PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

ENERGY DIVISION

RESOLUTION E-5124
April 15, 2020

RESOLUTION

Resolution E-5124: Pursuant to Decision 18-06-027, Approving with Modification, Community Choice Aggregator Tariffs to Implement the Disadvantaged Communities Green Tariff and Community Solar Green Tariff Programs.

PROPOSED OUTCOME:

- Approves, with modifications, CleanPowerSF’s (CPSF) Advice Letter (AL) 12-E, East Bay Community Energy’s (EBCE) AL 14-E/E-A, Marin Clean Energy’s (MCE) AL 42-E/E-A/E-B, Peninsula Clean Energy’s (PCE) AL 11-E, San Jose Clean Energy (SJCE) AL 15-E, to create Disadvantaged Communities Green Tariff (DAC-GT) and/or Community Solar Green Tariff (CSGT) rates and program design in compliance with Decision (D.)18-06-027.

SAFETY CONSIDERATIONS:

- There are no expected safety implications associated with approval of this Resolution.

ESTIMATED COST:

- The costs to implement the DAC-GT and CSGT programs have yet to be determined. The impact on rates cannot be estimated at this time because these programs will be funded through greenhouse gas allowance proceeds; if insufficient revenue from greenhouse gas allowance proceeds is available, the program will be funded through public purpose program funds.

By CPSF AL 12-E filed on December 31, 2020, EBCE AL 14-E filed on September 11, 2020, EBCE AL 14-E-A filed on December 18, 2020,
MCE AL 42-E filed on May 7, 2020, MCE AL 42-E-A filed on October 16, 2020, MCE AL 42-E-B filed on December 17, 2020, PCE AL 11-E filed on December 22, 2020, and SJCE AL 15-E filed on December 23, 2020.

SUMMARY

This Resolution approves, with modification, CleanPowerSF’s (CPSF) Advice Letter (AL) 12-E, East Bay Community Energy’s (EBCE) AL 14-E/E-A, Marin Clean Energy’s (MCE) AL 42-E/E-A/E-B, Peninsula Clean Energy’s (PCE) AL 11-E, and San Jose Clean Energy’s (SJCE) AL 15-E to create tariffs to implement the Disadvantaged Communities Green Tariff (DAC-GT) and/or Community Solar Green Tariff (CSGT) programs. The California Public Utilities Commission (CPUC) requires CPSF, EBCE, MCE, PCE, and SJCE to modify their DAC-GT and CSGT tariffs pursuant to the direction provided in this Resolution on issues that were raised in replies to an AL, and on aspects of CCAs’ program implementation that warrant clarification.

BACKGROUND

The Disadvantaged Communities Green Tariff (DAC-GT) and Community Solar Green Tariff (CSGT) programs provide 100 percent clean energy at a 20 percent total bill discount1 to residential customers who reside in Disadvantaged Communities (DACs), as defined by Decision D.18-06-027 Alternate Decision Adopting Alternatives to Promote Solar Distributed Generation in Disadvantaged Communities (Net Energy Metering DAC Decision or NEM DAC Decision). The DAC-GT program is only available to residential DAC customers who are eligible for either the California Alternate Rates for Energy (CARE) program or the Family Electric Rate Assistance (FERA) program.2 The CSGT program is available to both income-qualified and non-income-qualified residential DAC

1 D.18-06-027 at 74.
2 Id. at 51.
customers (including customers in San Joaquin Valley pilot communities). Before any non-income-qualified customers are able to participate, 50 percent of a CSGT project’s capacity must be subscribed to CARE- or FERA-eligible customers. In addition, community sponsors may be eligible to subscribe up to 25 percent of a CSGT project’s capacity.

The NEM DAC Decision authorized Community Choice Aggregators (CCAs) to develop and implement their own DAC-GT and CSGT programs. The Decision further outlined that CCAs may access greenhouse gas (GHG) allowance revenues and public purpose program (PPP) funds to support these programs, by submitting a Tier 3 advice letter (AL) demonstrating how their DAC-GT and CSGT programs will abide by all rules and requirements for the programs. To align program capacity allocation with the proportion of residential DAC customers served by CCAs, Resolution E-4999 allocated capacity to existing CCAs based on the proportional share of residential customers in DACs that each CCA served.

The Resolution further allowed a CCA that does not wish to launch its own program to designate other CCAs who serve customers in the same investor-owned utility (IOU) territory to receive its program capacity allocation by detailing the proposal in a Tier 3 AL, which is affirmed in writing by any CCA whose program capacity is implicated in the proposal.

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3 D.18-12-015 authorized a limited exemption to the CSGT program which allows CSGT projects to be located up to 40 miles from the 11 participating San Joaquin Valley (SJV) pilot communities of Allensworth, Alpaugh, California City, Cantua Creek, Ducor, Fairmead, Lanare, Le Grand, La Vina, Seville, and West Goshen. The pilot objectives include providing access to affordable energy options, reducing household energy costs, and increasing health, safety, and air quality of participating host communities and customers. The pilots will also gather information to assess cost-effectiveness and feasibility, test approaches to efficiently implement interventions, and assess potential scalability.

4 D.18-06-027 at COL 23-25.

5 Resolution E-4999 at 13.

6 Id. at 16.
acknowledged that a workshop would need to be held to address CCA implementation questions that were raised in the advice letter process. A DAC-GT & CSGT Program Implementation Workshop for CCAs was held in September 2019 and determined that a working group should be convened to further discuss program-related customer billing issues.

On October 15, 2019, Energy Division staff facilitated a customer billing working group meeting among the IOUs and various CCAs to discuss the appropriate application of the bill discount, the budget and cost recovery process, and data sharing needs. The IOUs and CCAs agreed to continue this discussion and agreed that these issues would be formally resolved during the CCAs’ AL process.

Resolution E-5102, issued in November 2020, approved the first CCA DAC-GT and CSGT tariff, administered by Clean Power Alliance (CPA). The Resolution outlined additional budgeting and approval requirements for CPA.

On May 7, 2020 MCE filed AL 42-E to implement its DAC-GT and CSGT Programs. On July 23, 2020, the CPUC issued Decision Implementing Automatic Enrollment of Disadvantaged Communities Green Tariff (D.) 20-07-008. This Decision directed PG&E to automatically enroll customers from a targeted population in the DAC-GT program based on prioritization of customers at high risk of disconnection within the existing parameters of program eligibility. This Decision stated two rationales for pursuing and accelerating automatic enrollment including 1) fulfilling the objectives of the CPUC’s Environmental and Social Justice Action Plan and 2) mitigating the economic effects of the COVID-19 pandemic and the statewide stay at home order. On October 16, 2020 MCE filed AL 42-E-A to update the DAC-GT enrollment process and propose auto-enrollment for eligible DAC-GT customers in furtherance of the CPUC’s stated goals in D.20-07-008.

On September 11, 2020, EBCE filed AL 14-E to implement its DAC-GT and CSGT Programs. On October 8, 2020 PG&E responded to EBCE requesting that several unresolved issues be settled consistently across all CCAs in PG&E’s service
territory. On October 22, 2020 EBCE submitted a reply to PG&E’s response addressing PG&E’s concerns and the concerns of other CCAs which planned to participate in either program.

On November 18, 2020 Energy Division staff facilitated a second customer billing working group meeting between PG&E and several CCAs which either had filed or planned to file ALs to implement the programs within PG&E’s service territory (CPSF, EBCE, MCE, PCE, and SJCE; collectively “Joint CCAs”). The purpose of the meeting was to further discuss issues from PG&E’s response letter to EBCE AL 14-E, including application of the 20 percent total bill discount, apportionment of PPP funds, and handling of CCA integration costs. Presentations were made by both PG&E and the Joint CCAs and both parties agreed that these issues would be formally resolved during the CCAs’ AL process.

Subsequently, three additional CCAs submitted ALs before the January 1, 2021 deadline to file their tariffs to implement the DAC-GT and CSGT programs and describe capacity transfers between CCAs: PCE AL 11-E filed on December 22, 2020; SJCE AL 15-E filed on December 23, 2020; and CPSF AL 12-E filed on December 31, 2020. MCE and EBCE also submitted supplemental ALs describing capacity transfers between the CCAs (MCE AL 42-E-B on December 17, 2020 and EBCE AL 14-E-A on December 18, 2020).

**NOTICE**

Notice of CPSF AL 12-E, EBCE AL 14-E/E-A, MCE AL 42-E/E-A/E-B, PCE AL 11-E, SJCE AL 15-E/JSA were made by publication in the CPUC’s Daily Calendar. CPSF, EBCE, MCE, PCE, and SJCE each state that a copy of their ALs were mailed and distributed in accordance with Section 4 of General Order 96-B.

**PROTESTS**

No protests were filed.

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7 Resolution E-4999 at 16-17.
Pacific Gas and Electric’s (PG&E’s) Response to EBCE’s AL 14-E

PG&E filed a timely response to EBCE’s AL 14-E on October 8, 2020. In its response, PG&E stated that it would not include a request for any GHG funds set-aside in its 2021 ERRA Forecast filing for EBCE and MCE to implement their DAC-GT or CS-GT programs, unless directed by the CPUC to do so. PG&E stated that it would comply with Resolution E-4999 to transfer approved program funding to CCAs only once the CPUC has approved the EBCE and MCE program budgets.

To minimize administrative burden, PG&E’s response recommended that each CCA, as a program administrator (PA), should be responsible for tracking its own DAC-GT and CSGT funding, budgets, and costs. PG&E clarified that any administrative cost to PG&E resulting from funding transfers or making billing system changes on behalf of CCA programs should not be allocated to PG&E’s DAC-GT and CSGT budget, nor should it count toward PG&E’s 10 percent program administration cost caps. PG&E also recommended transferring program funding in annual rather than quarterly payments to CCAs, including EBCE.

PG&E’s response sought clarity on how it would recover the funds and resources needed to administer funding and IT billing system changes linked to CCA programs. PG&E recommended that these costs be either 1) charged directly to CCA subaccounts held by PG&E or 2) recovered directly from GHG allowances or PPP funds through the ERRA process and not charged to PG&E’s programs.

Additionally, PG&E requested that EBCE revise its AL to address the issues listed below and that these issues be settled consistently across all CCAs in PG&E’s territory:

- How and in what way customer billing will be implemented;
- How PG&E’s and CCAs programs will accommodate expansion of CCA territory;
- Who will handle responses to reporting requests from the California Air Resources Board (CARB) for CCA programs; and,
How PPP funds should be leveraged and prioritized or apportioned between CCA programs and PG&E if GHG allowance revenues are exhausted.

EBCE’s Reply to PG&E’s Response

On October 22, 2020, EBCE replied to PG&E’s response. In EBCE’s reply, the CCA stated that the CPUC should apply the same alternative cost recovery mechanism to the Joint CCAs’ programs that it granted PG&E for the initial years of its DAC-GT and CSGT program implementation. Specifically, this would mean that the CPUC would set aside the Joint CCAs’ funding requests in the current ERRA proceeding pending each CCA’s implementation AL approval. EBCE agreed with PG&E that to reduce administrative burden, each PA should track funding and budgeting for their own costs and that program payments should be made annually at the beginning of the program year rather than quarterly.

In response to PG&E’s question on how to recover costs related to the administration of CCA program funding and IT billing changes, EBCE suggested that PG&E should include a separate budget line item in their DAC-GT and CSGT program budgets to track incurred administrative costs supporting CCA program start-up (CCA integration costs). EBCE posits that this will allow CCA integration costs to be evenly allocated across CCAs offering DAC-GT and/or CSGT programs over time. EBCE argues that this accounting approach would be effective because it would:

- Prevent early-adopting CCAs in PG&E’s service territory from absorbing the bulk of all CCA integration costs (including late-adopting CCAs) at the beginning of program start-up;

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9 As of October 22, 2020, only MCE and EBCE had filed ALs to implement the DAC-GT and CSGT programs.
Mitigate CCA concerns that PG&E administrative costs passed on to CCAs could inflate CCA program budgets and push them over the 10 percent program administration cost cap;¹⁰ and,

Allow the CPUC and PAs to evaluate CCA integration costs across all participating CCAs and customers being served by the program in PG&E’s service territory.

In response to how customer billing would be implemented, EBCE re-asserted that PG&E and CCAs should be responsible for calculating and providing the 20 percent discount on their respective portion of the customer bill, referred to as the “hybrid approach,” initially discussed during the October 2019 Customer Billing Working Group. The hybrid approach refers to a process in which the CCA calculates and provides the 20 percent discount for the generation portion of the electric bill, and PG&E applies the 20 percent discount on the delivery portion of the electric bill for CCA program participants.¹¹

To clarify how PG&E’s and the CCAs’ programs should accommodate CCA territory expansion, EBCE proposed that PG&E and CCAs should reevaluate program capacity allocations annually through discussions facilitated by Energy Division.

Lastly, EBCE recommended that CCAs should handle their own CARB emissions reporting and that the CPUC should provide more clarity on prioritizing or apportioning GHG allowance and PPP funds by convening future working group meetings to discuss the issue further.

¹⁰ EBCE attributes this in part to PG&E’s IT costs being generally higher than CCAs’ IT costs. Additionally, EBCE argues that since funding for all PAs (IOUs and CCAs) will come from the same pot of GHG or PPP funds, it should be irrelevant for cost recovery reasons on which budget the CCA Integration costs are attributed.

¹¹ EBCE AL 14-E at 19.
DISCUSSION

The discussion section is arranged in two parts. The first section addresses issues identified in PG&E’s reply to EBCE’s AL, while the second addresses aspects of the Joint CCAs’ proposed program implementation that warrant clarification.

Disposition of PG&E’s Response Letter

Budget & Cost Recovery

PG&E’s refusal to set aside funds for EBCE and MCE is moot given that the CPUC has already directed PG&E to set aside funding for MCE and EBCE’s budget requests in D.20-12-038. The Decision directed PG&E to set aside a total of $2,838,359 ($1,853,437 for MCE’s DAC-GT and CSGT programs and $984,922 for EBCE’s DAC-GT and CSGT programs) subject to disposition of the pending funding requests.\(^\text{12}\) That Decision also stated that PG&E should propose a true-up of the difference between (a) the 2021 set aside amount for the pending requests of MCE and EBCE for their DAC-GT and CS-GT programs and (b) the amount approved by CPUC resolutions of such requests in its 2022 ERRA forecast application.\(^\text{13}\)

PG&E and EBCE’s request that funds be transferred on an annual basis is denied at this time. The Energy Efficiency programs have already established a precedent for quarterly transfers of PPP funds between PG&E and MCE.\(^\text{14}\) Additionally, Resolution E-5102 set a further precedent by directing SCE to remit program funds to CPA in four quarterly installments (by January 1, April 1, July 1 and October 1 of each year) or within 30 days of issuance of the ERRA Forecast approval. Lastly, D. 19-12-021 allows utility fiscal agents and regional energy


\(^\text{13}\) Id at COL 4.

networks (RENs) flexibility in payment terms and timing as long as parties mutually agree.\textsuperscript{15} We adopt the quarterly transfer precedent set in D.14-10-046 and apply it to all CCAs participating in the DAC-GT and/or CSGT programs. We find that uniformity in program rules allows for consistent program oversight and implementation. The question of whether it is more administratively efficient to adopt an annual transfer process can be evaluated during the Jan 1, 2022 IOU Applications for Review or the next Independent Evaluation of these programs. Additionally, IOUs and participating CCAs may adjust payment terms and timing if both parties agree.

PG&E and the CCAs shall take the following procedural steps regarding ERRA compliance and cost recovery between the Joint CCAs and PG&E below:

1. PG&E will include CPSF’s, PCE’s, and SJCE’s Program Year (PY) 2021 and PY 2022 budget estimates in its in its 2022 ERRA Forecast filing in early June or its 2022 ERRA Forecast update in November.
2. If the CPUC approves CPSF’s, EBCE’s, MCE’s, PCE’s and SJCE’s Annual Budget Advice Letters, PG&E will then include the total budget estimate for the upcoming program year in the ERRA Forecast filing in early June of each year.
3. If PG&E receives approval of its ERRA Forecast from the CPUC, PG&E will record CPSF’s, EBCE’s, MCE’s, PCE’s and SJCE’s approved budgets in the DAC-GT and or CSGT subaccount and set aside the total requested CCA budgets in a subaccount for each CCA’s DAC-GT and/or CSGT balancing accounts.
4. PG&E will then remit program funds to the CCAs in four quarterly installments (by January 1, April 1, July 1 and October 1 of each year). If the ERRA Forecast is not approved by January 1 of a given program year, PG&E will transfer all past due funds to each CCA within no more than thirty days of issuance of ERRA Forecast approval.
5. Once received, each CCA will track the program funds and costs in separate accounts (i.e., one account for DAC-GT program funds and/or a

\textsuperscript{15} D.19-12-021 at 43, COL 15, and OP 5.
separate account for CSGT program funds). These accounts will record all generation cost deltas, customer bill discounts, and program expenses and will be the basis for recording actual expenditures in the Annual Budget Advice Letters.

CCA Integration Costs

We find it reasonable for PG&E to account for "CCA integration" costs defined as administrative, IT, or other discrete activities taken by PG&E in order to facilitate implementation of DAC-GT and CSGT CCA programs. We adopt PG&E’s proposal to distribute these costs to CCA subaccounts held by PG&E. Any upfront costs such as IT should be distributed in equal parts among participating CCA subaccounts in PG&E’s service territory. Additionally, any costs incurred by PG&E that are specific to each individual participating CCA should also be distributed by PG&E accordingly to the corresponding CCA subaccount. If there is any disagreement over costs between IOUs and participating CCAs, the CCA may dispute any costs during the Annual Budget Advice Letter process or request that the issue be discussed during a Billing Working Group meeting.

As part of their program administrator responsibilities, the Joint CCAs will be responsible for forecasting, tracking, and reporting their corresponding share of these integration costs under each of their program administration budget line items. PG&E must coordinate with participating CCAs and provide them with the CCA integration cost information by December 1 of each year. Each CCA will then include this cost information in their annual budget submission due on February 1 the following year. PG&E will report actual CCA integration costs for each CCA for the previous PY by January 15 of each year to the CCA. These integration costs will count toward each CCAs’ administration cost cap and not PG&E’s administration cost cap, as the CCAs have voluntarily chosen to participate in the DAC-GT and CSGT programs and to utilize GHG allowance proceeds and ratepayer funding in exchange for participation. PAs have a reprieve from the administrative cost cap for the first two program years, which is when most of PG&E’s IT costs will likely be incurred.

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16 Resolution E-4999 at OP 2.
Data Sharing & Application of the 20% Bill Discount

D.18-06-027 stated that the 20 percent discount for both the DAC-GT and CSGT programs will be “on the total bill”\(^{17}\) and did not specify how the discount should be applied in practice. In Resolution E-5102, the CPUC determined that the full bill discount for DAC-GT and CSGT residential customers would be based on the generation and delivery Otherwise Applicable Tariffs (OAT), before taxes and fees, and that discount would be applied as a line item credit to CCA charges on customers’ monthly bills.\(^{18}\) To ensure consistency across the California market and IOU service territories, we adopt this methodology for all participating DAC-GT and CSGT PAs (both IOUs and CCAs). PG&E will send the full bill information to participating CCAs. The CCAs will then calculate and present the full discount and the full bill discount will be shown on the generation portion of customer bills.

During the November 2020 Billing Working Group, PG&E proposed to send the full bill on a one-month lag to CCAs to calculate and present the full discount on the generation portion of the electric bill. This “lag” means that the discount on each bill can be based on the prior customer bill’s monthly consumption. At the Billing Working Group, the Joint CCAs posited that a delayed application of the discount could lead to customer confusion.

While a one-month lag is not ideal, PG&E’s manual billing process represents the swiftest method of implementing the DAC-GT programs for participating CCAs based on discussion from the Billing Working Group.\(^{19}\) We find this method to be in alignment with previous precedent set in Resolution E-5034 *Authorizing Bill Protection Mechanisms for PG&E, SCE, and Southern California Gas Company San*

\(^{17}\) D.18-06-027 at 74.

\(^{18}\) Resolution E-5102 at 6.

\(^{19}\) The first CSGT programs are not likely to come online until 2022, at which time automatic billing should be in place.
Joaquin Valley Pilot Participants for the reasons stated in that resolution.\textsuperscript{20} PG&E can work out any rebill, rate changes, customer tenancy, or other issues using the closing bill process as needed.

In order to remove human error and automate PG&E’s manual billing process, we require PG&E to convene a billing working group meeting by December 15, 2021 to present their proposals for long-term solutions to eliminate manual data transfers to the Joint CCAs and Energy Division staff. We also require PG&E to include in their 2022 Budget Advice Letter, due February 1, 2022, information detailing which billing option has been pursued as a long-term solution and the efforts taken by PG&E to eliminate manual data transfers between PG&E and participating CCAs through IT software updates or other automated processes. PG&E should base their proposal(s) on the discussion and solutions identified during the billing working group (and in subsequent conversations, if necessary).

Program Capacity Re-Allocation and Expansion of CCA Territory

In its implementation ALs, EBCE requests that remaining program capacity allocation be adjusted on an annual basis. MCE’s, PCE’s, and SJCE’s AL recommends adjusting remaining capacity on a biennial basis. CPSF’s AL makes no mention of this issue. We conclude that this issue should be addressed in accordance with Resolution E-4999, either during the January 1, 2022 IOU Applications for Review\textsuperscript{21} or in a study by the independent evaluator of these programs, the first of which is set to take place in 2021.

\textsuperscript{20} The Resolution at 31 states “PG&E and SCE may implement the bill protection approach through a manual or automated information technology (IT) billing process...If the bill protection approach is implemented through a manual billing process, PG&E and SCE may implement the discount on a one-month rolling lag, meaning that the discount on each bill can be based on the prior customer bill’s monthly consumption.”

\textsuperscript{21} On December 11, 2020 the CPUC permitted a one-year extension for the IOUs to submit their Applications for Review.
Reporting Requests

We do not adopt EBCE’s recommendation that CCAs handle their own reporting requirements. Each CCA must provide the IOUs with a full accounting of the disposition of all allocated allowance auction proceeds and GHG emissions reductions estimation information for these programs as required by the Cap-and-Trade Regulation\(^\text{22}\) so that the IOUs can aggregate and “pass on” CCA reports as part of their annual reporting to CARB, which is due no later than June 30\(^{th}\) each year. This is necessary in order for the IOUs to comply with the Cap-and-Trade Regulation.

Similar to what was decided in Resolution E-5102, it is expected that the respective CCAs will provide PG&E with any requested data regarding GHG allowance expenditures so that the utility can fulfill CARB reporting requirements. Any costs associated with PG&E’s effort to aggregate this reporting on behalf of participating CCAs should be forecasted, tracked, and reported in the "CCA Integration" costs line item of each participating CCA’s budget.

Rounding Up of Solicitation Capacity

As a practical matter, in their Request for Offers (RFOs), CCAs may solicit above their allocated MW capacity by rounding up to the next whole number of MWs. We find this necessary as CCAs have been allocated much smaller capacities under the program compared to IOUs. Additionally, it may be challenging for CCAs to find developers who will build resources with a non-whole number of MW capacity. However, DAC-GT and CSGT customers must only be enrolled up to the approved capacity allocation for each CCA. Any costs related to surplus

capacity procured by a CCA must be paid for by the CCA at the full contract price and recovered from its generation rate base.

Apportioning GHG Allowance Revenues and PPP Funds to PAs

We adopt the solution agreed to by PG&E and the Joint CCAs during the November 2020 Billing Working Group to allocate available GHG allowance revenues and PPP funds to each PA based on each PA’s proportional share of the total IOU-territory annual budget. An IOU-territory annual budget is the sum of the annual budgets from the IOU and any participating CCAs located within that IOU’s service territory. The chart below provides an example of how this would work in practice:

<table>
<thead>
<tr>
<th>Program Administrator</th>
<th>Annual Budget</th>
<th>% of Total Annual Budget</th>
<th>GHG Allowance Revenue ($12M Available)</th>
<th>PPP Funds ($8M Available)</th>
</tr>
</thead>
<tbody>
<tr>
<td>PG&amp;E</td>
<td>$10,000,000</td>
<td>50%</td>
<td>$6,000,000</td>
<td>$4,000,000</td>
</tr>
<tr>
<td>CCA 1</td>
<td>$6,000,000</td>
<td>30%</td>
<td>$3,600,000</td>
<td>$2,400,000</td>
</tr>
<tr>
<td>CCA 2</td>
<td>$4,000,000</td>
<td>20%</td>
<td>$2,400,000</td>
<td>$1,600,000</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$20,000,000</td>
<td>100%</td>
<td>$12,000,000</td>
<td>$8,000,000</td>
</tr>
</tbody>
</table>

*This table is based on the one presented by the Joint CCAs during the November 2020 Billing Working Group.*

Clarification of CCAs’ Program Implementation

DAC-GT Green-e Certification & Customer Enrollment

In order to comply with the D.18-06-027 Green-e certification requirement and prevent project oversubscription, CPSF, EBCE, MCE, PCE, and SJCE propose adopting DAC-GT customer enrollment rules similar to the CSGT program by
allocating a percentage of the DAC-GT project output to each customer enrollment. Under these proposals, customer enrollment would not exceed project output.

Since the issue of project oversubscription was not previously addressed in either D.18-06-027 or Resolution E-4999, we find it appropriate to address the issue here. We adopt the Joint CCAs proposal to allocate DAC-GT project output similar to the CSGT program. In order to treat all PAs in a similar manner, IOUs may also adopt this same allocation method for their DAC-GT programs by updating their DAC-GT tariffs via a Tier 2 Advice Letter.

**Program Capacity Transfers**

Resolution E-4999 allowed CCAs that serve customers in the same IOU service territory to share and/or trade program capacity. The Resolution also states that if a CCA elects to trade or share capacity, the trade must be affirmed in writing by all CCAs whose program capacity is implicated in the proposal.

The Joint CCAs have exercised this option by attaching a letter of support affirming the trading of capacity between CCAs under the DAC-GT and CSGT programs. The CPUC accepts the letter (attached to each of the Joint CCAs’ ALs) in lieu of the CCAs submitting separate written comments in response to the CCAs’ ALs.

Sonoma Clean Power (SCP), Central Coast Community Energy or 3CE (formerly Monterey Bay Community Power), Silicon Valley Clean Energy (SVCE), and San Jose Clean Energy (SJCE) have elected not to pursue one or both of the DAC-GT and CS-GT programs and have elected to transfer their reserved allocations to the participating CCAs in PG&E’s service territory. Both the participating and non-participating CCAs have agreed to distribute the transferred capacity in equal parts among the participating CCAs and confirmed the transfer in the Joint CCA letter of support attached to CPSF 12-E, EBCE AL 14-E-A, MCE AL 42-E-B, MCE AL 42-E-B, PCE AL 11-E, SJCE AL 15-E/JSA.

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23 Resolution E-4999 at 16 and 54 and COL 17.
PCE 11-E, and SJCE 15-E. Table 2 shows the reserved program capacity\textsuperscript{24} for the non-participating CCAs that is being transferred to each participating CCA:

\begin{table}[h]
\centering
\begin{tabular}{|c|c|c|c|c|c|c|}
\hline
\textbf{Transferring CCA} & \textbf{Capacity being Transferred (MW)} & \multicolumn{5}{c|}{\textbf{Receiving CCA}} \\
\cline{3-7}
& & \textbf{EBCE} & \textbf{CPSF} & \textbf{MCE} & \textbf{PCE} & \textbf{SJCE} \\
\hline
SVCE & 0.5 & 0.1000 & 0.1000 & 0.1000 & 0.1000 & 0.1000 \\
SCP & 0.5 & 0.1000 & 0.1000 & 0.1000 & 0.1000 & 0.1000 \\
3CE (formerly Monterey Bay Community Power) & 0.68 & 0.1360 & 0.1360 & 0.1360 & 0.1360 & 0.1360 \\
\hline
\textbf{Total} & \textbf{1.68} & \textbf{0.3360} & \textbf{0.3360} & \textbf{0.3360} & \textbf{0.3360} & \textbf{0.3360} \\
\hline
\end{tabular}
\end{table}

\begin{table}[h]
\centering
\begin{tabular}{|c|c|c|c|c|c|}
\hline
\textbf{Transferring CCA} & \textbf{Capacity being Transferred (MW)} & \multicolumn{4}{c|}{\textbf{Receiving CCA}} \\
\cline{3-6}
& & \textbf{EBCE} & \textbf{CPSF} & \textbf{MCE} & \textbf{PCE} \\
\hline
SJCE & 0.36 & 0.0900 & 0.0900 & 0.0900 & 0.0900 \\
SVCE & 0.09 & 0.0225 & 0.0225 & 0.0225 & 0.0225 \\
SCP & 0.06 & 0.0150 & 0.0150 & 0.0150 & 0.0150 \\
3CE (formerly Monterey Bay Community Power) & 0.18 & 0.0450 & 0.0450 & 0.0450 & 0.0450 \\
\hline
\textbf{Total} & \textbf{0.69} & \textbf{0.1725} & \textbf{0.1725} & \textbf{0.1725} & \textbf{0.1725} \\
\hline
\end{tabular}
\end{table}

We adopt these capacity transfers. The updated total capacity allocations in PG&E’s service territory, including the newly adopted CCA transfers, are detailed in Table 3:

\textsuperscript{24} Resolution E-4999 at 14, Table 1.
Table 3: Updated IOU/CCA Program Capacity Allocation in PG&E’s Service Territory

<table>
<thead>
<tr>
<th>PG&amp;E or CCA:</th>
<th>Residential DAC Customers Served by Entity (as of May 2019)</th>
<th>Percent of Residential DAC Customers in PG&amp;E’s Service Territory</th>
<th>DAC-GT Allocation (MW)</th>
<th>CSGT Allocation (MW)</th>
</tr>
</thead>
<tbody>
<tr>
<td>PG&amp;E</td>
<td>504,834</td>
<td>78.94%</td>
<td>54.82</td>
<td>14.20</td>
</tr>
<tr>
<td>CleanPowerSF</td>
<td>13,584</td>
<td>2.12%</td>
<td>1.826</td>
<td>0.5525</td>
</tr>
<tr>
<td>San Jose Clean Energy</td>
<td>12,753</td>
<td>1.99%</td>
<td>1.736</td>
<td>0</td>
</tr>
<tr>
<td>MCE Clean Energy</td>
<td>39,356</td>
<td>6.15%</td>
<td>4.646</td>
<td>1.2825</td>
</tr>
<tr>
<td>East Bay Community Energy</td>
<td>49,263</td>
<td>7.70%</td>
<td>5.726</td>
<td>1.5625</td>
</tr>
<tr>
<td>Peninsula Clean Energy</td>
<td>8,234</td>
<td>1.29%</td>
<td>1.236</td>
<td>0.4025</td>
</tr>
<tr>
<td>Sonoma Clean Power</td>
<td>2,100</td>
<td>0.33%</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>3CE (formerly Monterey Bay Community Power)</td>
<td>6,243</td>
<td>0.98%</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Silicon Valley Clean Energy</td>
<td>3,093</td>
<td>0.48%</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Valley Clean Energy Authority</td>
<td>55</td>
<td>0.01%</td>
<td>0.01*</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total PG&amp;E DAC Residential Customers</strong></td>
<td><strong>639,515</strong></td>
<td><strong>100%</strong></td>
<td><strong>70</strong></td>
<td><strong>18</strong></td>
</tr>
</tbody>
</table>

* "Valley Clean Energy Authority has also chosen to not implement the DAC-GT program but was not included in the capacity transfer process due to its negligible program capacity allocation."\(^{25}\)

\(^{25}\) December 2, 2020 Joint Letter of Support from San Jose Clean Energy, Silicon Valley Clean Energy, Sonoma Clean Power, and 3CE included in CPSF AL 12-E, EBCE AL 14-E-A, MCE AL 42-E-B, PCE AL 11-E, and SJCE AL 15-E.
Auto-Enrollment

CPSF, EBCE, and MCE propose automatically enrolling eligible DAC-GT customers. PCE states that it is also exploring the possibility of auto-enrollment. While neither D.18-06-027 nor Resolution E-4999 direct CCAs to implement automatic enrollment of eligible customers under the DAC-GT program, D.20-07-008, *Decision Implementing Automatic Enrollment of DAC-GT*, implemented auto-enrollment of certain customer groups eligible for DAC-GT enrollment by PG&E. Automatic enrollment means that eligible customers are automatically subscribed to the DAC-GT tariff by a PA based on certain criteria until the program capacity allocation in MWs is reached. As of July 2020, PG&E was the only large electrical corporation ready to launch the DAC-GT program using existing eligible capacity. Decision 20-07-008 outlined the rationale for pursuing and accelerating automatic enrollment including fulfilling the objectives of the Commission’s Environmental and Social Justice Action Plan and mitigating the economic effects of the COVID-19 pandemic and the statewide stay at home order. Effectively, automatic enrollment lowers barriers to access for customers such as transaction costs, or non-monetized costs, including the time investment to learn about the technology and application process. Eligible customers are enrolled automatically in the DAC-GT tariff by the Program Administrator (IOU or CCA) based on certain criteria approved by the CPUC. Customers are then notified of their enrollment in the program and given the option to opt-out.

The three CCAs’ each suggest using different criteria for auto-enrolling customers at high risk of disconnection. CPSF has proposed enrolling its "Arrearage Management Program" customers. EBCE proposes to enroll customers for auto-enrollment based on payment history such as: late payments, payments made, and current arrearage. MCE has proposed enrolling customers who have made at least 2-3 full or partial payments in the past 8 months.

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26 California Energy Commission, Low Income Barriers Study Part A at 50.
The CPUC has found that requiring specific criteria for auto-enrollment can become problematic when conditions change which then poses barriers to effective enrollment. This is based on our recent experience with PG&E, in which the specificity of the auto-enrollment criteria led to delays in implementation. Resolution M-4842 (Emergency COVID Protection Measures) directed PG&E to suspend late payment notices, one of the criteria for auto-enrollment under D.20-07-008. This made it difficult for PG&E to comply and verify eligible customers.

As such, we adopt EBCE’s, MCE’s, and CPSF’s unique proposals and will allow participating CCAs to auto-enroll customers as long as 1) the customers who are auto-enrolled meet the eligibility requirements of the DAC-GT program and 2) the criteria are in alignment with the spirit of D.20-07-008 and target eligible DAC-GT customers at high risk of disconnection. We suggest that CCAs design their auto-enrollment criteria in such a way as to prevent issues and further program implementation delays from occurring, while still retaining alignment with D.20-07-008. MCE’s 2020 and 2021 DAC-GT marketing budgets were updated in AL 42-E-A to account for reductions in cost due to auto-enrollment. We direct EBCE to submit its updated 2021 DAC-GT marketing budget reflecting auto-enrollment via Tier 1 AL within 60 days of issuance of this resolution.

**Independent Evaluator Funding**

CPSF’s, EBCE’s, MCE’s, PCE’s, and SJCE’s ALs propose not commencing independent evaluations of CCA DAC-GT and CSGT programs until after customers have been enrolled. MCE and EBCE propose working with the CPUC to determine the scope, funding level, and budget allocation for program evaluation in future program years.

We deny the CCAs’ request to delay program evaluation and reject MCE and EBCE’s funding proposals. To maintain efficiency and consistency across IOU and CCA DAC-GT and CSGT programs, Resolution E-5102 found it reasonable that responsibilities for funding the independent evaluator review remain with
the IOUs for each service territory in which a CCA resides. That Resolution further stated that one statewide Independent Evaluator will evaluate all IOU and CCA DAC-GT and CSGT programs statewide according to the schedule outlined in D.18-06-027.\textsuperscript{27} We do not adopt changes to this approach.

**Application of Cost Cap to CCA Programs**

The Joint CCAs each state in their ALs that eligibility for procurement under the DAC-GT program requires that a project’s prices and/or bid pricing must be at or below the statewide CCA cost cap established in Resolution E-4999 and further clarified by the CPUC’s Energy Division.

We reiterate here that in order to limit non-participating ratepayer exposure, it is necessary for CCAs to apply a price cap to their CSGT programs similar to the DAC-GT price cap established in Resolution E-4999.\textsuperscript{28} In fact, the CSGT price cap for the IOUs was previously established in D.18-06-027. We approve CPSF’s, EBCE’s, MCE’s, and PCE’s proposals to apply the price cap to both their DAC-GT and CSGT programs and SJCE’s proposal to apply the price cap to their DAC-GT program.

**Solicitation Frequency & Review**

Resolution E-4999 OP 8 required, within 60 days of issuance of the resolution, the IOUs to submit Tier 2 ALs with their solicitation documents for their first DAC-GT and CSGT Request for Offers (RFOs). Additionally, the resolution specified “each utility shall issue its RFO within 60 days of the CPUC’s approval of its solicitation documents.”\textsuperscript{29}

Resolution E-5102, which approved the first CCA DAC-GT and CSGT tariffs, applied similar solicitation requirements to those outlined in Resolution E-4999.

\textsuperscript{27} D.18-06-027 at OP 18 and Resolution E-4999 at OP 5.
\textsuperscript{28} Resolution E-4999 at COL 10.
\textsuperscript{29} E-4999 at OP 8.
To maintain consistency across the growing number of CCA-administered programs, we now apply the same requirements outlined in Resolution E-5102 to all participating CCAs in PG&E’s service territory.

Participating CCAs:
- May hold solicitations once a year or as needed.30
- Shall submit a Tier 2 Advice Letter with their solicitation documents for their first DAC-GT and CSGT RFOs within 60 days of issuance of the resolution approving their implementation AL. A CCA shall issue its first RFO within 60 days of the Commission’s approval of its solicitation documents.
- Shall submit a Tier 2 AL with all executed Power Purchase Agreements for approval no later than 180 days following notification of selected bidders.

CCA Project Sponsorship

To incentivize sponsorship involvement, D.18-06-027 allows community sponsors to take service of up to 25% of a CSGT project’s energy output (not to exceed the sponsor’s energy needs) and receive a 20% overall bill credit. The Decision defined community sponsorship as including local government entities such as CCAs.31 Resolution E-5102 determined that Clean Power Alliance could not serve as a CSGT project sponsor in its own service territory in exchange for a discounted rate as this could present a conflict of interest.32 We apply this precedent to all CCAs participating in the CSGT program including CPSF, EBCE, MCE, and PCE.

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30 D.18-06-027 at 86 required the IOUs to hold solicitations twice a year. Given that participating CCAs have comparatively smaller capacity allocation, it reasonable to CCAs to issue DAC-GT and CSGT RFOs once a year or as needed.
31 D.18-06-027 at 17.
32 Resolution E-5102 at 11.
Pre-Mobilization Costs

CPSF’s AL includes pre-mobilization staff hours for DAC-GT and CSGT project solicitation preparation. CPSF posits that including these costs is necessary to ensure that the CCA’s DAC-GT and CSGT program solicitation materials are prepared in accordance with established City and County of San Francisco processes and procedures in the timeline set by the CPUC following AL approval.

We deny this request. Since DAC-GT and CSGT are voluntary programs, any “pre-mobilization” costs should be covered by the CCA’s general regulatory affairs or general management staffing budget. CPSF’s Board has already approved several full-time salaried staff positions, which is detailed in the City and County of San Francisco Public Utilities Commission’s 2019-2020 Annual Budget. We require CPSF to remove “pre-mobilization” costs and submit their updated 2021 and 2022 DAC-GT and CSGT program administration budgets via tier 1 AL within 60 days of issuance of this resolution.

COMMENTS

Public Utilities Code section 311(g)(1) provides that this resolution must be served on all parties and subject to at least 30 days public review. Please note that comments are due 20 days from the mailing date of this resolution. Section 311(g)(2) provides that this 30-day review period and 20-day comment period may be reduced or waived upon the stipulation of all parties in the proceeding.

The 30-day review and 20-day comment period for the draft of this resolution was neither waived nor reduced.

Comments were timely filed on April 5, 2021 by Pacific Gas & Electric (PG&E) and CleanPowerSF (CPSF), East Bay Community Energy (EBCE), Marin Clean Energy (MCE), Peninsula Clean Energy (PCE), and San Jose Clean Energy (SJCE) (jointly as “Joint CCAs”).
Budget & Cost Recovery

PG&E’s comments state that it takes no issue with quarterly payment to CCAs based on Energy Efficiency Decision precedent, however, PG&E points out the CPUC’s more recent guidance for completeness. Specifically, PG&E identifies that the CPUC updated its guidance to the investor-owned utilities (IOUs) recently to allow more flexibility in payment terms and timing between utility fiscal agents and regional energy networks as long as both parties agree.

We agree that this more recent precedent should be referenced in the resolution. We adopt similar flexibility to allow IOUs and participating CCAs to adjust the payment terms and timing if both parties agree. The resolution is modified accordingly.

The Joint CCAs’ comments request that the CPUC establish a timeline for PG&E to remit the funds for approved PY 2021 budgets to MCE and EBCE. Specifically, the Joint CCAs state that PG&E should be directed to transfer MCE’s and EBCE’s budget request for program year (PY) 2021 to the CCAs within 60 Days of approval of this resolution. Additionally, the Joint CCAs recommend that the CPUC direct PG&E to transfer the requested budget for 2021 Quarters 1, 2, and 3 as approved in D.20-12-038 to the respective CCA by July 1, 2021. The Quarter 4 transfer would occur on October 1, 2021 per the usual fund transfer schedule. We agree with the Joint CCAs that a timeline should be established to ensure that CCAs receive program funding in a timely manner. We adopt the Joint CCAs’ proposal above and the resolution is modified accordingly.

The resolution determines that the full bill discount on both the generation and the delivery portion of the bill will be applied as a line-item credit to the CCA charges. In other words, CCAs will forecast, track, and report the full discount on both portions of the bill in their annual budget ALs. However, in their implementation ALs, most CCAs only forecasted a revenue loss due to the 20% discount provided on the generation portion of the bill in their budget.

33 D.14-10-046 OP 24
34 D.19-12-021 at 43, COL 15 and OP 5.
submissions for PY 2021 and 2022, and did not account for the discount on the delivery portion of the bill. The Joint CCAs’ comments point out that they should submit updated budgets via Tier 1 AL that accurately forecast the 20% discount costs for PYs 2021 and 2022 within 60 days of the approval of the final Resolution. Once approved by the CPUC, the Joint CCAs state that these updated budgets should be incorporated by PG&E into the 2022 ERRA Update filing due in November 2021. We agree that the Joint CCAs budgets should account for the full cost of the 20% discount on both generation and delivery. We adopt the Joint CCAs proposal and the resolution is modified accordingly.

Lastly, the Joint CCAs’ comments recommend that the Commission direct PG&E to convene a billing working group by December 15, 2021 to present their proposals for long-term solutions to eliminate manual data transfers to the Joint CCAs and Energy Division staff. The discussion and solutions identified during that working group (and in subsequent conversations, if necessary) should be the basis for the proposals made by PG&E in their next budget AL due February 1, 2022. We find the Joint CCAs’ request to convene a billing working group reasonable. The proposal is adopted and the resolution is modified accordingly.

CCA Integration Costs

Both PG&E and the Joint CCAs’ comments request that the CPUC specify a methodology for distributing CCA Integration Costs among participating CCAs. PG&E recommends that the CPUC permit PG&E to distribute upfront or common CCA integration costs (i.e. IT costs) among the CCAs’ subaccounts on the basis of MW allocation as of effective date of the final Resolution. The Joint CCAs recommend that PG&E distribute CCA integration costs in equal parts among participating CCAs. The Joint CCAs posit that they have limited oversight over PG&E’s spending under the CCA Integration Costs line item and that this spending may lead to CCA budgets not being able to meet the 10% program administration cost cap. We adopt the Joint CCAs proposal to distribute CCA integration costs in equal parts among participating CCAs. Distributing large upfront costs according to MW allocation such as IT upgrades, which apply
equally to each participating CCA no matter the size of their program, could disproportionately affect those CCAs with larger MW allocations.

The Joint CCAs also comment that PG&E should be directed to forecast and track CCA Integration Costs to be included on the CCA’s Annual Budget Advice Letters. The Joint CCAs state that they cannot forecast and track costs incurred by PG&E as the CCAs have no insight into either expected labor hours nor labor rates incurred by PG&E. Additionally, the Joint CCAs note that they are also not able to report on actual CCA integration costs incurred by PG&E as CCAs don’t have access to PG&E’s internal reporting systems. We further clarify that PG&E must coordinate with participating CCAs and provide them with the CCA integration cost information. Each CCA will then include this cost information in their budget.

The Joint CCAs comment that CCA integration costs were not included in any of the CCAs’ budget forecasts and suggest that they should submit updated budgets that forecast CCA Integration Costs for PYs 2021 and 2022. The Joint CCAs propose that the CPUC direct each CCA to submit an updated budget forecast via Tier 1 AL for PYs 2021 and 2022 within 60 days of the approval of the final Resolution. Additionally, they request that the CPUC require PG&E to inform each CCA of its forecasted CCA integration costs within 30 days of the approval of the final resolution so that CCAs can incorporate these costs appropriately into the updated budgets. Once approved by the Commission, the Joint CCAs propose that their updated budgets for PYs 2021 and 2022 be incorporated by PG&E into the 2022 ERRA Update filing due in November 2021.

Since EBCE’s and MCE’s 2021 budgets were already included in PG&E’s final 2021 ERRA filing, the Joint CCAs state that PG&E should propose a true-up of the difference between (a) the 2021 set aside amount for the pending requests of MCE and EBCE for their DAC-GT and CSGT programs and (b) the amount approved by CPUC resolutions of such requests in its 2022 ERRA forecast application. The Joint CCAs recommend that the additional CCA integration costs for MCE and EBCE for PY 2021 be incorporated into the budget forecasts.
for PY 2022. We find this proposal reasonable and the resolution is modified accordingly.

Lastly, the Joint CCAs ask that the Commission demonstrate flexibility in approving CCAs’ budgets in the future if CCA Integration Costs lead to CCA budgets exceeding the 10% program administration budget cap, which requires that an additional Tier 3 AL to be submitted for CPUC approval. The Joint CCAs posit that the CPUC should demonstrate flexibility in approving the CCAs’ program administration budgets if and when high CCA integration costs persist into the third or following program years. We will review the cost cap issue as it relates to all DAC-GT and CSGT program administrators in a future upcoming resolution.

**Reporting Requests**

PG&E’s comments recommend flexibility to allow CCAs to report on spending of allowance auction proceeds and GHG emissions reductions directly to the California Air Resources Board (CARB) if the Cap and Trade regulations are updated in the future to enable this direct reporting process. Since this situation is hypothetical at this time, we deny this request.

**Rounding Up of Solicitation Capacity**

The Joint CCAs request clarification on whether solicitation capacity can be rounded up for the CSGT program in addition to the DAC-GT program. They argue that all the justifications of why rounding up solicitation capacity should be allowed apply equally to both programs. The Joint CCAs agree that both DAC-GT and CSGT customers will only be enrolled up to the approved capacity allocation for each of the programs and any costs related to the surplus capacity will be recovered by the CCA from its generation rate base. We find the Joint CCAs request reasonable and the resolution is modified accordingly.
Auto-Enrollment

The Joint CCAs comment that CPSF should not be directed to submit 2021 and 2022 DAC-GT updated marketing budgets and EBCE should only be required to submit its 2021 DAC-GT updated marketing budget. The comments further explain that 25% of CPSF’s DAC-GT program capacity will likely be auto-enrolled, therefore CPSF planned for a “hybrid” ME&O strategy which is partially focused on educating auto-enrolled customers and partially focused on customer outreach. As their marketing budgets already reflected the reduced marketing costs associated with 25% auto-enrollment, the Joint CCAs state that CPSF should not be required to resubmit its budgets. In the case of EBCE, the comments explain that the CCA plans to submit an updated marketing budget for PY 2021 in its Tier 1 budget AL to be submitted to the Commission within 60 days of issuance of the final Resolution. As EBCE reflected reduced spending due to auto-enrollment in its PY 2022 budget request, submitted February 1, 2021, the Joint CCAs state that EBCE does not need to resubmit its 2022 budget. We find these requests to be reasonable based on the additional clarification provided. The resolution is modified accordingly.

Other

The Joint CCAs point out three inadvertent typos or errors and request that the CPUC make corrections. The resolution is modified accordingly.

FINDINGS AND CONCLUSIONS

1. On June 22, 2018, pursuant to AB 327, the CPUC adopted Decision (D.)18-06-027 (NEM DAC Decision), creating the DAC Green Tariff (DAC-GT) program, and the Community Solar Green Tariff program (CSGT), which provide residential customers in DACs increased access to renewable generation.

2. The NEM DAC Decision authorized community choice aggregators (CCAs) to develop and implement their own DAC-GT and CSGT programs, and authorized them to access greenhouse gas (GHG) allowance revenues and public purpose program funds to support these programs, if each CCA
submits a Tier 3 AL demonstrating how their DAC-GT and CSGT programs will abide by all rules and requirements for the programs established in the NEM DAC Decision.

3. The NEM DAC Decision required CCAs to file Tier 3 Advice Letters (ALs) to create a DAC-GT tariff and a CSGT tariff.

4. On June 3, 2019 the CPUC issued Resolution E-4999 which approved with modification, PG&E, SCE and SDG&E’s tariffs to implement their DAC-GT and CSGT Programs.

5. Resolution E-4999 allocated capacity to CCAs based on the proportional share of residential customers in DACs that each CCA serves and set out this allocation in Table 1 and Table 2 of that Resolution.

6. Resolution E-4999 allowed CCAs that service customers in the same IOU service territory to share and/or trade program capacity and that if a CCA elects to trade or share capacity, the trade must be affirmed in writing by all CCAs whose program capacity is implicated in the proposal.

7. On July 23, 2020, D.20-07-008 directed PG&E to automatically enroll eligible DAC-GT customers at high risk of disconnection.

8. On November 9, 2020, Resolution E-5102 approved Clean Power Alliance (CPA) to implement the DAC-GT and CSGT programs and outlined additional budgeting and approval requirements.


10. On October 8, 2020, PG&E submitted a timely response to EBCE AL 14-E requesting that several unresolved issues be settled consistently across all CCAs in PG&E’s service territory.

11. On October 22, 2020, EBCE on behalf of the CPSF, MCE, PCE, and SJCE (jointly as “Joint CCAs”) submitted a reply to PG&E’s response addressing PG&E’s concerns.
12. On December 22, 2020, D.20-12-038 directed PG&E to set aside MCE’s and EBCE’s 2021 DAC-GT and CSGT funding requests subject to disposition of MCE’s and EBCE’s ALs in this resolution.

13. It is reasonable for PG&E to include CPSF, PCE, and SJCE’s PY 2021 and PY 2022 budget estimates in its 2022 ERRA Forecast filing in June and/or ERRA Forecast update in November, record each of the Joint CCAs’ approved budgets in PG&E’s DAC-GT and/or CSGT balancing accounts, and for PG&E to then transfer program funds to each of the Joint CCAs in quarterly installments.

14. As the DAC-GT and CSGT programs are voluntary in nature and provide GHG allowance proceeds and ratepayer funding in exchange for participating, it is reasonable that PG&E distribute “CCA integration” costs among participating CCA subaccounts and that each participating CCA track, forecast and report these costs under their program administration budget line items as part of the Annual Budget Advice Letter process.

15. It is reasonable for PG&E to distribute any upfront CCA integration costs such as IT among participating CCA subaccounts and to distribute any individual participating CCA costs directly to the corresponding subaccount.

16. It is reasonable for any CCA integration costs incurred by PG&E on behalf of participating CCAs to be counted against the CCAs’ DAC-GT and/or CSGT administration cost caps and not PG&E’s DAC-GT and CSGT administration cost cap.

17. For the purposes of consistency and simplicity across CCA programs, it is reasonable for the 20 percent total bill discount be applied to the generation, or CCA portion, of a customer’s bill.

18. It is reasonable for PG&E to institute a manual billing process on a one-month lag in the short term and to automate this process long term in order to eliminate any manual data transfers.

19. In accordance with Resolution E-4999, CCA proposals to adjust the allocation of remaining program capacity should be addressed during the forthcoming IOU Applications for Review as well as in studies by the independent evaluator of these programs.

20. In order for PG&E to comply with CARB’s Regulation, CCAs must provide the information requested (including disposition of all proceeds and
estimated GHG reduction benefits) in order to support CARB’s annual reporting requirements in a timely manner.

21. As a practical matter, it is reasonable for participating CCAs to solicit above their allocated DAC-GT and/or CSGT MW capacity by rounding up to the next whole number of MWs, as long as any surplus capacity is paid for by the CCA and not through GHG allowance proceeds or ratepayer funds.

22. It is reasonable to allocate available GHG allowance revenues and PPP funds to each program administrator (PA) based on each PA’s proportional share of the total IOU-territory annual budget.

23. In order to comply with the NEM DAC Decision’s Green-e Certification requirement and prevent project oversubscription, it is reasonable for PAs to adopt customer enrollment rules similar to the CSGT program by allocating a percentage of DAC-GT project output to each customer enrollment.

24. It is appropriate to update participating CCA capacity allocations including transfers from non-participating CCAs for the DAC-GT and CSGT programs according to Resolution E-4999.

25. It is reasonable for participating CCAs to automatically enroll eligible DAC-GT customers as long as their enrollment criteria are in alignment with the spirit of D.20-07-008 and target customers at high risk of disconnection.

26. It is reasonable to deny the CCAs’ request to delay program evaluation and reject MCE and EBCE’s independent evaluator funding proposals in order to maintain efficiency and consistency across IOU and CCA DAC-GT and CSGT programs.

27. To limit non-participating ratepayer exposure, it is reasonable for participating CCAs to apply the CSGT price cap established in D.18-06-027 to their CSGT programs, similar to the DAC-GT price cap established in Resolution E-4999.

28. It is reasonable for participating CCAs to issue DAC-GT and CSGT RFOs once a year or as needed rather than twice a year due to their comparatively smaller capacity allocation.

29. For the purposes of consistency across IOU and CCA programs, it is reasonable to require that participating CCAs submit executed PPAs for Energy Division review via a Tier 2 Advice Letter in alignment with Resolution E-5102.
30. In order to prevent possible conflicts of interest when administering RFOs, it is reasonable to clarify that a CCA may not act as a sponsor for any CSGT project in its own service territory.

31. As DAC-GT and CSGT are voluntary programs and CPSF already employs salaried staff, it is reasonable to deny CPSF’s request to include “pre-mobilization” costs in its DAC-GT and CSGT budgets.

**THEREFORE IT IS ORDERED THAT:**


2. Pacific Gas and Electric (PG&E) will transfer East Bay Community Energy’s and Marin Clean Energy’s requested 2021 budget for Quarter 1, Quarter 2 and Quarter 3, as approved in D.20-12-038, to the respective Community Choice Aggregator (CCA) by July 1, 2021.

3. Pacific Gas and Electric (PG&E) will include CleanPowerSF’s (CPSF), Peninsula Clean Energy’s (PCE), and San Jose Clean Energy’s (SJCE) estimated budget for Program Years (PY) 2021 and PY 2022 in its 2022 Energy Resources Recovery Account (ERRA) Forecast Filing. Once PG&E receives approval from the Commission of its ERRA Forecast, PG&E will record CleanPowerSF’s, East Bay Community Energy’s, Marin Clean Energy’s, Peninsula Clean Energy’s, and San Jose Clean Energy’s approved budgets in the Disadvantaged Communities Green Tariff and Community Solar Green Tariff balancing accounts and transfer program funds to each participating Community Choice Aggregator in quarterly installments.

4. Pacific Gas and Electric (PG&E) will convene a billing working group meeting by December 15, 2021 to present its proposal(s) for long-term solutions to eliminate manual data transfers to the Joint CCAs and Energy Division staff. PG&E will include in its 2022 Annual Budget Advice Letter, due by February 1, 2022, information detailing whether manual or
automatic billing has been pursued as a long-term solution and the efforts taken by PG&E to eliminate manual data transfers between PG&E and participating Community Choice Aggregators through Information Technology software updates or other automated processes. PG&E will base their proposal(s) on the discussion and solutions identified during the working group (and in subsequent conversations, if necessary).

5. Pacific Gas and Electric (PG&E) will inform each Community Choice Aggregator (CCA) of its forecasted CCA integration costs for program years (PY) 2021 and 2022 within 30 days of the approval of the final Resolution. Starting in December 2021 for PY 2023, PG&E will provide participating CCAs with forecasted CCA integration costs by December 1 of each year. Each CCA will then include this cost information in their annual budget submission due on February 1 the following year. PG&E will report actual CCA integration costs for each CCA for the previous PY by January 15 of each year to the CCA.

6. CleanPowerSF, East Bay Community Energy (EBCE), Marin Clean Energy (MCE), Peninsula Clean Energy (PCE), and San Jose Clean Energy (SJCE) will submit updated budget forecasts including Community Choice Aggregator (CCA) integration costs via Tier 1 advice letter (AL) for program year 2021 and 2022 within 60 days of the approval of the final Resolution. EBCE’s, MCE’s, PCE’s, and SJCE’s Tier 1 AL shall also include the 20% discount on the full portion of the electric bill (i.e., the generation and delivery portion). EBCE shall also update its program year 2021 Disadvantaged Communities Green Tariff marketing budget to reflect auto-enrollment. Once approved by the Commission, Pacific Gas and Electric will incorporate these updated budgets into the 2022 Energy Resources Recovery Account Update filing due in November 2021.

7. Each Community Choice Aggregator (CCA) shall submit a Tier 2 Advice Letter with their solicitation documents for their first Disadvantaged Communities Green Tariff and Community Solar Green Tariff Request for Offers (RFO) within 60 days of issuance of this Resolution. Each CCA shall issue its first RFO within 60 days of the Commission’s approval of its solicitation documents.
8. Each Community Choice Aggregator shall submit all executed Power Purchase Agreements via a Tier 2 Advice Letter for approval no later than 180 days following notification of selected bidders. If additional time is needed, the director of Energy Division, or his/her/their designee, is authorized to adjust this schedule as necessary.

9. CleanPowerSF shall remove “pre-mobilization” costs and submit its updated 2021 and 2022 Disadvantaged Communities Green Tariff and Community Solar Green Tariff program administration budgets via Tier 1 AL within 60 days of issuance of this resolution.

I certify that the foregoing resolution was duly introduced, passed, and adopted at a conference of the Public Utilities Commission of the State of California held on April 15, 2021; the following Commissioners voting favorably thereon:

/s/ Rachel Peterson
RACHEL PETERSON
Executive Director

MARYBEL BATJER
President
MARTHA GUZMAN ACEVES
CLIFFORD RECHTSCHAFFEN
GENEVIEVE SHIROMA
DARCIE HOUCK
Commissioners