

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



**FILED**

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RULEMAKING 26-04-008 08:00 AM

R2604009

Order Instituting Rulemaking on California  
Advanced Electric Rate Design

**INDUSTRIOUS LABS MOTION FOR PARTY STATUS**

Teresa Cheng  
Industrious Labs  
530 Walnut Street, Suite 200  
Cincinnati, OH 45202  
(510) 289-7301  
Email: [teresa@industriouslabs.org](mailto:teresa@industriouslabs.org)

Dated: June 16, 2026

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RULEMAKING 26-04-009

**INDUSTRIOUS LABS MOTION FOR PARTY STATUS**

Pursuant to Rules 11.1 and 1.4 of the California Public Utilities Commission’s (“Commission”) Rules of Practice and Procedure, Industrious Labs hereby respectfully submits this motion requesting party status in this proceeding.

**I. Description of Party**

Industrious Labs drives industrial decarbonization through policy advocacy, community engagement, and strategic analysis. In California, Industrious Labs works to reduce emissions from essential industries like the manufacturing sector, fertilizer production, and cement manufacturing. By championing clean manufacturing, Industrious Labs advances climate solutions that improve air quality in frontline communities, create union jobs, and support local economies.

**II. Statement of Interest**

The California Public Utilities Commission ("Commission") has opened Rulemaking 26-04-009 to establish advanced electric rate design policies for residential and non-residential customers, with the stated objectives of enhancing grid reliability, improving affordability and equity, and supporting electrification and greenhouse gas reduction. Among the issues scoped in this proceeding are rate design improvements for large commercial and industrial customers, including industrial heat process producers and large commercial hydrogen generation; implementation of the Assembly Bill 2109 exemption from nonbypassable and departing load charges for industrial customers utilizing process heat recovery technology; and modernization of demand charges and nonbypassable charges consistent with the Commission's adopted electric rate design and demand flexibility principles.

Industrious Labs has a significant interest in the Commission adopting rate designs that support the electrification of California's industrial sector and reduce the environmental and public health burden on communities located near manufacturing facilities. Existing rate

structures for large industrial customers create barriers to electrification investment, increasing the risk that facilities continue fossil fuel combustion or relocate operations to jurisdictions with less stringent environmental requirements. This proceeding presents a critical opportunity to address those barriers. Industrious Labs also has a significant interest in rate design for large commercial hydrogen generation, as well-designed rates are a necessary condition for the economic viability of green electrolytic hydrogen production and the development of a domestic green fertilizer supply in California.

Industrious Labs has advanced this interest through sustained engagement in Commission proceedings bearing on industrial rate design. In R.22-07-005, Industrious Labs participated in ex parte communications alongside Sierra Club and the American Council for an Energy-Efficient Economy on August 18, 2025, concerning the Proposed Decision establishing demand flexible rate design guidelines. In those communications, Industrious Labs identified specific rate design features that would encourage industrial electrification and shift industrial load to periods of grid benefit. Industrious Labs is currently a party to Application 24-06-014, Southern California Edison's Consolidated Dynamic Rate Application, in which SCE is seeking authority to implement marginal cost-based dynamic pricing rates for large power customers in compliance with R.22-07-005 and the California Energy Commission's Load Management Standards. Industrious Labs is also a party to Application 24-09-014, PG&E's General Rate Case Phase 2, which includes implementation of a large power dynamic rate pursuant to the Commission's decision in R.22-07-005. Industrious Labs seeks to contribute to this current proceeding with its experience and insights on demand charges, real-time pricing, and better access to distributed energy resources.

### **III. Factual and Legal Contentions**

Industrious Labs intends to present factual and legal contentions relating to the alignment of the Commission's advanced electric rate design framework with California's climate, electrification, and environmental justice policies as applied to large commercial and industrial customers. Specifically, Industrious Labs intends to show that well-designed rate structures for industrial customers, including reforms to demand charge design, time-of-use period alignment, and nonbypassable charge treatment, can play a critical role in reducing emissions from energy-intensive industries that impose significant public health burdens on nearby communities and pose a barrier to achieving California's climate goals. Industrious Labs also intends to

present contentions regarding rate design for commercial hydrogen production, including how well-designed rates can support the development of green electrolytic hydrogen production facilities and the domestic production of green fertilizer in California.

Industrious Labs has significant expertise in industrial electrification policy and co-authored the report *Unlocking Industrial Electrification in California: Strategies for Electricity Rate Design and Policy Reform* in December 2025.

**IV. Notice**

Industrious Labs requests party status for the following individual:

Teresa Cheng  
Industrious Labs  
530 Walnut Street, Suite 200  
Cincinnati, OH 45202  
(510) 289-7301  
Email: [teresa@industriouslabs.org](mailto:teresa@industriouslabs.org)

**V. Conclusion**

For the abovementioned reasons, Industrious Labs respectfully requests that the Commission grant this Motion for Party Status in this proceeding.

Dated: June 16, 2026

Respectfully submitted,

/s/

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(510) 289-7301  
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