BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

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

PUBLIC ADVOCATES OFFICE RESPONSE IN OPPOSITION TO PACIFIC GAS AND ELECTRIC COMPANY'S (U 39 E) MOTION TO HOLD PROCEEDING IN ABEYANCE

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I. INTRODUCTION

The Public Advocates Office at the California Public Utilities Commission (Cal Advocates) hereby submits this Response in opposition to *Pacific Gas and Electric Company's (U 39 E) Motion to Hold Proceeding in Abeyance*[1] (Motion) pursuant to Rule 11.1(e) of the California Public Utilities Commission's (Commission's) Rules of Practice and Procedure (Rules). The Commission should deny Pacific Gas and Electric Company's (PG&E's) Motion and issue a decision in this proceeding.

On October 5, 2026, PG&E filed its Motion purportedly to allow the Commission to consider any impacts of the Federal Energy Regulatory Commission's (FERC's) Order to Show Cause (OSC). PG&E requests that the Commission hold this matter in abeyance until PG&E's Transmission Owner (TO) tariff is final and effective.

PG&E's Motion should be denied for at least four reasons set forth in this Response. First, PG&E misrepresents FERC's OSC. The OSC is to be cooperative with states and not preempt their regulatory actions. Also, PG&E fails to provide any specific information regarding its Transmission Owner (TO) tariff revisions that will purportedly conflict with its proposed Electric Rule No. 30 (Proposed Rule 30) such that the Commission could find the Motion reasonable. Finally, recent legislation on data centers and required legislative deadlines support the Commission issuing a decision in this proceeding without delay and addressing any further issues in the *Order Instituting Rulemaking on California Advance Electric Rate Design*, Rulemaking (R.) 26-04-009 (OIR). The Commission should deny PG&E's Motion and issue a decision that protects ratepayers from cost shifts.

[1] Application (A.) 24-11-007, *Pacific Gas and Electric Company's (U 39 E) Motion to Hold Proceeding in Abeyance* (Motion), October 5, 2026.

II. BACKGROUND

A. Procedural Background

PG&E filed Application (A.) 24-11-007 (Application) on November 21, 2024.[2] In its Application, PG&E proposes Rule 30, a new tariff to interconnect transmission-level customers. On January 24, 2025, PG&E filed a Motion for Interim Implementation of Proposed Rule 30.[3] The Assigned Commissioner issued the Scoping Memo on March 11, 2025.[4] The Commission issued Decision (D.) 25-07-038 (Interim Rule 30) partly granting and partly denying PG&E's Motion for Interim Implementation on July 28, 2025.[5]

In mid-September 2025, Administrative Law Judge (ALJ) Toy conducted evidentiary hearings.[6] PG&E, Cal Advocates, The Utility Reform Network (TURN), California Large Energy Consumers Association (CLECA), and California Community Choice Association (CalCCA) filed opening briefs on October 24, 2025.[7] On November 21, 2025, ALJ Toy suspended the proceeding schedule pending further instructions and a

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[2] See *Application of Pacific Gas and Electric Company (U 39 E) for Approval of Electric Rule No. 30 for Transmission-Level Retail Electric Service* (Application), November 21, 2024.

[3] See *Pacific Gas and Electric Company's (U 39 E) Motion for Interim Implementation of Electric Rule No. 30* (Motion), January 24, 2025. PG&E's Motion included updates to its Proposed Rule 30 and the form agreement. See Motion at 15-17 (PG&E amended Proposed Rule 30 as part of its Motion). Intervenors filed responses opposing PG&E's Motion on February 10, 2025. See *Public Advocates Office Response Opposing Pacific Gas and Electric Company's Motion for Interim Implementation of Electric Rule No. 30*, February 10, 2025; *Response of The Utility Reform Network to Pacific Gas and Electric Company's Motion for Interim Implementation of Electric Rule No. 30*, February 10, 2025; *Response of the Joint Community Choice Aggregators to Pacific Gas and Electric Company's Motion for Interim Implementation*, February 10, 2025.

[4] See *Assigned Commissioner's Scoping Memo and Ruling on Pacific Gas and Electric Company's Request to Implement a New Electric Rule 30 Tariff*, March 11, 2026.

[5] 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* (Interim Rule 30), July 28, 2025.

[6] Reporter's Transcript (RT) Volume (V.) I, II, and III.

[7] *Pacific Gas and Electric Company's Opening Post-Hearing Brief* (PG&E Opening Brief), October 24, 2025; *Public Advocates Office Opening Brief* (Cal Advocates Opening Brief), October 24, 2025; *Opening Brief of the Utility Reform Network*, October 24, 2025; *California Community Choice Association's Opening Brief*, October 24, 2025; and *Opening Brief of the California Large Energy Consumers Association*, October 24, 2025.

new proceeding schedule.[8] On January 9, 2026, ALJ Toy set a new proceeding schedule and directed parties to consider submitting additional testimony on questions related to cost allocation (January 9th Ruling).[9] On April 15 and April 17, 2026, ALJ Toy conducted evidentiary hearings on the issues set forth in the January 9th Ruling and on PG&E's supplemental testimony.[10] On May 8, 2026, Cal Advocates, PG&E, TURN, CLECA, Sierra Club, and Natural Resources Defense Council (NRDC) filed limited opening briefs.[11] On May 22, 2026, Cal Advocates, PG&E, TURN, CLECA, Sierra Club, NRDC, CalCCA, and the California Coalition of Large Energy Users (CLEU) filed reply briefs.[12]

On June 18, 2026, FERC issued the OSC to the California Independent System Operator (CAISO) and other Participating Transmission Owners (PTOs). The OSC directs the CAISO and PTOs to explain "why their current tariffs remain just and reasonable in the absence of clear and consistent provisions for large load customers—or alternatively to propose changes."[13] On August 7, 2026, ALJ Toy issued a Ruling (August 7th Ruling) seeking comments on proceeding status regarding the FERC's OSC

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[8] *Administrative Law Judge's Ruling Suspending Proceeding Schedule*, November 21, 2025.

[9] *Administrative Law Judge's Ruling Establishing Proceeding Schedule* (January 9th Ruling), January 9, 2026.

[10] RT V. IV and V.

[11] *Public Advocates Office Limited Opening Brief* (Cal Advocates Limited Opening Brief), May 8, 2026; *Pacific Gas and Electric Company's (U 39 E) Limited Opening Post-Hearing Brief* (PG&E Limited Opening Brief), May 8, 2026; *Opening Brief of the Utility Reform Network Addressing Administrative Law Judge's Ruling Dated January 9, 2026* (TURN Limited Opening Brief), May 8, 2026; *Limited Opening Brief of the California Large Energy Consumers Association*, May 8, 2026; *Sierra Club's Limited Opening Brief on Questions in Administrative Law Judge's Ruling*, May 8, 2026; *Opening Brief of the Natural Resources Defense Council* (NRDC Limited Opening Brief), May 8, 2026.

[12] *Public Advocates Office Reply Brief* (Cal Advocates Reply Brief), May 22, 2026; *Pacific Gas and Electric Company's Post-Hearing Reply Brief* (PG&E Reply Brief), May 22, 2026; *Reply Brief of The Utility Reform Network*, May 22, 2026; *Reply Brief of the California Large Energy Consumers Association*, May 22, 2026; *Sierra Club's Reply Brief on Questions in Administrative Law Judge's Ruling* (Sierra Club Reply Brief), May 22, 2026; *Reply Brief of the Natural Resources Defense Council*, May 22, 2026; *California Community Choice Association's Reply Brief*, May 22, 2026; *Reply Brief of the California Coalition of Large Energy Users*, May 22, 2026.

[13] See FERC Docket No. EL26-71-000, *Order Instituting Proceeding Under Section 206 of the Federal Power Act*, June 18, 2026, available at: https://www.ferc.gov/media/e-10-el26-71-000.

and how it relates to Proposed Rule 30.[14] On September 9, 2026, Cal Advocates, PG&E, TURN, Sierra Club, NRDC, CalCCA, Google LLC (Google), and the Independent Energy Producers Association (IEP) filed opening comments in response to the August 7th Ruling.[15] On September 21, 2026, Cal Advocates, PG&E, TURN, Sierra Club, NRDC, CLECA, Google, and CLEU filed reply comments.[16]

B. Policy Issues

To address the significant load that data centers and other large-load customers[17] require, PG&E will need to build transmission network upgrades (i.e., Facility Type 4) in greater magnitude than would otherwise be needed. Transmission expansion in

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[14] *Administrative Law Judge's Ruling Seeking Comments on Proceeding Status* (August 7th Ruling), August 7, 2026. On August 24, 2026, the ALJ extended the deadline to file opening and reply comments. *Email Ruling Setting New Dates for Filing of Comments*, September 22, 2026 (the filing date differs from the ruling which is dated August 24, 2026).

[15] *Public Advocates Office Limited Opening Comments on the Federal Energy Regulatory Commission Order to CAISO and Its Participating Transmission Owners* (Cal Advocates Limited Opening Comments on OSC), September 9, 2026; *Pacific Gas and Electric Company's (U 39 E) Opening Comments on Administrative Law Judge's Ruling Seeking Comments on Proceeding Status* (PG&E Limited Opening Comments on OSC), September 9, 2026; *Comments of The Utility Reform Network Addressing the Administrative Law Judge's Ruling Seeking Comments on Proceeding Status* (TURN Limited Opening Comments on OSC), September 9, 2026; *Sierra Club's Limited Opening Comments on Administrative Law Judge's Ruling*, September 9, 2026; *Natural Resources Defense Council Limited Opening Comments on FERC Order to CAISO*, September 9, 2026; *California Community Choice Association Opening Comments on Administrative Law Judge's Ruling Seeking Comments on Proceeding Status* (CalCCA Limited Opening Comments), September 9, 2026; *Opening Comments of Google LLC on Administrative Law Judge's Ruling Seeking Comments on Proceeding Status*, September 9, 2026; *Comments of the Independent Energy Producers Association on Proceeding Status*, September 9, 2026.

[16] *Public Advocates Office Reply Comments on the FERC Order to CAISO and Its Participating Transmission Owners* (Cal Advocates Reply Comments on OSC), September 21, 2026; *Pacific Gas and Electric Company's (U 39 E) Reply Comments on Administrative Law Judge's Ruling Seeking Comments on Proceeding Status* (PG&E Reply Comments on OSC), September 21, 2026; *Reply Comments of The Utility Reform Network Addressing the Administrative Law Judge's Ruling Seeking Comments on Proceeding Status* (TURN Reply Comments on OSC), September 21, 2026; *Sierra Club's Reply to Limited Opening Comments* (Sierra Club Reply Comments on OSC), September 21, 2026; *Natural Resources Defense Council Reply Comments on FERC Order to CAISO*, September 21, 2026; *California Large Energy Consumers Association Reply Comments*, September 21, 2026; *Reply Comments of Google LLC on Administrative Law Judge's Ruling Seeking Comments on Proceeding Status*, September 21, 2026; *Reply Comments of the California Coalition of Large Energy Users on Administrative Law Judge's Ruling Seeking Comments on Proceeding Status*, September 21, 2026.

[17] In this Application, Cal Advocates uses the term "large-load customer" to refer to customers seeking or receiving transmission-level retail service (i.e., 50 kilovolts (KV) and above) from PG&E. See Cal Advocates Opening Brief at 2, citing Application; see also Exhibit (Ex.) Cal Advocates-01 at 1, fn. 3.

California is already costly and burdensome for ratepayers, with average costs of $2 billion per year since 2023.[18] In the 2025-2026 Transmission Plan, CAISO approved nearly $2 billion in network upgrades to interconnect 11 large-loads.[19] In the 2026-2027 Transmission Planning Process, PG&E proposed over $2.5 billion in network upgrades to interconnect 13 large-loads.[20] Since the start of this proceeding, PG&E has submitted five advice letters to interconnect data center customers for a combined 528.5 megawatts (MWs).[21] The Commission approved three of these advice letters with Resolutions E-5420, E-5439, E-5433. Draft Resolution E-5455, if approved, will deviate from the prior Resolutions because Google seeks to interconnect a 250 MW data center.[22] If approved, the Draft Resolution E-5455 will require, among other things, for Google to pay an additional capital advance of $600,000 per MW of requested capacity for costs associated with transmission network upgrades.[23] The three prior Resolutions did not include this ratepayer protection. Additionally, most of the 24 large-loads PG&E proposed to CAISO

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[18] See, e.g., Ex. Cal Advocates-22 at 1, lines 14-16, 2, lines 1-4 (over the past three years, the CAISO Transmission Planning Process (TPP) approved $6.44 billion in transmission network upgrades).

[19] CAISO, *2025-2026 Transmission Plan,* May 19, 2026, at 92-94, available at: https://stakeholdercenter.caiso.com/RecurringStakeholderProcesses/2025-2026-Transmission-planning-process.

[20] PG&E, *PG&E's 2026 Request Window Proposals,* September 24, 2026 (PG&E 2026 Request Presentation), at slides 87-108, available at: https://stakeholdercenter.caiso.com/InitiativeDocuments/Presentation-PGandE-2026-2027-Transmission-Planning-Process-Sep-24-2026.pdf.

[21] Resolution (Res.) E-5420, *Resolution E-5420. Pacific Gas and Electric. Electric Rule 2, 15, and 16 Exceptional Case Submittal for Electric Transmission Service Facilities for STACK Infrastructure*, November 7, 2025 (approved a 90 MW data center); Res. E-5439, *Resolution E-5439. Pacific Gas and Electric Exceptional Case Submittal for Electric Transmission Upgrades for Microsoft Corporation for its SJC02 Project in San Jose*, *California*, January 20, 2026 (approved a 90 MW data center); Res. E-5433, *Resolution E-5433. Pacific Gas and Electric. Electric Rules 2, 15, 16 Exceptional Case Submittal, Electric Transmission Interconnection, Sunnyvale Technology Partners LLC c/o Menlo Equities*, March 20, 2026 (approved a 49 MW data center); Draft Resolution E-5455, *Resolution E-5455. Pacific Gas and Electric. Electric Rules 2, 15, and 16 Exceptional Case Submittal for Electric Transmission Interconnection for Google LLC*, draft as of September 22, 2026 (Draft Resolution E-5455 address AL 7785-E and could approve a 250 MW data center); PG&E Advice Letter (AL) 7853-E, *Electric Rules 2, 15, and 16 Exceptional Case Submittal for Electric Transmission Service for a Customer Project in Gilroy, California*, March 6, 2026 (requests approval for a 49.5 MW data center).

[22] Draft Res. E-5455. "For context, 250 MW is larger than the average demand of all of Marin county in 2024, and about half the overall average demand of San Mateo county." Draft Res. E-5455 at 3.

[23] Draft Res. E-5455 at Ordering ¶ 2.

are yet to be approved by the Commission. Rather than continuing with one-off resolutions that address advice letters on an individual basis, ratepayers are best protected by consistent and transparent application of a standard electric rule that has significant ratepayer protections. The Commission can and should issue a decision in this proceeding without further delay to ensure that ratepayers are protected from paying for the costs associated with large-load customers.

III. THE COMMISSION SHOULD DENY PG&E'S MOTION AND ISSUE A DECISION IN THIS PROCEEDING.

A. The Commission should issue a decision in this proceeding.

1. FERC's OSC does not require PG&E to create conflicts between its TO and Commission tariffs.

PG&E asserts that FERC "requires PG&E to establish 'adequate mechanisms to mitigate the risk of cost shifting among transmission customers.'"[24] PG&E argues that the OSC is intended to resolve issues "upstream" and that the Commission should stay the proceeding to avoid the possibility of inconsistent cost responsibility.[25] However, PG&E's claim that FERC requires PG&E to establish mechanisms in a revised TO tariff that will result in conflicts and/or inconsistencies between its federal and state tariffs is misleading.[26]

Instead, FERC's OSC directs PG&E to "show cause as to why [its] tariffs remain just and reasonable and not unduly discriminatory or preferential without provisions addressing …" service to large-loads customers.[27] PG&E must also "explain what changes to [its] tariffs would remedy the identified concerns if the [FERC] were to determine that the tariffs have in fact become unjust and unreasonable or unduly discriminatory or preferential… ."[28] Additionally, FERC states that its objective with the

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[24] Motion at 9, quoting OSC at ¶ 65.

[25] Motion at 9-10.

[26] See generally, Motion. See also, generally, PG&E Limited Opening Comments on OSC; PG&E Reply Comments on OSC.

[27] OSC at ¶ 3(1)(a)-(e).

[28] OSC at ¶ 3(2).

OSC is "to respect the cooperative federalism approach established under the [Federal Power Act] FPA" and that it expects "the additional cost transparency measures proposed in the following section will give state public utility commissions and other state regulators the information necessary to allow them to understand which transmission costs are caused by which transmission customers, so that they can sub-allocate these costs to the appropriate retail customers."[29] FERC is "encouraged by efforts taken by states to reform retail tariffs to address the potential for retail cost shifting as large loads come online …."[30] FERC did not direct PG&E to establish conflicts or inconsistencies with state tariffs and PG&E's argument otherwise misrepresents the OSC. Further, as discussed below, the Commission should act expeditiously and issue a decision for Proposed Rule 30 to preserve its authority to establish what is just and reasonable for California ratepayers.

PG&E's argument that the OSC is intended to resolve issues "upstream" is further undermined by FERC requiring briefing on cost recovery agreements entered into pursuant to state law that guarantees large-load customers contribute to the transmission owner's revenue requirement.[31] The briefing should address "if the agreement with the large load customer provide[s] comparable or greater protection against cost shifting …."[32] Thus, that state-level agreements can serve as a substitute for the cost recovery agreement is contemplated in the OSC. Most importantly, FERC specifically acknowledges that its preliminary findings related to cost recovery agreements "is in no way intended to preempt or interfere with the ability of states to implement ratepayer protection measures designed to mitigate cost shifting among retail customers, such as through state-jurisdictional large load tariffs."[33] Contrary to PG&E's assertions, FERC

[29] OSC at ¶ 68.

[30] OSC at ¶ 68.

[31] OSC at ¶ 81.

[32] OSC at ¶ 81.

[33] OSC at fn. 183.

states that the OSC is intended to be cooperative with the states and expects the information to provide transparency and inform states' cost allocation.[34]

2. Additional data center tariff issues should be addressed in the OIR, in line with recent legislation.

PG&E argues that the Commission will need to consider whether new legislation may impact the Proposed Rule 30 proceeding.[35] As support, PG&E cites Senate Bill (SB) 886,[36] SB 1168,[37] and Assembly Bill (AB) 2383[38] which address issues regarding the interconnection of data centers and large-load customers.[39] SB 886 and AB 2383, which become effective on January 1, 2027, require the Commission to adopt tariffs regarding data centers and other large-load customers on or before January 1, 2028.[40]

Rather than put this proceeding on hold, this legislation supports the Commission's issuance of a decision without further delay. Specifically, a decision that addresses the issues raised by the new legislation should come from the OIR.[41] SB 886, SB 1168, and AB 2383 establish requirements that impact PG&E, San Diego Gas & Electric Company, and Southern California Edison, collectively Investor Owned Utilities

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[34] OSC at ¶¶ 68, 69 ("We encourage state public utility commissions, state regulators and state consumer advocates to submit comments explaining whether this information is sufficient and granular enough or to submit comments explaining precisely which additional information on transmission cost allocation may be needed to inform proper state-jurisdictional cost allocation.").

[35] Motion at 12.

[36] SB 886 (Padilla, 2025-2026 Reg. Sess.), California Technology Innovation and Ratepayer Protection Act, codified as Public Utilities Code Sections 945, 945.2, 945.3, 945.7, 945.9, and 945.9. SB 886 requires that the Commission establish a tariff for the interconnection of customers seeking to receive retail electric service at the transmission level as part of new or existing proceeding.

[37] SB 1168 (McNerney, 2025-2026 Reg. Sess.), codified as Public Utilities Code Section 901. SB 1168 requires the Commission to assess rate structures related to data centers.

[38] AB 2383 (Zbur, 2025-2026 Reg. Sess.), codified as Public Utilities Code Sections 945.1, 945.4, 945.5, 945.6, 945.8. AB 2383 directs the Commission to require each electrical corporation to file a transmission, distribution and generation tariffs that require reasonable and equitable contributions by the participating customers, and requires community choice aggregators to adopt generation service tariffs for data centers.

[39] Motion at 12.

[40] SB 886; AB 2383.

[41] R.26-04-009, *Order Instituting Rulemaking on California Advanced Electric Rate Design*, March 10, 2026.

(IOUs). The IOUs are parties to the OIR and are active participants.[42] Track 1 in the OIR will address data center tariffs and customer protections and is scheduled to have a proposed decision before January 1, 2028.[43] As discussed further below, PG&E cannot guarantee that FERC will approve and make effective its TO revisions by January 2027. Without such guarantee, the Commission should prioritize a decision in this proceeding and address new legislation and additional data center and other large-load issues in the OIR.

3. PG&E's purported conflict between its state and federal proposed tariffs runs counter to the OSC.

PG&E urges the Commission to hold this matter in abeyance until PG&E's revised TO tariff is final and effective in order to avoid inconsistency and confusion.[44] PG&E asserts that the Commission and FERC are considering similar cost shift issues due to the influx of data center and other large-load customers.[45] However, PG&E fails to provide any specifics about the revisions to its TO tariff.[46] As shown below, PG&E's claims are speculative at best, and its request for a stay is premature.

PG&E prepared Proposed Rule 30 and had an opportunity to respond to all revisions proposed and issues raised by intervenors. It is also responsible for preparing its proposed TO tariff revisions. As discussed above, FERC did not direct PG&E to draft TO tariff revisions that conflict with Commission actions.[47] PG&E could prepare TO tariff revisions that are consistent with the provisions being considered in Proposed Rule 30. Instead, PG&E vaguely states this proceeding if not stayed could create

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[42] See, e.g., R.26-04-009, *Assigned Commissioner's Scoping Memo and Ruling*, September 22, 2026, at 1-2 (including PG&E in list of parties who submitted opening and reply comments to the OIR).

[43] R.26-04-009, *Assigned Commissioner's Scoping Memo and Ruling*, September 22, 2026, at 3 (scope of Track 1), 6-7 (schedule for Track 1). See also SB 886; AB 2383.

[44] Motion at 9.

[45] Motion at 9.

[46] Motion at 8. PG&E will file its response to the OSC on November 16, 2026, in just over a month from the date PG&E filed the Motion.

[47] See, e.g., OSC at ¶ 68.

inconsistencies and confusion with its TO tariff.[48] In relevant part, California Evidence Codes Section 412 provides: "If weaker and less satisfactory evidence is offered when it was within the power of the party to produce stronger and more satisfactory evidence, the evidence offered should be viewed with distrust." PG&E argues that the Proposed Rule 30 should be stayed because of purported TO tariff conflicts while not providing a single conflict its unapproved TO tariff may contain. PG&E fails to provide specific information such that the Commission should view such failure with distrust and cannot find PG&E's Motion reasonable.

B. Ratepayers are harmed without a rule addressing large-load customers.

Data center customers make up 75 percent of PG&E's large-load customers requesting interconnection.[49] An electric rule that implements consistent and transparent ratepayer protections that includes, among other things, refundable customer advances for all transmission interconnection and system upgrades, a refund method that makes refunds proportional to customers' revenues, minimum demand charges, minimum contract lengths, and early termination fees.[50] PG&E has submitted five advice letters to interconnect data centers since PG&E filed its Application.[51] None of the Resolutions stemming from these advice letters include ratepayer protections that resolve the issues under consideration for the Proposed Rule 30 (including advances on transmission network upgrades), which could result in costs shifting to ratepayers.[52] In addition, PG&E submitted to the CAISO, transmission interconnection projects associated with 24 data centers that PG&E claims all have signed interconnection agreements.[53] If this

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[48] Motion at 9-11.

[49] Cal Advocates Limited Opening Brief at 2 (percent of data centers is as of October 2025).

[50] See, e.g., Cal Advocates Opening Brief at 31-36, 39-40, 43-46; Cal Advocates Limited Opening Brief at 15-22; Cal Advocates Reply Brief at 21-26, 33-34.

[51] Res. E-5420; Res. E-5439; Res. E-5433; Draft Res. E-5455; PG&E AL 7853-E.

[52] Res. E-5420 at Ordering ¶ 3; Res. E-5439 at Ordering ¶¶ 2, 3; Res. E-5433 at Ordering ¶¶ 2, 3.

[53] PG&E 2026 Request Presentation at 87-108. CAISO, *2025-2026 Transmission Plan,* May 19, 2026, at 92-94.

proceeding were to be stayed, all 24 data center projects would need to be dealt with by the Commission as advice letters. This would create an administrative burden, the potential for disparate treatment, and the opportunity for ratepayer harm.

To best protect ratepayers, the Commission should establish a rule for large-load customers interconnecting at the transmission level that includes significant ratepayer protections and that can be applied on a consistent basis. Such a rule would address concerns raised by FERC in the OSC and could provide "comparable or greater protection against cost shifting among transmission customers than" a pro forma cost recovery agreement included with PG&E's TO tariff revisions.[54]

1. PG&E demonstrates in this proceeding that it opposes important ratepayer protections.

Throughout this proceeding PG&E has consistently opposed important ratepayer protections. PG&E opposes: a refund method that makes refunds proportional to customers' revenues (which would slow the amounts entering rate base);[55] termination fees for customers who end their contract term early;[56] protections that ensure ratepayers do not pay interest on advance refunds to large-load customers;[57] and PG&E opposes requiring that large-load customers pay refundable advances on transmission network upgrades.[58] PG&E's consistent opposition to ratepayer protections suggests that PG&E will fail to include similar ratepayer protections in its TO tariff. In addition, PG&E may also choose to include provisions in its TO tariff revisions that conflict with the important ratepayer protections under consideration here. As discussed below, if PG&E does include such provisions in its TO tariff, the Commission's ability to address important ratepayer protections could be limited due to FERC's action.

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[54] See OSC at ¶ 81, fn. 183 ("We emphasize that this finding is in no way intended to preempt or interfere with the ability of states to implement ratepayer protection measures designed to mitigate cost shifting among retail customers, such as through state-jurisdictional large load tariffs.").

[55] See, e.g., PG&E Reply Brief at 70, 72-73.

[56] See, e.g., PG&E Reply Brief at 86-87.

[57] Cal Advocates Reply Brief at 42-44.

[58] See, e.g., PG&E Limited Opening Brief at 10-11, 17-19, 20-21.

2. PG&E fails to address how ratepayers will be protected during the requested stay.

PG&E does not guarantee it will include ratepayer protections in its revised TO tariff and makes no commitments to do so. Instead, PG&E provides a vague timeline for resolution of the OSC that lacks any reason to believe that FERC will approve and make effective PG&E's TO tariff revisions in January 2027.[59] Given the uncertainty of how long a stay could last, it is more than reasonable to provide ratepayer protections if a stay is granted. PG&E ignores this issue. Given the significant amounts of money at issue (at least 24 large-load customers in PG&E's territory seek interconnection) it is only reasonable that the Commission take steps to protect ratepayers if a stay is granted. At a minimum, the Commission should enforce and require PG&E to use Interim Rule 30 if a stay is granted.[60]

C. The Commission should deny PG&E's Motion because delaying a decision may limit the Commission's ability to address critical ratepayers issues due to FERC action.

The Commission should issue a decision on Proposed Rule 30 without delay to preserve its authority. As discussed above, PG&E does not support significant ratepayer protections recommended by Cal Advocates and other intervenors for Proposed Rule 30.[61] PG&E's consistent opposition to ratepayer protections, and in particular requiring refundable advances on transmission network upgrades, is a notable indicator that PG&E will exclude similarly protective provisions in its TO tariff. In addition, PG&E may include provisions in its TO tariff revision that create conflict with Proposed Rule 30 provisions under consideration here. For example, PG&E may include in its TO tariff revisions similar to its Customer Responsibility Proposal.[62] As demonstrated by Cal

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[59] Motion at 8, 11.

[60] As shown below, the Commission approved Interim Rule 30 for PG&E in D.25-07-039, yet PG&E has ignored it and continues submitting advice letters instead.

[61] See, e.g., PG&E Limited Opening Brief at 10-11, 17-19, 20-21; Cal Advocates Reply Brief at 42-44; PG&E Reply Brief at 70, 72-73, 86-87.

[62] Ex. PGE-19 at 4-7 (PG&E Limited Opening Testimony, March 13, 2026).

Advocates, TURN, Sierra Club, and NRDC, PG&E's Customer Responsibility Proposal will result in $0 of advance transmission network costs paid by transmission-level customers in almost every scenario.[63] A similar Customer Responsibility Proposal provision in PG&E's TO tariff, if approved by FERC, could result in a conflict with Proposed Rule 30 provisions under consideration. The Commission's authority, and in particular its ability to consider advances on transmission network upgrades along with ratepayer protections, could be limited (due to FERC's OSC) if it doesn't act expeditiously.

1. A decision on Proposed Rule 30 will address the issues raised in the OSC.

FERC provides that the OSC is intended to be cooperative with states' effort and its preliminary finding is not "intended to preempt or interfere with the ability of states to implement ratepayer protection measures designed to mitigate cost shifting among retail customers, such as through state-jurisdictional large load tariffs."[64] Thus, the Commission can and should issue a decision on Proposed Rule 30 that will address issues regarding the interconnection of large-load customers raised in the OSC, while also protecting California ratepayers by including specific protections addressed in this proceeding.

2. It is Unclear if 'Upstream' Cost Allocation Procedures Will be Implemented because CAISO indicates enhanced PTO cost allocation rules should address risks of cost shifting in response to the OSC.

In response to the OSC, CAISO proposes that PTOs develop "consistent pro forma agreements to memorialize the technical and operational terms the Order describes."[65]

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[63] See, Cal Advocates Limited Opening Brief at 23-24; TURN Limited Opening Brief at 12-13; NRDC Limited Opening Brief at 10-12; Sierra Club Reply Brief at 3, 9-13. PG&E could not identify a single project from its previous Preliminary Engineering Study reports that would be included in its Customer Responsibility Proposal.

[64] OSC at ¶¶ 68, 69, 81, fn. 183.

[65] CAISO, Large Load Enhancements, Draft Final Proposal (CAISO OSC Proposal), September 24, 2026, at 40, available at: https://stakeholdercenter.caiso.com/InitiativeDocuments/Draft-Final-Proposal-Large-

CAISO further provides that "it is prudent for cost allocation rules to be set forth in the PTO tariffs rather than the CAISO tariff … PTOs will continue to manage large load interconnections through their tariffs. Many of the PTOs also have a direct relationship with … the regulators of those ultimate rates, including the CPUC."[66] Since CAISO declines to propose a "new 'top-down' cost allocation through its own tariff,"[67] PTOs need to implement ratepayer protections in their tariffs.

CAISO is not proposing an "upstream" cost recovery framework. Instead, CAISO is stating that PTOs should address cost shifting in their tariffs. Cal Advocates' and TURN's proposal for refundable customer advances on all transmission interconnection and system network costs for Proposed Rule 30 reasonably address the issue of cost shifting. It also aligns with FERC's attempts to avoid duplicative credit requirements because Proposed Rule 30 could be a substitute for the cost recovery agreement outlined in the OSC.[68]

D. PG&E's claim that its revised TO tariff will be approved by FERC and become effective in January 2027 is improbable and unsupported.

1. PG&E cannot guarantee that FERC will make its revised TO tariff effective in January 2027.

PG&E asks the Commission to hold this matter in abeyance until FERC approves and makes effective its revised TO tariff.[69] PG&E implies, in three vague statements, that FERC will respond to PG&E's proposed TO tariff revisions by January 2027,[70] and

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Load-Enhancements-Sep-24-26.pdf.

[66] CAISO OSC Proposal at 44.

[67] CAISO OSC Proposal at 44.

[68] OSC at ¶ 81.

[69] See, e.g., Motion at 9 ("… the Commission should hold this proceeding in abeyance until PG&E's revised TO tariff is final and effective.").

[70] Motion at 8 ("Electric Rule 30 may be impacted by two events that are **likely to be resolved in January 2027**. First, PG&E must, by November 16, 2026, file a Section 205 filing at FERC to revise its TO tariff. FERC must address this filing **by January 2027**.") (emphasis added), 11-12 ("Allowing the broader proceedings to be resolved first (**likely by January 2027**) before finalizing Electric Rule 30 is the surest path to a clear regulatory framework.") (emphasis added).

that the stay will be "short."[71], [72] These claims are entirely unsupported by PG&E's Motion.[73] PG&E cannot guarantee that its proposed TO revisions will be final and made effective by FERC in January 2027.[74]

PG&E must file a response to the OSC by November 16, 2026.[75] FERC must address PG&E's response within sixty days unless FERC orders otherwise.[76] Additionally, FERC has the authority to conduct hearings to address the lawfulness of new tariffs that would impact rates for a period not exceeding five months.[77] Although PG&E cites to the code section addressing the five month period,[78] PG&E notably fails to acknowledge the possibility that the OSC could conclude in five months (i.e., approximately June 2027 or later). The OSC covers numerous issues and has many intervenors. It is plausible that FERC will require hearings to consider the lawfulness of PG&E's TO tariff revisions. This possibility could put in jeopardy the Commission's ability to comply with the legislative deadlines provided by SB 886, and AB 2383.

Moreover, even if the stay were to only last until January 2027, Proposed Rule 30 could not conclude shortly after. To allow parties due process, they will need time to conduct discovery on PG&E's TO revisions, the opportunity to submit testimony, and the

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[71] Motion at 9, 11-12.

[72] Motion at 11-12.

[73] PG&E also predicted in error in its Application that this proceeding should only take a year and two months for the Commission to issue a final decision. Application at 23-24.

[74] PG&E's Motion does not address the possibility that FERC may reject its revisions to its TO tariff. See, e.g., FERC Docket No. ER23-1661-000, *Order Rejecting Pro Forma Interconnection Agreement*, June 16, 2023, 183 FERC P 61202, 2023 WL 4052324 at *9-10. FERC rejected PG&E proposed pro forma Interconnection Agreement because PG&E failed to demonstrate its use of previously accepted CAISO pro forma Large Generator Interconnection Agreement and individually tailored and negotiated appendices were just and reasonable and not unduly discriminatory or preferential.

[75] Motion at 8.

[76] 16 U.S.C. § 824d(d) ("**Unless the Commission otherwise orders**, no change shall be made by any public utility in any such rate, charge, classification, or service, or in any rule, regulation, or contract relating thereto, except after sixty days' notice to the Commission and to the public ….") (emphasis added).

[77] 16 U.S.C. § 824d(e).

[78] Motion at 8, fn. 31.

opportunity to provide briefing. In addition, the Commission may need time to consider additions to the record before issuing a proposed decision and a final decision.[79] As a result, this proceeding may not have a decision until Fall 2027, almost a year later.

2. PG&E's Motion contradicts its argument that there is an urgent need to adopt Proposed Rule 30.

In its Application,[80] Motion for Interim Implementation,[81] and briefs,[82] PG&E asserts that there is an immediate and urgent need for transmission-level retail electric customers to have clear direction through interconnection rules and that the Commission should act expeditiously to approve it. Now, PG&E asks the Commission to stay Proposed Rule 30 in contradiction to its prior statements. Moreover, PG&E's contradictory position fails to accurately reflect the intentions of the OSC and set forth specific conflicts with its revised TO tariff.

(1) PG&E's request for a stay is at odds with protecting ratepayers from cost shifts.

PG&E's request for a stay is at odds with its plans submitted to CAISO to interconnect 24 data centers and five advice letter submissions for data centers at the Commission. PG&E sought CAISO concurrence[83] for 14 data centers on September 25,

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[79] Commission Rules of Practice and Procedure, Rules 14.2(a) (A proposed decision shall be filed no later than 90 days after submission."), 14.3(a) and (d) (opening comments are due within 20 days of service of the proposed decision, and reply comments are due within five days after the opening comments are filed).

[80] Application at 17.

[81] *Pacific Gas and Electric Company's (U 39 E) Motion for Interim Implementation of Electric Rule No. 30*, January 24, 2025, at 8-9.

[82] See, e.g., PG&E Opening Brief at 4; PG&E Reply Brief at 4 ("We *urge* the Commission to act quickly on this application and to seize the unique opportunity presented to adopt Electric Rule 30 and facilitate more affordable electric rates in California through the beneficial growth of transmission-level customers.") (emphasis in original text).

[83] RT V. IV at 518:22-23, 519:1-4 (PG&E Jens Nedrud) ("Yes. The CAISO tariff has two different ways that projects essentially can get approved. The main one is through approval, and that's where all projects are studied as part of what comes through the California Energy Commission's forecast and appropriate projects are identified. The other approach is specific to additional loads that a utility receives that they can ask for a **concurrence. This is typically done because of timing because potentially the load needs to come on before we can adequately have time to put it in the forecast**…") (emphasis added).

2025.[84] PG&E additionally seeks CAISO concurrence for 13 large-loads, that includes three projects not approved in the previous year.[85] In contrast, PG&E submitted only five advice letters seeking approval to interconnect data centers during this proceeding.[86] Between PG&E's requests for expeditious action to approve Proposed Rule 30, plans submitted to CAISO to interconnect over 20 data centers, and the low volume of advice letters submitted to the Commission, the number of data centers that PG&E will actually seek to interconnect in its territory remains unclear. This level of uncertainty indicates the need for strong ratepayer protections. Ratepayers remain vulnerable to cost shifts without a consistent rule to address the interconnection of data centers.

3. PG&E's reliance on the Commission's action in A.16-10-012 is flawed.

PG&E argues that the Commission previously granted a stay in a proceeding to allow for FERC action. Here, PG&E attempts to rely on the Commission's stay in A.16-10-012 (DCRT PFM) to support its requested stay.[87] In A.16-10-012, DCR Transmission filed a Petition for Modification of the maximum reasonable and prudent cost approved with the certificate of public convenience and necessity on September 29, 2023. While the ALJ did suspended the proceeding pending action from FERC on March 4, 2024,[88] the lesson learned from that proceeding does not help PG&E. The fact is, more than two and a half years later, the DRCT PFM proceeding still remains in abeyance. Parties only recently (in September 2026) submitted briefs in the FERC rate case, and a FERC initial decision is not expected until November 2026.[89] Thus, the

[84] Ex. Cal Advocates-25 at 60, 68.

[85] PG&E 2026 Request Presentation at 89.

[86] Res. E-5420; Res. E-5439; Res. E-5433; Draft Res. E-5455; PG&E AL 7853-E.

[87] A.16-10-012, *DCR Transmission, L.L.C.'s Petition for Modification of Decision 21-11-003*, September 29, 2023.

[88] A.16-10-012, *Administrative Law Judge's Ruling Suspending Proceeding Activities Pending Action by the Federal Energy Regulatory Commission*, March 3, 2024.

[89] A.16-10-012, *Quarterly Status Update of DCR Transmission, LLC*, October 1, 2026.

DRCT PFM demonstrates that stays granted to allow FERC proceedings to conclude will likely be protracted, contrary to PG&E's speculative claims..

In addition, the stay in the DCRT PFM is distinguishable from Proposed Rule 30. First, in its petition for modification, DCR Tranmission asked the Commission to hold the matter in abeyance before substantive steps occurred.[90] In contrast, the record in Proposed Rule 30 shows extensive briefing over the course of almost two years. Second, FERC must address the issue of project costs as part of DCR Transmission's FERC rate case which involves the same issues related to project costs in the DCRT PFM proceeding and could result in conflicting positions.[91] Here, FERC provides that: its intention with the OSC is to be cooperative;[92] encourages state public utility commissions' participation to address state cost allocation concerns;[93] and emphasizes that its preliminary findings regarding cost recovery agreements is not intended to preempt or interfere with state ability to implement ratepayer protections.[94] PG&E's reliance on the Commission's stay in DCRT PFM is flawed and distinguishable, and the Commission should deny PG&E's Motion.

E. The Commission should approve the Partial Settlement Agreement regardless whether the proceeding is stayed.

Regardless of the timeline for a decision on Proposed Rule 30, the Commission should approve the Partial Settlement. The Partial Settlement requires reporting to support accurate forecasting of large-loads and to track transmission-level

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[90] A.16-10-012, *DCR Transmission, L.L.C.'s Petition for Modification of Decision 21-11-003*, at 5-6.

[91] A.16-10-012, *DCR Transmission, L.L.C.'s Petition for Modification of Decision 21-11-003*, at 7-8. The Commission opposed the project costs in the FERC rate case which raised due process issues if the Commission simultaneously conducted proceeding on the same issues. A.16-10-012, *Administrative Law Judge's Ruling Suspending Proceeding Activities Pending Action by the Federal Energy Regulatory Commission*, at 2.

[92] OSC at ¶ 68.

[93] OSC at ¶ 69.

[94] OSC at ¶ 81, fn. 183.

interconnection impacts on ratepayers.[95], [96] CalCCA correctly states that the OSC highlights the importance of accurate forecasting and avoiding speculative load.[97] Approval of the Partial Settlement is consistent with the OSC.

F. The Commission should require that PG&E's data center transmission interconnection applications be subject to the Interim Rule 30, if the proceeding is stayed.

In D.25-07-039, the Commission approved Interim Rule 30. Interim Rule 30 adopts ratepayer protections that:

- require transmission-level customers to pay advances and pre-funded loans covering 100 percent of project costs for new transmission upgrades and infrastructure;
- defer a decision on a refund method until a final decision;
- require PG&E to conduct final true-ups on advances during interim implementation (and as a result, denies the memorandum account);
- denies interest accrual on advances and actual cost payments; and
- makes contracts approved under interim implementation subject to the refund, accrued interest, and loan repayment provisions adopted in the final decision.[98]

Despite this decision, PG&E continues to choose to use the advice letter process. PG&E thereby avoids the key ratepayer protections established in Interim Rule 30. If the Commission stays the proceeding, it should require that all subsequent data center transmission interconnection agreements submitted by PG&E be subject to Interim Rule 30, given the ratepayer protections incorporated within.

IV. CONCLUSION

For the reasons set forth above, the Commission should deny PG&E's Motion and issue a decision in this proceeding.

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[95] CalCCA Limited Opening Comments at 3.

[96] Cal Advocates Reply Brief at 41.

[97] CalCCA Limited Opening Comments at 1.

[98] D.25-07-039 at Conclusions of Law ¶¶ 2, 3, 5, 6, 10.

Respectfully submitted,

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