BEFORE THE PUBLIC UTILITIES COMMISSION

OF THE STATE OF CALIFORNIA

Application of Pacific Gas and Electric Company (U39E) for Approval of Electric Rule No. 30 for Transmission-Level Retail Electric Service.	Application 24-11-007 (Filed November 21, 2024)

OPENING COMMENTS OF GOOGLE LLC ON ADMINISTRATIVE LAW JUDGE'S RULING SEEKING COMMENTS ON PROCEEDING STATUS

Garrett Colli
ASHURST PERKINS COIE US LLP
505 Howard Street Suite 1000
San Francisco, CA 94105-3204
Telephone: (415) 344-7160
Email: Garrett.Colli@ashurstperkins.com

Date: September 9, 2026

Attorneys for **Google LLC**

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Pursuant to the Administrative Law Judge's Ruling Seeking Comments on Proceeding Status, issued August 7, 2026 ("**ALJ Ruling**"), Google LLC ("**Google**") submits these opening comments on the Federal Energy Regulatory Commission's ("**FERC**") June 18, 2026, show cause order ("**Show Cause Order**"). Google respectfully requests that the Commission accept and consider these comments.

I. INTRODUCTION

Google appreciates the opportunity to comment. This proceeding concerns the application of Pacific Gas and Electric Company ("**PG&E**") for approval of a new tariff, Electric Rule 30 ("**Rule 30**"), governing transmission-level retail electric service. The ALJ Ruling seeks comments on interactions between issues scoped in this proceeding and the Show Cause Order, issued under Section 206 of the Federal Power Act ("**FPA**") to the California Independent System Operator ("**CAISO**") and other Participating Transmission Owners on this proceeding.[1]

[1] *Application of Pacific Gas & Elec. Co. (U39E) for Approval of Electric Rule No. 30 for Transmission-Level Retail Electric Service*, Administrative Law Judge's Ruling Seeking Comments on Proceeding Status, A.24-11-007 (Cal. Pub. Utils. Comm'n Aug. 7, 2026) ("ALJ Ruling") (references to the underlying proceeding, hereinafter, the "Rule 30 Application").

Google recently negotiated an interconnection agreement with PG&E to energize a proposed research and development lab in San Jose, California, which is expected to take transmission-level service. On December 18, 2025, PG&E submitted Advice Letter 7785-E, a Tier 3 advice letter, seeking Commission approval of that agreement.[2] The Commission issued a draft resolution on July 16, 2026, modified on August 13, 2026, approving the agreement with modifications.[3] Draft Resolution E-5455 contemplates that the agreement may be further modified to reflect the outcome of the instant proceeding, including capital advance requirements for transmission network upgrades, which are a category of improvements central to the Show Cause Order.[4] Although FERC indicated that any tariff revisions adopted in response to the Show Cause Order should be implemented prospectively and in a manner that minimizes disruption to existing arrangements,[5] Google's interest in this proceeding remains germane should it decide to avail itself of the outcome of the Rule 30 proceeding, as the current draft resolution contemplates.

The Show Cause Order seeks to address how transmission service can be provided to large loads while preserving reliability and affordability.[6] Several questions raised in the Show Cause Order overlap with issues in this proceeding, including cost allocation for transmission network upgrades serving transmission-level customers.[7] Those questions are complex and implicate the respective roles of federal and state regulators. Google appreciates the Commission's commitment

[2] Pacific Gas and Elec. Co. (U39E), Advice Letter 7785-E (filed Dec. 18, 2025).

[3] Draft Resolution E-5455, Pacific Gas and Elec. Co. Electric Rules 2, 15, and 16 Exceptional Case Submittal for Electric Transmission Interconnection for Google LLC, Advice Letter 7785-E (Cal. Pub. Utils. Comm'n Energy Division July 16, 2026); Revised Draft Resolution E-5455, Pacific Gas and Electric Co. Electric Rules 2, 15, and 16 Exceptional Case Submittal for Electric Transmission Interconnection for Google LLC, Advice Letter 7785-E (Cal. Pub. Utils. Comm'n Energy Division Aug. 13, 2026).

[4] *See id*.

[5] *See* ALJ Ruling at 9.

[6] *See California Independent System Operator Corporation*, 195 FERC ¶ 61,214 at P 1 (2026) ("CAISO Order to Show Cause").

[7] *Id*., at P 69, 80; *see also* ALJ Ruling at 3.

to a thorough analysis and notes that related issues are also the subject of other stakeholder discussions, including in CAISO's Large Load Considerations Straw Proposal.[8]

Google shares the Commission's interest in ensuring that transmission infrastructure is developed in a manner that is fair to all retail customers. Google affirms its commitment to protect ratepayers, create jobs, and keep the grid reliable as its business grows.[9]

II. COMMENTS

A. Rule 30 Advances Important Policy Goals

The Show Cause Order and the record in this proceeding reflect a shared objective: a just, reasonable, and durable framework for serving rapidly growing transmission-level large loads while ensuring reliability and protecting ratepayers. A clear, standardized rule serves that objective while facilitating expeditious interconnections and allocating costs in a just and reasonable manner. The Commission recognizes that resolving these interconnections through separate exceptional case filings "can lead to disparate treatment for transmission-level customers and pose cost allocation challenges."[10] Rule 30 offers a path to greater predictability and transparency for customers seeking transmission-level interconnection and provides a framework for equitable cost allocation between those customers and other ratepayers. While Advice Letter 7785-E is filed under Rules 2, 15 and 16 due to timing considerations, future projects would have the benefit of proceeding under Rule 30. Google supports a future Rule 30 outcome that enshrines ratepayer

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[8] California ISO, Large Load Considerations Straw Proposal (Aug. 12, 2026).

[9] Affordability Pledge for Responsible Energy Growth, Google Blog, https://blog.google/innovation-and-ai/infrastructure-and-cloud/global-network/affordability-pledge-responsible-energy-growth/ (last visited Aug. 21, 2026).

[10] D. 25-07-039, *Decision Partly Granting and Partly Denying Pacific Gas and Electric Company's motion for Interim Implementation of Electric Rule Number 30*, at 27 (Cal. Pub. Utils. Comm'n July 28, 2025) (hereinafter, "Interim Decision"); *see also* Rule 30 Application, Pacific Gas and Electric Company's Opening Post-Hearing Brief, at 16 (Oct. 24, 2025) (hereinafter, "PG&E Opening Brief").

protections, protects against stranded assets, ensures that large load customers pay for the costs directly driven by their growth, and enables continued economic development in California.

B. The Record Reflects Substantial Common Ground on Ratepayer Protections

The record reflects broad agreement from a diverse group of stakeholders on many ratepayer protections. Every party to the proceeding agreed in the Joint Case Management Statement that new transmission-level customers should fund Facility Types 1 through 3 before energization.[11] Google concurs.

Building on that consensus, PG&E, the Public Advocates Office at the California Public Utilities Commission ("Cal Advocates"), and The Utility Reform Network ("TURN") each support a set of mechanisms addressing the risk that a customer's load does not materialize, falls short of forecast, or otherwise fails to support recovery of the associated investment. Four mechanisms have drawn broad support. First, PG&E, Cal Advocates, and TURN agree that a minimum demand charge tied to a customer's requested load is appropriate (however, they disagree on how it should be calculated).[12] Second, those same parties support limiting annual refunds of Facility Types 1-3 costs to a percentage of the customer's actual net transmission revenue, consistent with Resolutions E-5420, E-5433, and E-5439.[13] Third, and relatedly, the parties agree that refunds should be limited to revenues actually received from the customer rather

[11] *Rule 30 Application*, Joint Case Management Statement, at 1 (Sept. 15, 2025).

[12] *See Rule 30 Application*, Pacific Gas and Electric Company's Post-Hearing Reply Brief, at 84 (May 22, 2026) ("most of the parties agree that instituting a minimum demand charge, minimum contract term, and an early termination fee are prudent"; "PG&E, Cal Advocates, and TURN agree that a minimum demand charge is appropriate, but disagree with how the minimum demand charge should be calculated") (hereinafter, "PG&E Reply Brief").

[13] *See* PG&E Reply Brief, at 44-45; *Rule 30 Application*, Opening Brief of The Utility Reform Network Addressing Administrative Law Judge's Ruling Dated January 9, 2026, at 6-7 (May 8, 2026) (hereinafter, "TURN Limited Opening Brief"); *Rule 30 Application*, Public Advocates Office Reply Brief, at 21-23 (May 22, 2026) (hereinafter, "Cal Advocates Reply Brief"); *Rule 30 Application*, Reply Brief of The Utility Reform Network, at 4 (May 22, 2026) (hereinafter, "TURN Reply Brief").

than to forecasted revenues.[14] Fourth, PG&E, Cal Advocates, and TURN all agree that a 15-year minimum contract term is appropriate and that an early termination fee should apply, differing only on how the fee should be measured.[15]

Google believes that these common-sense approaches including long-term contracts, end-use agnostic treatment, guaranteed minimum payment, and transparent termination and change fees are clearly within the Commission's jurisdiction, and would protect ratepayers while balancing economic growth. To that end, Google encourages the Commission to adopt: 1) minimum demand charges no greater than 80% of the large load's contracted capacity; 2) limiting annual refunds of Facility Type 1-3 costs to a percentage of the customer's actual net transmission revenue; 3) limiting refunds to revenues actually received from the customer rather than to forecast revenues; and 4) establishing minimum contract terms with early termination fees.[16]

Taken together, these mechanisms provide meaningful protection against the risk that forecast load will not materialize. Indeed, Cal Advocates explains the purpose of the minimum demand charge plainly: where customers "use less power than anticipated," the charge ensures they "continue to contribute payments to cover associated transmission costs such that these costs are not shifted to existing ratepayers."[17]

Collectively, these tools give the Commission a workable framework on which to advance a version of Rule 30 that balances the needs of growth, utility planning, and consumer protection.

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[14] *See* Cal. Advocates Reply Brief, at 21-23; *Rule 30 Application*, Opening Brief of the Utility Reform Network, at 20 (Oct. 4, 2025) (hereinafter, "TURN Opening Brief"); PG&E Opening Brief, at 74-75.

[15] PG&E Reply Brief, at 86 & n. 377 ("PG&E, Cal Advocates, and TURN all agree that a 15-year minimum contract is appropriate. The only disagreement among these parties is how to calculate the Early Termination Fee charged to customers who do not fulfill the full contract term.").

[16] Google clarifies that it supports these four mechanisms and believes them to be within the Commission's jurisdiction. This does not constitute Google's complete position on each mechanism or specific details as briefed in the Rule 30 proceeding thus far, and Google looks forward to submitting more fulsome comments on each mechanism if given the future opportunity.

[17] *Rule 30 Application*, Public Advocates Office Opening Brief, at 44 (Oct. 24, 2025) (hereinafter, "Cal Advocates Opening Brief").

C. The Commission Need Not Resolve Network Upgrade Cost Advances in This Proceeding

Google acknowledges that the treatment of Facility Type 4 transmission network costs remains a disputed issue in this proceeding and is an issue that is central to the Show Cause Order. The parties disagree about whether customers should directly finance those costs, how any financing obligation should be calculated, whether an interim methodology is appropriate, and whether the Commission may assign those costs at all.[18] The Show Cause Order underscores that these questions continue to evolve at the federal level, as they do within many of the states where Google builds and operates digital infrastructure.

The Commission need not endeavor to resolve the dispute about Facility Type 4 transmission network costs to ensure that Rule 30 functions as an effective and comprehensive tariff for managing large-load interconnections in PG&E's service territory. The substantial record developed throughout this proceeding provides a basis for the Commission to move forward on the elements of Rule 30 that are undisputedly within its purview to promote transparency, predictability, and ratepayer protection. By adopting the four mechanisms within party consensus and the Commission's jurisdiction, the Commission would advance a set of consumer protections and help set clear precedent for a fair and robust transmission interconnection tariff while preserving key opportunities for California's economic future. Whatever FERC and the Commission ultimately decide about Facility Type 4 costs, the consensus protections described above do not depend on that answer.

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[18] *Compare* PG&E Opening Brief, at 28-30 (contending that allocating Facility Type 4 costs to transmission-level customers would be preempted by the FPA), *with* Cal Advocates Reply Brief, at 10-13; TURN Limited Opening Brief, at 2; and *Rule 30 Application*, Sierra Club's Reply Brief on Questions in Administrative Law Judge's Ruling, at 4-6 (May 22, 2026).

Proceeding in this manner would provide greater regulatory certainty for customers seeking transmission-level service, preserve the Commission's flexibility as the federal landscape develops, and advance a durable, workable framework for serving large transmission-level loads in California.

III. CONCLUSION

Google appreciates the opportunity to comment and respectfully requests that the Commission consider these comments and looks forward to participating further as the Commission considers the effect of the Show Cause Order on this proceeding.

Respectfully submitted,

/s/ Garrett Colli
Garrett Colli
ASHURST PERKINS COIE US LLP
505 Howard Street Suite 1000
San Francisco, CA 94105-3204
(415) 344-7160
Garrett.Colli@ashurstperkins.com

Attorneys for **Google LLC**

Date: September 9, 2026