



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

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Order Instituting Rulemaking to Update and Reform Energy Resource Recovery Account and Power Charge Indifference Adjustment Policies and Processes.

R.25-02-005

**JOINT OPENING COMMENTS OF SOUTHERN CALIFORNIA EDISON  
COMPANY (U 338-E), PACIFIC GAS AND ELECTRIC COMPANY (U 39-E), AND SAN  
DIEGO GAS & ELECTRIC COMPANY (U 902-E) ON THE ADMINISTRATIVE LAW  
JUDGE'S RULING AUTHORIZING PARTIES TO FILE COMMENTS ON ISSUES  
TO ADDRESS IN TRACK 3**

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**I. INTRODUCTION**

Pursuant to the *Administrative Law Judge’s Ruling Authorizing Parties to File Comments on Issues to Address in Track 3*, dated February 20, 2026 (Ruling), Southern California Edison Company (SCE), Pacific Gas and Electric Company (PG&E), and San Diego Gas & Electric Company (SDG&E) (collectively, the Joint IOUs), respectfully submit the following Opening Comments.<sup>1</sup>

**II. RESPONSES TO QUESTIONS REGARDING TRACK 3 SCOPING ISSUES**

**1. What issues should be addressed in Track 3 of this proceeding? If you have views on how these issues should be prioritized, also provide that input.**

The Joint IOUs recommend that Track 3 of this Rulemaking should examine:

- Expedited, interim reform to the Renewables Portfolio Standard (RPS) market price benchmark (MPB);
- Reform to the Energy Index MPB;
- Re-vintaging of Utility-Owned Generation (UOG) resources;
- Comprehensive reform to the Power Charge Indifference Adjustment (PCIA) MPBs;

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<sup>1</sup> Pursuant to Rule 1.8(d), PG&E confirms that counsel for SCE and SDG&E have authorized PG&E to file these *Opening Comments* on behalf of their organizations.

- Reform negative PCIA by setting a zero floor to prevent payment of forecasted negative PCIA rates to customers;
- Incorporation of Slice-of-Day (SOD) Resource Adequacy (RA); and
- Reform to the Energy Resource Recovery Account (ERRA) Trigger.

Given the number of topics, the Joint IOUs believe it is unrealistic to undertake and timely resolve all the items concurrently in a single track of this proceeding and instead suggest splitting the topics into multiple tracks. The Joint IOUs propose that Track 3 be further split into these multiple tracks to provide the greatest flexibility to tackle higher-priority issues immediately while allowing for additional time for those issues that are less pressing or more complex.

The highest priority is PCIA MPB reform, which would examine both the RPS and the Energy Index MPBs. However, the Joint IOUs also recognize that the RPS MPB reform may be more controversial between parties, resulting in a longer procedural timeline due to the need to develop a robust record and the potential for workshops, multiple rounds of comments, and/or evidentiary hearings. To that end, the Joint IOUs recommend that the Commission consider whether urgent resolution through an interim cap on the RPS MPB can be determined in Track 3A, while a more comprehensive MPB reform is underway in Track 3B. It may be prudent that similar analysis to the RPS MPB be performed to determine if similar issues identified in the Track 1 RA MPB reform are also applicable to the RPS MPB data.

With 2027 being the last year of RPS Compliance Period 5,<sup>2</sup> there is a greater potential for limited REC transactions being made and at a premium to ensure LSEs can meet their compliance targets. Even without this potential volatility, as discussed in Track 1, as The Utility Reform Network (TURN) noted, there has been a significant increase in the RPS MPB since 2022, pointing to the “exclusive reliance on a subset of short-term transactions that involve index-plus pricing.”<sup>3</sup> This creates a mismatch between this subset of short-term transactions and the statutory requirement that 65% of all

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<sup>2</sup> Compliance Period 5 is 2025 through 2027.

<sup>3</sup> TURN Opening Comments (dated March 18, 2025), p. 3.

RPS compliance be sourced under long-term agreements, which creates significant volatility in year-to-year values. The RPS MPB itself and when it is applicable is ripe for a re-examination and resolution that better reflects the value of the RPS portion of the PCIA-eligible resources.<sup>4</sup>

Additionally, as shown in Table II-1 in the Joint IOUs' Track 2 Reply Testimony,<sup>5</sup> under the current PCIA methodology, from 2019 through 2025, the Energy Index component has resulted in cumulative undercollections exceeding \$4 billion for SCE customers. The persistence of an undercollection year over year suggests systematic overestimation of forecasted energy revenues from the PCIA-eligible IOUs' portfolios and should be addressed in Track 3A. The Joint IOUs believe that Energy Index MPB reform will be relatively straightforward and can be achieved more readily and would be less controversial than other topics that will likely be more controversial and/or complex. As a result, the Joint IOUs recommend that the Energy Index MPB reform also be included in Track 3A.

Track 3B should include comprehensive PCIA MPB reform, namely long-term RPS MPB reform and a re-assessment of any additional changes necessary to the RA MPB such as how to account for the Commission's implementation of the SOD paradigm. In the RA proceeding, Energy Division's Report on Transactability found that "[s]ince the implementation of SOD, the RA market has exhibited increased differentiation in how capacity products are described and transacted...[and] observed the emergence of specifically defined products across LSE solicitations – such as Flat-NQC (24x7), storage, region-specific wind, and multiple solar configurations differentiated by type and location – that more directly reflect the hourly shapes and contributions of different resource types."<sup>6</sup> The Joint IOUs had previously supported inclusion of SOD RA in a later track in this proceeding.<sup>7</sup> The Commission's SOD program impacts both the value of RA resources, as well as Load Serving Entities' (LSE) RA

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<sup>4</sup> See IOU Opening Testimony (dated March 2, 2026), pp. 54-59.

<sup>5</sup> Joint IOU Reply Testimony (dated March 23, 2025), p. 11.

<sup>6</sup> See Rulemaking 25-10-003, Energy Division's Report on Transactability within the Slice of Day Resource Adequacy Framework, (February 2026) p. 19, *available at* <https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M599/K960/599960179.PDF>.

<sup>7</sup> Joint IOU Opening Comments (dated March 18, 2025), p. 27.

compliance requirements. With the new RA SOD program having started in 2025 and the RA MPB having been reformed in Track 1 of this proceeding, the Joint IOUs believe that RA SOD should be examined here, both regarding how to incorporate those values as well as considering its overall impact on the PCIA. The Joint IOUs propose this issue be considered as part of the comprehensive PCIA reform in Track 3B.

Track 3B should also include examination of the standard for re-vintaging of UOG resources and examination of whether PCIA rates should be negative on a forecast basis. In opening comments to Track 1 of this proceeding, multiple parties requested review of the standard for re-vintaging of UOG resources as a topic that should be included in scope for the proceeding.<sup>8</sup> The question of whether a UOG resource should be re-vintaged based on any updates, significant investments, or modification is likely one that must be addressed on an individual UOG basis as there could be differences in each instance. The Joint IOUs believe that the question of the standard for when re-vintaging of UOG would occur should be included in Track 3B of this proceeding, so as to allow parties time to develop a complete evidentiary record through testimony.

As described previously by the Joint IOUs,<sup>9</sup> the recent escalation in the MPBs has resulted in negative forecasted PCIA rates (*i.e.*, bill credits) for certain departing load customer vintages. The net impact of a negative forecasted PCIA rate caused by escalated MPBs is that IOU bundled service customers pay more than the costs of the Commission-approved PCIA portfolio for forecasted generation costs. This result -- where bundled service customers pay more than the cost of the portfolio serving them -- is in conflict with the statutory indifference mandate. For the pre-2019 PCIA methodologies, the Commission determined that bundled service customers should *not* pay departing load negative PCIA rates, but rather the IOUs should track negative PCIA totals to apply against future positive PCIA totals in ratesetting. This tracking-and-offset approach was abandoned with the changes

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<sup>8</sup> See CalCCA Opening Comments (dated March 18, 2025), p. 36. See also Joint IOU Opening Comments (dated March 18, 2025), p. 29.

<sup>9</sup> Joint IOU Opening Comments (dated March 18, 2025), p. 25.

adopted effective January 1, 2019. While the Joint IOUs agree that negative PCIA rates in the immediate history have at least been partially addressed by the Track 1 reform to the RA MPB, there should be legal briefing in Track 3B on whether paying forecasted negative PCIA rates is permissible under existing law.

Finally, the Joint IOUs agree that while there also could be consideration as to whether the ERRA trigger mechanism is functioning as intended, the focus on the proceeding should remain on MPB reforms. It would also be impractical to determine what, if any, changes are needed for the ERRA trigger mechanism while so many of the MPB methodologies are being reformed, the result of which could have substantive impacts on the amounts forecasted and recorded into the generation balancing accounts that constitute the ERRA trigger calculation. Thus, the Joint IOUs recommend that the ERRA trigger be considered in a future track, as necessary, after any MPB methodologies have been updated or other changes are made.

2. **There may be data confidentiality and/or data access issues that affect how issues can or should be addressed by the parties. What data confidentiality issues are likely to arise in Track 3? How should the scope and schedule of Track 3 address these issues?**

a) **Data Confidentiality Issues That are Likely to Arise in Track 3**

As framed by the California Community Choice Association (CalCCA) during the Track 2 pre-hearing conference (PHC) held on January 23, 2026, the key questions related to data confidentiality in Track 3 pertain to relevance and the appropriate scope of data, as well as who should have access to bundled service customers' confidential data and whether the Commission's existing confidentiality rules designed to prevent market manipulation should be relaxed in Track 3.<sup>10</sup> CalCCA has suggested in discussions with the Joint IOUs that the non-standard non-disclosure agreement (NSNDA) developed

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<sup>10</sup> Tr. Vol. 2, p. 172:18-23 (“... it’s like trying to figure out the right scope of the data needed, the right nondisclosure agreement to sign or protective order for the Commission to issue, the process to get that data without the need to litigate discovery disputes or Public Records Act request.”).

for use in the 2017 PCIA proceeding, Rulemaking (R.) 17-06-026, should be applied to govern access to confidential, market-sensitive information in Track 3. The Joint IOUs pointed out during the PHC that the need for data in Track 3 will be reciprocal, meaning that the Joint IOUs must have equivalent ability to obtain relevant information, including confidential market-related data, from other parties to the proceeding, including community choice aggregators (CCA).<sup>11</sup>

Taking into account the discussion at the PHC, as well as subsequent indications from CalCCA regarding the categories of data it expects to request in connection with Track 3, the Joint IOUs anticipate that the following confidentiality-related questions may arise in Track 3:

- 1) Has CalCCA met its burden to prove that its right of full participation will be unduly constrained by adherence to the Commission's long-standing rule requiring market participants to access bundled service customers' confidential market data through a Reviewing Representative? Should the Joint IOUs be required to implement the extraordinary discovery measures implemented under the consensus approach adopted in R.17-06-026, such as maintaining a third-party electronic data room and providing extensive market data for education purposes?
- 2) If the Commission finds cause to deviate from its standard Reviewing Representative rules, what document will govern parties' access to confidential information? How will the Commission ensure that the IOUs have equivalent reciprocal access to the confidential information of market participant parties?
- 3) If the Commission orders development of a non-standard approach to confidentiality what process and timeline should the Commission establish?

**b. How Should the Scope and Schedule of Track 3 Address These Issues?**

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<sup>11</sup> Tr. Vol. 2, p. 164:9-11.

The Joint IOUs respectfully request that the Commission issue a ruling at the outset of Track 3 directing parties to follow the Commission’s standard confidentiality rules<sup>12</sup> and discovery procedures throughout the remainder of this proceeding.<sup>13</sup> The Commission has made clear that deviation from its adopted confidentiality rules – which have been in place and used for nearly two decades – is appropriate only in very narrow circumstances, which are not present here. While the Joint IOUs voluntarily agreed in R.17-06-026 to depart from standard confidentiality rules and discovery practices to allow greater access to bundled service customers’ confidential market data, the factors that justified the consensus approach in R.17-06-026 do not exist in the instant case. CalCCA cannot meet its burden to prove that its right of full participation will be unduly constrained by enforcement of the Commission’s standard confidentiality rules, or that the comprehensive data production that the Joint IOUs agreed to in R.17-06-026 for education would be reasonable in the instant case. Accordingly, the Commission should direct CalCCA and all parties to apply the Commission’s standard confidentiality requirements and discovery practices in Track 3 and any subsequent procedural tracks.

**1) The Commission Should Direct Parties in Track 3 to Proceed in Accordance with the Commission’s Standard Confidentiality Rules and Discovery Procedures**

The Commission’s current procurement confidentiality rules are based on the requirements set forth in Public Utilities Code Section 454.5(g).<sup>14</sup> The rules were adopted in response to the market manipulation and significant resulting harm to bundled service customers that occurred during the 2000-2001 energy crisis.<sup>15</sup> In establishing the current rules, the Commission made clear that

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<sup>12</sup> See D.06-06-066, *et seq.*

<sup>13</sup> See, e.g., Article 10 and Rules 11.3 and 11.7 of the Commission’s Rules of Practice and Procedure.1; CPUC, *General Discovery Customer and Practice* (November 20, 2019).

<sup>14</sup> All statutory references herein are to the Public Utilities Code unless otherwise noted.

<sup>15</sup> D.06-06-066, as modified by D.07-05-032, pp. 46-47.

“[c]onfidentiality protections are essential to avoid a repetition of the energy market crisis.”<sup>16</sup> It stressed the importance of “guard[ing] against the release of information that can lead to more opportunities for market manipulation,” noting that “Californians are still paying for the energy crisis that commenced in 2000.”<sup>17</sup>

The Commission’s confidentiality decisions provide detailed guidance regarding, among other things, the procedures that govern access to protected confidential information by market participants. Under the Commission’s standard confidentiality rules, market participant parties must utilize a non-employee “Reviewing Representative” in order to access confidential procurement information.<sup>18</sup> The Commission has adopted both a Model Protective Order (MPO), styled as a Commission protective order governing access by all parties to confidential information of all other parties in a given proceeding, and a Model Non-Disclosure Agreement (MNDA), styled as a bilateral agreement between two parties regarding treatment of confidential information during and after a Commission proceeding, to enable access through a Reviewing Representative.<sup>19</sup> The Commission explained that “[o]ur rationale for permitting market participant parties to access market sensitive information via Reviewing Representatives is to ensure confidentiality of market sensitive information *to protect the California ratepayer.*”<sup>20</sup>

In 2019, the Commission rejected a proposal by CalCCA to permanently amend the existing confidentiality rules to “allow its specified employees access to confidential information pertinent to reviewing the Power Charge Indifference Adjustment” in a manner similar to the consensus approach agreed to in R.17-06-026.<sup>21</sup> The Commission was not persuaded by CalCCA’s broad claim that “[t]he

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<sup>16</sup> *Id* at p. 4.

<sup>17</sup> *Id* at pp. 16, 18.

<sup>18</sup> D.11-07-028, Ordering Paragraphs (OPs) 1 and 2.

<sup>19</sup> *See* D.06-12-030; D.08-04-023, D.09-03-046; D.11-07-028; Resolution E-4468.

<sup>20</sup> D.11-07-028, p. 14 (emphasis added) (internal citations omitted).

<sup>21</sup> D.19-04-012, p. 1.

inability of CCA staff to access the necessary data to evaluate the PCIA’s compliance with Commission rules and State law raises significant ratepayer indifference and competition concerns . . .”<sup>22</sup> The Commission acknowledged that if a market participant party believes in a specific case that its “right of full participation somehow will be unduly constrained by the general rule limiting access to outside counsel, consultants and experts, then such a party can file a motion with the decision-maker and seek an exemption from the general rule,”<sup>23</sup> but it rejected CalCCA’s blanket assertion that the Reviewing Representative requirement, as applied to CalCCA and individual CCAs in the context of PCIA, is categorically unreasonable.

Thus, CalCCA has the burden of specifically proving in the instant case that its right of full participation will be unduly constrained if the Commission adheres to its established rule requiring market participants to access bundled service customers’ confidential market data through a Reviewing Representative. It is important to note that CalCCA made *no such showing* in R.17-06-026. Rather, in that case, the Joint IOUs voluntarily agreed to the non-standard confidentiality framework in order to permit parties to that proceeding, some of whom were newly-formed CCA parties or parties representing the interests of yet-to-be-formed CCAs, as well as CalCCA, which had been formed only one year prior to the proceeding,<sup>24</sup> to comprehensively review the then-existing (pre-2019) PCIA methodology in order to gain a better understanding of its mechanics and how the methodology resulted in above-market costs.<sup>25</sup>

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<sup>22</sup> R.05-06-040, *California Community Choice Association Petition for Modification of Decision 11-07-028* (CalCCA PFM), p. 5.

<sup>23</sup> D.19-04-012, p. 3, citing D.11-07-028, p. 12.

<sup>24</sup> CalCCA PFM, p. 2 (noting that CalCCA was formed in June 2016.)

<sup>25</sup> *See, e.g.,* R.17-06-026, *Joint Prehearing Conference Statement of Southern California Edison Company, Pacific Gas and Electric Company, and San Diego Gas & Electric Company on Order Instituting Rulemaking to Review, Revise, and Consider Alternatives to the Power Charge Indifference Adjustment* (August 24, 2017), p. 4 (Proposing to address transparency and data access issues concerning the pre-2019 methodology through workshops with a consensus recommendations for Commission adoption.). R.17-06-026, *Scoping Memo and Ruling of Assigned Commissioner* (September 25, 2017), p. 19 (“The underlying nature of the cost

In addition, to further support this education effort, the Joint IOUs deviated from the Commission’s standard discovery approach and agreed to provide a voluminous amount of data through individual third-party maintained electronic data rooms. Production of this information, much of which was of questionable relevance, was extremely burdensome.

The circumstances that justified departure from the standard process in R.17-06-026 do not exist in the instant case; CalCCA can no longer credibly claim that it lacks an adequate understanding of the PCIA methodology. CalCCA cannot meet its burden to prove that its right of full participation will be unduly constrained by adherence to the Commission’s established confidentiality rules; CalCCA routinely uses a Reviewing Representative in Commission proceedings, as indeed it did in Track 2 to propose revisions to the PCIA methodology’s treatment of pre-2019 banked renewable energy credits (REC). Thus, the Commission should deny CalCCA’s proposal to dispense with the requirement that market participants use a Reviewing Representative to access bundled service customers’ confidential, market-sensitive data and direct parties to proceed in accordance with its well-established confidentiality rules and discovery guidelines.

**2) If the Commission Deviates from its Standard Reviewing Representative Rules, a Revised Version of the MPO Should Govern Parties’ Access to Confidential Information**

Under the MNDA, there is one “Requesting Party” and one “Disclosing Party” and information is provided in only one direction – from the Disclosing Party to the Requesting Party. Given the need for reciprocal data access in the event the Commission elects to relax its confidentiality rules (which it should not), a bilateral NDA approach would be cumbersome and inefficient since some parties would be both a “Disclosing Party” and a “Requesting Party” and would, thus, be required to execute separate NDAs to reflect each position. Accordingly, if the Commission deviates from its standard Reviewing

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responsibility of departing load cannot be fully understood — and accepted — by those customers without fully analyzing the source of those costs, and the reasons the IOUs incurred them when they did.”), p. 21 (noting that interested parties must have the ability to “review the current PCIA methodology and understand its results.”).

Representative rules in Track 3, it should adopt a non-standard version of the MPO (a NSMPO) to govern access to and use of confidential information produced by, or on behalf of, any and all parties to the proceeding.

The 2017 NSNDA could not be used in Track 3 without significant revisions. First, and most problematic, the NSNDA does not provide for reciprocal exchange of information and, indeed, is drafted so that the relaxed “Reviewing Representative” provisions apply *only* to CCA and energy service provider (ESP) parties.<sup>26</sup> This is clearly unreasonable; if the Commission were to accept the premise that effective participation in Track 3 requires unfettered access to confidential, market-sensitive data by one category of market participant (*e.g.*, CCAs), it must find that the same degree of access is required for *all* market participants, including the IOUs. Several other provisions of the 2017 NSNDA would require revision as well. For example, because the NSNDA was intended to be used exclusively in R.17-06-026, it contains several references limiting its applicability to that proceeding. In addition, Appendix B to the NSNDA sets forth the categories of information the Joint IOUs agreed to provide in that proceeding, which would not be relevant to the instant proceeding, and Appendix C includes a data aggregation approach that would need to be reviewed and potentially revised given the changed context.

**3) If the Commission Deviates From its Standard Reviewing Representative Rules, it Should Adopt a Standard for Determining What Data are Subject to the NSMPO/NSNDA and Issue Clear Direction to Parties Regarding the Process and Timeline for Development of a NSMPO or NSNDA**

In R.17-06-026, parties undertook a two-month process to come to agreement regarding the more permissive terms of the 2017 NSNDA and the broad set of data to be produced by bundled service customers. If the Commission orders development of a NSMPO/NSNDA in the instant proceeding (which it should not), it should order parties to cooperate in good faith to achieve this objective on a

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<sup>26</sup> See R.17-06-026, *Assigned Commissioner and Assigned Administrative Law Judge Ruling Granting Relief Sought in December 8, 2017 Supplemental Joint Report on Data Issues* (December 20, 2017), p. 1; *San Diego Gas & Electric Company Submission of Supplemental Joint Report on Results of Meet and Confer Regarding Data Issues* (December 8, 2017), Attachment B, Section 2.H.2.

reasonable timeline. The Commission should also explicitly direct all parties to avoid data requests that are overly broad and unduly burdensome, and/or that seek information or documents that are not reasonably calculated to lead to the discovery of admissible evidence. Here, given the change in circumstances since the 2017 PCIA proceeding and the fact that CalCCA and other market participants have demonstrated a comprehensive understanding of the current PCIA methodology through their participation in PCIA-related proceedings as well as the Joint IOUs' respective ERRA proceedings, the need for the extraordinary discovery measures applied in R.17-06-026 is not readily apparent.

The Commission should also establish a clear standard for what data are subject to the NSMPO/NSNDA (*i.e.*, all confidential data requested in Track 3 or only a sub-set of data). Having a well-defined standard in place would reduce the likelihood of discovery disputes and would obviate the need for parties to identify and the Commission to approve at the outset of Track 3 the categories of data to be covered by the NSMPO/NSNDA, which could be a time-consuming undertaking.

**3. How long do you expect Track 3 will take to complete? What process/timing interdependencies may there be?**

To address the proposed scope of issues above and ensure a sufficient record in this proceeding for timely implementation, the Joint IOUs recommend that the Commission adopt a multi-tracked schedule starting in June 2026 and completing Track 3 in February 2028.<sup>27</sup> Specifically, the Commission should split Track 3 into multiple tracks to provide the greatest flexibility for parties to tackle higher priority issues immediately while allowing for additional time for those issues that are less pressing or more complex. The multi-tracked approach proposed below allows for Commission issuance of final decisions in each track on a timeline compatible with each IOU's annual ERRA Forecast proceeding, which establishes rates for the subsequent year and runs between May through approximately December of each calendar year. Further, the proposed schedules below are also

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<sup>27</sup> See the Order Instituting Rulemaking to Update and Reform Energy Resource Recovery Account and Power Charge Indifference Adjustment Policies and Processes, p. 26, stating that the "statutory deadline for this proceeding is set at 36 months from the date this OIR issued," which was issued on February 20, 2025.

intended to ensure that resources among the parties and the Commission are not spread too thin given the overlap with the annual ERRA Forecast proceeding.

Consistent with the comments above, Track 3A should address the highest priority topic: an interim change to the RPS MPB and Energy Price Index MPB. In more detail below, the Joint IOUs propose that Track 3A - covering these highest priority topics - starts in June 2026 upon the issuance of a Track 3 Scoping Memo and completes around September 2026 for a final decision on these topics in February 2027. This schedule permits any adopted interim changes to these MPBs to be implemented as part of each IOU’s respective 2028 ERRA Forecast proceeding, both for the 2027 true-up and the 2028 forecast, so that revised MPBs can take effect in 2028 rates. As highlighted above, this schedule is also intended to ensure resources among the parties and the Commission are not spread too thin given the overlap with the IOUs’ 2027 ERRA Forecast proceedings.

**Proposed Schedule for Track 3A**

<b><u>Description</u></b>	<b><u>Timing</u></b>
• Issuance of Track 3 Scoping Memo	Early June 2026
• Energy Division Issues Report on Potential Issues with the Current RPS MPB Calculation Methodology	July 2026
• Interim Proposals on Changes to the RPS and Energy Index MPBs	August 2026
• Opening and Reply Comments on Interim RPS and Energy Index MPB Proposals	September 2026
• Proposed Decision	January 2027
• Opening and Reply Comments on Proposed Decision	January/February 2027
• Final Decision	February 2027

To tackle other PCIA-related issues that require additional time but that are less pressing or more complex such as establishing re-vintaging guidelines for UOG resources and more durable reforms to the valuation of PCIA resources, accounting for longer-term changes to incorporate the implementation of SOD, and addressing legal issues concerning forecasted negative PCIA rates, the Joint IOUs propose

that Track 3B starts in January 2027, shortly after the Track 3A proposed decision has been issued, and finishes around September 2027 with the Commission issuing a final decision on these topics in February 2028. This schedule would permit implementation in 2029 rates through the IOUs' 2029 ERRA Forecast proceedings. Within Track 3B below, the Joint IOUs recommend addressing establishing standards for re-vintaging of UOG resources before comprehensive MPB reform to support the development of standards applicable to case-by-case assessments of activities proposed in each IOU's General Rate Cases and/or specific applications.<sup>28</sup> In particular, consideration of UOG re-vintaging guidelines on this timeframe would facilitate the timely resolution of UOG vintaging issues that are relevant to PG&E's Helms Uprate (Application 24-12-014) proceeding, which is running on an overlapping timeline.

**Proposed Schedule for Track 3B**

<b><u>Description</u></b>	<b><u>Timing</u></b>
Track 3B.1 - UOG Re-Vintaging Guidelines	
• Opening Testimony on UOG Re-Vintaging Guidelines	January 2027
• Reply Testimony on UOG Re-Vintaging Guidelines	February 2027
• Evidentiary Hearings (As Needed)	March 2027
• Opening Briefs on UOG Re-Vintaging Guidelines	April 2027
• Reply Briefs on UOG Re-Vintaging Guidelines	May 2027
Track 3B.2 – Long-Term MPB Reform and Other Issues	
• Opening Testimony on Long-Term MPB Reform and Other Issues	Mid June 2027
• Reply Testimony on Long-Term MPB Reform and Other Issues	Mid July 2027
• Evidentiary Hearings (As Needed)	Late July 2027

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<sup>28</sup> See D.18-10-019, p.135, D.23-11-069, OP 44.

