BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

Application of Pacific Gas and Electric Company (U 39 E) for Approval of Electric Rule No. 30 for Transmission-Level Retail Electric Service. (U 39 E)	Application No. 24-11-007 (Filed November 21, 2024)

PACIFIC GAS AND ELECTRIC COMPANY'S (U 39 E) REPLY COMMENTS ON ADMINISTRATIVE LAW JUDGE'S RULING SEEKING COMMENTS ON PROCEEDING STATUS

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Dated: September 21, 2026

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I. INTRODUCTION

In response to Judge Toy's August 7, 2026 Ruling Seeking Comments on Proceeding Status ("Order Reopening Record") and August 25, 2026 Email Ruling, eight parties[1] representing a variety of interests, including PG&E, ratepayer advocacy groups, a retail customer, and trade associations representing energy producers and community choice aggregators, submitted comments regarding how the June 18, 2026 Federal Energy Regulatory Commission ("FERC") Order to Show Cause ("OSC")[2] impacts Electric Rule 30. The common theme among these comments is that there is a need for a fair, sustainable regulatory framework for large load interconnection and grid integration that protects other PG&E customers. PG&E strongly supports that goal. There is less agreement, however, on what the terms of the ultimate framework should be and the next steps for the California Public Utilities Commission ("Commission"). Parties' proposals regarding cost responsibility have been addressed in detail in prior testimony and briefing. Rather than re-litigating that issue, PG&E instead focuses on (a) next steps for

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[1] In alphabetical order, the parties that submitted comments are: California Community Choice Association ("CalCCA"), the Independent Energy Producers Association ("IEPA"), Google, LLC ("Google"), the National Resourced Defense Council ("NRDC"), Pacific Gas & Electric Company ("PG&E"), the Public Advocates Office at the Commission ("Cal Advocates"), Sierra Club, and The Utility Reform Network ("TURN").

[2] *California Indep. Sys. Operator Corp., et al.*, 195 FERC ¶ 61,214 (2026).

Electric Rule 30; (b) the unique concerns raised improperly by IEPA; and (c) parties' comments on flexible service offerings.

II. TIMING

Multiple parties commented on whether and how the OSC should impact the timing for final resolution of Electric Rule 30. TURN[3] and Sierra Club[4] assert that the Commission should promptly approve Electric Rule 30, while acknowledging there may be a need to develop "coordination" between FERC regulatory action and "state retail arrangements."[5]

Cal Advocates does not directly comment on timing but notes Electric Rule 30 and the cost-recovery framework set forth in response to the OSC should "complement" each other, suggesting in certain circumstances the "Rule 30 agreement" may act "as a substitute for the FERC proposed *pro forma* agreement at CAISO to avoid duplicative requirements."[6]

Google suggests the Commission adopt rules to address cost responsibility for Facility Type 1-3, while holding in abeyance a decision on Facility Type 4 to allow alignment with "[w]hatever FERC and the Commission ultimately decide about Facility Type 4 costs."[7]

While these parties all acknowledge the need for coordination between federal and state regulatory frameworks, there is uncertainty about how to accomplish that. This uncertainty supports temporarily delaying final resolution of Electric Rule 30 as the best path to a clear, lasting regulatory structure for large load customers. Unclear or inconsistent regulatory requirements could create havoc in the market. Establishing a

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[3] TURN Opening Comments at 1.

[4] Sierra Club Opening Comments at 8.

[5] Sierra Club Opening Comments at 7; *see also* TURN Opening Comments at 1 ("any Rule 30 outcome should include a coordination mechanism for future FERC/CAISO tariff developments").

[6] Cal Advocates Opening Comments at 4.

[7] Google Opening Comments at 7.

workable regulatory structure can only be accomplished if federal and state regulatory structures are consistent and aligned in sequence. This temporary delay will also permit parties and the Commission to address any impacts of recent legislative activity, including Senate Bill ("SB") 1168, SB 886, and Assembly Bill ("AB") 2383, which may need to be implemented in Electric Rule 30. Accordingly, PG&E intends to file a motion to stay the Electric Rule 30 proceeding until revisions to its Transmission Owner ("TO") tariff that PG&E intends to propose to FERC on November 16, 2026, in response to FERC's OSC are final and effective.

Finally, and as PG&E will make clear in its motion to stay, any pause or delay in the Electric Rule 30 proceeding to permit alignment of cost allocation issues with the OSC should not impact the Commission's consideration of the May 7, 2026 Partial Settlement Agreement regarding reporting and information sharing issues.[8] The issues resolved in the Partial Settlement Agreement are distinct from the cost responsibility issues that may be impacted by the OSC. As CalCCA's opening comments make clear, the Commission should approve the Partial Settlement Agreement promptly.[9]

III. IEPA'S COMMENTS

On August 13, 2026, IEPA, a "nonprofit public benefit corporation formed … to encourage the development and use of independent electric supply resources" moved for party status in Electric Rule 30 to "address issues raised in the" Order Reopening Record.[10] Judge Toy granted this motion on August 21, 2026.

IEPA's comments discuss whether Electric Rule 30 should address situations where the transmission upgrades necessary to interconnect a customer are constructed

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[8] *See* May 7, 2026 Joint Motion for Adoption of Partial Settlement Agreement. Similarly, PG&E's motion to stay should not impact the CPUC's consideration of pending exceptional case filings for retail interconnection of transmission-level customers under Electric Rules 2, 15, and 16.

[9] *See* CalCCA Opening Comments at 2-4.

[10] IEPA Motion for Party Status (Aug. 13, 2026) at 1, 3.

and/or owned by a transmission owner other than PG&E.[11] This issue is outside the scope of the Order Reopening Record, which required parties to limit comments to issues "related only to the [OSC] and how it relates to PG&E's application for approval of Electric Rule No. 30."[12] Accordingly, the Commission should not consider IEPA's comments.

Even assuming IEPA's comments are proper (and they are not), the Commission need not address the involvement of non-PG&E transmission owners through Electric Rule 30. Proposed Electric Rule 30 applies to retail customers that have applied to PG&E for retail service at transmission voltages.[13] Pursuant to FERC Order 1000, the CAISO is required to use a competitive bid process for certain eligible transmission facilities, rather than directly assigning these projects to the incumbent transmission owner.[14] The Commission should not seek to disrupt that process through Electric Rule 30.

IV. FLEXIBILITY

The OSC also directs consideration of transmission service that permits large loads to take flexible service.[15] In short, under a flexible service arrangement, large load customers may be curtailed during periods where the grid is constrained. In its Straw Proposal, the CAISO has proposed such an offering.[16] In their opening comments in this Proceeding, Cal Advocates[17] and NRDC[18] commented positively regarding the

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[11] IEPA Comments at 6-8.

[12] Order Reopening Record at 9.

[13] *See* Ex. PGE-04 at Attachment A.

[14] *See generally Transmission Planning and Cost Allocation by Transmission Owning and Operating Public Utilities*, Order No. 1000, 136 FERC ¶ 61,051 (2011).

[15] OSC at ¶¶ 103-106.

[16] CAISO Straw Proposal at 38.

[17] Cal Advocates Comments at 9.

[18] NRDC Comments at 6.

possibility of flexible transmission service, noting it could allow for more efficient interconnections. PG&E agrees with Cal Advocates and NRDC and, consistent with PG&E's comments on the CAISO's straw proposal,[19] expects to support efforts to establish flexible interconnection offerings in the OSC proceeding.

V. CONCLUSION

PG&E is encouraged that parties to the Electric Rule 30 proceeding agree on the need for regulatory coordination and a lasting framework to address the terms of interconnection for large load customers. To achieve that lasting framework, the Commission should allow for full consideration of PG&E's revised TO Tariff by granting PG&E's forthcoming motion to stay.

Respectfully Submitted,

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[19] *See* PG&E Comments on the CAISO Straw Proposal (Sept. 2, 2026) at 4.b.