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Decision 23-11-084 November 30, 2023

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

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| Order Instituting Rulemaking to Implement Assembly Bill 843 – the Bioenergy Market Adjusting Tariff Program. | Rulemaking 22-10-010 |

DECISION IMPLEMENTING ASSEMBLY BILL 843 - SETTING RULES TO ENABLE COMMUNITY CHOICE AGGREGATORS TO PARTICIPATE IN THE BIOENERGY MARKET ADJUSTING TARIFF PROGRAM

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DECISION IMPLEMENTING ASSEMBLY BILL 843 - SETTING RULES TO ENABLE COMMUNITY CHOICE AGGREGATORS TO PARTICIPATE IN THE BIOENERGY MARKET ADJUSTING TARIFF PROGRAM

Summary

This decision sets rules to enable Community Choice Aggregators (CCAs) to participate in the Bioenergy Market Adjusting Tariff (BioMAT) program, as authorized by Assembly Bill 843 (Stats. 2021, Ch. 234). These requirements include but are not limited to directing CCAs to:

* Submit a joint CCA Tier 2 advice letter to request California Public Utilities Commission (Commission) approval of tariffs, a standard power purchase agreement (PPA), program participation request (PPR) forms, BioMAT program website and portal development contracts, independent third-party contracts, initial balancing account statements, and non-bypassable charge rate schedules within 60 days of the effective date of this decision;
* Consult with Pacific Gas and Electric Company, Southern California Edison Company and San Diego Gas & Electric Company (collectively, the Joint Investor-Owned Utilities or IOUs) to solicit contractual terms to create CCA BioMAT program websites and portals, with current BioMAT program vendor Accion Group, to be integrated with existing Investor-Owned-Utility (IOU) BioMAT program platforms, the design of which shall maintain appropriate user firewalls and confidentiality protection features between the respective IOU and CCA procurement processes. The California Community Choice Association (CalCCA) is designated as the CCA representative that will serve in a leadership role to coordinate and consult with IOUs on the development of websites and portals. Each participating CCA shall contract directly with Accion to develop their webpages and submit contracts for Commission approval.;
* Consult with the Joint IOUs to solicit contractual terms to select a qualifying independent third party vendor, whether that is Accion Group or an additional vendor, that will integrate IOU and CCA BioMAT program administration tasks, including: (a) tracking and reporting PPA executions, (b) tracking statewide BioMAT market pricing,
(c) management of fuel category procurement queues, and (d) maintaining up-to-date feedstock megawatt allocation amounts; CalCCA is designated as the CCA representative that will serve in a leadership role to coordinate and consult with IOUs on the selection of a third-party vendor. Each participating CCA shall contract directly with the
third-party administrator and submit the contract for Commission approval;
* Purchase Renewable Portfolio Standard (RPS) and Resource Adequacy (RA) attributes based on market price benchmarks, as calculated in the IOUs’ non-bypassable charge (NBC) methodology and comply with RPS and RA resource requirements;
* Record BioMAT costs allocated to customers in IOU NBCs in public purpose program (PPP) surcharges in balancing accounts;
* Submit Tier 3 advice letters to the Commission’s Energy Division to request Commission approval of eligible BioMAT program forecasted revenue requirements or costs for the upcoming calendar year and true up costs that reflect actual costs from the current year by February 1, 2024 and annually thereafter. The advice letters will also include a report on quarterly executed contracts. Upon Commission approval of Tier 3 advice letters via Resolution, CCA BioMAT costs will then be incorporated in IOU Energy Resource Recovery Account (ERRA) forecast applications via the relevant IOU’s October Update and reflected in rates the following year. Prior to CCA submission of advice letters, CCAs and IOUs are directed to convene to identify and resolve issues as much as possible with the intent to facilitate their timely approval.
* Submit invoices to respective IOUs to request payment of Commission-approved net BioMAT costs recorded in IOU Public Purpose Program Adjustment Mechanism accounts on April 30, 2025 and quarterly thereafter after approval of IOU ERRA forecast applications in December of the prior year;
* File applications, concurrently serving the applications on the service list for the most current RPS rulemaking proceeding, to establish compliance with the Commission’s prudent manager standard by September 1, 2024 and annually thereafter;
* Include reports on their respective CCA Accion websites that detail the status of current and new PPAs beginning
10 days after first BioMAT contract execution and every contract execution thereafter.

If Tier 3 advice letters that seek recovery of CCA BioMAT costs are not timely approved by the Commission via Resolution, we also provide the following direction:

* Require IOUs not to include CCA BioMAT costs in their Energy Resource Recovery Account (ERRA) forecast applications if Tier 3 ALs that seek recovery of CCA BioMAT costs are not approved by Commission Resolution 20 days before the IOUs file their (ERRA) October Update.
* Require IOUs to include CCA BioMAT costs in their ERRA forecast applications if Tier 3 ALs that seek recovery of CCA BioMAT costs are approved by the Commission by Resolution at least 10 days before IOUs file their annual year-end electric true-up or rate change advice letters.
* If Tier 3 ALs are not approved at least 10 days before IOUs file their annual year-end electric true-up or rate change advice letters, CCA BioMAT costs will be recorded in the relevant IOU’s annual year-end electric rate change or
true-up ALs but not reflected in rates until Commission approval of CCA BioMAT costs via Resolution.

This proceeding is closed.

# Background

## Factual Background

The following section provides a brief description of the Renewable Portfolio Standards and Bioenergy Market Adjusting Tariff programs.

### Renewable Portfolio Standard (RPS)

The RPS program was established by Senate Bill (SB) 1078 (Sher),
Stats. 2002, ch. 516.

Initially, the RPS program required retail sellers of electricity to increase their total amount of eligible renewable resources by at least one percent per year, until 20 percent of their retail sales were procured from renewables. SB 107 (Simitian), Stats. 2006, ch. 464 required that the 2002 RPS program target must be achieved no later than December 31, 2010. To implement RPS statutory requirements, the Commission opened the RPS rulemaking (R.) 11-05-005, on
May 10, 2011, to establish the RPS program.

Subsequent legislation enacted in 2007 (SB 1036 (Perata), Stats. 2007,
ch. 685), 2011 (SB 2(1X) (Simitian), Stats. 2011, ch. 1), and 2015 (SB 350 (De León), Stats. 2015, ch. 547), significantly increased California's RPS program procurement requirements.

Pursuant to SB 100 (De León), Stats. 2018, ch. 312, the RPS program currently requires California’s electric load-serving entities to procure 60 percent of their total retail sales from renewable energy resources by 2030. SB 100 also established a target for 100 percent of the state’s electricity to be generated from carbon-free resources by 2045.

### Feed-In-Tariff Program

Assembly Bill (AB) 1969 (Yee), Stats. 2006, ch. 731 added Public Utilities (Pub. Util.) Code Section 399.20 which required the Commission to adopt a program enabling renewable generation projects, no greater in capacity than
1.5 megawatts (MW), at public waste and wastewater facilities to sell wholesale electricity to California retail sellers.[[1]](#footnote-2)

In accordance with Pub. Util. Code Section 399.20, Decision (D.) 07-07-027 launched the Feed-in-Tariff program (FIT) within the RPS program. IOUs were required to offer the FIT to wholesale sellers until the combined statewide cumulative rated capacity of purchased eligible generation reached the IOUs‘ capacity allocation for the initial FIT program target, or 250 megawatts (MW). Each IOU’s FIT capacity allocation was and continues to be based on the ratio of its peak demand to total statewide peak demand.

Several FIT requirements adopted in D.07-07-027 are still in effect. The FIT requires California investor-owned utilities (IOUs) to offer tariffs and standard contracts or power purchase agreements (PPAs) for projects,[[2]](#footnote-3) including provisions for the timely disposition of Rule 21 or Wholesale Distribution Access Tariff (WDAT) interconnection requests, to renewable generators as a streamlined approach for setting contract terms and conditions. The FIT project queue, which specifies the order for granting offers to generators with executed contracts, is structured on a first-come, first-served basis. The FIT’s tariff and standard contract specify that a FIT project’s grid-exported energy count towards the IOU’s annual RPS procurement requirement. Likewise, a FIT project’s capacity counts towards the IOU’s resource adequacy (RA) targets.

Pursuant to SB 380 (Kehoe), Stats. 2008, ch. 544, SB 32 (Negrete McLeod), Stats. 2009, ch. 328, and SB 2 (1X), (Simitian), Stats. 2011, ch. 1, D.12-05-035 implemented additional FIT requirements. FIT projects up to 3 MW in size could be located at any property with customer site control. Statewide FIT capacity increased to 750 MW. Large publicly owned utilities were now required to offer FIT to their customers.

### BioMAT Program

In 2012, SB 1122 (Rubio), Stats. 2012, ch. 612, amended Pub. Util. Code Section 399.20 by adding provisions to count bioenergy projects that commence operation after June 1, 2013, as eligible FIT resources. Pursuant to SB 1122, the Commission was required to direct IOU procurement of at least 250 MW of capacity from bioenergy projects, an amount incremental to the 750 MW statewide FIT procurement target. In alignment with FIT rules, IOU bioenergy procurement allocations were determined by their share of statewide peak demand. Fuel category procurement allocations were prescribed as follows:

* (Category 1) 110 MW sourced from biogas wastewater treatment, municipal organic waste diversion, food processing, and codigestion;
* (Category 2) 90 MW sourced from dairy and other agricultural bioenergy; and
* (Category 3) 50 MW sourced from byproducts of sustainable forest management.[[3]](#footnote-4)

SB 1122 statutory provisions were implemented by D.14-12-081. To participate in the bioenergy FIT, generators were directed to submit an attestation in their program participation request (PPR) to IOUs demonstrating that a selected fuel resource met SB 1122’s eligibility requirements. Generators were also required to submit a fuel attestation when signing a contract.[[4]](#footnote-5) Bioenergy project owners were directed to submit bids to pre-existing FIT or bioenergy FIT programs but not both. Accordingly, bioenergy projects would be submitted to either the pre-existing FIT queues or bioenergy FIT queues maintained by each IOU.[[5]](#footnote-6) The decision also set a BioMAT program end date of 60 months from the beginning of the first program period, per the IOUs’ obligation to offer the BioMAT tariff pursuant to SB 1122 requirements.[[6]](#footnote-7)

D.14-12-081 prescribed rules for bioenergy FIT pricing and capacity accounting. A pricing mechanism was adopted to set initial statewide bioenergy FIT prices. Price adjustments based on market behavior were made according to bioenergy project fuel type.[[7]](#footnote-8) To maintain consistency, IOUs were required to jointly administer a statewide “price pool” and establish a single, statewide payment rate for each SB 1122 bioenergy pricing category.[[8]](#footnote-9) The decision specified that bioenergy FIT contract execution would result in that project’s capacity counting towards the IOU’s capacity target for the applicable fuel resource category. IOU bioenergy FIT capacity targets are detailed below in Table 1.

**TABLE 1**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **IOU** | **Category 1:** Biogas from various sources | **Category 2:** Dairy and other agricultural energy | **Category 3:** Byproducts of sustainable forest management | **TOTAL** |
| PG&E | 30.5 | 33.5 | 47 | **111** |
| SCE | 55.5 | 56.5 | 2.5 | **114.5** |
| SDG&E | 24 | 0 | 0.5 | **24.5** |
| SB 1122 total | 110 | 90 | 50 | **250** |

On February 9, 2015, the IOUs filed and served their Joint Submission of Proposed Tariffs and Standard Forms to Implement SB 1122 in the RPS rulemaking. D.15-09-004 adopted modified bioenergy FIT tariff and standard contract terms and conditions, including but not limited to requirements for interconnection studies, PPR submission, queue management, contract price, capacity allocation, and program periods. The decision also adopted the IOUs’ proposal to rename the Commission’s bioenergy FIT program, thereafter known as BioMAT.[[9]](#footnote-10)

An important aspect of BioMAT, the program period defines the timeframe in which BioMAT contract prices are fixed and capacity is available for bids in each BioMAT fuel procurement category. At the outset, the BioMAT program period was set at two months. On December 1, 2015, the IOUs initiated the BioMAT Program by accepting applications from bioenergy generators for Program Period 1 (February 1 – March 31, 2016).

In 2016, D.16-10-025 amended BioMAT Category 3 requirements for projects using forest biomass as fuel in response to SB 840 (Trailer Bill), Stats. 2016, ch. 341 and the Governor’s October 30, 2015 Emergency Proclamation regarding tree mortality. Among several BioMAT program modifications,
D.16-10-025 clarified that BioMAT Category 3 includes fuel obtained from high hazard zones (HHZ) designated in accordance with the Emergency Proclamation by the California Department of Forestry and Fire Protection. The decision also adopted a monthly program period for BioMAT Category 3 submission of projects.[[10]](#footnote-11)

Pursuant to AB 1923 (Wood), Stats. 2106, ch. 663, D.17-07-021 permitted any RPS-eligible BioMAT resource with a nameplate capacity of 5 MW could be eligible for the BioMAT tariff if it delivered no more than 3 MW to the grid at any time. If grid delivery exceeded 3 MW, no payment made under BioMAT would be authorized.[[11]](#footnote-12)

D.20-08-043 further amended BioMAT tariff and contract rules. In addition, the decision prescribed BioMAT cost allocation and recovery requirements. The Commission authorized IOU BioMAT procurement cost allocation through a non-bypassable charge (NBC) to all customers in each IOU’s service territory. To design the NBC rate, IOUs were directed to use the prevailing 12-month coincident peak demand basis for revenue allocation used for the cost allocation mechanism (CAM), set on a per kilowatt-hour (kWh) basis for each customer group. After calculating the NBC rate, IOUs were instructed to add it to other components of the Public Purpose Program (PPP) rate for customer billing.[[12]](#footnote-13)Accordingly, IOUs were directed to file Tier 2 Advice Letters (ALs) to request creation of BioMAT balancing accounts, to record NBCs, and seek Commission approval of NBC rate designs and BioMAT implementation plans. The decision also extended the BioMAT program end date to
December 31, 2025.[[13]](#footnote-14) Given the Commission’s limited oversight of non-IOU load serving entities (LSEs), the Commission did not authorize CCAs to participate in BioMAT.[[14]](#footnote-15)

## Procedural Background

Assembly Bill 843 (Aguiar), Stats. 2021, Chapter 234 was chaptered on September 21, 2021. The bill authorized community choice aggregators (CCAs) to submit eligible bioenergy projects for cost recovery pursuant to the BioMAT program. Under AB 843, CCAs were permitted to submit projects if unsubscribed capacity existed within the 250 MW BioMAT program capacity target. In addition, AB 843 required that every kilowatt-hour (kWh) of electricity purchased from a CCA bioenergy project count towards the CCA’s RPS procurement requirements and the procurement requirements of the electrical corporation where a CCA provides service. Likewise, the physical generating capacity of a CCA BioMAT project would count towards the CCA’s resource adequacy (RA) requirements.

On October 22, 2023, the Commission issued a rulemaking to implement provisions of AB 843 and authorize CCAs to participate in the BioMAT program.

Party opening and reply comments were filed on November 28, 2022, and December 13, 2022, respectively.

On February 23, 2023, an ALJ ruling was issued that set the pre-hearing conference (PHC). Subsequently, parties were directed on March 7, 2023, to review Pacific Gas and Electric (PG&E), Southern California Edison (SCE), and San Diego Gas & Electric Company or Joint Investor-Owned Utilities’ (Joint IOU) existing BioMAT program rules prior to the PHC. These rules include published Joint IOU program tariffs, PPAs, and other key program information (*e.g.,* program tutorials, program queue disclosures, and regulatory filings) posted on their BioMAT program websites. On March 10, 2023, a PHC was held to address proceeding categorization, issues of law and fact, and determine the need for workshops and hearings.

 On April 6, 2023, the Assigned Commissioner issued a Scoping Memo and Ruling (Scoping Memo). The Scoping Memo categorized the proceeding as ratesetting, set the proceeding schedule, and identified issues within the scope of the proceeding.

On April 28, 2023, the CPUC’s Energy Division hosted a workshop to discuss current BioMAT rules and proposed mechanics for CCA participation in the BioMAT program.

The ALJ issued a ruling on May 15, 2023, to submit party opening comments and reply comments on workshop questions, respectively by
June 14,2023, and June 28, 2023. Parties were requested to consider current and proposed BioMAT rules when answering questions related to CCA and tariff structure and filing requirements, contract management processes, project queue design and management, Commission oversight of prudent contract management, and program cost and benefit allocation, tracking, and recovery. Further, parties were asked to consider how CCA participation in BioMAT may impact environmental and social justice communities.

On June 14, 2023, the Joint IOUs, California Community Choice Association (CalCCA), Public Advocates Office (Cal Advocates), Center for Biological Diversity (CBD), The Bioenergy Association of California (BAC), and Green Power Institute (GPI) filed opening comments.

In response to opening comments, the Joint IOUs, Cal Advocates, GPI, CBD, CalCCA, Bioenergy Association filed reply comments on June 29, 2023.

## Submission Date

This matter was submitted on June 29, 2023, upon party filing of reply comments on CCA BioMAT workshop questions.

# Issues Before the Commission

The issues before the Commission are:

What processes should the Commission establish for CCAs to file their standard contract terms and conditions, and tariffs for approval.

What process should the Commission establish for CCAs to have a streamlined contracting process?

What process should the Commission establish for CCAs to submit eligible bioenergy contracts to the Commission for cost recovery?

What process or rules should the Commission establish for CCAs’ prudent contract management?

What process should the Commission establish to track and allocate the costs, revenues, benefits, and products of the CCA BioMAT contracts?

f. Are there impacts on environmental and social justice communities? This includes the extent to which implementing AB 843 impacts achievement of any of the nine goals of the Commission’s Environmental and Social Justice Action Plan.

# CCA Rules to Participate in BioMAT

The Commission will consider the CCA rules for participating in the BioMAT program. The CCA’s notification process for participating in the BioMAT program are considered in Section 3.1. The CCA required documentation is considered in Section 3.2. Pricing and subscription management is discussed in Section 3.3. Project management is discussed in Section 3.4. Cost and Attribute Tracking, Allocation, and Recovery is discussed in Section 3.5. Capacity Reporting is discussed in Section 3.6. Commission oversight of the Prudent Management Standard is discussed in Section 3.7. Achievement of Environmental and Social Justice Goals is Discussed in Section 3.8.

## Notification to Participate

After considering comments from Cal Advocates, CalCCA and the Joint IOUs, this decision determines that CCAs should not be required to provide notification of their intent to participate in the BioMAT program.

Cal Advocates suggests that the Commission should require CCAs to file and serve notice of intent (NOI) to participate in the BioMAT program in the
AB 843 OIR (R.22-10-010) and the RPS proceeding (R.18-07-003, or successor proceeding) 30 days after the issuance of a final decision in the AB 843 OIR. Cal Advocates claims that the NOI will inform the Commission and stakeholders about the number of CCAs that elect to participate in the BioMAT program.[[15]](#footnote-16)

The Joint IOUs support Cal Advocates’ proposal for the Commission to require CCAs to file a NOI indicating their intent to participate in the BioMAT program. The Joint IOUs note that the NOI would permit the Commission to assess the need to develop CCA Accion portals and reallocate existing BioMAT program capacity to participating CCAs according to their respective load share in the IOU territory where they provide service.[[16]](#footnote-17)

CalCCA argues that CCAs should not be required to file NOIs to participate in the BioMAT program because IOUs are mandated to participate in the BioMAT program while CCA participation is voluntary. As such, CalCCA explains that CCAs would provide *de facto* notifications to the Commission about their intent to participate in the BioMAT program when they file pro forma tariffs, PPAs, and ancillary documents that the Commission is required to process and review.[[17]](#footnote-18)

We agree with CalCCA. Pursuant to AB 843, CCAs are permitted to participate in BioMAT. Since CCA participation in BioMAT will be voluntary, the Commission should not require NOIs or allocate BioMAT capacity to CCAs. As such, CCA participation in BioMAT will be revealed when project applicant PPRs are submitted to IOUs and/or CCAs for project eligibility review.

## Program Documentation Content and Filing Requirements

This decision directs participating CCAs to develop and utilize standard BioMAT program documents, including but not limited to standard contracts, PPAs, NBC rate schedules and balancing accounts, etc. (BioMAT program documents), based on the structure and content of IOU BioMAT program documents. Further, CCAs are directed to seek approval of BioMAT program documents, third-party contracts, and forecasted revenue requirements through submission of ALs. To establish compliance with the Commission’s prudent manager standard, participating CCAs must each file applications with the Commission and currently serve them in the most current RPS rulemaking proceeding.

In comments, parties generally agreed that CCAs participating in BioMAT should adopt and use IOU BioMAT program documentation, but differed in the recommended regulatory process (*i.e*., ALs or applications) and regulatory venue (*i.e.,* the current rulemaking or the RPS or successor proceeding) to seek Commission approval of BioMAT regulatory submissions or filings.

The Joint IOUs propose that the Commission direct CCAs to submit the most current, pro forma BioMAT PPA and program documents to the Commission in Tier 2 ALs, pursuant to D.14-12-081 requirements implementing SB 1122, as modified by D.15-09-004, and D.16-10-025.[[18]](#footnote-19) Further, the Joint IOUs recommend that CCA and IOU BioMAT tariffs,[[19]](#footnote-20) pro forma PPAs,[[20]](#footnote-21) and PPRs, have the same eligibility requirements.[[21]](#footnote-22) If CCAs execute a non-standard PPA, the Joint IOUs suggest that a PPA with modified terms and conditions should be subject to the Tier 3 AL review and approval process.[[22]](#footnote-23)

CalCCA agrees with the Joint IOUs that CCAs should be required to submit BioMAT program documentation in Tier 2 ALs and forecasted revenue requirements in Tier 3 ALs to seek Commission approval.[[23]](#footnote-24) Further, CalCCA agrees with the Joint IOUs that participating CCAs should file applications to establish CCA compliance with the Commission’s prudent manager standard.[[24]](#footnote-25) Prior to the issuance of a final decision in this rulemaking, CalCCA contends that the Commission should require CCAs to submit BioMAT program documents for Commission approval, providing parties with an opportunity to comment, and CCAs to reply.[[25]](#footnote-26) Moreover, CalCCA suggests that the Commission should require IOUs to submit tariff and process modifications to incorporate CCAs, presumably into current IOU BioMAT project queuing processes.[[26]](#footnote-27)

Like the Joint IOUs and CalCCA, Cal Advocates recommends that the Commission should adopt CCA BioMAT program documentation requirements that IOUs are subject to.[[27]](#footnote-28) BAC agrees.[[28]](#footnote-29) However, Cal Advocates proposes that the Commission should direct CCAs to submit BioMAT program documents in the RPS or its successor proceeding 90 days after issuance of the final decision in this rulemaking, pursuant to direction to IOUs in D.20-08-043.[[29]](#footnote-30) To support their claim, Cal Advocates states that “because the Commission designated the RPS proceeding (in D.20-08-043 and affirmed the Scoping Memo) as the venue to consider BioMAT issues holistically, it is the most appropriate venue for
longer-term consideration of CCA tariff, BioMAT standard PPA, executed contracts, and other BioMAT program matters.”[[30]](#footnote-31) Cal Advocates also reasons that a single Commission decision in the RPS proceeding that approves all CCA BioMAT tariffs and standard PPAs is more efficient than issuing several decisions in the instant proceeding.[[31]](#footnote-32)

CalCCA disagrees with Cal Advocates’ proposal that CCAs submit BioMAT program documentation, and other submission in the RPS proceeding. CalCCA contends that Cal Advocates’ recommended approach is not consistent with IOU requirements to recover costs in the ERRA compliance proceedings. Rather, CalCCA advises that all BioMAT filings, including ALs and applications, should be submitted to this rulemaking, accompanied by service to the RPS service list as required of the IOUs. CalCCA also indicates that CalCCA and the IOUs have agreed to a streamlined process for CCAs to submit Tier 3 ALs to seek recovery of BioMAT program costs. Further, CalCCA suggests that CCAs file Rule 2 applications for Commission review to assess the CCAs’ compliance with the prudent manager standard. To submit BioMAT filings in the RPS proceeding, as suggested by Cal Advocates, would not align with current IOU practice and not lead to a workable solution.[[32]](#footnote-33)

The Joint IOUs explain that regulatory oversight of the CCA BioMAT program in the RPS may not be suitable because the proceeding does not require submission of testimony and an evidentiary hearing process required to evaluate prudent management of the CCA BioMAT program.[[33]](#footnote-34)

Cal Advocates acknowledges their proposal to dispose of CCA BioMAT matters through applications somewhat aligns with the Joint IOUs’ and CalCCA’s proposal for regulatory review and approval via ALs and applications. However, Cal Advocates claims that General Order 96-B (GO 96-B) Energy Industry Rules 5 and 9 do not permit CCAs to submit ALs.[[34]](#footnote-35)[[35]](#footnote-36) Cal Advocates asserts that, if the Commission allowed CCAs to submit ALs, this would violate the law.[[36]](#footnote-37)

Based on a review of parties’ comments, prior BioMAT decisions, and
AB 843 statutory language, the Commission determines that CCAs and IOUs must abide by the same BioMAT rules. Given that, the Commission directs participating CCAs to develop and utilize BioMAT program documentation that meets the same requirements as IOU BioMAT program documentation. Consequently, CCAs and IOUs are expected to implement various elements of their respective BioMAT programs in a uniform fashion.

Although we appreciate Cal Advocates’ attempt to streamline CCA BioMAT regulatory oversight in the RPS proceeding, we do not agree with their proposal. First, as CalCCA correctly notes, IOUs currently request recovery of BioMAT costs in ERRA proceedings not in the RPS rulemaking. Second, as highlighted by the Joint IOUs, the RPS proceeding does not require service of testimony considered in evidentiary hearings that would enable a thorough evaluation of CCA applications to establish prudent management of the BioMAT program. Third, the Scoping Memo cites the RPS rulemaking as “the appropriate place to consider programmatic changes to BioMAT not explicitly required by AB 843.”[[37]](#footnote-38) In this decision, the Commission does not intend to make programmatic changes to BioMAT beyond those required to implement AB 843. For these reasons, the Commission requires that CCAs participating in BioMAT to submit ALs with the Commission’s Energy Division and file applications to establish compliance with the Commission’s prudent manager standard and the application shall be served on the service list of the most current RPS proceeding.

Upon review of Joint IOU and CalCCA comments, the Commission also finds that CCAs should utilize both the application and the AL process to implement BioMAT program requirements. While GO 96-B, Energy Industry Rule 5 provides direction for utilities to submit ALs, the Rule does not explicitly deny CCAs from filing them. GO 96-B, Energy Industry Rule 9 does provide a regulatory process for load-serving entities, including CCAs, to submit compliance filings in accordance with GO 96-B, General Industry Rules 7.5.1, 7.5.2, and 7.6.2. In particular, these General Industry Rules describe requirements for submission and resolution of AL protests and the process for the Commission’s Industry Divisions to review and dispose of ALs.[[38]](#footnote-39)

Accordingly, this decision authorizes CCAs to submit ALs to the Commission’s Energy Division that will be reviewed and disposed by the Commission using the AL process per provisions in General Order 96-B. Specifically, CCAs participating in BioMAT are required to submit a Joint CCA BioMAT Implementation Tier 2 AL within 60 days of the effective date of this decision to seek Commission approval of standard BioMAT program documents. Any proposed modifications to Commission-approved CCA BioMAT program documents will also require CCAs to jointly submit a Joint CCA BioMAT Implementation Tier 2 AL. As will be discussed later in this decision, participating CCAs will also be required to include BioMAT program website and portal development contracts and independent third-party contracts in the Tier 2 AL. In addition, CCAs will be required to submit Tier 3 ALs to seek approval of their respective forecasted revenue requirements and report executed PPAs. Further, participating CCAs will be required to file an application to establish compliance with the Commission’s prudent manager standard.

## Pricing and Subscription Management

We will now consider the pricing and subscription management for CCA BioMAT programs.

In opening comments, the Joint IOUs, CalCCA, Cal Advocates, and GPI recommend how the BioMAT pricing mechanism should be administered with CCA participation. To determine the monthly BioMAT price per tariff rules, the Joint IOUs suggest coordination with CCA representative(s).[[39]](#footnote-40) The Joint IOUs also propose that CCAs report the price acceptance rate and unaffiliated applicants in the CCA queue(s) to assess market depth.

CalCCA supports Joint IOUs’ continued management of statewide BioMAT pricing and subscription according to Pub. Util. Code Section 399.20 and Commission requirements for the statewide pricing pool.[[40]](#footnote-41) Further, CalCCA proposes that the contract price for each statewide pricing category should be published on each IOU’s website and/or online platform by the first business day of every period. To promote transparency, CalCCA suggests that CCA BioMAT program participants could provide a link from their website and/or BioMAT platform to the IOU BioMAT website or webpage to view the BioMAT period’s prices.

BAC agrees with CalCCA’s proposal for IOUs to continue management of the statewide BioMAT pricing and fuel category subscriptions. BAC asserts that BioMAT is a statewide program with existing mechanisms that should not require wholesale changes from a financial and legal perspective.[[41]](#footnote-42) However, BAC suggests that the Commission should eliminate BioMAT IOU feedstock allocations altogether to permit flexibility in BioMAT procurement and facilitate meeting SB 1122 procurement targets.[[42]](#footnote-43)

Cal Advocates submits that the Commission has an established BioMAT pricing methodology that CCAs should be required to follow.[[43]](#footnote-44)

GPI implies that CCA BioMAT project applicants could opt to sign PPAs at a price that exceeds the BioMAT market price. GPI contends that any portion of procurement costs associated with the above-market BioMAT price would not be recoverable through the BioMAT program cost recovery process.[[44]](#footnote-45)

In reply comments, the Joint IOUs disagree with GPI’s contention that CCAs could sign BioMAT PPAs at above-market prices. According to the Joint IOUs, GPI’s proposal would depart from the existing BioMAT pricing mechanism and price cap methodology specified in the IOUs’ tariffs. Further, the Joint IOUs suggest that any excess BioMAT costs could be recovered in other rate elements, such as a CCA’s generation rate, thereby resulting in a subsidy for CCA BioMAT projects and negatively impact the IOUs’ BioMAT program. The Joint IOUs also highlight that GPI’s proposal could mix NBC funded costs with costs collected through other price mechanisms, including the generation rate. This could impair the Commission’s ability for oversight of the CCA’s BioMAT program.[[45]](#footnote-46)

The Joint IOUs also do not support CalCCA’s proposal for the IOUs to manage the CCA BioMAT program pricing mechanism if required to verify BioMAT project applicant ownership structure to ensure they are not affiliated. To conduct such a review, the Joint IOUs claim that the CCA BioMAT program administrators must provide BioMAT project applicant legal names and ownership structures that could comprise confidentiality. As a solution, the Joint IOUs suggest that the Commission or the CCA BioMAT program administrator(s) hire an independent third-party to review all program rules and manage the CCA BioMAT pricing mechanism.[[46]](#footnote-47)

Cal Advocates rejects GPI’s suggestion that CCAs should be permitted to sign PPAs at above-market prices. Cal Advocates agrees with the Joint IOUs that granting this latitude to CCAs would result in a competitive disadvantage for other BioMAT program participants. Further, Cal Advocates contend that CCAs do not wish to sign higher priced PPAs and that contract pricing is not within scope of this proceeding.[[47]](#footnote-48)

After considering party comments, we clarify that the Scoping Memo does not include scoping items related to reevaluating BioMAT pricing methodology. These matters are outside the scope of this rulemaking. However, integrating CCA BioMAT contracting into the BioMAT pricing mechanism is within the scope of this proceeding.

Given that, the Joint IOUs correctly note that, if entrusted to manage the BioMAT pricing mechanism, it would be difficult to circumvent confidentiality issues. These include but are likely not limited to verifying BioMAT project applicant legal names and ownership structures. To address this, the Commission authorizes hiring an independent third party to manage BioMAT program pricing and BioMAT subscription management and assume other necessary related program responsibilities, needed to independently administer the BioMAT program queue central to the pricing and allocation mechanisms.

We also reject GPI’s proposal that the Commission authorize the execution of BioMAT PPAs at above-market prices. Aside from creating a non-level playing field for BioMAT participants, authorizing GPI’s proposal contravenes language in AB 843 which orders CCA BioMAT PPAs to be signed at the market price. Specifically, AB 843 directs BioMAT PPA cost recovery as follows:

The payment shall be the *market price* determined by the commission pursuant to subclause (II) and shall include all current and anticipated environmental compliance costs…[[48]](#footnote-49)

Pursuant to AB 843, the Commission will only authorize BioMAT PPAs that are offered at the market-price.

## Program Management

The Joint IOUs, CalCCA, Cal Advocates, GPI, and BAC submitted comments on BioMAT program management related to: (a) portal ownership and access; (b) project submission; (c) data confidentiality; (d) eligibility review;
(e) PPA award and execution; and (f) project queue design and management. Based on a review of party comments, this decision determines that CCAs should develop their own Accion portals and interested project applicants should submit project participation request through those portals for CCA eligibility review. Further, the CCAs and IOUs shall contract with an independent third-party to administer and manage BioMAT program pricing, fuel category procurement queues, and determination of PPA offers or awards.

### Joint IOU Comments

The Joint IOUs contend in opening comments that the CCAs should collectively contract with Accion to develop their own CCA BioMAT portal[[49]](#footnote-50) that resembles existing IOUs’ BioMAT portals utilized for project submission. According to the Joint IOUs, an Accion-based CCA portal provides multiple benefits, including its familiarity with BioMAT participants, reduced cost to implement in relation to installing a new platform, and data sharing capability.[[50]](#footnote-51) To manage their own BioMAT queues, the Joint IOUs suggest that CCAs create new and separate Accion websites that link to CCA BioMAT portals.[[51]](#footnote-52)

The Joint IOUs propose that BioMAT project applicants should submit BioMAT program documentation, including PPRs, directly to CCA BioMAT portals. To address data confidentiality and conflicts of interest, that may influence where BioMAT projects are submitted, the Joint IOUs recommend that firewalls should be installed in the BioMAT Accion platform. According to the Joint IOUs, this step would enable CCAs to conduct eligibility reviews of projects submitted through their respective BioMAT portals.[[52]](#footnote-53)

To participate in BioMAT, the Joint IOUs argue that CCAs should each be allocated procurement targets based on the remaining BioMAT program capacity.[[53]](#footnote-54) In addition, the Joint IOUs assert that CCAs should manage BioMAT program capacity as impacted by executed PPAs.[[54]](#footnote-55)

Given their view that CCAs have visibility of project applicant interest in executing CCA BioMAT PPAs, the Joint IOUs contend that CCAs should manage executed PPAs in their own project queues. The Joint IOUs believe that CCAs are best suited to determine when and how project queues should be updated based on remaining capacity in each CCA’s BioMAT program. Further, the Joint IOUs claim that CCAs may adjust their project queues according to projects that are withdrawn or terminated prior to their commercial operation dates. The Joint IOUs also suggest that CCA management of their own project queues preserves the confidentiality of applicant ownership structures. To enable this, the Joint IOUs re-emphasize that each CCA should be assigned an Accion portal and a procurement target proportional to their load share in their respective service territory.

If BioMAT procurement targets are not allocated, the Joint IOUs recommend that an independent third-party should be hired to administer the BioMAT program, including determining the eligibility of project submissions, PPA awards and execution, and managing merged CCA/IOU program queues, with related costs recovered through the IOUs’ PPP Adjustment Mechanism (PPPAM) balancing accounts.[[55]](#footnote-56)

In lieu of submitting ALs with the Commission to seek PPA approval, the Joint IOUs suggest that CCAs should file quarterly reports to report PPA status because signed BioMAT PPAs that meet Commission-approved pro forma requirements do not require Commission approval.[[56]](#footnote-57)

In reply comments, the Joint IOUs reassert that the confidentiality of project identity and location would not be preserved if IOUs are tasked with managing the BioMAT pricing mechanism. To resolve this, the Joint IOUs
re-emphasize that an independent third party should administer the BioMAT contracting process and that each LSE, including CCAs, should manage their respective queues.

### CalCCA Comments

To maintain a consistent user experience for BioMAT project applicants, CalCCA agrees with the Joint IOUs that separate CCA BioMAT portals should be developed. CalCCA suggests that weblinks from IOU and CCA BioMAT webpages should direct users to a central BioMAT webpage that provides links to either the IOU or CCA Accion portals for project applicants.[[57]](#footnote-58)

CalCCA supports the Joint IOUs’ contention that BioMAT applicants should submit PPRs and supporting PPA documentation, including all attestations and tariff-related information directly to CCAs via the CCA’s Accion platform.[[58]](#footnote-59)

CalCCA contends that CCAs should be the sole entity to conduct an eligibility review for CCA BioMAT project applicants.[[59]](#footnote-60) Upon receipt of BioMAT applicant PPRs and supporting PPA documentation, CalCCA proposes that CCAs confirm within fifteen (15) business days if the applicant’s PPR is complete and satisfies CCA BioMAT tariff eligibility criteria.[[60]](#footnote-61) After PPR eligibility reviews have been completed, CalCCA suggests that CCAs will notify IOUs through the BioMAT Accion platform to place eligible projects into applicable fuel category procurement queues. CalCCA maintains that the identity and location of project applicants would be kept confidential.

To execute and award PPAs, CalCCA proposes that CCA BioMAT project applicants follow a two-step process. According to CalCCA, project applicants must notify CCAs about their wish to execute PPAs based on the applicable contract price within seven (7) business days after the first business day of a BioMAT program period. Then, CCAs must notify IOUs about the project applicants’ intention to execute PPAs through the Accion platform within ten (10) business days after the first business day of a BioMAT program period.[[61]](#footnote-62)

Upon PPA execution, CalCCA recommends that IOUs award PPAs to project applicants according to queue order within ten (10) business days after the deadline to notify IOUs. CalCCA also suggests that notification of PPA awards can occur through the Accion platform. The PPA award process would continue until the available BioMAT project capacity in each fuel procurement category per BioMAT program period has been exhausted.[[62]](#footnote-63) Within 10 days of PPA execution, CalCCA proposes that CCAs would notify IOUs that PPAs have been executed through the Accion portal. Upon notification, IOUs would then allocate BioMAT project capacity in associated fuel categories to BioMAT projects.

For Commission approval, CalCCA proposes that CCAs submit BioMAT executed contracts through Tier 2 ALs if there are no amendments. If there are amendments, CalCCA suggests that CCAs should submit BioMAT executed contracts through Tier 3 ALs.[[63]](#footnote-64)

CalCCA disagrees with the Joint IOUs’ position that IOU management of merged queues would comprise the confidentiality of project applicant data and information. CalCCA contends that the confidentiality concerns may be resolved by tariff rules and by the Accion platform. CalCCA details that a statewide BioMAT webpage can include links to IOU and CCA Accion portals. From there, project applicants could utilize a dropdown menu to select a specific LSE portal where PPRs and other BioMAT-related documentation can be submitted. Using this process, CalCCA claims that PPRs could be firewalled from other LSEs, including IOUs, to preserve confidentiality.[[64]](#footnote-65)

CalCCA proposes that IOUs should manage merged CCA/IOU BioMAT queues to a provide CCAs and IOUs with a similar experience.[[65]](#footnote-66) To place CCA projects in merged queues, CalCCA suggests that CCAs notify IOUs in their respective service territory within five (5) business days of determining the eligibility of PPRs. CCAs would then notify IOUs in Accion that eligible projects will be placed in merged queues for the applicable fuel category. Subsequently, Accion would timestamp projects to establish their queue position. For transparency, CalCCA advises that project queue positions should be available to CCA BioMAT participants.[[66]](#footnote-67) Since CCAs would only confirm project eligibility, fuel category, and size, CalCCA claims that project applicant identity and project location would be kept confidential.[[67]](#footnote-68)

CalCCA rejects the Joint IOUs’ suggestion that CCAs charged with managing their own queues should be assigned capacity allocations. If so, CalCCA claims that capacity thresholds for smaller CCAs, potentially in the
1 MW range, could be exceeded if they signed PPAs. CalCCA asserts this scenario would be anti-competitive, counter to the intent of the CCA BioMAT program.[[68]](#footnote-69) Despite their initial proposal, CalCCA agrees that confidentiality concerns could be addressed if an independent third party managed merged CCA/IOU queues. In this scenario, CalCCA argues that a third party’s responsibilities should be limited to: (1) receiving notification from an IOU or CCA that a PPR is complete; (2) placing a project with an eligible PPR in the merged queue; and (3) notifying an IOU or CCA that a PPA can be awarded based on queue order in each BioMAT program period until capacity targets have been met. CalCCA also concurs with the Joint IOUs that third party administrator costs should be recovered in the PPPAMs.[[69]](#footnote-70)

### Cal Advocates’ Comments

Cal Advocates supports the Joint IOUs’ proposal for CCAs to conduct their own BioMAT project eligibility reviews, manage their own project queues, and receive capacity allocations.[[70]](#footnote-71) Cal Advocates contends that this program design would address conflicts of interest and confidentiality issues and decrease the IOUs’ burden to manage the CCA program. Further, Cal Advocates believes that assigning a portion of BioMAT program capacity to CCAs would result in shared responsibility and assign CCAs “skin in the game”.[[71]](#footnote-72)

Accordingly, Cal Advocates does not support the Joint IOUs’ alternate proposal for a third-party administrator to review all CCA BioMAT program submissions and manage a merged CCA/IOU BioMAT project queue. Cal Advocates contends that hiring a third-party administrator would increase CCA BioMAT program costs collected through the IOUs’ PPPAMs and add an unnecessary layer of complexity.[[72]](#footnote-73)

Cal Advocates also notes that IOUs do not file executed contracts with the Commission through an AL or application, but rather are identified in a public report.[[73]](#footnote-74)

### GPI Comments

GPI argues that granting CCA access to IOU BioMAT Accion portals is not difficult and would facilitate BioMAT program participation and management.[[74]](#footnote-75) GPI also suggests that the Commission should maintain one BioMAT project submission process for IOUs and CCAs given that currently there are few projects in the BioMAT queue.[[75]](#footnote-76) Further, GPI advocates that the Commission require that IOUs manage merged CCA/IOU queues. GPI supports this simple approach based on their contention that CCA participation may not require a significant level of effort.[[76]](#footnote-77)

### BAC Comments

BAC agrees with CalCCA that CCA projects should be included in merged CCA/IOU project queues according to feedstock category.[[77]](#footnote-78) BAC also concurs with CalCCA that CCAs should not have capacity allocations because it would be difficult to assign the remaining 200 MW BioMAT program capacity to multiple statewide CCAs and the IOUs. Given their view that AB 843 specifies CCA participation in BioMAT is voluntary, BAC contends that CCA capacity allocations would therefore violate AB 843 statutory requirements.[[78]](#footnote-79)

### Discussion

The Commission’s intent in this proceeding is to adopt CCA BioMAT rules that create an efficient, fair, and competitively neutral process for BioMAT participants to execute BioMAT PPAs. After reviewing party comments, we agree with parties, to the extent feasible, that CCAs and IOUs should be subject to similar processes for BioMAT program management.

To achieve this and facilitate CCA participation in BioMAT, we agree with the Joint IOUs’ and CalCCA’s proposal for CCAs to develop distinct CCA BioMAT websites and portals on the Accion BioMAT platform. Accordingly, we direct CCAs to work with Accion to achieve this goal. We also require that BioMAT participants should be granted access to CCA BioMAT websites and portals through a central BioMAT Accion webpage.

We adopt the Joint IOUs’ and CalCCA’s proposal for CCA BioMAT projects to be submitted through respective CCA BioMAT portals. CCA participants may only submit one application per project to the BioMAT program, and not multiple applications to each participating CCA or IOU for the same project to prevent the same project from occupying two spaces in the BioMAT queue. We also require that any IOU or CCA vendor contract with Accion to incorporate a firewall on the BioMAT portal to prevent breaching the confidentiality of BioMAT program data and information.

We also acknowledge that CalCCA and Cal Advocates make valid claims that IOUs management of BioMAT project eligibility reviews could be more efficient and cost-effective. Despite these potential benefits, the Joint IOUs raise the importance of maintaining confidentiality while administering BioMAT PPA pricing. To resolve this issue, it is reasonable for the Commission to authorize CCAs and IOUs to contract with an independent third party to provide
management of BioMAT contract offer process, including the management of BioMAT project queues.

Accordingly, we require that CalCCA serve as the CCA representative, in consultation with the Joint IOUs, for CCAs to solicit contractual terms and sign contracts with current BioMAT program vendor Accion to create CCA BioMAT program websites and application portals. The CCA websites will be integrated with existing IOU BioMAT program platforms, the design of which shall maintain appropriate user firewalls and confidentiality protection features between the respective IOU and CCA procurement processes. In further consultation with the Joint IOUs, we also request CalCCA to serve as the CCA representative to solicit contractual terms, select, and provide a standardized contract for individual CCA provision of qualifying independent third-party vendor services. The independent third-party will integrate IOU and CCA BioMAT program administration tasks, including: (a) tracking and reporting PPA executions, (b) tracking statewide BioMAT market pricing, (c) management of fuel category project procurement queues, and (d) maintaining up-to-date feedstock megawatt allocation amounts.

The Commission’s direction to hire an independent third party would create a uniform process for CCA and IOU BioMAT program management, including but not limited to setting fuel category procurement queue order, notifying an IOU or CCA that a PPA can be offered awarding PPAs, and sending contracting status notifications. In addition, a merged BioMAT queue design also avoids the need for CCA capacity allocations that could limit contracting flexibility. While adopting this simple approach, the Commission expects that BioMAT confidentiality concerns would also be alleviated as suggested by the Joint IOUs and CalCCA.

We also agree with CalCCA’s recommended process for facilitating the execution and award of PPAs, including but not limited to BioMAT participant notification and BioMAT program capacity tracking requirements. Upon project execution, any capacity procured by a participating CCA shall reduce the procurement targets for that allocation category ordered by the Commission for the IOU whose service territory encompasses that CCA. Since the Commission requires that an independent third-party administer the process that determines BioMAT contract offer process between CCAs and counterparties, the independent third-party will also track PPA offers, acceptance, and execution of contracts.

Within 60 days of the effective date of this decision, participating CCAs are directed to submit a Joint CCA BioMAT Implementation Tier 2 AL filing that includes independent third-party contracts and CCA BioMAT standard program documents. Starting on February 1, 2024, and every year thereafter, CCAs participating in BioMAT are required to notify the Commission and BioMAT stakeholders about contracts executed each quarter between CCAs and counterparties. To streamline the reporting process, as discussed later in this decision, CCAs are directed to include their annual report on executed BioMAT PPAs in Tier 3 AL submissions that seek Commission approval of forecasted revenue requirements.

## Cost and Attribute Tracking, Allocation, and Recovery

Based on a review of party comments and current BioMAT rules, the Commission authorizes the collection of CCA BioMAT PPA costs from customers through NBCs. These eligible costs shall also include those costs associated with development and maintenance of Accion BioMAT web-based portals and related independent third-party administration costs required of this Decision. The Commission does not authorize CCAs to collect additional BioMAT general administrative costs through NBCs. Further, the Commission requires CCA BioMAT forecasted cost reports to include data fields that detail net costs and CCA BioMAT balancing accounts that receive funds from IOU balancing accounts and reflect the market value of RA and RPS attributes.

### Forecast Reports, Balancing Accounts, NBC Rate Schedules

We now consider what regulatory process the Commission should authorize for CCAs to submit and recover forecasted BioMAT costs.

The Joint IOUs recommend that CCAs should be directed by the Commission to submit Tier 2 ALs that establish BioMAT balancing accounts and NBC rate schedules. According to the Joint IOUs, CCA balancing accounts and rate schedules should be identical to those utilized by the IOU in the service area where the CCA operates. Further, if CCAs propose any deviations they must be approved by the Commission.[[79]](#footnote-80)

CalCCA proposes that each CCA should create a separate balancing account that receives funds from the IOU balancing subaccount for that CCA. CalCCA also suggests that CCA Annual Budget Advice Letters should include a forecasted BioMAT revenue requirement that details BioMAT net costs.[[80]](#footnote-81) With respect to RPS and RA attributes, CalCCA contends that market values associated with unbundled customer compliance will be credited towards a CCA’s BioMAT account corresponding to a debt recorded in the CCA’s forecasted revenue requirement.[[81]](#footnote-82)

Cal Advocates proposes that CCAs should file BioMAT forecasts in the RPS proceeding for Commission review and approval. To enable Commission disposition of CCA filings in a single decision, Cal Advocates suggests that a CCA filing deadline should be set. Cal Advocates also asserts that the Commission should adopt a process, including a template for consistent reporting of costs, that requires CCAs to track and submit recorded BioMAT costs for Commission review of CCA compliance with BioMAT rules.[[82]](#footnote-83)

The Joint IOUs support Cal Advocates’ proposal for the Commission to develop a standard template for CCAs to report BioMAT forecasted costs. According to the Joint IOUs, use of the cost template by CCAs would create a uniform method for demonstrating the reasonableness of cost forecasts, enable a more efficient review of cost information by the Commission and intervenors, and permit the IOUs to integrate approved rate forecasts in their own PPP charge rates.[[83]](#footnote-84)

We agree with the Joint IOUs and Cal Advocates that CCAs with BioMAT programs should develop a standard template for reporting forecasted costs and submit them in Tier 2 ALs to seek Commission approval. The practice of submitting a standard template to maintain consistency in reporting and efficiency in review should also be applied to the creation and design of balancing accounts and NBC rates. Accordingly, we require CCAs participating in BioMAT to include standard templates for: (1) forecasted cost reports, with data fields that detail net costs, (2) balancing accounts, designed to receive funds from IOU balancing accounts and reflect the market value of RA and RPS attributes, and (3) NBC rate schedules in their Joint CCA BioMAT Implementation Tier 2 AL. As stated earlier, CCAs are directed to file the Tier 2 AL within 60 days of the effective date of this decision. We also direct CCAs to align these BioMAT program documents with those used by IOUs where participating CCAs provide service, except as warranted pending Commission approval.

### Cost Allocation and Recovery

We now consider how CCAs BioMAT PPA costs, in addition to those program costs associated with third party market platform development and maintenance, should be allocated among ratepayers and the CCA’s method for recovery of costs associated with solicitation of and procurement from their BioMAT program contracts.

Currently, BioMAT program costs are allocated to all ratepayers through IOU NBCs included in PPP charges that are reflected in customer electric rates. To seek Commission authority to recover BioMAT and other energy-related costs recorded in balancing accounts for the upcoming year, the IOUs file annual ERRA forecast applications. These applications also include true-up costs, or the difference between an IOU’s forecasted BioMAT costs from the prior year and actual BioMAT costs incurred during the current year. Upon Commission approval, an IOU is then permitted to collect BioMAT costs in customer rates, usually as the beginning of the next calendar year.

In opening comments, parties offered their views on the
Commission-authorized regulatory process for CCAs to recover BioMAT costs.

The Joint IOUs advise that CCA net costs should be included in the IOUs’ BioMAT cost allocation and cost recovery process through PPP NBCs. To recover CCA forecasted revenue requirements, reflective of net costs,[[84]](#footnote-85) for the next calendar year, the Joint IOUs propose that the Commission direct CCAs to submit Tier 3 ALs to the Commission annually on or before February 1. If necessary, the Joint IOUs recommend that CCAs include true-up costs for the current year that reflect the difference between prior forecasted costs and actual costs, in Tier 3 AL filings.[[85]](#footnote-86)

Upon Commission approval of CCA forecasted BioMAT costs, the Joint IOUs maintain that these costs will be incorporated in PPPAMs for IOUs where CCAs operate. To recover forecasted net PPA costs from the IOUs, the Joint IOUs suggest that CCAs should be directed to send IOUs a mutually acceptable invoice form on or before April 30 and every quarter thereafter. CCAs would receive payment for requested net costs from the IOUs’ PPPAMs per terms in the invoice form.[[86]](#footnote-87) Subsequently, the Joint IOUs suggest that CCAs record funds received from IOUs and actual program costs and revenues in their Commission-approved BioMAT balancing accounts per terms in BioMAT preliminary statements. [[87]](#footnote-88) On balance, the Joint IOUs claim that Commission adoption of this regulatory process for CCAs to recover BioMAT costs (i.e. filing Tier 3 ALs) emulates the IOUs’ process for recovery of BioMAT costs through ERRA.[[88]](#footnote-89)

CalCCA agrees with the Joint IOUs that CCA BioMAT costs should be collected through PPP NBCs because they are incurred by bundled and unbundled customers (e.g., CCA customers) in each IOU service territory. CalCCA claims that submitting Tier 2 ALs to request recovery of CCA BioMAT costs is preferred since it resembles the CCAs’ process for recovery of costs incurred in the Disadvantaged Communities Green Tariff (DAC-GT) program. In this process, CalCCA maintains that CCAs must establish the reasonableness of forecasted and trued-up DAC-GT costs in Tier 2 AL submissions. After the ALs are disposed by the Commission, IOUs then incorporate these
Commission-authorized DAC-GT costs into their ERRA forecast applications (filed in the April-June timeframe). Upon Commission approval of these applications by December, CalCCA explains that IOUs incorporate the CCAs’ approved DAC-GT costs into their Annual Electric True-Up ALs. When the ALs are disposed, IOU electric rates are then updated to enable recovery of both CCA and IOU DAC-GT program costs. According to CalCCA, these
Commission-approved costs are recorded in IOU DAC-GT balancing accounts and then transferred to CCA DAC-GT subaccounts for final payment, which occurs once each quarter during the following year. [[89]](#footnote-90)

While CalCCA advocates that submission of Tier 2 ALs to recover BioMAT costs will suffice, CalCCA agrees with the Joint IOUs’ proposal that CCAs should submit Tier 3 ALs to seek Commission approval of BioMAT costs. Further, CalCCA claims that pre-approval of CCA Tier 3 ALs prior to the filing of IOU ERRA forecast applications would be a more efficient process for CCA BioMAT cost recovery in IOU ERRA forecast proceedings, and collection of BioMAT costs in PPP charges.

Cal Advocates concurs with the Joint IOUs and CalCCA that CCA BioMAT NBCs should be collected through customer PPP charges.[[90]](#footnote-91) As explained earlier, Cal Advocates suggests that the RPS proceeding is the correct venue to review BioMAT program filings. Specifically, Cal Advocates contends that the RPS proceeding permits the Commission, stakeholders, and the public to more easily review potentially numerous CCA BioMAT filings, including those related to BioMAT cost allocation, recovery, and allocation, in a single regulatory venue.[[91]](#footnote-92) If the Commission requires that CCAs submit BioMAT filings in the RPS proceeding, Cal Advocates proposes that the Commission may approve these filings in one or fewer decisions.[[92]](#footnote-93)

GPI maintains that NBCs in the PPP surcharge should be the mechanism for recovery of all BioMAT costs, including those incurred by IOUs and CCAs.[[93]](#footnote-94)

Based on a review of comments, we agree that NBCs are the appropriate rate elements to recover CCA BioMAT costs from customers. We also support the Joint IOUs’ proposal for CCAs to collect BioMAT net costs. Accordingly, we authorize recovery of CCA BioMAT costs from customers through NBCs in IOU PPP surcharges where CCAs provide service. We also require that participating CCAs shall submit Tier 3 ALs with the Commission annually and serve copies of the Tier 3 ALs to the service list of R.22-10-010 on or before February 1, 2024 and annually thereafter to seek Commission authority to recover forecasted eligible BioMAT revenue requirements for the upcoming calendar year and true-up costs that reflect actual costs incurred in the current year. Prior to filing Tier 3 ALs, we require CCAs and IOUs to convene so that they may identify and resolve any issues as possible to facilitate their timely approval. CCA BioMAT costs can only be approved by the Commission through a Resolution that disposes of these Tier 3 cost recovery ALs.

After Commission approval of Tier 3 ALs, Pacific Gas and Electric Company, Southern California Edison Company, or San Diego Gas & Electric Company (collectively, the “IOUs”) shall incorporate Commission-approved CCA BioMAT costs in their ERRA forecast applications and testimony. Specifically, the IOUs shall incorporate these approved CCA BioMAT costs in their respective “October Updates” within their annual ERRA forecast applications for the following year. Delaying the inclusion of these costs until the October Updates should provide the Commission with enough time to review and issue a Resolution that approves or denies any Tier 3 ALs requesting CCA recovery of eligible BioMAT revenue requirements. Upon Commission issuance of final decisions in IOU ERRA forecast applications, assuming disposition of CCA BioMAT costs in the Tier 3 AL process (as provided for below, regarding possible necessary contingent approval), CCAs shall send invoice forms to IOUs to request payment of final approved BioMAT net costs recovered from customers in IOU Public Purpose Program Charges (PPPC) and recorded in IOU PPPAMs on April 30, 2025 and every quarter thereafter.

This Decision provides ample specificity for the Tier 3 AL cost recovery filings, and we expect them to be resolved in time to be incorporated into the October Updates in ERRA, thereby ensuring timely collection of costs. However, since this is a new process, we are also providing specific direction should there be any unexpected delay in Commission approval of Tier 3 ALs via Resolution. This direction includes a contingency for cost recovery of CCA BioMAT costs if Commission approval of these of costs by Resolution is delayed. Specific direction is provided in the event that: 1) Tier 3 ALs *are* approved by Resolution *after* the October Update but in time for final approved amounts to be recorded in the IOUs’ annual year-end electric true-up or rate change ALs, and 2) Tier 3 ALs *are not* approved by Resolution in time for final approved amounts to be included the IOUs’ annual year-end electric true-up or rate change ALs. In the event of the first situation, costs adopted in ERRA will not need to be trued up to the final amount approved in the AL process; in the second, they may.

To effectuate this, we direct respective IOUs (in whose territory the CCA is located) not to include any pending CCA BioMAT costs in the October Update filing in their annual ERRA forecast proceedings if the Commission has not issued a Resolution approving these costs 20 days before the IOUs’ October Update filing deadline. In this situation, if CCA BioMAT Tier 3 ALs are subsequently approved by Commission Resolution no more than 10 days before the IOUs’ annual year-end electric true-up or rate change AL filings, the IOU shall incorporate Commission-approved costs into these ALs. This should provide enough time for final disposition of any filed Tier 3 AL prior to implementation of rates for the following year.

However, if the Commission has not issued a Resolution approving of a CCA’s Tier 3 AL 10 days prior to IOU filing of the annual year-end electric
true-up or rate change AL, the IOUs are directed to record the forecasted CCA BioMAT costs – the amounts specifically forecasted in the February 1 AL or supplemental AL – into the annual year-end electric true-up or rate change AL. First, we note that this does not substitute for or preclude the Commission’s review of a CCA’s forecasted BioMAT costs under the proscribed AL process. Instead, this will ensure that revenue is recovered to fund any future approved CCA BioMAT costs. In this case, the IOUs are directed to disburse funds to CCAs only after Commission disposition of the associated Tier 3 AL, and only in the amount approved within that disposition. To the extent that there are differences between the forecasted amounts collected in rates relative to any amounts approved in a Resolution, the CCAs are directed to correct this as part of the true-up in the following year’s Tier 3 AL submission.

Additionally, in the interest of ensuring that all possible steps are taken by the affected CCAs and IOUs to identify and resolve issues as much as possible with the ultimate goal of facilitating timely approval of CCA BioMAT ALs (particularly in light of the legislative direction underpinning this proceeding), we will also require any CCA and IOU (in whose territory the CCA is located) to convene before the CCA files a Tier 3 BioMAT AL. The IOU shall make all possible arrangements to timely coordinate with any CCA to conduct such a meeting.

Ultimately, this direction on contingency options will provide a safeguard for Commission review and approval of eligible CCA BioMAT costs and assist CCAs to ensure that forecasted eligible BioMAT costs are ultimately included and accounted for within the ERRA proceedings. While we create this contingency process, we also stress that it is only intended as a backstop if there is a delay in timely Commission approval of a CCA’s forecasted BioMAT costs. This does not create duplicate venues for possible litigation between interested parties. As stated earlier, the only venue for consideration and approval of forecasted CCA BioMAT costs is via the filed Tier 3 ALs. If there is no delay in Commission disposition of a CCA’s AL, this process will not be utilized.

### RA and RPS Costs and Tracking

Next, we consider the CCA’s obligations to purchase and track RA and RPS attributes associated with BioMAT PPAs.

To satisfy compliance requirements, the Joint IOUs contend that CCAs must purchase RA and RPS attributes (attributes) associated with their PPAs at Commission-determined MPBs used in the IOUs’ NBC methodology. Further, the Joint IOUs maintain that the Commission should direct CCAs not to resell them. The Joint IOUs also suggest that under or over collection of costs should be reconciled in CCA balancing accounts.[[94]](#footnote-95) With respect to oversight, the Joint IOUs assert that the Commission should require CCAs to bid and/or schedule PPAs into the CAISO market and track revenues and costs throughout the year in Commission-approved balancing accounts.[[95]](#footnote-96)

CalCCA argues that CCA and IOU customers should pay the same amount for attributes according to the MPB, pursuant to R.17-06-026, the Power Charge Indifference Adjustment (PCIA) Proceeding.[[96]](#footnote-97)

Cal Advocates maintain that CCA attribute costs should be calculated per the IOUs’ BioMAT NBC methodology prescribed in D.20-08-043.[[97]](#footnote-98) For RA tracking, Cal Advocates notes that LSEs must fill and submit templates to the Commission and CAISO that detail monthly RA resources that will be claimed no later than 45 days after the beginning of the compliance month. Cal Advocates also suggests that BioMAT resources should be regarded like other RA resources, as volumes of capacity, and if they qualify for system, local, or flexible RA.

Like the treatment of RA, Cal Advocates argues that BioMAT resources should be considered as RPS resources. Cal Advocates points out that the California Energy Commission identifies if a resource satisfies RPS requirements while the Western Renewable Energy Generation Information System tracks RECs. With respect to tracking, Cal Advocates denotes that RPS resource forecasts and accounting, and accordingly BioMAT resource forecasts and accounting, will be respectively reflected in RPS procurement plans and compliance reports.[[98]](#footnote-99)

GPI maintains that CCAs and IOUs should be subject to a similar process for allocating RA credits and RECs to projects. Further, GPI contends that bundling of RA and RPS attributes with energy is an incentive for LSEs to sign BioMAT contracts.[[99]](#footnote-100)

We agree with the Joint IOUs that CCAs must purchase attributes based on MPBs, as calculated in the IOUs’ NBC methodology, true-up attribute costs in balancing accounts, bid and schedule PPAs in the CAISO market, and be directed not to resell them. We also concur with Cal Advocates’ recommendation for BioMAT projects to be counted as RA and RPS resources and therefore comply with RA and RPS requirements. These requirements include but are not limited to reporting RA resources to the Commission and CAISO, and accounting of RPS-eligible projects in RPS forecasts and procurement plans. Accordingly, we adopt these requirements.

### Additional Cost and Credit Allocation Issues

We now focus on determining if the Commission should grant authority for CCAs participating in BioMAT to recover BioMAT administrative costs and midterm reliability (MTR) load share credits.

The Joint IOUs suggest that the Commission should consider requiring a CCA to re-assign BioMAT PPAs to other CCAs if they exit BioMAT program or the electric service market. Additionally, the Joint IOUs contend that CCA program administration costs should be borne by CCAs and not be recovered through the IOUs’ PPPAM.[[100]](#footnote-101)

CalCCA request to submit Tier 3 ALs that seek Commission authorization to recover BioMAT administrative costs.[[101]](#footnote-102) Further, CalCCA requests that LSEs, including CCAs, should receive a load share credit from CCA BioMAT resources that count towards MTR requirements established in D.21-06-035. CCAs argues that the credit should be granted since BioMAT resources are funded by all benefiting customers.[[102]](#footnote-103)

Unlike CalCCA, the Joint IOUs assert that BioMAT administrative costs should be included in CCA procurement operation costs and therefore should not be recovered through the IOUs’ PPPAMs. Further, the Joint IOUs contend that AB 843 only permits recovery of BioMAT procurement costs. If CCAs are authorized to recover BioMAT administrative costs through the IOUs’ PPPAMs, the Joint IOUs believe that CCAs would have an unfair competitive advantage.[[103]](#footnote-104)

CalCCA disputes the Joint IOUs’ proposal. According to CalCCA, CCAs do not have regulatory venues, like General Rate Cases (GRCs), to recover BioMAT costs. Given that, CalCCA suggests that BioMAT program administration costs should be recovered in annual BioMAT cost recovery filings.[[104]](#footnote-105)

Since the IOUs do not recover BioMAT administrative costs through NBCs, Cal Advocates agrees with the Joint IOUs that CCAs should likewise not be authorized to do so.[[105]](#footnote-106)

We have carefully considered the parties’ positions and determine that, to maintain parity, the Commission authorized mechanism for recovery of IOU and CCA BioMAT costs should be equivalent. Since AB 843 only permits recovery of BioMAT PPA, associated environmental costs,[[106]](#footnote-107) vendor platform integration costs associated with Accion IT services procurement and independent
third-party administration or management as required in Sections 3.3 and 3.4 of this Decision, we do not authorize CCAs to recover additional BioMAT administrative costs through IOU NBCs, such as costs associated with eligibility review of program participation requests, Commission filings, contract executions, contract management, etc. We also do not grant authority for CCAs to receive load share MTR credits from CCA BioMAT resources that counts towards MTR requirements. This request should be considered in the IRP Rulemaking, R.20-05-003.

## Capacity Reporting

To track progress on CCA participation in BioMAT, the Commission must decide how participating CCAs should report BioMAT procurement to the Commission and stakeholders. We now consider comments provided by parties on this matter.

The Joint IOUs and CalCCA concur that CCAs participating in BioMAT should post 10-day Reports but differ on the level of detail that should be provided. While the Joint IOUs recommend that each CCA post BioMAT program documents, including 10-Day Reports detailing PPAs, on their Accion websites.,[[107]](#footnote-108) CalCCA proposes that additional columns should be included in the IOUs’ 10-Day Reports. According to CalCCA, project applicant submissions to IOUs or specific CCAs should also be posted. Further, CalCCA suggests that the report should specify the remaining BioMAT capacity in the applicable Fuel Resource Category.[[108]](#footnote-109)

The Joint IOUs do not support CalCCA’s recommendation that the 10-Day Reports include PPA buyer information or remaining BioMAT capacity. According to the Joint IOUs, the reports summarize standard terms and the project status of each IOU’s executed contracts and therefore it would not be appropriate for IOUs to report the terms of CCA PPAs in the IOUs’ 10-day Reports.[[109]](#footnote-110)

To establish equal transparency and oversight of CCAs and IOUs, the Commission requires that CCAs should comply with current BioMAT reporting practices, including the need to post reports on PPA execution. Along this line of thought, CCAs are directed to post a report of each executed BioMAT PPA on their respective Accion websites within 10 days of PPA execution. CCAs will only be required to detail the status of current and new PPAs on their respective Accion websites.

## Commission Oversight of Prudent Manager Standard

We now consider what regulatory process the Commission should adopt for CCAs participating in BioMAT.

To establish prudent management of BioMAT program requirements, the Joint IOUs propose that CCAs should file and serve applications with supporting testimony annually on February 1. According to the Joint IOUs, Rule 2 applications and supporting testimony should describe CCA compliance with BioMAT tariffs, CAISO market dispatch rules per SOC 4, operation of balancing accounts, and administration of BioMAT rate schedules. The Joint IOUs assert that requiring CCAs to file and serve applications will enable the Commission to establish an evidentiary record, including intervenor testimony, to support proposed decisions, similar to the process that IOUs follow to demonstrate compliance with Energy Resource Recovery Account (ERRA) requirements.[[110]](#footnote-111)

Since BioMAT costs are recovered from ratepayers, CalCCA concurs with the Joint IOUs’ recommendation that CCAs should file and serve Rule 2 applications to permit the Commission to assess CCA management of BioMAT contracts and balancing accounts.[[111]](#footnote-112)

Cal Advocates argues that the Commission should require CCAs to comply with the Commission’s prudent manager standards that are applicable to IOUs. Consistent with prior recommendations, Cal Advocates suggests that prudency of BioMAT contract management should be reviewed in the RPS proceeding, similar to the Commission’s review of IOUs’ prudent contract management in ERRA proceedings.[[112]](#footnote-113)

GPI asserts that the Commission’s role in CCA BioMAT program oversight should not be comprehensive but restricted to ensuring that CCA BioMAT program requirements have been satisfied. These requirements include those related to pricing allowances, contract terms, fuel type and origin, and safety. To demonstrate compliance, GPI proposes that CCAs submit attestations and reports.[[113]](#footnote-114)

The Joint IOUs disagree with GPI’s belief that Commission oversight of the CCA BioMAT program should be limited. Since the BioMAT program is a public purpose program that is funded by all customers through the IOUs’ PPP charges, the Joint IOUs contend that AB 843 requires a thorough review of CCA compliance with rules related to BioMAT program elements. These program elements include tariffs, contracts, and the pricing methodology which intend to provide “maximum benefits to ratepayers and to ensure that incentives are used to reduce contract prices.”[[114]](#footnote-115) As such, the Joint IOUs claim that the Commission’s role in CCA BioMAT program oversight is not limited.[[115]](#footnote-116)

The Joint IOUs support Cal Advocates’ intent to streamline Commission review of CCA compliance with CCA BioMAT program rules and the Commission’s prudent manager standard in the RPS proceeding. However, the Joint IOUs suggest that Commission review the CCAs’ BioMAT program compliance with the prudent manager standard in annually filed applications should be the preferable regulatory venue for Commission oversight. According to the Joint IOUs, the RPS proceeding does not require testimony, discovery, and the opportunity to hold evidentiary hearings. Second, the Joint IOUs claim that Cal Advocates is the main party in the RPS proceeding that conducts reviews (and conceivably could serve that role in a ratesetting proceeding). Third, the Joint IOUs state that applications are used for Commission review of IOU compliance with BioMAT program requirements. Given these reasons, the Joint IOUs maintain that Commission review of CCA compliance with the Commission’s BioMAT program rules and prudent manager standard in a separate phase of the RPS proceeding may not be as efficient as review for an application.[[116]](#footnote-117)

CalCCA rejects Cal Advocates’ proposal for the Commission to require CCAs to submit CCA BioMAT program filings in the RPS proceeding to establish compliance with the Commission's prudent manager standard. CalCCA contends that consolidation of CCA BioMAT filings, with separate contracts, balancing accounts, and workpapers to be reviewed in the RPS proceeding does not comport with IOU regulatory processes and would not be feasible.[[117]](#footnote-118)

To evaluate CCA compliance with a variety of BioMAT program elements, including but not limited to satisfaction of BioMAT tariff requirements, adherence to CAISO market dispatch rules per SOC 4, operation of balancing accounts, and administration of BioMAT rate schedules, the Commission should develop and consider a robust evidentiary record on which a proposed decision is based. Accordingly, we agree with the Joint IOUs and CalCCA’s proposal that participating CCAs must file applications to demonstrate compliance with the Commission’s prudent manager standard. To achieve this, we require participating CCAs to file applications on September 1, 2024, and annually thereafter for review by the Commission, concurrently serving the application on the service list for the most current RPS proceeding.

## Achievement of Environmental and Social Justice Goals

Parties expressed different views on the impact of CCA participation in BioMAT to meet the Commission’s Environmental and Social Justice Goals, namely Goal 2: Increase investment in clean energy resources to benefit ESJ communities, especially to improve local air quality and public health; Goal 4: Increase climate resiliency in ESJ communities; and Goal 7: Promote high road career paths and economic opportunity for residents of ESJ communities.

While not offering comment on the impact of CCA participation in BioMAT on the Commission’s Environmental and Social Justice (ESJ) goals,[[118]](#footnote-119) the Joint IOUs cite a statement from the author of AB 843 that suggests “…AB 843 would help ensure that there are profitable waste streams for some of this material (biomass), incentivizing better forest and agricultural land management as well as providing potential renewable energy resources for microgrids and other backup energy projects…”[[119]](#footnote-120)

CalCCA suggests that BioMAT biomass projects assist local air districts to reduce emissions from open burning of agricultural and forestry residues, reduce wildfire threat, and enable forests to be more resilient.[[120]](#footnote-121) CalCCA also maintains that several stakeholders view small-scale BioMAT facilities to be more beneficial than large-scale biomass resources due to fewer incremental emissions. To that end, CalCCA suggests that expansion of the BioMAT program in disadvantaged communities or in Federal severe or extreme nonattainment areas might be encouraged. CalCCA also points out that the biomass industry supports jobs at biomass facilities and in the fuel supply infrastructure.[[121]](#footnote-122)

GPI claims that use of biomass to generate electricity is a more benign process for reducing local emissions and environmental impacts compared to landfill burial or opening burning. GPI also points out that siting of BioMAT projects in some jurisdictions could be an avenue for better paying jobs.[[122]](#footnote-123)

BAC asserts that BioMAT projects reduce opening burning and decaying of organic wastes, including forest biomass and livestock manure, that enhance air and water quality and public health. BAC also points out that use of
non-combustion methods for electricity generation, including gasification and pyrolysis, provides even greater benefits. Further, BAC maintains that BioMAT biomass projects enhance public safety by reducing wildfire risk and the risk of controlled burns through removal of forest fuels. Similar to GPI, BAC believes that BioMAT projects provide an opportunity for better paying and skilled jobs in low-income and underserved communities with higher levels of unemployment.[[123]](#footnote-124)

CBD argues that BioMAT biomass projects impose a greater climate impact than other generation resources due to their significantly higher GHG emissions rates. CBD also claims that electricity production from biomass is not carbon neutral, and therefore causes a net increase in GHG emissions. Aside from GHG impacts, CBD contends that biomass projects release hazardous air pollutants in disadvantaged communities with high pollution levels.[[124]](#footnote-125)

BAC agrees with GPI’s and CalCCA’s attribution of climate, health, and wildfire risk reduction benefits to the BioMAT program.[[125]](#footnote-126) BAC also concurs with CalCCA and GPI that siting BioMAT projects in social justice communities can directly and indirectly lead to more higher paying jobs.[[126]](#footnote-127)

Based upon a review of party comments, we find that the CCA BioMAT program has the potential to enhance local air quality through diversion of organic wastes, including but not limited to forest and agricultural residues, from landfills or uncontrolled combustion to their use as biofuels to generate electricity. Further, use of non-combustion technologies to generate electricity from biofuels, such as gasification and pyrolysis, could yield greater air quality benefits. Despite this, the release of hazardous air pollutants (HAPs) from BioMAT projects could also impose greater health risks to communities that face higher levels of air pollution. It is not known, at least in reference to information presented by parties, if the marginal health risks from HAPs or other pollutants (i.e., carbon monoxide, particulates) associated with uncontrolled combustion of organic materials, during opening burning or wildfires, is greater than health risks associated with controlled combustion in bioenergy projects.

Aside from environmental impacts, some parties contend that BioMAT projects sited in disadvantaged communities may provide opportunities for higher paying jobs. However, based on information provided in comments, it is not certain if higher paying skilled jobs at BioMAT facilities would be accessible to local community members, or if these jobs would be offered to others that reside elsewhere.

Given these open questions, the CCA BioMAT program will undoubtedly impact environmental and social justice communities, but the nature and degree of impact is yet unknown.

# Summary of Public Comment

One commenter recommended that the Commission should consider methods to permit BioMAT projects to use their energy output to supply electric vehicle charging under the Low Carbon Fuel Standard (LCFS). The commenter also suggested that BioMAT contracts could be revised to foster greater participation in LCFS. According to the commenter, authorizing dairy biogas generators to purchase RECs from IOUs and retire them, along with retirement of avoided methane benefits they already possess, would allow dairy gas biogas generators to participate in LCFS.

# Conclusion

Pursuant to AB 843, this decision sets requirements to enable CCAs to participate in BioMAT. In consultation with PG&E, SCE, SDG&E, and Accion, the Commission directs each CCA with a BioMAT program to develop a website and portal to inform project applicants about unsubscribed BioMAT program capacity and solicit project participation requests. These direct website and portal maintenance costs shall be recoverable through NBCs. To streamline the CCA BioMAT program, the Commission requires that each participating CCA use current IOU templates to develop BioMAT standard tariffs, PPAs, an Accion contract, an independent third-party service contract, balancing accounts, and NBC rate schedules and submit them in the Joint CCA BioMAT Implementation Tier 2 AL within 60 days of the effective date of this decision for approval by the Commission. To preserve the confidentiality of CCA project applicant legal names and project location, the Commission authorizes participating CCAs and the IOUs to sign contracts for webpage and portal development and an independent third-party to administer BioMAT pricing and determination of contract awards, including management of merged CCA/IOU project queues, PPA offers. CCAs are directed to include independent third-party and vendor contracts in the Joint CCA BioMAT Implementation Tier 2 AL. These independent-third party and vendor costs shall also be eligible for recovery against NBCs.

Aside from acquiring energy from BioMAT projects, each participating CCA must purchase RPS and RA attributes, according to MPBs, and comply with RPS and RA reporting requirements set by the Commission and CAISO.

Further, the Commission authorizes collection of CCA BioMAT costs through IOUs’ NBCs in PPP surcharges. To seek recovery of BioMAT costs, the Commission directs each participating CCA to submit Tier 3 ALs on
February 1, 2024 and annually thereafter that includes forecasted BioMAT revenue requirements and annual true-up tracked in balancing accounts. When submitting Tier 3 ALs, CCAs should also include a report of PPAs executed each quarter during the prior year. This report should also include cost estimates or actual invoices paid to Accion and the independent third-party vendor for integrated BioMAT market services. This decision also includes a contingency process that CCAs and IOUs are required to follow if Tier 3 Als, including forecasted BioMAT costs, are not approved by the Commission in a timely manner. Upon Commission approval of CCA BioMAT costs, CCAs shall invoice IOUs to remit BioMAT costs recorded in IOU BioMAT balancing accounts on April 30, 2025 and quarterly thereafter.

To demonstrate compliance with the Commission's prudent manager standard, each participating CCA shall file an application on September 1, 2024 and annually thereafter that describes implementation of policies, practices, and procedures to manage BioMAT PPAs. Finally, each participating CCA shall post reports on the status of current and new BioMAT PPAs on their Accion platforms.

# Comments on Proposed Decision

The proposed decision of the ALJ in this matter was mailed to the parties in accordance with Section 311 of the Public Utilities Code and comments were allowed under Rule 14.3 of the Commission’s Rules of Practice and Procedure. Comments were filed on October 30, 2023, by CalCCA, Cal Advocates, Joint IOUs, and GPI and reply comments were filed on November 6, 2023 by CalCCA, Cal Advocates, and the Joint IOUs. Changes and modifications that consider these comments are reflected throughout this decision.

# Assignment of Proceeding

John Reynolds is the assigned Commissioner and Rajan Mutialu is the assigned Administrative Law Judge in this proceeding.

Findings of Fact

AB 843 authorizes CCAs to submit eligible bioenergy projects for cost recovery pursuant to the BioMAT program if unsubscribed capacity exists.

AB 843 authorizes CCAs to count BioMAT procurement towards CCA RPS procurement requirements and satisfy IOU BioMAT procurement requirements where CCAs provide service and count the physical generating capacity of CCA BioMAT projects towards CCA RA requirements.

Pub. Util. Code Section 399.20 requires that CCAs and IOUs establish standard BioMAT tariffs and contracts that provide for a streamlined contracting process. CCA standard tariffs and contracts must comply with applicable state and local laws, building standards, and utility interconnection requirements.

Pub. Util. Code Section 399.20 requires that BioMAT tariffs shall provide the terms for payment of electricity purchased and current and anticipated environmental compliance costs from a BioMAT project.

Pub. Util. Code Section 399.20 permits but does not require CCAs to submit eligible BioMAT project cost to the Commission for cost recovery if open capacity exists within a capacity allocation category.

Pub. Util. Code Section 399.20 specifies that the Commission has ongoing review authority over standard BioMAT contracts of CCAs, consistent with the review of standard BioMAT contracts of electrical corporations. IOUs are required to develop, use, and maintain BioMAT program documents including but not limited to standard tariffs, standard contracts or PPAs, PPRs, NBC rate schedules, and balancing accounts.

GO 96-B Energy Industry Rule 5 does not explicitly prevent CCAs from filing advice letters. GO 96-B, Energy Industry Rule 9 provides a regulatory process for load-serving entities, including CCAs, to submit compliance filings.

Because CCA BioMAT project applicant legal names and ownership structures need to be verified, it is difficult for the Joint IOUs to administer BioMAT pricing and not compromise CCA BioMAT project applicant confidentiality.

An independent third-party can administer the BioMAT contract award determination process, including but not limited to management of BioMAT pricing and merged CCA/IOU project queues, and not compromise the confidentiality of IOU and CCA project applicants.

IOU BioMAT executed PPAs do not require Commission approval and are identified in public reports.

IOU BioMAT costs are allocated to customers through NBC rates. NBC rates are calculated on a 12-month coincident peak demand basis for revenue allocation used for the cost allocation mechanism (CAM), set on a per kWh basis for each customer group. NBC rates are used to calculate NBCs included in PPP surcharges paid by IOU and unbundled customers.

The IOUs purchase RA and RPS attributes associated with their PPAs at Commission-determined market price benchmarks used in the IOUs’ NBC methodology.

IOU BioMAT costs collected through NBC are recorded in balancing accounts, that reflect any under or over collection of costs.

IOUs file 10-day Reports to provide information on the status of current and new PPAs.

IOUs file applications in annual ERRA proceedings to seek approval from the Commission to recover forecasted BioMAT costs and demonstrate prudent management of BioMAT PPAs.

IOU ERRA applications include testimony intended to demonstrate IOU compliance with BioMAT tariffs, CAISO market dispatch rules per SOC 4, operation of balancing accounts, and administration of BioMAT rate schedules.

The CCA BioMAT program will impact environmental and social justice communities, but the nature and degree of such impact is unknown.

Conclusions of Law

AB 843 authorizes CCAs to participate in the BioMAT Program.

To the extent necessary and feasible, the Commission should adopt CCA BioMAT requirements that are applicable to IOUs to streamline the BioMAT program.

CCAs should not be required to issue a notice of intent to the Commission indicating their intent to participate in the BioMAT program.

CCAs should not be assigned capacity allocations for BioMAT procurement.

CCAs should submit an advice letter with the Commission’s Energy Division to seek Commission approval of templates for standard BioMAT tariffs, PPAs, NBC rate schedules, PPRs, website and portal service contracts, independent third-party service contracts, and balancing account statement.

An independent third-party should administer BioMAT pricing and determine which participants may be awarded a BioMAT PPA contracting because CCA project applicant legal names and project locations would be revealed and compromise confidentiality.

An independent third party should administer the BioMAT PPA award determination process, including managing fuel category procurement queues and tracking PPA acceptances and executions, as an integral and necessary part of the CCA and IOU BioMAT contracting process.

To streamline the BioMAT program, the Commission should adopt merged CCA and IOU project queues. A BioMAT program participant may only submit one application per project to the BioMAT program, and not multiple applications to each participating CCA or IOU for the same project to prevent the same project from occupying two spaces in the BioMAT queue.

CCA BioMAT costs, including PPA costs and net of RA and RPS attribute costs, should be collected from customers through NBCs in IOU PPP surcharges.

CCA BioMAT RA and RPS attributes should be based on
Commission-determined market price benchmarks used in the IOUs’ NBC methodology.

CCAs should be authorized to submit advice letters to seek Commission approval of BioMAT program documents and recovery of BioMAT cost through the IOUs’ PPPC.

CCAs should not be authorized to recover BioMAT administrative costs, other than those required of Accion and any independent third-party vendor ordered in this Decision, through IOUs’ PPPACs.

CCAs should be required to file applications to demonstrate compliance with BioMAT requirements and the Commission’s prudent management standard.

CCAs should post 10-day Reports to provide information on the status of current and new PPAs.

This proceeding should be closed.

ORDER

**IT IS ORDERED** that:

1. The Investor-Owned Utilities are each authorized to submit a Tier 2 advice letter (AL) modifying their applicable tariffs to implement this decision and must submit the Tier 2 AL within 30 days of the effective date of this decision.
2. Community Choice Aggregators (CCAs) that initially elect to participate in the Bioenergy Market Adjusting Tariff (BioMAT) program are directed to develop BioMAT standard program documents including but not limited to program tariffs, power purchase agreement, program participation request forms, non-bypassable charge rate schedules.
3. Community Choice Aggregators (CCAs) that elect to participate in the Bioenergy Market Adjusting Tariff (BioMAT) program will be represented by the California Community Choice Association to consult with Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company (collectively, the IOUs), and Accion to solicit contract terms and to develop individual CCA BioMAT websites and portals on the Accion BioMAT platform as well as a central BioMAT Accion webpage. IOU and CCA BioMAT Accion webpages shall provide CCA BioMAT participants with access to a central BioMAT Accion webpage. Each participating CCA shall solicit contract terms with Accion within 60 days after the effective date of this decision. Each participating CCA shall also contract directly with Accion to develop their webpages.
4. The central BioMAT Accion webpage and standard framework for individual Community Choice Aggregator (CCA) webpages must be completed within 90 days of the effective date of this decision. Individual CCA BioMAT Accion webpages must be completed within 90 days of a CCA’s election to participate in the BioMAT program. Vendor costs associated with the provision of these services are eligible for recovery against IOU-managed Public Purpose Program Charges.
5. Community Choice Aggregators (CCAs) that elect to participate in the Bioenergy Market Adjusting Tariff (BioMAT) program shall be represented by the California Community Choice Association to consult with Pacific Gas and Electric Company, Southern California Edison Company, and San Diego Gas & Electric Company to solicit contract terms to hire an independent third party that shall administer the BioMAT project pricing and the contract award determination process within 60 days of the effective date of this decision. Each participating CCA shall also contract directly with the third-party administrator to support integration of such services with their individual webpages. The pricing and contract award determination process shall include management of merged fuel category procurement project queues, and tracking of power purchase agreement awards and executions. Vendor costs associated with the provision of these services are eligible for recovery against IOU-managed Public Purpose Program Charges.
6. Community Choice Aggregators (CCAs) shall submit a Joint CCA Bioenergy Market Adjusting Tariff (BioMAT) Implementation Tier 2 advice letter to request California Public Utilities Commission (Commission) approval of standard CCA BioMAT standard program documentation including tariffs, a power purchase agreement, program participation request forms, BioMAT program website and portal development contracts, independent third-party contracts, initial balancing account statements, and non-bypassable charge rate schedules within 60 days of the effective date of this decision. CCAs shall include a redline version of the CCAs’ proposed tariffs that compares them with the IOUs’ tariffs (as proposed to be modified by the IOUs to implement this decision). CCAs that elect to participate in the CCA BioMAT program after
60 days of the effective date of this decision shall submit a CCA BioMAT Implementation Tier 2 advice with standard program documentation as required, and any needed independent third-party or vendor contract modifications, in the Joint CCA BioMAT Implementation Tier 2 advice letter.
7. Community Choice Aggregators (CCAs) that elect to participate in the Bioenergy Market Adjusting Tariff (BioMAT) program must direct project applicants to submit BioMAT program documentation, including but not limited to Program Participation Requests through each participating CCA’s BioMAT Accion portal. CCA BioMAT program participants may only submit one application per project to the BioMAT program. The Accion portals shall include firewalls to prevent breaching the confidentiality of BioMAT program data and information.
8. Each Community Choice Aggregator that elects to participate in the Bioenergy Market Adjusting Tariff program shall purchase Renewable Portfolio Standard and Resource Adequacy attributes based on market price benchmarks, as calculated in the non-bypassable charge methodology, true-up attribute costs in balancing accounts, bid and schedule power purchase agreements in the California Independent System Operator market, and shall not resell them.
9. Each Community Choice Aggregator that elects to participate in the Bioenergy Market Adjusting Tariff program shall comply with Renewable Portfolio Standard (RPS) and Resource Adequacy (RA) requirements. These requirements include but are not limited to reporting RA resources to the California Public Utilities Commission and California Independent System Operator, and accounting of RPS-eligible projects in RPS forecasts and procurement plans.
10. Each Community Choice Aggregator (CCA) that elects to participate in the Bioenergy Market Adjusting Tariff (BioMAT) program shall be subject to oversight by the California Public Utilities Commission’s (Commission’s) Energy Division: (1) to initially review independent third-party BioMAT contract scope, provisions, requirements, deliverables, and cost to ensure compliance with the requirements of this decision and (2) to periodically review the work of the independent third-party administrator. Each participating CCA, Pacific Gas and Electric Company, Southern California Edison Company, and San Diego Gas & Electric Company and shall coordinate to a reasonable degree with assigned Energy Division management and staff as a check on the process. The independent third-party administrator shall also make periodic presentations regarding its findings to respective investor-owned utility Procurement Review Groups (PRGs). This process shall preserve the independence of the independent third-party administrator by ensuring free and unfettered communication between the independent third-party administrator and the Commission’s Energy Division, and an open, fair, and transparent process that the PRG can confirm.
11. Each Community Choice Aggregator’s BioMAT program costs, net of Resource Adequacy and Renewable Portfolio Standard attribute costs, will be recovered from customers through Pacific Gas and Electric Company, Southern California Edison Company, or San Diego Gas & Electric Company (collectively, the IOUs) non-bypassable charges (NBCs) included in each respective IOU’s Public Purpose Program (PPP) surcharges. IOU PPP surcharges will be recorded in the IOUs’ PPP Adjustment Mechanism (PPAM) balancing accounts. Independent third-party costs will be shared equally between all IOUs and CCAs participating in BioMAT and shall be collected from customers in NBCs, included in the IOUs’ PPP surcharges, and recorded in the IOUs’ Public Purpose Program Charge.
12. Each Community Choice Aggregator (CCA) that elects to participate in the Bioenergy Market Adjusting Tariff (BioMAT) program shall a submit Tier 3 Advice Letter (AL) that seeks California Public Utilities Commission (Commission) approval of eligible BioMAT forecasted revenue requirements recorded in CCA balancing accounts that reflect BioMAT program net costs, including power purchase agreement costs, Accion BioMAT platform integration costs, and independent third party vendor costs required for joint CCA/IOU program administration as ordered in Sections 3.3 and 3.4 on or before February 1, 2024 and annually thereafter. The Tier 3 ALs shall also include a report on BioMAT power purchase agreements executed during each quarter of the prior year. Before CCAs file Tier 3 ALs, CCAs and IOUs (in whose territory the CCA is located) shall convene to identify and resolve issues as much as possible with the intent to facilitate timely approval of CCA BioMAT ALs. After Commission approval of the Tier 3 ALs, Pacific Gas and Electric Company, Southern California Edison Company, or San Diego Gas & Electric Company shall include Commission-approved CCA BioMAT costs in the October Update to their Energy Resource Recovery Account forecast applications which will be utilized by the Commission to issue final decision(s) in these proceedings.
13. If the California Public Utilities Commission does not approve pending Tier 3 Advice Letters by 20 days prior to the October Update filing date set in the annual Energy Resource Recovery Account (ERRA) forecast proceedings for Pacific Gas and Electric Company, Southern California Edison Company, or San Diego Gas & Electric Company (collectively, the Investor-Owned Utilities (IOUs)), the IOUs shall not include these costs in the October Update to their ERRA forecast applications.
14. If the California Public Utilities Commission (Commission) does not approve pending Tier 3 Advice Letters (ALs) by 20 days prior to the October Update filing date set in the annual Energy Resource Recovery Account (ERRA) forecast proceedings for Pacific Gas and Electric Company, Southern California Edison Company, or San Diego Gas & Electric Company (collectively, the Investor-Owned Utilities (IOUs)), but does approve the Tier 3 ALs by Resolution 10 days prior to the filing of the IOUs’ annual year-end electric true-up or rate change ALs, the IOUs shall incorporate these approved CCA BioMAT costs into their annual year-end electric true-up or rate change ALs.
15. If the Commission does not approve pending Tier 3 Advice Letter (ALs) by 10 days prior to the Investor-Owned Utility (IOU) filing of the annual year-end electric true-up or rate change ALs, the IOUs shall include the forecasted Community Choice Aggregator (CCA) Bioenergy Market Adjusting Tariff (BioMAT) costs into the annual year-end electric true-up or rate change ALs. In this event, the IOUs are directed to disburse funds to CCAs only after Commission disposition of the associated Tier 3 ALs through a Resolution and only in the amount approved within that disposition. To the extent that there are differences between the forecasted amounts collected in rates relative to any amounts approved in a Resolution, the CCAs are directed to correct this as part of the true-up in the following year’s Tier 3 AL submission.
16. Each Community Choice Aggregator (CCA) that elects to participate in the Bioenergy Market Adjusting Tariff (BioMAT) program shall work with Pacific Gas and Electric Company, Southern California Edison Company, or San Diego Gas & Electric Company (collectively, the IOUs) to develop a mutually acceptable invoice form for the CCA to submit payment requests to recover California Public Utilities Commission (Commission)-approved net costs recorded in the respective IOU-managed Public Purpose Program Charge.

Once the Commission has approved a participating CCA’s forecasted revenue requirement, including forecasted Accion contract costs, the CCAs shall submit invoices to respective IOUs to request quarterly payment of the CCA’s Commission-approved BioMAT revenue requirement starting on April 30, 2025 for the first quarter of 2025 and quarterly thereafter, with the exception of Accion and independent third party invoices for vendor services required of this Decision, which may be submitted monthly or on the same schedule as existing IOU BioMAT service contract payments are settled.

1. Each Community Choice Aggregator (CCA) that elects to participate in Bioenergy Market Adjusting Tariff program shall file an application, to establish CCA compliance with the California Public Utilities Commission’s prudent manager standard for each calendar year, by September 1, 2024 and annually by September 1st thereafter.
2. Each Community Choice Aggregator that elects to participate in Bioenergy Market Adjusting Tariff (BioMAT) program shall include 10-day Reports on their respective Accion websites that detail the status of current and new power purchase agreements within 10 days of each BioMAT contract execution. Any capacity procured by a participating CCA shall reduce the procurement targets for that allocation category ordered by the Commission for the IOU whose service territory encompasses that CCA.
3. This proceeding is closed.

This order is effective today.

Dated November 30, 2023, at Sacramento, California.

ALICE REYNOLDS

President

GENEVIEVE SHIROMA

DARCIE L. HOUCK

JOHN REYNOLDS

KAREN DOUGLAS

Commissioners

1. Retail sellers included electrical corporations, community choice aggregators, and electric service providers, but not publicly owned utilities. [↑](#footnote-ref-2)
2. FIT project categories include baseload, peaking as-available, and non-peaking as-available (*i.e*., intermittent). [↑](#footnote-ref-3)
3. Allocations under this category shall be determined based on the proportion of bioenergy that sustainable forest management providers derive from sustainable forest management in fire threat treatment areas, as designated by the Department of Forestry and Fire Protection. [↑](#footnote-ref-4)
4. D.14-12-081 at 33. [↑](#footnote-ref-5)
5. *Id*. at 49. [↑](#footnote-ref-6)
6. *Id*. at 3. [↑](#footnote-ref-7)
7. *Id*. at 49. [↑](#footnote-ref-8)
8. *Id*. at 64. [↑](#footnote-ref-9)
9. D.15-09-004 at 3-4. [↑](#footnote-ref-10)
10. D.16-10-025 at 2. [↑](#footnote-ref-11)
11. *Id*. at 5-6. [↑](#footnote-ref-12)
12. D.20-08-043 at 15. [↑](#footnote-ref-13)
13. *Id*. at 10. [↑](#footnote-ref-14)
14. *Id*. at 18. [↑](#footnote-ref-15)
15. Cal Advocates Opening Comments at 4. [↑](#footnote-ref-16)
16. Joint IOU Reply Comments at 6. [↑](#footnote-ref-17)
17. CalCCA Reply Comments at 7-8. [↑](#footnote-ref-18)
18. Joint IOU Opening Comments at 2. [↑](#footnote-ref-19)
19. Tariff requirements include specific location, daisy-chainingand site control restrictions, capacity size limitations, Eligible Renewable Energy Resource (pursuant to PUC 399.12) and Federal Energy Regulatory Commission (FERC) defined Qualified Facility (QF) qualifications, threshold interconnection process, and strategically located requirements, queue administration, program period structure, and applicable participation fees requirements. [↑](#footnote-ref-20)
20. PPA requirements include (a) commercial operation milestones and deadlines; (b) collateral requirements; (c) relevant fuel use; (d) reporting and compliance obligations; (e) minimum and maximum energy production and product attribute delivery requirements; and
(f) representations, warranties, and events of default and termination rights. [↑](#footnote-ref-21)
21. Joint IOU Opening Comments at 2-3. [↑](#footnote-ref-22)
22. *Ibid*. [↑](#footnote-ref-23)
23. CalCCA Opening Comments at 15-16. [↑](#footnote-ref-24)
24. *Id. at 13.* [↑](#footnote-ref-25)
25. *Id. at 15-16.* [↑](#footnote-ref-26)
26. *Id. at 16-17.* [↑](#footnote-ref-27)
27. Cal Advocates Opening Comments at 3. [↑](#footnote-ref-28)
28. BAC Reply Comments at 5. [↑](#footnote-ref-29)
29. Cal Advocates Opening Comments at 4. [↑](#footnote-ref-30)
30. *Ibid.* [↑](#footnote-ref-31)
31. Cal Advocates Opening Comments at 3. [↑](#footnote-ref-32)
32. CalCCA Reply Comments at 6-7. [↑](#footnote-ref-33)
33. Joint IOU Reply Comments at 9. [↑](#footnote-ref-34)
34. General Order 96-B, Energy Industry 5 states that “A (u)tility submitting an advice letter shall designate the appropriate tier, based on the content of the advice letter. A Tier 1 or Tier 2 advice letter is subject to disposition under General Rule 7.6.1; a Tier 3 advice letter is subject to disposition under General Rule 7.6.2.” [↑](#footnote-ref-35)
35. General Order 96-B, Energy Industry 9 states that “A compliance filing by a Load-Serving Entity is not subject to protest but is otherwise subject to review and disposition under General Rules 7.5.1, 7.5.2, and 7.6.1.” [↑](#footnote-ref-36)
36. Cal Advocates Reply Comments at 2-4. [↑](#footnote-ref-37)
37. Scoping Memo at 2. [↑](#footnote-ref-38)
38. General Order 96-B, General Industry Rules 7.5.1, 7.5.2, and 7.6.2. [↑](#footnote-ref-39)
39. Joint IOU Opening Comments at 10. [↑](#footnote-ref-40)
40. CalCCA Opening Comments at 6-7. [↑](#footnote-ref-41)
41. BAC Reply Comments at 5. [↑](#footnote-ref-42)
42. *Id*. at 7. [↑](#footnote-ref-43)
43. Cal Advocates Opening Comments at 11. [↑](#footnote-ref-44)
44. GPI Opening Comments at 1. [↑](#footnote-ref-45)
45. Joint IOUs Reply Comments at 1-2. [↑](#footnote-ref-46)
46. *Id. at 4.* [↑](#footnote-ref-47)
47. Cal Advocates Reply Comments at 7. [↑](#footnote-ref-48)
48. AB 843 (f)(5)(A)(ii) [↑](#footnote-ref-49)
49. The term “portal” defined here refers to BioMAT sites hosted on platforms hosted by developers (*e.g*., Accion) for the purpose of BioMAT project management. Portals are used by project applicants to submit PPRs, and IOUs and/or CCAs to review PPRs, determine project eligibility, and place eligible projects in separate or merged IOU and CCA project queues. The term “website” refers to web pages where project applicants, IOUs, and CCAs can access links to BioMAT portals. [↑](#footnote-ref-50)
50. Joint IOUs Opening Comments at 5. [↑](#footnote-ref-51)
51. CalCCA Opening Comments at 7. [↑](#footnote-ref-52)
52. *Ibid.* [↑](#footnote-ref-53)
53. *Ibid.*  [↑](#footnote-ref-54)
54. Joint IOU Opening Comments at 5. [↑](#footnote-ref-55)
55. *Ibid.* [↑](#footnote-ref-56)
56. *Id. at 13.* [↑](#footnote-ref-57)
57. *Ibid*. [↑](#footnote-ref-58)
58. CalCCA Opening Comments at 8. [↑](#footnote-ref-59)
59. *Id. at 16.* [↑](#footnote-ref-60)
60. *Ibid*. [↑](#footnote-ref-61)
61. CalCCA Opening Comments at 9. [↑](#footnote-ref-62)
62. *Id. at 9.* [↑](#footnote-ref-63)
63. *Id. at 16.* [↑](#footnote-ref-64)
64. CalCCA Reply Comments at 4-5. [↑](#footnote-ref-65)
65. *Id. at 8.* [↑](#footnote-ref-66)
66. *Id. at 9.* [↑](#footnote-ref-67)
67. *Id. at 6.* [↑](#footnote-ref-68)
68. *Id. at 4.* [↑](#footnote-ref-69)
69. CalCCA Opening Comments at 5. [↑](#footnote-ref-70)
70. Cal Advocates Reply Comments at 5. [↑](#footnote-ref-71)
71. *Ibid.* [↑](#footnote-ref-72)
72. *Ibid.* [↑](#footnote-ref-73)
73. Cal Advocates Opening Comments at 3, fn. 10. [↑](#footnote-ref-74)
74. GPI Opening Comments at 3. [↑](#footnote-ref-75)
75. *Id. at 2.* [↑](#footnote-ref-76)
76. GPI Opening Comments at 2. [↑](#footnote-ref-77)
77. BAC Reply Comments at 5. [↑](#footnote-ref-78)
78. *Id*. at 6-7. [↑](#footnote-ref-79)
79. Joint IOUs Opening Comments at 11. [↑](#footnote-ref-80)
80. BioMAT net costs reflect PPA costs less energy and ancillary service charges and CAISO revenues received from BioMAT resources. [↑](#footnote-ref-81)
81. CalCCA Opening Comments at 19. [↑](#footnote-ref-82)
82. Cal Advocates Opening Comments at 7-8. [↑](#footnote-ref-83)
83. Joint IOU Reply Comments at 8. [↑](#footnote-ref-84)
84. According to the Joint IOUs, BioMAT net costs equal PPA costs minus RA attributes based on the Market Price Benchmark (MPB) minus Renewable Energy Certificate (REC) attributes based on the MPB minus CAISO Market Revenues. [↑](#footnote-ref-85)
85. Joint IOU Opening Comments at 12. [↑](#footnote-ref-86)
86. *Id*. at 13. [↑](#footnote-ref-87)
87. *Ibid*. [↑](#footnote-ref-88)
88. Joint IOU Comments at 16. [↑](#footnote-ref-89)
89. CalCCA Opening Comments at 10-12. [↑](#footnote-ref-90)
90. Cal Advocates Opening Comments at 7. [↑](#footnote-ref-91)
91. *Id*. at 3-5. [↑](#footnote-ref-92)
92. *Ibid*. [↑](#footnote-ref-93)
93. GPI Opening Comments at 3. [↑](#footnote-ref-94)
94. Joint IOU Opening Comments at 15-16. [↑](#footnote-ref-95)
95. *Id*. at 15. [↑](#footnote-ref-96)
96. CalCCA Opening Comments at 19. [↑](#footnote-ref-97)
97. Cal Advocates Opening Comments at 11. [↑](#footnote-ref-98)
98. *Id*. at 6-7. [↑](#footnote-ref-99)
99. GPI Opening Comments at 3. [↑](#footnote-ref-100)
100. Joint IOU Opening Comments at 17. [↑](#footnote-ref-101)
101. CalCCA Opening Comments at 20. [↑](#footnote-ref-102)
102. CalCCA Reply Comments at 10-11. [↑](#footnote-ref-103)
103. Joint IOUs Reply Comments at 8. [↑](#footnote-ref-104)
104. CalCCA Reply Comments at 9-10. [↑](#footnote-ref-105)
105. Cal Advocates Reply Comments at 6. [↑](#footnote-ref-106)
106. AB 843 (d)(1) [↑](#footnote-ref-107)
107. Joint IOUs Opening Comments at 13. [↑](#footnote-ref-108)
108. CalCCA Opening Comments at 18. [↑](#footnote-ref-109)
109. Joint IOU Reply Comments at 4. [↑](#footnote-ref-110)
110. Joint IOU Opening Comments at 4. [↑](#footnote-ref-111)
111. CalCCA Opening Comments at 13-14. [↑](#footnote-ref-112)
112. Cal Advocates Opening Comments at 5. [↑](#footnote-ref-113)
113. GPI Opening Comments at 3. [↑](#footnote-ref-114)
114. Joint IOU Reply Comments at 2. [↑](#footnote-ref-115)
115. Joint IOUs Opening Comments at 2-3. [↑](#footnote-ref-116)
116. Joint IOUs Reply Comments at 9. [↑](#footnote-ref-117)
117. CalCCA Reply Comments at 7. [↑](#footnote-ref-118)
118. Joint IOUs Opening Comments at 17. [↑](#footnote-ref-119)
119. *Id*. at 18. [↑](#footnote-ref-120)
120. CalCCA Opening Comments at 20. [↑](#footnote-ref-121)
121. *Id*. at 21. [↑](#footnote-ref-122)
122. GPI Opening Comments at 4. [↑](#footnote-ref-123)
123. BAC Opening Comments at 2-6. [↑](#footnote-ref-124)
124. CBD Opening Comments at 3-6. [↑](#footnote-ref-125)
125. BAC Reply Comments at 3. [↑](#footnote-ref-126)
126. *Id*. at 4. [↑](#footnote-ref-127)