BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

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Order Instituting Rulemaking to Implement Senate Bill 237 Related to Direct Access.	Rulemaking 19-03-009

RESPONSE OF 3 PHASES RENEWABLES INC. TO THE PETITION FOR MODIFICATION OF DECISION 21-06-033 BY THE ALLIANCE FOR RETAIL ENERGY MARKETS, CALIFORNIA COALITION OF LARGE ENERGY USERS, DIRECT ACCESS CUSTOMER COALITION, REGENTS OF THE UNIVERSITY OF CALIFORNIA, SHELL ENERGY NORTH AMERICA (US), L.P., AND WESTERN POWER TRADING FORUM

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May 6, 2026

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RESPONSE OF 3 PHASES RENEWABLES INC.
TO THE PETITION FOR MODIFICATION OF DECISION 21-06-033
BY THE ALLIANCE FOR RETAIL ENERGY MARKETS, CALIFORNIA COALITION OF LARGE ENERGY USERS, DIRECT ACCESS CUSTOMER COALITION, REGENTS OF THE UNIVERSITY OF CALIFORNIA, SHELL ENERGY NORTH AMERICA (US), L.P., AND WESTERN POWER TRADING FORUM

In accordance with Rule 16.4(f) of the Rules of Practice and Procedure of the California Public Utilities Commission (Commission), 3 Phases Renewables Inc. (3PR) respectfully submits this response in support of the petition for modification (PFM) of Decision (D.) 21-06-033 (DA Decision) filed by the Alliance for Retail Energy Markets, California Coalition of Large Energy Users, Direct Access Customer Coalition, Regents of the University of California, and Shell Energy North America (US), L.P., and Western Power Trading Forum (Competition Parties) on April 6, 2026.

3PR is an electric service provider (ESP) that specializes in providing renewable energy solutions to commercial, industrial, municipal, and large-load customers through the Direct Access (DA) program, including high-renewable-content power portfolios and customized green energy products. Our customers consistently choose 3PR for competitive rates, superior renewable content (exceeding RPS requirements with significant solar, geothermal, and other eligible resources), and flexible contracting options that help them meet aggressive sustainability goals while managing energy costs.

3PR strongly supports the Competition Parties' request that the Commission modify the DA Decision and issue a positive recommendation to the Legislature to lift the statutory cap on the amount of customer load that is eligible for DA service. The PFM cogently demonstrates that the concerns underlying the DA Decision—concerns that were firmly rooted in the 2000-2001 energy crisis, procurement track records, reliability risks, and potential emissions impacts—have been thoroughly and effectively addressed by subsequent Commission actions, legislative changes (including AB 1373), ESP compliance with their near-, mid- and long-term procurement requirements under the Resource Adequacy (RA), Renewables Portfolio Standard (RPS), and Integrated Resource Planning (IRP) programs, and unprecedentedly large additions of clean generation and storage resources to the California electric grid. Indeed, our own portfolios demonstrate high levels of RPS-eligible renewable content and low GHG intensity, directly supporting the state's SB 100 goals. The bottom line is that the Commission's outdated concerns regarding reliability, procurement practices, and emissions no longer apply, given the evolution of the market, new resource additions, and enhanced oversight.

In addition, as the PFM discusses in detail, the case for lifting the DA load cap is all the more compelling given the Commission's recent decision allocating significant new IRP procurement obligations to all load-serving entities (LSEs), including ESPs, primarily to address forecast load growth from data centers, electric vehicle charging, and other large loads. Yet the DA cap prevents ESPs from serving most of the forecasted new loads that underpin the new procurement requirements. This will result in precisely the type of improper cost-shifting, in this case to ESPs and their DA customers, that Public Utilities Code Sections 397, 365.2, 366.2(d)(1), 366.3, and 454.52 are intended to prevent. As the PFM explains, the DA load cap has been reached (or nearly so) in two of the three large investor-owned utilities' service territories, with only limited space remaining in the third. There is strong, unmet customer interest in DA service for new and expanding facilities, and the DA program is uniquely well-suited to serve these large new loads efficiently and in alignment with California's clean energy goals. Reopening DA would also promote competition, innovation (such as hourly dynamic pricing indexed to CAISO markets), and economic development by making California electricity rates more competitive for energy-intensive businesses.

For all these reasons, 3PR urges the Commission to grant the PFM, adopt the specific revisions to D.21-06-033 set forth in Exhibit A thereto, and transmit a clear recommendation to the Legislature to remove the cap on DA-eligible load.

Respectfully submitted,

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May 6, 2026