adherence to the PD's schedule.

E. The Commission Should Keep the Requirement for the Step 0 Power Check

PG&E and SDG&E propose eliminating or making optional the Step 0 preliminary capacity assessment ("PCA"), or power check, citing concerns that it would cause delays and impose additional costs on customers.¹⁰ PG&E further argues that Step 0 could result in "false

⁶ See CALSTART Opening Comments at 11; TURN Opening Comments at 3; IREC Opening Comments at 10.

⁷ PD at 11-12.

⁸ SCE Opening Comments at 7-9.

⁹ PG&E Opening Comments at 9.

¹⁰ PG&E Opening Comments at 7-9; SDG&E Opening Comments at 5.

positives,” whereby customers are initially informed that capacity may be available, only to have that indication withdrawn after completion of the full interconnection process. Taken together, the utilities contend that the incremental customer benefit of Step 0 is modest at best when weighed against the alleged operational burden.

EDF disagrees. Neither PG&E nor SDG&E has provided any cost-benefit analysis, internal study, or other support demonstrating that the costs or delays associated with Step 0 would in fact be prohibitive, and they are unlikely to be able to do so given that the costs of a PCA are borne by the requesting customer.¹¹ Moreover, the Step 0 PCA is explicitly intended to be a preliminary, non-binding screening tool, not an operational or legal commitment regarding available capacity. Its purpose is to provide customers with an early, high-level assessment so they can make informed decisions before investing significant time and resources in full applications.

By offering this early screening opportunity, Step 0 can reduce customer frustration, avoid unnecessary or duplicative site assessments, and limit the need for customers to submit overlapping applications simply to hedge against uncertainty. In doing so, Step 0 helps ensure that the applications customers ultimately submit are viable, thereby saving time and resources for both customers and utilities and improving the overall efficiency of the interconnection process.

F. The “Trust-and-Verify” Model for Ensuring Customer Compliance with FSCs is Appropriate

In its Opening Comments, SDG&E argues that the “trust-and-verify” model of ensuring customer compliance with FSCs, which PG&E currently utilizes for its Load Limit Letters and the PD endorses, does not provide the utilities with sufficient discretion to impose additional verification requirements.¹² PG&E similarly challenges this process as not scalable.¹³ EDF disagrees. PG&E reported no difficulties with the use of AMI data and subsequent direct communication with participating customers to ensure compliance, and there is no evidence in the record of stricter verification procedures—whatever those may be—being necessary to protect the safety and reliability of the grid. Alternative monitoring methods, such as telemetry, can impose significant costs on customers and should be avoided absent evidence of necessity.

The PD also acknowledges that the manual review and email processes that PG&E uses to communicate violations “may not be ideal for achieving scale or compatible with different IOU

¹¹ PD at 51.

¹² SDG&E Opening Comments at 6-7.

¹³ PG&E Opening Comments at 2.

systems” and leaves the utilities discretion to develop alternative methods of doing so.¹⁴ This is sufficient to ensure that the utilities have the ability to use the reliable AMI data they already collect and implement the processes necessary to ensure customer compliance with FSCs.

G. Now is the proper time to develop an FSC standard offer.

PG&E argues that its current processes are working and should continue, and the Commission is premature in requiring the utilities to develop a standard offer.¹⁵ PG&E and SDG&E also recommended that if the Commission does move forward on this topic, it should require implementation of the standard offer through a Standard Form Agreement rather than a tariff.¹⁶ EDF disagrees. While PG&E has shown the most success of the large IOUs in deploying FSCs, their use remains limited to only around 100 customers. The Commission has made clear that leveraging customers’ load flexibility is critical effort to support timely energization, and greater availability of FSCs through a more standardized process is key to scaling deployment.¹⁷ A standard offer is therefore appropriate at this time, and implementing it through tariff language, rather than solely through individualized agreements, can provide the certainty customers need to participate at scale, while still preserving utility flexibility to tailor FSCs to specific customer circumstances.

III. CONCLUSION

EDF appreciates the opportunity to submit these comments and recommends the Commission modify the PD consistent with these and EDF’s Opening Comments.

Dated: January 23, 2026

Respectfully submitted,

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¹⁴ PD at 40.

¹⁵ PG&E Opening Comments at 2-3.

¹⁶ *Id.* at 3-4; SDG&E Opening Comments at 1-2.

¹⁷ PD at 4.