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BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Modernize the Electric Grid for a High Distributed Energy Resource Future.	R.21-06-017

CALIFORNIA COMMUNITY CHOICE ASSOCIATION'S COMMENTS ON ASSIGNED COMMISSIONER'S AND ADMINISTRATIVE LAW JUDGE'S RULING REQUESTING COMMENT ON ASSIGNED COMMISSIONER'S PROPOSAL ON FLEXIBLE SERVICE CONNECTIONS

Leanne Bober,
Director of Regulatory Affairs and
Deputy General Counsel
Jennifer Baak,
Senior Distribution Case Manager

CALIFORNIA COMMUNITY CHOICE ASSOCIATION
1121 L Street, Suite 400
Sacramento, CA 95814
Telephone: (510) 980-9459
E-mail: regulatory@cal-cca.org

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SUMMARY OF RECOMMENDATIONS[1]

The Commission should:

- Establish a working group and conduct workshops (WS) to address competition and market access considerations, including investigating a demand flexibility marketplace to complement the IOUs' Grid-Edge DERMS in the context of an overarching DER orchestration framework before finalizing the Proposal;

- Direct the IOUs to delay incurring additional expenditures for Grid-Edge DERMS deployment, beyond those previously approved, until after the fair market competition and marketplace platform evaluations have been completed to capture any potential cost and operational efficiencies;

- Include a discussion of a marketplace platform in the proposed WSs to support a more holistic DER orchestration framework designed to minimize ratepayer costs while supporting the state's policy goals;

- Evaluate the RIIO costs and benefits mechanisms employed by the UK energy regulator to inform the development of cost-effectiveness measures for demand flexibility;

- Incorporate the existing SCT when evaluating DER cost-effectiveness to capture environmental and societal benefits of demand flexibility measures; and

- Modify the Proposal to make participation in RTP programs or rates optional for customers participating in Variable or Dynamic Operating Envelopes until a complete evaluation of RTP pilot programs demonstrates their benefits.

[1] Acronyms used herein are defined in the body of this document.

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California Community Choice Association[2] (CalCCA) submits these comments pursuant to the *Assigned Commissioner's and Administrative Law Judge's Ruling Requesting Comment on Assigned Commissioner's Proposal on Flexible Service Connections*[3] (Ruling), dated July 7, 2026, and the *Email Ruling Granting Schedule Modification*,[4] dated July 13, 2026. The Ruling seeks comments on the Assigned Commissioner's Proposal[5] (Proposal) and questions in Section 2 of the Ruling.

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[2] California Community Choice Association represents the interests of 24 community choice electricity providers in California: 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, 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, Valley Clean Energy, and WestLight Energy.

[3] *Assigned Commissioner's and Administrative Law Judge's Ruling Requesting Comment on Assigned Commissioner's Proposal on Flexible Service Connections*, Rulemaking (R.) 21-06-017 (July 7, 2026), https://docs.cpuc.ca.gov/SearchRes.aspx?docformat=ALL&docid=610354104.

[4] *E-Mail Ruling Granting Schedule Modification*, R.21-06-017 (July 13, 2026), https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M610/K764/610764723.PDF.

[5] Ruling, Attachment 2, *Flexible Service Connections: Advancing Affordable Electrification Through Efficient Distribution Grid Utilization* (July 2026), https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M610/K354/610354105.PDF.

I. INTRODUCTION

The Assigned Commissioner's Proposal of a Flexible Service Connections (FSC) framework offers a pathway to expand the use of distributed energy resources (DER) to both accelerate the energization of new loads on constrained circuits and to avoid or defer costly grid upgrades. The Proposal, if adopted, could deliver ratepayer benefits, improve grid operations, provide value to flexible DER providers, and help achieve the state's climate and affordability goals. CalCCA appreciates the Proposal's consideration of competitive and market access concerns, which have been previously raised by community choice aggregators (CCA) and other stakeholders in this and other tracks of this proceeding.

CalCCA generally supports the Proposal but encourages the California Public Utilities Commission (Commission) view it in the broader context of a holistic DER orchestration framework. The Proposal provides for the IOUs to deploy Grid-Edge DER Management Systems (DERMS) to monitor current and emerging grid conditions and to signal DERs for demand flexibility services, thereby supporting new loads energizing on constrained grid infrastructure. CalCCA does not object to this approach, but suggests it be considered only after addressing the competition and market access considerations highlighted in the Proposal, including evaluating a demand flexibility marketplace platform that could greatly expand the pool of available DER. While Grid-Edge DERMS may be appropriate for the specific FSC use case addressed in the Proposal, there may be design or operational efficiencies to be gained from adding a flexibility marketplace that should be considered, and fair market competition issues to resolve before the Commission adopts the Proposal. Additionally, Pacific Gas and Electric Company (PG&E), San Diego Gas & Electric Company (SDG&E), and Southern California Edison Company (SCE) (collectively, the investor-owned utilities (IOUs)) should not begin deploying new Grid-Edge

DERMS capabilities, beyond what the Commission has already approved, until these evaluations have concluded.

As discussed in response to the Ruling Questions below, the Commission should:

- Establish a working group and conduct workshops (WS) to address competition and market access considerations, including investigating a demand flexibility marketplace to complement the IOUs' Grid-Edge DERMS in the context of an overarching DER orchestration framework before finalizing the Proposal;
- Direct the IOUs to delay incurring additional expenditures for Grid-Edge DERMS deployment, beyond those previously approved, until after the fair market competition and marketplace platform evaluations have been completed to capture any potential cost and operational efficiencies;
- Include a discussion of a marketplace platform in the proposed WS to support a more holistic DER orchestration framework designed to minimize ratepayer costs while supporting the state's policy goals;
- Evaluate the Revenue = Incentives + Innovation + Outputs (RIIO) costs and benefits mechanisms employed by the United Kingdom (UK) energy regulator to inform the development of cost-effectiveness measures for demand flexibility;
- Incorporate the existing Societal Cost Test (SCT) when evaluating DER cost-effectiveness to capture environmental and societal benefits of demand flexibility measures; and
- Modify the Proposal to make participation in real-time pricing (RTP) programs or rates optional for customers participating in Variable or Dynamic Operating Envelopes until a complete evaluation of RTP pilot programs demonstrates their benefits.

II. CALCCA'S COMMENTS TO QUESTIONS IN SECTION 2 OF THE RULING: QUESTIONS ON PROPOSAL

1. Please provide feedback on the Proposal itself, identifying any concerns with and/or support for the direction and background. Comments on the Proposal shall be provided within the same structure as the Proposal where possible (e.g., discussion of Operating Envelopes should come in Section 4 of party comments).

The Proposal lays out a pathway for leveraging DERs and demand flexibility to avoid costly grid upgrades and optimize existing grid capacity, providing benefits to ratepayers and to customers seeking to energize new loads. CalCCA generally supports the Proposal as a meaningful addition to the static FSC mechanism recently adopted in the Energization

Proceeding[6] and appreciates the Commission's thoughtful approach to ensuring a level playing field for CCA and non-IOU-managed DER participation. While deploying Grid-Edge DERMS may be a reasonable approach for IOUs to implement FSCs, the Commission should consider a holistic approach to DER orchestration before implementing the Proposal by establishing a working group to address the Competition and Market Access Considerations in Section 7 of the Proposal.[7] Specifically, the Commission should consider the potential benefits of a marketplace platform that could serve as the foundation for enrolling and managing DERs for multiple use cases, including the infrastructure deferral opportunities identified in the Proposal.

An Enterprise DERMS, also known as a Grid DERMS, enables IOUs to manage their own DERs but is not intended to control behind-the-meter (BTM) resources.[8] It is tightly integrated with the IOUs' Advanced Distribution Management System (ADMS) and other enterprise systems, but is less scalable and requires a more costly communications infrastructure.[9] A Grid-Edge DERMS is specifically designed to manage large numbers of customer-owned BTM devices, including smart appliances, and generally uses low-cost, cloud-based monitoring and controls, enabling it to scale.[10] Enterprise and Grid-Edge DERMS offer distinct advantages and are increasingly deployed together to manage both utility- and non-utility-owned DERs.

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[6] *See, generally,* Decision (D.) 26-02-025, *Establishing a Standard Offer for Flexible Service Connections*, R.24-01-018 (Energization Proceeding) (Feb. 10, 2026), https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M598/K715/598715449.PDF.

[7] Proposal, at 39-40.

[8] Stacia Secreriat, "Grid DERMS vs. Grid-Edge DERMS: a Complete Utility Guide," *Virtual Peaker*, 3 June 2026, https://virtual-peaker.com/blog/grid-edge-derms-versus-grid-derms/.

[9] Astrid Atkinson, "What is Grid Orchestration and how does it differ from DERMS?," *Camus Energy*, https://www.camus.energy/gridorchestration#Air-Traffic.

[10] Amber Mullaney, "The Difference Between Grid-Edge DERMS and Grid DERMS," *Virtual Peaker*, 7 Aug. 2024, https://virtual-peaker.com/blog/the-difference-between-grid-edge-derms-grid-derms/.

In contrast, flexibility marketplaces facilitate the acquisitions of and transactions between utilities and flexible service providers, matching system needs with resource capabilities and availability. The marketplace operator, in coordination with the IOUs, prequalifies bidders and resources, publishes utility flexibility competitions, ranks bids, presents utility contracts, runs settlements, and may relay dispatch instructions.[11] The IOUs communicate their flexibility needs and instructions via their Enterprise or Grid-Edge DERMS, using standardized communications protocols such as Open Automated Demand Response (OpenADR) or Institute of Electrical and Electronic Engineers (IEEE) 2030.5. A centralized flexibility market can provide utilities with greater access to DER assets that do not participate in utility programs or contracts, increasing the number of resources available and the potential for system deferral.[12] It could also reduce participation barriers for DER providers by offering a single point of access to multiple market offerings and value-stacking opportunities.[13]

During this proceeding's Track 2 Transmission System Operator (TSO) – Distribution System Operator (DSO) Coordination Workshop (TSO-DSO WS), the independent flexibility market operator Piclo presented the UK approach to managing demand flexibility. Piclo stated that the marketplace platform they operate accommodates long-, medium-, and short-term flexibility needs.[14] The long-term use cases include permanent (non-wire) alternatives and bridging solutions, similar to those being considered for this Proposal. This approach may still necessitate that IOUs deploy Grid-Edge DERMS to monitor grid conditions and signal

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[11] TSO-DSO WS Presentation, at 131.

[12] Enrique Rael, "Unlocking the Full Potential of Distributed Energy – Combining Local Flexibility Markets with Utility DERMS," *Piclo*, February 11, 2025, https://www.piclo.com/blog/unlocking-the-full-potential-of-distributed-energy.

[13] TSO-DSO WS Presentation, at 132.

[14] *Track 2 Workshop Report: TSO-DSO Coordination*, R.21-06-017 (July 9, 2026), at 130, https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M610/K353/610353842.PDF.

responses, but the addition of a marketplace platform may influence how, and to what extent, the IOUs must develop these capabilities. It could also influence communication protocols and interoperability requirements for non-IOU-managed resources.

If the goal of these collective efforts is to maximize ratepayer value and optimize the existing grid capacity, the Commission should take a holistic approach to ensure that duplicative and potentially expensive control platforms are not deployed. Further, achieving these objectives requires high levels of DER and flexible resource participation. A single marketplace platform that supports long-, medium-, and short-term use cases lowers participation barriers for demand flexibility providers, ensuring robust competition, a level playing field, and operational efficiencies. It could also allow IOUs to leverage resources enrolled in short-term, intraday markets as a backup to long-term deferral agreements during abnormal grid conditions or when a contracted resource is unexpectedly unavailable. The Commission should establish a working group and conduct technical workshops to investigate this option within the Section 7 Recommendations[15] and the overarching DER orchestration framework before finalizing the Proposal and before authorizing the IOUs to incur expenses related to the deployment of Grid-Edge DERMS, beyond what has already been authorized.

2. Section 9 of the Proposal includes a summary of the recommendations for Commission action. Please provide feedback on the recommendations, being as specific as possible regarding the pros and cons of the proposed recommendations, and on the feasibility of implementation.

CalCCA provides responses to the Proposal recommendations below.

A. Section 3 Recommendations

1) Extension of Standard Offer to SDG&E customers

CalCCA supports this recommendation.

[15] Proposal, at 54-55.

2) Large IOUs to record and provide values helpful to dedicated infrastructure customers independently implementing Operating Limits

CalCCA supports this recommendation.

3) Rule 2 – Updating definitions of Controlled Load and alignment language between Large IOUs

CalCCA supports this recommendation.

4) Flexible connection evaluation requirements

CalCCA supports this recommendation.

B. Section 4 Recommendations

1) Large IOUs to provide Limited Power arrangements as the default mitigation for distribution transformer upgrades

CalCCA supports this recommendation.

2) SCE and SDG&E to implement Variable Operating Envelope bridging solutions modeled after PG&E's Flex Connect

CalCCA supports this recommendation.

3) Leveraging Enterprise DERMS based Variable Operating Envelope infrastructure for centralized Dynamic Operating Envelopes to address abnormal grid conditions

CalCCA supports the recommendation for the IOUs to host a workshop to further discuss the possibility of Dynamic Operating Envelopes, with the caveat that the workshop should include a discussion of a marketplace platform to expand the pool of available resources that could be leveraged for this purpose.

4) SCE and SDG&E should implement Grid Edge DERMS for 100 A residential customers whose EV charging would normally require an upgrade

CalCCA supports requiring SCE and SDG&E to implement a Grid-Edge DERMS approach for 100-ampere residential customers, using local controls as an interim measure to expand access to electric vehicle (EV) charging for customers on constrained secondary systems. The Commission should, however, weigh the costs, benefits, and scalability of this approach

against a potential marketplace solution before considering it the default mitigation for residential EV charging.

5) Establish a series of Energy Division-led workshops with reports to further develop Grid Edge DERMS solutions

CalCCA supports the recommendation for Energy Division-led workshops to explore the development of Grid-Edge DERMS, with the caveat that they should occur after, and incorporate the findings of, the working groups discussing Section 7 Recommendations[16] and the evaluation of a marketplace platform to support a holistic DER orchestration framework that minimizes ratepayer costs while advancing the state's climate policy goals.

C. Section 5 Recommendations

1) Direct IOUs to propose implementation of baseline cybersecurity considerations from the SIO-CS

CalCCA has no comment at this time.

D. Section 6 Recommendations

1) Establish durable non-bridging solutions for new flexible connections

CalCCA supports this recommendation.

2) Clarification that current Static Variable Operating Envelope customers can elect to transition from a bridging to a persistent non-bridging solution

CalCCA supports this recommendation.

3) PG&E should formalize its Flex Connect offering and expand its non-bridging Flex Connect Generation option to load customers

CalCCA supports this recommendation.

16 *Ibid*.

4) Large IOUs should be required to implement a non-bridging version of the Standard Offer

CalCCA supports this recommendation.

E. Section 7 Recommendations

1) Interoperability and Customer Choice Requirements

CalCCA strongly supports this recommendation and appreciates the Commission's efforts to ensure a level playing field for CCA, aggregator, and self-managed program participation in the proposed FSC framework. CalCCA recommends expanding this recommendation to establish a formal working group to address the Competition and Market Access Considerations in Section 7 of the Proposal.[17] This working group should also be tasked with investigating a demand flexibility marketplace to complement the IOUs' Grid-Edge DERMS in the context of an overarching DER orchestration framework. The working group should also address proprietary vendor arrangements, interoperability, customer choice, and local control within either an IOU Grid-DERMS or a marketplace platform.

F. Section 8 Recommendations

1) Real-Time Pricing Rate Enrollment

CalCCA opposes this recommendation for the following reasons cited in its December 19, 2025, Comments on the Near-Term Flexible Connections Ruling:[18]

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[17] Proposal, at 39-40.

[18] *Assigned Commissioner's Ruling Seeking Additional Information on DER Enabled Near Term Flexible Connections* (Near-Term Flexible Connections Ruling), R.21-06-017 (Nov. 3, 2025), https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M586/K143/586143237.PDF.

> Initial evaluations of dynamic pricing pilots were not favorable, and current pilots are ongoing and have yet to be evaluated. PG&E's response to the Ruling's Question highlights its concern that "not all customers who can manage load within a variable or dynamic operating envelope may be able to manage load under a complex dynamic pricing structure." PG&E further expresses its support for allowing customers to opt in to a dynamic pricing rate rather than being required to do so. It is, therefore, premature to consider requiring flexible connection customers to enroll in pilots and default to a dynamic pricing rate, especially given the uncertain impacts on customers utilizing variable or dynamic operating envelopes.[19]

For the reasons cited above, the Commission should not require customers participating in Variable or Dynamic Operating Envelope options to be defaulted onto RTP rates or programs. Rather, these customers should be presented with the option to join the available rate or program when enrolling in the Variable or Dynamic Operating Envelope mechanisms. While such optionality will be important moving forward, this is especially true during the period when complete evaluations of the RTP pilot programs have not yet been completed.

2) Data Tracking

CalCCA opposes defaulting customers operating under a Variable or Dynamic Operating Envelope to an RTP program or rate, but does not oppose tracking data related to customers' voluntary participation in RTP rates.

3. Section 9 of the proposal summarizes recommendations for Commission action based on the stated goal of the proposal. Do parties find that any additional recommendations are warranted in support of this goal?

The Commission should consider adding a recommendation to investigate the possible deployment of a centralized demand flexibility marketplace before requiring the IOUs to file

[19] CalCCA's Opening Comments on Near-Term Flexible Connections Ruling, R.21-06-017 (Dec. 19, 2025), at 12, https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M591/K672/591672890.PDF.

Advice Letters for implementing Grid-Edge DERMS, as discussed in CalCCA's response to Question 1.

4. **For the proposed Advice Letters what, if any, additional implementation or program design elements should be addressed each Advice Letter. Do parties have recommendations on how to consolidate advice letters or make the process more efficient?**

CalCCA has no response at this time.

5. **Many of the Proposal's recommendations are premised on the goal of affordability and ratepayer savings from greater capacity utilization, speed to power, and deferral or avoidance of upgrade capital expenditure. To realize these goals, quantification of ratepayer costs and benefits will be necessary. For each recommendation how should the IOUs measure, track and report key costs and benefit metrics?**

The Commission should investigate cost-effectiveness evaluation methodologies used in other jurisdictions that have deployed flexibility marketplaces to inform the discussion of ratepayer costs and benefits associated with leveraging DER to avoid or defer grid investments. Specifically, the Commission should look at the UK flexibility markets, which were launched in 2018 to help DSOs acquire demand flexibility to advance the country's net-zero energy goals while keeping rates affordable.[20] Since the launch of these markets, the UK's National Energy System Operator has set a goal of 12 Gigawatts of consumer-led flexibility by 2030, an increase of 33 percent from 2024.[21] The continued growth of these markets is a strong indication of the environmental and societal benefits derived from demand flexibility.

[20] *See, e.g.*, "Energy UK Explains: How consumer-led flexibility works in power markets," *Energy UK*, Apr. 2026, https://www.energy-uk.org.uk/wp-content/uploads/2026/04/Energy-UK-Explains-How-consumer-led-flexibility-works.pdf.

[21] *See, e.g.*, Suzanne Lycett, "5 Energy Flexibility Market Developments and Updates from the UK for 2026," *Electron*, 06 May 2026, https://electron.net/uk-flexibility-markets-developments-and-updates/.

In furtherance of the objective to expand flexibility markets, Energy Networks Association (ENA), an industry association representing grid operators in the UK, published the Common Evaluation Methodology (CEM) Tool (Version 3) in 2024 to:

> [P]rovide transparency on how decisions are made to choose the most suitable solution to meet network needs between traditional network asset solutions (reinforcement) and procuring flexibility services from generators, storage operators or demand side response.[22]

Additionally, Great Britain's energy regulator, the Office of Gas and Electricity Markets (Ofgem), is developing new rules for evaluating DSO performance under their RIIO Electricity Distribution Price Control (ED3) framework (RIIO-ED3).[23] Scheduled for implementation in 2028, the new RIIO-ED3 framework includes a "build and flex" requirement, explained below:

> A new 'build and flex' approach to minimise costs: DNOs will be required to prioritise flexibility and demand-side solutions to shift and manage demand so the existing network capacity is maximised before investing in physical upgrades, reinforcements and building. This reflects that traditional infrastructure projects are capital-intensive, while flexibility can deliver capacity more efficiently and at lower cost to consumers. Ofgem will enforce this through business plan assessment and regulatory tools, ensuring new build only proceeds where constraints are persistent and demand is sufficiently certain.[24]

The evolution of demand flexibility markets in the UK, and the lessons learned as the markets have grown and matured, can help inform the Commission's efforts to ensure that the proposed FSC and any future DER flexibility services provide ratepayer and grid benefits.

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[22] Energy Networks Association "Common Evaluation Methodology Tool v3 & Supporting Materials," Nov. 2024, https://www.energynetworks.org/publications/common-evaluation-methodology-tool-and-supporting-materials.

[23] Ofgem, "*Framework Decision: Electricity Distribution Price Control (ED3)*," 30 Apr. 2025, https://www.ofgem.gov.uk/decision/framework-decision-electricity-distribution-price-control-ed3.

[24] Ofgem, "Ofgem sets rules for 2028 to 2033 grid investment to meet growing electricity demand," *Ofgem*, May 21, 2026, https://www.ofgem.gov.uk/press-release/ofgem-sets-rules-2028-2033-grid-investment-meet-growing-electricity-demand.

Importantly, the UK's RIIO framework helps ensure that the DSO's financial motives align with the nation's climate and affordability goals. Despite differences in regulatory and utility business structures between the UK and California's IOUs, the underlying concept of aligning utility/DSO financial imperatives with policy goals is a key consideration for the success of any proposed demand flexibility framework or program.

The existing RIIO-ED2 structure also allows DSOs to capture societal and environmental benefits of their operations, supporting policy goals.[25] The Commission should consider including social and environmental benefits in its evaluation of the costs and benefits of the proposed FSC, and any future demand flexibility framework, using the existing Societal Cost Test (SCT) adopted in D.24-07-015.[26] Although D.24-07-015 adopted the SCT as information-only, it states that:

> The SCT, as an information-only test, allows the Commission the flexibility of balancing the societal costs and benefits of DER programs against any potential affordability impacts that could result from funding such programs through electricity rates. The Commission, when using the SCT as an information-only test, has the flexibility to weigh and consider multiple factors when making demand-side resource decisions, including the costs ratepayers pay in electric rates, societal benefits of reduced air pollution, environmental benefits of cleaner energy, and impacts on affordability.[27]

The potential benefits of avoided or deferred capital investment and greater utilization of existing grid capacity, as articulated in the Proposal, should result in a positive cost-effectiveness determination in many cases where flexible service connections are deployed. However,

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[25] *See, e.g.*, SP Electricity North West, *Social DSO, Delivering Benefits in ED2* (SP Electricity North West, July 2026), https://www.enwl.co.uk/globalassets/future-energy/dso/reports/social-dso/dso---delivering-consumer-value-in-ed2.pdf/.

[26] *See generally*, D.24-07-015, *Adopting the Societal Cost Test*, R.22-11-013 (July 15, 2024), https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M535/K822/535822173.PDF.

[27] D.24-07-015, at 23.

D.24-07-015 authorizes the Commission to incorporate SCT results in determining the cost-effectiveness of demand-side resource measures. The Commission should require that the results of the SCT be included in any cost-benefit evaluation of the proposed SCT measures. The Commission should also require Energy Division to evaluate the UK's RIIO framework to develop a more robust cost-evaluation methodology that captures the full range of costs and benefits associated with demand-flexibility use cases.

6. **How should IOUs ensure the existence of bridging solutions, non-bridging solutions, or the change from a bridging solution to a non-bridging solution are timely communicated with the California Energy Commission for forecasting purposes?**

CalCCA has no response at this time.

7. **The proposal recommends the Commission direct SDG&E to stand up a static FSC offering that is aligned with the requirements directed in D.26-02-025 for PG&E and SCE.3 a. For SDG&E to implement this proposal, what, if any, modifications to the requirements directed in D.26-02- 025 should the Commission consider?**

CalCCA has no response at this time.

8. **What hardware, software, or data sharing safeguards may be needed to ensure that customers can obtain a flexible connection without being restricted by proprietary arrangements?**

CalCCA supports the use of open-source communication protocols, such as OpenADR 3.0, for a marketplace platform or Grid-Edge DERMS signals to maximize participation in demand-flexibility markets or IOU-managed FSC options. CalCCA discussed the benefits of OpenADR for this purpose during the February 20, 2026, Track 3 All-Party Workshop.[28] The Proposal also correctly identifies stakeholder concerns about some equipment manufacturers' use of proprietary communications protocols and the practice of charging fees for access to those

[28] *Track 3 All-Party Workshop Report*, R.21-06-017 (Mar. 3, 2026), at 10, 20, 139, 141, 142, and 144, https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M602/K998/602998929.PDF.

devices (*i.e.,* ”vendor lock-in”). CalCCA supports the recommendation to establish a workshop process to explore options for eliminating such barriers and facilitating participation in FSC offerings, including a potential flexibility marketplace.

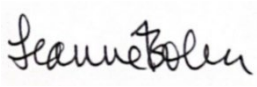
9. Are there any safety concerns that should be highlighted?

CalCCA has no response at this time.

III. CONCLUSION

For all the foregoing reasons, CalCCA respectfully requests consideration of the comments herein and looks forward to an ongoing dialogue with the Commission and stakeholders.

Respectfully submitted,



Leanne Bober,
Director of Regulatory Affairs and Deputy General Counsel

CALIFORNIA COMMUNITY CHOICE ASSOCIATION

July 27, 2026