Docket No.: A.24-09-014

Exhibit No.: _____

Date: October 30, 2026

Witness: Kyra J. Coyle

PREPARED DIRECT TESTIMONY OF KYRA J. COYLE

ON BEHALF OF

THE CALIFORNIA COMMUNITY CHOICE ASSOCIATION

REGARDING PG&E'S STOP-GAP HOURLY FLEX PRICING EXTENSION PROPOSAL (EXHIBIT PG&E-6)

IN PG&E'S GENERAL RATE CASE PHASE II APPLICATION

EXECUTIVE SUMMARY OF RECOMMENDATIONS

This testimony presents the recommendations of CalCCA[1] concerning the Stop-Gap Hourly Flex Pricing Extension Proposal in the *Application of Pacific Gas and Electric Company to Revise its Electric Marginal Costs, Revenue Allocation, and Rate Design*, submitted on September 30, 2024.

CalCCA recommends the Commission:

- Reject PG&E's proposal to discontinue the CCA incentive, and direct PG&E to extend the funding for CCA participation in the HFP pilots, including through any HFP 1.0 extension and HFP 2.0, on the terms the Commission adopted in D.24-01-032: $20 per kW-yr of enrollment in the CCA's service territory, subject to a per-pilot cap no lower than $1,800,000. The Commission should maintain this funding because PG&E: (1) failed to perform any analysis of the impact of eliminating the incentive on CCA recruitment or load response; (2) failed to consult CCAs on these proposed changes; (3) disregarded the Commission's stated purpose for the incentive, which was to increase enrollment; and (4) paradoxically proposes to fund ASPs and its own CCA-related administration while cutting off CCAs.
- Decline to approve, at this time, PG&E's proposal to replace subscriptions with the RNA because PG&E: (1) failed to perform any sensitivity or cost-shift analysis of the RNA; and (2) admits the RNA does not ensure customer-level revenue neutrality. The Commission should instead:
    - Adopt PG&E's proposal for credit-and-charge billing, while maintaining the existing HFP subscription design;
    - Permit PG&E to propose targeted, incremental refinements to the design based on the final HFP 1.0 evaluation and the RTP Impact Assessment, with an opportunity for CCAs and other stakeholders to review and comment before any change is implemented; and
    - Prioritize customer education and direct PG&E to submit a customer education plan, in consultation with CCAs and ASPs, and authorize PG&E to reallocate funds within its approved implementation budget to support it.

[1] Acronyms and defined terms used in this Summary of Recommendations are defined within the body of this testimony.

- In the alternative, if the Commission adopts the RNA, the Commission should:
    - Require PG&E to first serve, before HFP 2.0 is implemented: (1) a quantitative analysis of the RNA's customer-level, class-level, and participant/non-participant cost incidence, including the distribution of resulting credits and charges among customers within each rate schedule; (2) the results of its research on a fixed monthly charge alternative, together with a schedule for completing it; and (3) a commitment to report RNA outcomes by load-serving entity;
    - Confirm that CCAs retain the ability to modify RNA values for their own customers, and require PG&E to provide itemized estimates of the costs CCAs would bear under each customization option, which PG&E has said are the CCAs' responsibility;
    - Require PG&E to document the CCA customization options PG&E has confirmed in discovery in its implementing advice letter or in supplemental testimony;
    - Require PG&E to clarify, in supplemental testimony, how the exit ramp would apply to CCA customers;
    - Direct PG&E to preserve subscriptions as an optional feature, as PG&E itself says it may consider after HFP 2.0;
    - Require non-residential accounts to be served by an automation technology or participate with an automation service provider as a condition to enroll in the HFP to limit cost shifts to non-participating customers; and
    - Adopt CalCCA's recommendations regarding customer education described above.
- Direct PG&E to supplement its testimony to itemize the implementation costs recorded in the Dynamic and Real-Time Pricing Memorandum Account and identify any that are attributable solely to bundled generation service, which should be recovered from bundled customers only.
- Reject PG&E's open-ended request for post-decision cost-update authority unless the Commission requires bounding cost estimates before a final decision and adopts the guardrails described in this testimony.
- Require PG&E to support its program administration forecast with actual staffing and cost detail as a condition of recovery.

- Direct PG&E to convene a stakeholder process with CCAs to define the data, frequency, and confidentiality protections for any exchange of CCA program data used to prevent double compensation.

TABLE OF CONTENTS

I. INTRODUCTION AND SUMMARY OF RECOMMENDATIONS 1

II. THE COMMISSION SHOULD REJECT PG&E'S PROPOSAL TO DISCONTINUE THE CCA INCENTIVE 6

A. PG&E's Proposal Rests on an Inference About CCA Motivation, Not on Any Analysis of the Incentive's Effect 6

B. PG&E's Other Justifications for Eliminating the CCA Incentive Are Similarly Unconvincing and Unsupported 10

C. Eliminating the CCA Incentive Is Inconsistent with PG&E's Own Funding Requests and Would Jeopardize the Pilots' Objectives 12

D. Recommendation Regarding the CCA Incentive 14

III. THE COMMISSION SHOULD NOT ADOPT PG&E'S PROPOSAL TO REPLACE THE SUBSCRIPTION WITH THE RNA AT THIS TIME 14

A. Background on PG&E's Proposal 14

B. The RNA Is Underdeveloped and Untested 16

C. PG&E Did Not Meaningfully Evaluate Alternatives to the RNA 19

D. Changing Many Variables at Once Will Undermine, Not Advance, the Pilots' Learning Objectives 20

E. Customer Education, Not a New Rate Structure, Should Be the Priority 22

F. Recommendations Regarding the Proposed Transition from Subscriptions to RNA 23

IV. IN THE ALTERNATIVE, IF THE COMMISSION APPROVES THE RNA, IT SHOULD REQUIRE PG&E TO PROVIDE SUPPLEMENTAL INFORMATION AND OPTIONS TO SMOOTH THE TRANSITION AND ADOPT AN AUTOMATION TECHNOLOGY REQUIREMENT FOR NON-RESIDENTIAL PARTICIPANTS 23

A. If the Commission Approves the RNA, It Should Require PG&E to Provide Supplemental Information and Options to Smooth the Transition 23

B. If the Commission Approves the RNA, It Should Require Non-Residential Accounts to be Served by an Automation Technology or Participate with an Automation Service Provider 25

1. HFP Is Intended to Produce Load Shift, But Price Exposure Alone Does Not Ensure It 25

2. CalCCA Proposes an Automation Requirement for Non-Residential HFP Participation 27

C. Recommendations If the Commission Adopts the RNA 29

V. THE COMMISSION SHOULD REQUIRE PG&E TO SUPPLEMENT ITS TESTIMONY ON COST RECOVERY AND ALLOCATION AND SHOULD ADOPT GUARDRAILS ON COST RECOVERY 30

A. The Commission Should Require PG&E To Supplement Its Cost Recovery Proposal on Cost Allocation Issues 30

B. PG&E's Request For Post-Decision Cost-Update Authority Is Improperly Open-Ended 32

C. PG&E's Program Administration Forecast Should Be Supported with Staffing and Cost Detail 33

VI. THE COMMISSION SHOULD DIRECT A COLLABORATIVE PROCESS FOR THE DATA EXCHANGE USED TO PREVENT DOUBLE COMPENSATION AND CONFIRM THAT THE DUAL ENROLLMENT CHECKS ARE ADEQUATELY PREVENTING DOUBLE COMPENSATION 34

ATTACHMENTS

Attachment KJC-1 – CV of Kyra J. Coyle
Attachment KJC-2 – PG&E Responses to CalCCA Data Requests

I. INTRODUCTION AND SUMMARY OF RECOMMENDATIONS

Q: Please state your name, position, and business address.

A: My name is Kyra Coyle. I am a Principal at NewGen Strategies and Solutions, LLC. My business address is 225 Union Boulevard, Suite 450, Lakewood, Colorado 80228.

Q: Please describe your experience and qualifications.

A: I have over 15 years of experience in the utility, mining, and public accounting sectors. My expertise includes utility revenue requirement analyses, strategic planning, project management, contract negotiations, financial modeling, regulatory affairs, budgeting, forecasting, and regulatory accounting. My rate-related projects have included studies to develop retail electric, natural gas, transmission, ancillary service, standby, and special contract rates. I have provided expert witness testimony before several public utility commissions, including those in Alaska, Texas, California, Utah, Oregon, Indiana, and Wyoming, as well as before the Federal Energy Regulatory Commission (FERC). I previously submitted direct testimony in this proceeding on March 9, 2026, on behalf of the California Community Choice Association (CalCCA) regarding Pacific Gas and Electric Company's (PG&E) proposed community choice aggregator (CCA) Service Fees and Provider of Last Resort fee. A summary of my qualifications is provided within **Attachment KJC-1** to this testimony.

Q: On whose behalf are you testifying?

A: I am testifying on behalf of CalCCA. CalCCA represents the interests of 24 CCAs in California, including 11 CCAs that serve PG&E's delivery service customers. Each of those CCAs is governed by a Board of Directors comprised of elected officials who represent the individual cities and counties the CCA serves, or an elected City Council. CleanPowerSF is the CCA program developed and operated by the City and County of San Francisco, through the San Francisco Public Utilities Commission. SJCE is the City of San José's CCA program, which the San José Energy Department administers. CalCCA and CCAs individually advocate for their customers and their local energy programs before the Commission.

CCA customers receive generation services from their local CCA, and receive transmission, distribution, billing, and other services from the incumbent investor-owned

utility (IOU). While CCA and other unbundled customers do not pay PG&E's bundled generation rates, CCA customers are PG&E customers, subject to PG&E's distribution rates, several non-bypassable charges, and various utility service fees.

Q: What is the purpose of your testimony?

A: This testimony responds to PG&E's Stop-Gap Interim Real-Time Pricing (RTP) Pilots Extension proposal, which PG&E served on June 8, 2026, as Exhibit (PG&E-6) in the Dynamic Rate Options track of this proceeding (Stop-Gap Proposal).[2] PG&E's Stop-Gap Proposal asks the Commission to extend PG&E's existing Hourly Flex Pricing (HFP) pilots through 2028, to replace them with a redesigned "HFP 2.0" pilot from January 2029 through 2031, and to authorize approximately $26.5 million in incremental funding to do so.

My testimony addresses three sets of issues: (1) PG&E's proposal to discontinue the CCA incentive; (2) PG&E's proposal to replace the subscription feature of the HFP rate with a Revenue Neutral Adder (RNA); and (3) PG&E's cost recovery and cost allocation proposals, including its request for authority to update its cost estimates through a post-decision Tier 2 Advice Letter.

Q: Why do these issues matter to CalCCA and its member CCAs?

A: PG&E described CCAs in its testimony as "key partners" in ensuring that CCA customers can access the HFP rate.[3] CCAs serve approximately half of the load in PG&E's service area, with nine CCAs currently participating in PG&E's RTP pilots, and PG&E acknowledges that CCA engagement "has been important for recruiting customers and enabling load response."[4] Under the pilots, CCAs coordinate with PG&E to approve eligible customer enrollment, coordinate with PG&E to prevent double compensation, and are responsible for providing and funding the RTP generation credit for their customers.[5] Additionally, CCA customers are required to pay PG&E's distribution rates, which recover, among other things, the distribution-component shadow bill shortfalls of the HFP

---

[2] *See* Exh. PG&E-6 at 2-14:7-12 and n.22 (citing the Administrative Law Judge's Ruling Setting Schedule for the Dynamic Rate Options Track (Jan. 7, 2026), p. 3).

[3] *Id*. at 2-4:4-6; *id*. at 2-35:14-18.

[4] *Id*. at 2-4:2-4; *id*. at 2-5 (Table 2-2).

[5] *Id*. at 2-9:21-22; *id*. at 5-7:32 to 5-8:3; Attachment KJC-2 (PG&E Response to CalCCA DR 8.25).

and, under Decision (D.) 24-01-032, PG&E's HFP implementation costs.[6] The design and funding decisions the Commission makes in this proceeding will therefore directly affect CCAs' operating costs for the programs, the potential costs and benefits that will accrue to CCA customers, and CCA customers' access to dynamic rates and program offerings.

Q: Please summarize PG&E's Stop-Gap Proposal.

A: PG&E proposes to extend the current HFP pilots in their existing form through 2028 if needed, and then, beginning January 1, 2029 (or sooner if feasible), to offer HFP 2.0 through 2031.[7] Among other changes, HFP 2.0 would: (1) move from a "credit-only" to a "credit-and-charge" billing structure; (2) remove subscriptions and peak demand charges and instead recover non-marginal costs through an RNA; (3) remove transactive pricing; (4) add an automatic "exit ramp" customer protection; (5) replace the current Automation Service Provider (ASP) incentive structure with a contract model targeting five to six selected ASPs; and (6) expand rate eligibility.[8]

PG&E requests $26.5 million in incremental funding through the first quarter of 2031 ($29.2 million including $2.7 million in unused funds carried over from the current pilots), sized to serve up to 16,000 enrolled service agreements, compared with 2,352 service agreements enrolled as of April 30, 2026.[9] PG&E also proposes to discontinue the CCA incentive that supports CCA participation in the current pilots, and requests authority to file a Tier 2 Advice Letter within 45 days of a final decision to update its cost estimates.[10]

Q: Can you summarize CalCCA's specific recommendations in this case?

A: CalCCA's recommendations by topic, issue, and recommended resolution are summarized in the table below:

---

[6] Exh. PG&E-6 at 8-1:27 to 8-2:21; *id*. at 8-3:3-15; Attachment KJC-2 (PG&E Response to CalCCA DR 8.05).

[7] Exh. PG&E-6 at 2-14:13 to 2-15:9.

[8] *Id*. at 2-41 to 2-42 (Table 2-9); *id*. at 3-4:4-14; *id*. at 3-5:18 to 3-6:20; *id*. at 2-27:1-22.

[9] *Id*. at 2-36:17 to 2-37:7; *id*. at 2-37:34 to 2-38:2; *id*. at 2-4 (Table 2-1); *id*. at 2-39 (Table 2-8).

[10] *Id*. at 2-35:19-24; *id*. at 2-37:10-15.

Topic	Issue	Recommended Resolution
CCA Incentive Funding	PG&E proposes to discontinue the CCA incentive. PG&E: (1) performed no analysis of how eliminating the incentive would affect CCA recruitment or load response; (2) did not consult CCAs on the proposed change; (3) disregarded the Commission's stated purpose for the incentive, which was to increase enrollment; and (4) proposes to fund ASPs and its own CCA-related administration while cutting off CCAs.	- Reject PG&E's proposal. - Direct PG&E to extend funding for CCA participation in the HFP pilots, including any HFP 1.0 extension and HFP 2.0, on the terms adopted in D.24-01-032: $20 per kW-yr of enrollment in the CCA's service territory, subject to a per-pilot cap no lower than $1,800,000.
HFP Rate Design: RNA vs. Subscriptions	PG&E proposes to replace subscriptions with the RNA, but: (1) performed no sensitivity or cost-shift analysis of the RNA; and (2) admits the RNA does not ensure customer-level revenue neutrality.	- Decline to approve the RNA at this time. - Adopt PG&E's proposal for credit-and-charge billing while maintaining the existing HFP subscription design. - Permit PG&E to propose targeted, incremental refinements to the design based on the final HFP 1.0 evaluation and the RTP Impact Assessment, with an opportunity for CCAs and other stakeholders to review and comment before any change is implemented. - Direct PG&E to submit a customer education plan developed in consultation with CCAs and ASPs and authorize PG&E to reallocate funds within its approved implementation budget to support it.

Topic	Issue	Recommended Resolution
RNA Conditions (Alternative, if RNA Is Adopted)	Several aspects of the RNA proposal remain underdeveloped and unsupported: (1) the RNA proposal lacks supporting cost-incidence analysis, LSE-level reporting, and documentation of CCA customization options; (2) it is unclear under PG&E's proposal how the exit ramp would apply to CCA customers; and (3) PG&E's proposal lacks sufficient protections to limit cost shifting to non-participating customers.	If the Commission declines to adopt CalCCA's primary recommendation regarding retaining the subscription model, it should adopt the following recommendations to improve PG&E's RNA proposal: - Before HFP 2.0 is implemented, the Commission should require PG&E to serve: (1) a quantitative analysis of the RNA's customer-level, class-level, and participant/non-participant cost incidence, including the distribution of resulting credits and charges among customers within each rate schedule; (2) the results of its research on a fixed monthly charge alternative, together with a schedule for completing it; and (3) a commitment to report RNA outcomes by LSE. - Confirm that CCAs retain the ability to modify RNA values for their own customers, and that PG&E will provide itemized estimates of the costs CCAs would bear under each customization option. - Require PG&E to document the CCA customization options in its implementing advice letter or in supplemental testimony. - Require PG&E to clarify, in supplemental testimony, how the exit ramp would apply to CCA customers. - Direct PG&E to preserve subscriptions as an optional feature, as PG&E itself says it may consider after HFP 2.0. - Require, as a condition to enroll in the HFP, that all non-residential accounts either be served by an automation technology or participate with an automation service provider to limit cost shifts to non-participating customers. - Direct PG&E to submit a customer education plan developed in consultation with CCAs and ASPs and authorize PG&E to reallocate funds within its approved implementation budget to support it.
Memorandum Account Cost Recovery	Implementation costs recorded in the Dynamic and Real-Time Pricing Memorandum Account are not itemized, and some may be attributable solely to bundled generation service.	Direct PG&E to supplement its testimony to itemize the implementation costs recorded in the memorandum account and identify any attributable solely to bundled generation service, which should be recovered from bundled customers only.
Post-Decision Cost-Update Authority	PG&E requests open-ended authority to update costs after a final decision.	Reject the request unless the Commission requires bounding cost estimates before a final decision and adopts the guardrails described in this testimony.
Program Administration Forecast	PG&E's program administration forecast is not supported by actual staffing and cost detail.	Require PG&E to support its program administration forecast with actual staffing and cost detail as a condition of recovery.

Topic	Issue	Recommended Resolution
CCA Data Exchange / Double Compensation	No defined framework exists for exchanging CCA program data used to prevent double compensation.	- Review the dual enrollment check process to ensure PG&E is adhering to its own stated processes to prevent dual compensation. - Direct PG&E to convene a stakeholder process with CCAs to define the data, frequency, and confidentiality protections for any exchange of CCA program data used to prevent double compensation.

Q: How is the remainder of your testimony organized?

A: Section II addresses the CCA incentive issue. Section III addresses CalCCA's recommendation that the Commission reject PG&E's proposal to transition from subscriptions to the RNA, including the related issue of customer education. Section IV discusses the changes the Commission should require if it decides to authorize PG&E's proposal to transition to the RNA model. Section V addresses cost recovery, cost allocation, PG&E's program administration forecast, and PG&E's request for post-decision cost-update authority. Section VI addresses issues related to data exchange and prevention of double compensation. My testimony relies on PG&E's responses to CalCCA's Data Requests 8, 9 and 10, which are provided in **Attachment KJC-2**.

II. THE COMMISSION SHOULD REJECT PG&E'S PROPOSAL TO DISCONTINUE THE CCA INCENTIVE

A. PG&E's Proposal Rests on an Inference About CCA Motivation, Not on Any Analysis of the Incentive's Effect

Q: How has the CCA incentive functioned in the HFP pilots to date?

A: The Commission authorized funding for PG&E to administer each of the expanded pilots and, in place of funding for CCAs to administer pilots, adopted an incentive for CCAs that participate.[11] CCAs other than Valley Clean Energy (VCE) receive "an incentive of $20 per kilowatt for each year (kW-yr) of customer enrollment" in the PG&E Ag Pilot or PG&E Expanded Pilot 2 in their service territory, subject to a $1,800,000 cap for all CCA

[11] D.24-01-032 at 28-29; *id*., Finding of Fact 8.

incentives in each pilot.[12] The incentive is paid once per 12-month period, prorated, based on the aggregate kilowatts enrolled in the pilot in the CCA's service area.[13]

Q: Why did the Commission adopt the CCA incentive?

A: To increase enrollment. The Commission explained that, while it expected PG&E's role as administrator to expedite the pilots and avoid duplicating system costs, it also wanted "to provide CCAs with an incentive to participate in the pilots to increase the potential for reaching the expanded pilots' enrollment targets."[14] Those targets are 50 MW of enrollment in each of the two PG&E pilots, with a minimum of 10 MW.[15] Because CCAs receive a per-kW enrollment incentive rather than cost recovery for Load Serving Entity (LSE) specific administrative costs, the Commission agreed that no additional contracting requirements were needed for them.[16] The incentive is therefore tied to what CCAs deliver—enrolled load that may provide load flexibility in response to HFP price signals—and not to any particular CCA costs.

Q: What is PG&E proposing regarding the CCA incentive for HFP 2.0?

A: PG&E states that it "does not propose funding for continuation of CCA incentives as part of this Stop Gap Proposal."[17] The primary reason PG&E provides for eliminating the incentive is that CCAs "are now leveraging participation in PG&E's RTP pilots to meet LMS guidance."[18] PG&E seems to imply that this means the CCA incentive is no longer needed because Load Management Standards (LMS) requirements are incentive enough.

Q: Did PG&E analyze how eliminating the incentive would affect CCA participation?

A: No. PG&E has not analyzed how eliminating the CCA incentive would affect CCA participation, customer recruitment, load response, or enrollment outcomes. PG&E confirms that it performed no quantitative assessment of the effect on CCA recruitment activity or resulting load response and developed no forecast of resulting changes in

---

[12] *Id*. at 29 & n.52; *id*., Conclusions of Law 12(h) and 13(f). The cap equals $20 per kW multiplied by 30 MW and three years. *Id*. at 29 n.52. The Commission applied the same incentive to the SCE Expanded Pilot. *Id*. at 46-47.

[13] *Id*., Attachment A, Table A-1 n.1.

[14] D.24-01-032 at 28-29.

[15] *Id*., Ordering Paragraph 1; *id*., Finding of Fact 6.

[16] *Id*. at 73.

[17] Exh. PG&E-6 at 2-35:19-20.

[18] *Id*. at 2-35:19 to 2-36:10.

customer participation or load response.[19] Instead, PG&E bases its conclusion on its review of CCAs' publicly filed LMS compliance plans and their current participation levels in the pilots.[20] PG&E confirms that its testimony identifies no separate quantitative study of whether eliminating CCA incentive funding would affect CCA participation, recruitment, or load response.[21]

Q: Did PG&E consult with CCAs before proposing to discontinue the incentive?

A: No. PG&E did not seek input from participating CCAs before proposing to eliminate the CCA incentive. It made that determination based on the LMS and CCAs' compliance plans.[22] Instead, PG&E noted that it "anticipates and looks forward to the CCAs input through the regulatory stakeholder process," which is to say, only after the proposal was filed.[23] In response to a separate request about the RNA, PG&E separately reports sharing Stop-Gap rate-design information with participating CCAs at a March 26, 2026, coordination meeting. [24] That discussion did not address the incentive, and PG&E confirms that it did not solicit CCA input on its proposed elimination. [25]

Q: Does PG&E's assumption about the impact of LMS requirements justify its proposed elimination of the CCA incentive?

A: No. PG&E's reasoning conflates two different questions. The LMS compliance plans show the pathway that some CCAs have chosen to make an hourly dynamic rate available to their customers. CCAs stating their participation in the pilot in their LMS plans is not evidence of what would happen to unbundled customer recruitment, outreach, and load response if the funding that supports that work was withdrawn. PG&E concedes it never studied the second question.[26]

The distinction matters because the purposes of the pilots are not served by merely having a dynamic rate pilot available. PG&E itself tells the Commission that CCA

---

[19] Attachment KJC-2 (PG&E Response to CalCCA DR 8.01(b)); *see also id*. (PG&E Response to CalCCA DR 8.01(a)).
[20] *Id*. (PG&E Response to CalCCA DR 8.04).
[21] *Id*. (PG&E Response to CalCCA DR 8.02).
[22] *Id*. (PG&E Response to CalCCA DR 8.04).
[23] *Id*.
[24] *Id*. (PG&E Response to CalCCA DR 8.13).
[25] *Id*. (PG&E Response to CalCCA DR 8.04).
[26] *Id*. (PG&E Responses to CalCCA DRs 8.01 and 8.02).

engagement "has been important for recruiting customers and enabling load response."[27] Recruiting customers and enabling load response requires outreach, enrollment coordination, dual-participation verification, and tracking of billing and credit processing, all of which have associated costs for CCAs and impact the cost effectiveness of participation in HFP 2.0. The LMS obligation PG&E describes is to offer customers the option to enroll in a dynamic rate by July 1, 2027, if approved by the CCA's rate-making authority, or a program in which the customer can respond to marginal cost signals.[28] Nothing in the LMS regulation requires CCAs to participate in PG&E's HFP pilot specifically. If material changes are made to the pilot that make a CCA's continued participation in the pilot untenable, then a CCA may choose to no longer participate.

Furthermore, the LMS obligation does not require a CCA to recruit customers into a rate or program option, conduct outreach, or provide ongoing support. Nor does the obligation necessitate CCAs absorbing the costs of enrollment coordination, data exchange, or generation-credit processing to support unbundled customer participation in the pilots. Accordingly, it is unreasonable for PG&E to assume that CCAs' LMS obligations will necessarily lead to customer recruitment and ongoing enrolled customer support, absent the monetary incentives that have enabled CCAs to conduct those tasks.

Q: PG&E notes that the Commission's decision refers to CalCCA's LMS argument. Does that show the incentive was tied to LMS compliance?

A: No. PG&E observes that D.24-01-032 notes CalCCA's argument that administering pilots would help CCAs gain experience ahead of the LMS deadlines, and infers that the availability of funding is connected to the LMS.[29] But that argument appears in the decision's summary of CalCCA's position on funding CCAs to administer pilots, which the Commission did not adopt in that form.[30] The Commission's own stated reason for adopting the incentive was the enrollment targets.[31] I did not find in the decision any

---

27 Exh. PG&E-6 at 2-4:2-4.
28 *Id*. at 2-36:1-3.
29 Attachment KJC-2 (PG&E Response to CalCCA DR 8.04).
30 D.24-01-032 at 28.
31 *Id*. at 28-29.

condition tying the incentive to a CCA's LMS compliance, or any provision ending the incentive once a CCA has an approved compliance plan.

Q: Has the CCA incentive been successful in increasing enrollment in the PG&E HFP?

A: Yes, it has. As of October 21, 2026, the CCA customers account for 817 enrolled service agreements between HFP Pilot 1 and HFP Pilot 2.[32] There are 50 customers in HFP Pilot 1 with an enrolled load of 6.86 MW, and 767 customers in HFP Pilot 2 with an enrolled load of 48.68 MW.[33] CCA customers make up approximately 7%[34] of the enrolled load in HFP Pilot 1 and approximately 81% of the enrolled load in HFP Pilot 2.[35]

B. PG&E's Other Justifications for Eliminating the CCA Incentive Are Similarly Unconvincing and Unsupported

Q: What other justifications does PG&E offer for eliminating the CCA incentive?

A: PG&E states that CCAs are responsible for their own procurement costs and for how they reflect those costs in their generation rates.[36] PG&E notes that CCAs rely on PG&E's pricing and billing infrastructure, "for which CCAs are not charged."[37]

Q: Is PG&E's statement that CCAs are responsible for their own procurement costs relevant?

A: No. The CCA incentive was not adopted to fund procurement. The Commission adopted it as a per-kW enrollment incentive.[38] As PG&E's own reference to D.24-01-032 shows, CalCCA asked for funding "to administer dynamic rates pilots."[39] The costs CCAs incur to earn the incentive are operational: coordinating enrollment approvals; verifying and preventing dual participation through a recurring file exchange with PG&E in which CCAs are asked to respond within two to five business days; receiving price data; funding and processing the generation credit for unbundled customers; and customer-facing outreach.[40]

---

32 Attachment KJC-2 (PG&E Response to CalCCA DR 10.01).

33 *Id*.

34 (6.86 / 99.89 = 7% (rounded)).

35 (48.68 / 60.43 = 81% (rounded)).

36 Exh. PG&E-6 at 2-35:19 to 2-36:10. PG&E also notes that, under credit-and-charge billing, CCAs "will be less exposed to funding shortfalls" from the annual True-Up process. *Id*. at 2-36:11-15.

37 *Id*. at 2-35:19 to 2-36:10.

38 D.24-01-032 at 28-29.

39 Attachment KJC-2 (PG&E Response to CalCCA DR 8.04).

40 Exh. PG&E-6 at 2-9:21-22; *id*. at 5-6:25-30; *id*. at 5-7:32 to 5-8:3; Attachment KJC-2 (PG&E Response to CalCCA DR 8.25).

PG&E's observation that CCAs bear their own procurement costs is irrelevant; the incentive does not go toward procurement costs, it goes toward operational costs associated with program enrollment work.

Q: PG&E notes that CCAs use its pricing and billing infrastructure at no charge. Does that justify eliminating the incentive?

A: No. First, PG&E's assertion that CCAs use the pricing and billing infrastructure at no charge is misleading; *all* ratepayers, including CCA customers, fund the pricing and billing infrastructure. Second, access to PG&E's pricing and billing infrastructure is a feature of the pilot design, and the only available pathway to implementing the pilots—not a favor to CCAs. It is how CCA customers are priced and shadow billed under the pilot, and the infrastructure is funded by all ratepayers.

Furthermore, CCAs currently use PG&E's generation prices rather than their own because the billing system cannot support customized generation prices.[41] The availability of this shared infrastructure, paid for by all ratepayers through distribution rates, does not eliminate the CCA-side costs I described above, and it is not a substitute for funding them. Additionally, without a CCA incentive, CCA customers would effectively be paying twice for their CCA to participate: once through distribution rates, and then again through their generation rate. The CCA generation rate would be impacted by the operational costs incurred by the CCAs to support enrollment.

Q: PG&E also points to the credit-and-charge billing structure. Does that change your view?

A: No. CalCCA agrees that credit-and-charge billing is a meaningful improvement and supports modifying the pilots so that there is credit-and-charge billing. PG&E itself recognizes that credits without offsetting charges raise a concern for "PG&E, CCAs, and stakeholders" about cost shifts to non-participants.[42] However, reducing exposure to generation credit shortfalls is a different matter from compensating CCAs for the operational costs of participating. Credit-and-charge billing does nothing to reduce those

[41] Exh. PG&E-6 at 5-6 n.3.
[42] *Id*. at 2-20:13-19.

costs. And, as discussed in Section III, the proposed RNA leaves CCAs exposed to a different category of generation-credit risk that PG&E has not analyzed.

C. Eliminating the CCA Incentive Is Inconsistent with PG&E's Own Funding Requests and Would Jeopardize the Pilots' Objectives

Q: Is PG&E's proposal to eliminate the CCA incentive consistent with the rest of its funding request?

A: It is not. PG&E asks the Commission to approve $14.8 million for program administration and customer support, and $8.2 million for pricing, billing, and customer relationship management systems.[43] PG&E's program administration request includes staff who "support incentive processing for ASPs and CCAs" and program managers who coordinate with CCAs.[44] PG&E's response to CalCCA's data request confirms that the budget funds "coordination with CCA and ASP partners."[45] In other words, PG&E asks ratepayers to fund PG&E's side of the coordination with CCAs while proposing to cut off funding for the CCAs' side of the coordination, which supports enrolled customers and encourages further new enrollment.[46]

PG&E's treatment of ASPs is even more difficult to reconcile. PG&E explains that many ASPs have indicated that the current ASP incentive "does not appropriately compensate for their internal pilot start-up costs and ongoing support efforts."[47] PG&E's response in this case is to propose contracts with five to six selected ASPs that would pay each a fixed annual program management fee plus variable milestone-based payments, supported by a $3.6 million ASP budget that combines approximately $2.6 million in unused funds from the existing ASP budget with $1 million in new money.[48] PG&E would step the compensation down over time as ASPs develop their business models.[49]

PG&E has therefore concluded that third parties who recruit customers and enable load response need start-up and ongoing administrative support, and that the right response

---

43 *Id*. at 2-39 (Table 2-8, lines 1-2, column (d)).
44 *Id*. at 5-10:19-20; *id*. at 5-11:19-26.
45 Attachment KJC-2 (PG&E Response to CalCCA DR 8.19).
46 D.24-01-032 at 28-29.
47 Exh. PG&E-6 at 2-26:28-31.
48 *Id*. at 2-27:15-31; *id*. at 5-12:26 to 5-13:4; *id*. at 2-39 (Table 2-8, line 3).
49 *Id*. at 2-27:33 to 2-28:3; *id*. at 5-13:8-16.

is incremental supportive funding, even though a large part of the original ASP budget of approximately $2.6 million remained unused. CCAs perform the same recruiting that PG&E credits as "important," and incur comparable ongoing operational costs.

Q: Does PG&E's proposal create a cost-shift concern for unbundled customers?

A: Yes. Unbundled customers will pay, through distribution rates, for the distribution-component shadow bill shortfall that PG&E proposes to recover through its Distribution Revenue Adjustment Mechanism (DRAM) balancing account. However, PG&E is proposing to remove the ratepayer-funded CCA incentive.[50] PG&E's implementation costs of roughly $26.5 million are to be tracked in the DRTPMA and recovered in a future general rate case, and under D.24-01-032, recovered from all bundled and unbundled customers.[51] If CCAs are not compensated for the operational costs of participating, unbundled customers risk paying for the administration of a program in which their access is constrained, because the CCAs that enable that access cannot fund the work. That outcome is neither equitable nor consistent with the Commission's interest in supporting broad access to dynamic rates. Additionally, the customers of CCAs who continue to choose to participate in the pilots will be forced to pay for costs twice—once through their CCA's generation rates, and once through PG&E distribution rates as described above.

Q: Does PG&E's proposed expansion of the pilot heighten your concern?

A: Yes. PG&E has sized HFP 2.0 to serve up to 16,000 enrolled service agreements, nearly seven times the 2,352 service agreements enrolled today.[52] PG&E's testimony does not disclose how many of the currently enrolled service agreements belong to CCA customers; Table 2-1 breaks enrollment out by sector only, not by LSE. Nor does PG&E say how many of the roughly 13,600 additional service agreements it expects to come from CCA customers. CCAs serve about half of PG&E's load. If the Commission's goal is to substantially expand participation, it makes little sense to eliminate funding for the entities that serve half of the potential participants, particularly when PG&E has not studied what would happen if it did.

---

[50] *Id*. at 8-2:9-16; Attachment KJC-2 (PG&E Response to CalCCA DR 8.05(a)).

[51] Exh. PG&E-6 at 8-3:10-15; Attachment KJC-2 (PG&E Response to CalCCA DR 8.05(b)); D.24-01-032 at 55-56. I address cost recovery in Section V.

[52] Exh. PG&E-6 at 2-37:34 to 2-38:2; *id*. at 2-4 (Table 2-1).

D. Recommendation Regarding the CCA Incentive

Q: What do you recommend regarding the CCA incentive?

A: I recommend that the Commission reject PG&E's proposal to discontinue the CCA incentive and instead order continued funding of the CCA incentive, through any HFP 1.0 extension and through HFP 2.0, on the terms the Commission adopted in D.24-01-032: $20 per kW-yr of enrollment in the CCA's service territory, subject to a per-pilot cap no lower than $1,800,000. The CCA incentive should remain available to every CCA that elects to participate. The pilots authorized in D.24-01-032 conclude on December 31, 2027,[53] so the incentive adopted there expires with them. CalCCA asks the Commission to extend the same incentive for the extension period.

The Commission should also require PG&E to track and report enrollment and load response by LSE in its Measurement and Evaluation reports so stakeholders can continue to have insight into bundled versus unbundled customer participation to inform any future modifications to the program.

III. THE COMMISSION SHOULD NOT ADOPT PG&E'S PROPOSAL TO REPLACE THE SUBSCRIPTION WITH THE RNA AT THIS TIME

A. Background on PG&E's Proposal

Q: What is PG&E proposing regarding subscriptions?

A: Under the current HFP design, customers are assigned a subscription: a predefined load profile, based on the customer's own historical usage or a class average, that is charged at the customer's otherwise applicable tariff (OAT). Only deviations from that profile are charged or credited at the dynamic hourly price.[54] PG&E proposes to eliminate subscriptions for HFP 2.0 and to recover non-marginal costs through an RNA, which PG&E describes as a dollars-per-kilowatt-hour charge that will "make the dynamic rate revenue neutral to the retail OAT rate" and will vary by rate schedule and, for some schedules, by time-of-use period.[55] PG&E also proposes to remove peak demand charges,

---

53 D.24-01-032 at 2.

54 Exh. PG&E-6 at 2-20:21 to 2-21:10; *id*. at 3-3 (Table 3-1, line 6).

55 *Id*. at 2-25:6-15; *id*. at 3-3 to 3-4:14.

on the premise that all usage will be subject to the dynamic rate.[56] PG&E describes the result as a "price you see is the price you pay" design.[57]

Q: Why does PG&E say subscriptions should be removed?

A: PG&E's reasons center on customer experience. PG&E reports that it has "received considerable feedback from customers that they find subscriptions challenging to understand and manage"; that subscription scaling can muddle the price signal; that subscriptions add implementation cost and complexity for PG&E, customers, and ASPs; and that they complicate measurement and evaluation.[58] PG&E also observes that a subscription set too low "can result in customers achieving bill savings without changing load patterns," and that, in the VCE AgFIT pilot, customers with highly variable usage were "often underpaying or overpaying for electricity, relative to their cost of service."[59]

Q: Does CalCCA support any of these changes PG&E proposes for HFP 2.0?

A: Yes. CalCCA supports PG&E's proposed move from a credit-only to a credit-and-charge billing structure. As PG&E explains, that change would eliminate the bill protection inherent in the current design, give customers a stronger incentive to respond to the HFP rate, and "mitigate the concern for PG&E, CCAs, and stakeholders that credits to customers without the offsetting charges could create cost shifts to non-participating customers."[60] CCAs support improving the incentive provided to customers to shift behavior by adding the "charge" component to the pilot, and I believe the credit-and-charge change addresses a substantial portion of the cost-shift and load-response concerns PG&E identifies. It also would mean that customers who are structural winners today would not be able to count on credits continuing without any shifting of their load; they would bear the risk of net charges at True-Up if their usage or the price environment changes, so they, too, would have an incentive to continue to monitor and respond to the price signal. As I explain below, that is why the more complicated elements of PG&E's proposal, particularly the RNA, are unnecessary at this stage.

---

56 *Id*. at 3-4:4-14.
57 *Id*. at 2-25:10-12.
58 *Id*. at 2-20:22-24; *id*. at 2-24:4 to 2-25:5; *id*. at 3-3:6-9.
59 *Id*. at 2-23:13-15; *id*. at 2-24:2-3.
60 *Id*. at 2-19:18 to 2-20:19.

B. The RNA Is Underdeveloped and Untested

Q: What analysis has PG&E performed of the RNA's effects?

A: The RNA is the mechanism by which PG&E proposes to recover the non-marginal costs that, under HFP 1.0, are recovered through the subscription and through peak demand charges. Such an important mechanism should not be adopted, even on a pilot basis, without at least a basic quantitative understanding of who pays and who benefits.

PG&E failed to conduct any such analysis. PG&E did not conduct any sensitivity analyses showing the range of RNA values across rate schedules,[61] and it did not conduct any testing to determine if the RNA eliminates or minimizes cost shifting among customer classes or between participating and non-participating customers.[62] PG&E likewise did not estimate the customer-level impacts of continuing the current design compared with moving sooner to a corrective design, objecting that preparing such an estimate "would be burdensome and speculative."[63]

Q: Does the RNA ensure revenue neutrality for individual customers?

A: No, and PG&E admits this. PG&E did not design the RNA to achieve revenue neutrality for individual customers. PG&E calculates the RNA to achieve revenue neutrality only across each rate schedule.[64] PG&E acknowledges that the RNA can provide credits for an incidentally favorable load shape, and it justifies those credits on the ground that such customers use energy when it costs the least and create value for the utility.[65]

That feature undercuts PG&E's rationale for replacing subscriptions. PG&E identifies "structural winners"—customers who receive credits without changing their load patterns—as a defect in the current design. PG&E also criticizes subscriptions that are set too low because they can allow customers to achieve bill savings without changing load.[66] Yet PG&E's proposed RNA permits the same outcome: customers can receive bill benefits based on their pre-existing load shapes rather than on their responsiveness to HFP prices.

---

61 Attachment KJC-2 (PG&E Response to CalCCA DR 8.10(a)-(b)).

62 *Id*.

63 *Id*. (PG&E Response to CalCCA DR 8.24(c)).

64 Exh. PG&E-6 at 3-4:6-10.

65 Attachment KJC-2 (PG&E Response to CalCCA DR 8.09(a); PG&E Response to CalCCA DR 8.22).

66 Exh. PG&E-6 at 2-19:15-17; *id*. at 2-24:2-3.

Thus PG&E's proposed change in pilot design does not eliminate the problem it identifies; rather, it just shifts the problem from one that presents at an individual customer subscription level to one that presents at the schedule-wide cost recovery level.

PG&E would replace customer-specific subscriptions and demand charges with a volumetric per-kWh adder. That change reallocates non-marginal costs among customers within each rate schedule and generally shifts more recovery to customers with higher load factors and less recovery to customers with lower load factors. PG&E has not quantified the potential size of those shifts, identified the customers who would bear them, or evaluated the likely distribution among customers within a schedule.

Q: How does the RNA interact with PG&E's proposal to remove peak demand charges?

A: PG&E again offers assurance only at the schedule level. PG&E removes peak demand charges on the premise that all usage will be subject to a dynamic rate that already reflects capacity costs.[67] PG&E maintains that the dynamic rate "collects the same capacity costs as peak demand charges typically collect" and uses the RNA to capture any difference between the HFP and TOU designs so that the schedule does not over- or under-collect.[68] PG&E therefore proposes that the appropriate capacity cost levels will be recovered only at the rate schedule level as a whole.

PG&E does not show that the new design produces appropriate outcomes for individual customers. Under existing tariffs, demand charges generally assign costs based on each customer's own peak demand. HFP 2.0 would instead recover those costs through a volumetric per-kWh adder and dynamic capacity prices. That change can produce materially different results for customers whose cost causation turns on their individual peak demand, including large commercial and industrial customers.

PG&E has not quantified those customer-level results. It has not identified which customers would pay more or less under the replacement design, evaluated whether the RNA over- or under-recovers from individual customers relative to cost of service, or

---

67 *Id*. at 3-4:12-14.

68 Attachment KJC-2 (PG&E Response to CalCCA DR 8.11).

performed RNA calculations beyond the workpapers it submitted.[69] Schedule-level revenue neutrality therefore does not establish customer-level cost causation.

Q: Why does this matter specifically to CCAs?

A: Under the HFP design, the CCA, not PG&E, is responsible for providing the RTP generation credit to its unbundled customers.[70] By contrast, PG&E's bundled customers fund the generation-component shortfall for PG&E's bundled participants through the Energy Resource Recovery Account (ERRA).[71] If the RNA allows customers with favorable load shapes to receive generation credits without changing their behavior, CCAs involved in the HFP will be required to fund those credits for their own customers, with no analysis available to inform them of the magnitude of their exposure.

If CCAs cannot reasonably estimate their total participation costs, inclusive of the value of credits they will be expected to pay customers, and whether those credits will be going to compensate load shifting or a redistribution of costs amongst customers, CCA participation may ultimately be impacted, as CCA governing boards must weigh the costs, benefits, and risks of participation before approval.[72]

Q: PG&E says HFP is more cost-based than time-of-use rates. Does that claim help address these concerns?

A: No. PG&E acknowledges that the RNA, the "price you see is the price you pay" design, and dynamic rates in general "cannot prevent all cost shifts."[73] Its response is a comparative argument: because TOU customers already create a cost shift, and because HFP is more cost-based than TOU, HFP customers are "effectively reducing an existing cost shift rather than creating a new one, even if they are receiving bill benefits without a change in behavior."[74]

This reasoning is not a substitute for analysis. That one rate design is imperfect does not establish that its replacement minimizes cost shifting; the question is the size and direction of the remaining shift under the proposed design, and PG&E has confirmed it has

---

69 *Id*. (PG&E Response to CalCCA DR 8.10(a)).
70 Exh. PG&E-6 at 5-7:32 to 5-8:3.
71 *Id*. at 8-2:15-16; Attachment KJC-2 (PG&E Response to CalCCA DR 8.05(a)).
72 Attachment KJC-2 (PG&E Response to CalCCA DR 8.27(a)).
73 *Id*. (PG&E Response to CalCCA DR 8.09(b)).
74 *Id*.; *see also id*. (PG&E Response to CalCCA DR 8.06) (nearly identical language).

not tested it.[75] PG&E characterizes the distribution component of shadow-bill credits as a "revenue shortfall" and proposes to recover that shortfall from bundled and unbundled customers through DRAM.[76] PG&E cannot both ask the Commission to approve recovery of a shortfall from unbundled customers and deny that a shortfall exists when asked to quantify it. Notably, PG&E treats cost shifts to non-participants as a genuine concern when it supports credit-and-charge billing but dismisses them as a comparative matter when defending the RNA.[77]

Q: Has PG&E shown that removing subscriptions will improve cost accuracy?

A: No. PG&E does not justify removing subscriptions on cost-accuracy grounds. PG&E states that both the current subscription design and its proposed replacement are close to PG&E's cost of service and that neither design is superior for that purpose. PG&E instead seeks to remove subscriptions to improve customer experience.[78] While customer experience is a critical consideration, that rationale does not support replacing a known, if imperfect, design with an untested design that creates different and unquantified customer impacts. PG&E has not shown that the RNA improves cost accuracy, reduces cost shifts, or produces more equitable outcomes than subscriptions. PG&E identifies customer comprehension as the principal problem with subscriptions, but it can address that problem through clearer customer education and targeted refinements rather than a wholesale rate redesign.

C. PG&E Did Not Meaningfully Evaluate Alternatives to the RNA

Q: Did PG&E evaluate a modified subscription as an alternative to full removal?

A: Not in any rigorous way. PG&E considered the role of subscriptions but did not evaluate a modified subscription design. PG&E did not test alternatives such as more frequent subscription updates or a shorter true-up period, and it offered no analysis showing that those changes would fail to address the underlying concerns.[79] PG&E also acknowledges that the current and proposed designs offer comparable cost accuracy.[80] A modified

---

75 *Id*. (PG&E Response to CalCCA DR 8.10(b)).
76 Exh. PG&E-6 at 8-1:27 to 8-2:21; Attachment KJC-2 (PG&E Response to CalCCA DR 8.05(a)).
77 Exh. PG&E-6 at 2-20:15-19.
78 Attachment KJC-2 (PG&E Response to CalCCA DR 8.24(c)).
79 *Id*. (PG&E Response to CalCCA DR 8.21).
80 *Id*. (PG&E Response to CalCCA DR 8.24(c)).

subscription therefore presents a practical middle option: it could address customer comprehension and administrative complexity without replacing the current design with an untested RNA. PG&E did not test that option.

Q: Did PG&E consider any alternatives to the RNA for collecting non-marginal costs?

A: No, PG&E did not evaluate alternatives to the RNA.[81] PG&E indicated in discovery that it is in the process of researching a fixed monthly charge that could reduce or eliminate the RNA, but noted it has only begun that work and has not produced any analysis of the fixed-charge option.[82] It makes little sense to adopt a new, unanalyzed RNA design when PG&E is already exploring an alternative that might make much of it unnecessary. PG&E also acknowledges that it "may consider offering subscriptions as an optional feature after HFP 2.0"—confirming that subscriptions are not so incompatible with the program that they cannot continue to be offered while the evaluations are completed.[83]

D. Changing Many Variables at Once Will Undermine, Not Advance, the Pilots' Learning Objectives

Q: Why is it important to limit the number of changes made to the pilots at one time?

A: A pilot exists to generate evidence. Evidence is only useful if changes are introduced at a pace that allows their effects to be isolated. PG&E recognizes this principle: it proposes not to offer subscriptions as an option in HFP 2.0 specifically "to test the RNA in isolation."[84] But HFP 2.0 does not test the RNA in isolation. It simultaneously changes the billing structure to credit-and-charge, removes subscriptions, adds the RNA, removes peak demand charges, removes transactive pricing, adds an exit ramp, replaces the ASP compensation model, and adds rate eligibility.[85] If customer outcomes change, it will be impossible to determine which change or changes triggered those impacts.

Q: Does PG&E's own evidence support a more incremental approach?

A: Yes. PG&E's measurement and evaluation testimony acknowledges that the evaluation of the earlier VCE AgFIT pilot found that observed load response was constrained by, among

---

81 *Id*. (PG&E Response to CalCCA DR 8.12).

82 *Id*.; *see also* Exh. PG&E-6 at 3-7:25-27 (PG&E "will also investigate the potential to increase fixed charges for HFP participants in order to reduce non-coincident demand and energy charges").

83 Exh. PG&E-6 at 3-3:9 to 3-4:3.

84 *Id*. at 3-4:1-3.

85 *Id*. at 2-41 to 2-42 (Table 2-9); *id*. at 3-4:4-14.

other things, "rate design changes during the pilot" and "the need for longer periods of stable implementation."[86] It reports that evaluation of SCE's pilot found bill impacts "often driven by structural load characteristics" rather than sustained behavioral response.[87] And it explains that, because the current HFP pilots began enrolling customers only in the fourth quarter of 2024, participants faced "the lowest and least variable prices" in 2025, which "likely dampened customers' incentive to adjust their usage behavior."[88] In short, PG&E itself acknowledges that the current pilots have had limited time and limited price variability in which to demonstrate how customers respond. Redesigning the rate before the pilots have had that opportunity risks addressing the wrong problem.

The final HFP 1.0 evaluation is due March 1, 2028, and the RTP Impact Assessment is expected by May 2028.[89] PG&E's proposal would implement HFP 2.0 in January 2029, after those studies, but would lock in the design now, before those studies are published.

Q: Can PG&E adjust the pilot design in 2028 as learnings emerge?

A: PG&E suggests it can, if regulatory approvals are timely. PG&E states that it "supports incorporating available HFP 1.0 learnings into the design and implementation of HFP 2.0," and "would consider incorporating additional HFP 1.0 learnings during 2028 if regulatory approvals for such changes were received on a timeline that enabled accelerated changes where feasible."[90] PG&E also states that its proposal "permits an earlier transition if regulatory and implementation timelines allow," but that it "cannot presently confirm that preliminary findings would support an earlier transition."[91] The more measured path would be to adopt the credit-and-charge change that both PG&E and CalCCA support, maintain the remaining features of the current design, and use the 2028 evaluation results to inform small, targeted refinements, rather than committing now to an RNA that PG&E has not analyzed.

PG&E states that it is "exploring options to accelerate implementation of HFP 2.0," but would need to request regulatory approval to do so, and that its implementation timeline

---

86 *Id*. at 7-5:31 to 7-6:2.
87 *Id*. at 7-6:2-6.
88 *Id*. at 7-6:17 to 7-7:10.
89 *Id*. at 2-15:24-28; *id*. at 7-5:8-10.
90 Attachment KJC-2 (PG&E Response to CalCCA DR 8.24(e)).
91 *Id*. (PG&E Response to CalCCA DR 8.24(d)); *see also* Exh. PG&E-6 at 2-15:7-9.

"may be updated" through the post-decision advice letter.[92] In other words, PG&E has made no firm implementation acceleration proposal. CalCCA does not oppose accelerating changes it supports, such as credit-and-charge billing. But accelerating the removal of subscriptions or the adoption of the RNA before the HFP 1.0 evaluations are complete would compound the concerns I describe above. The Commission should require PG&E to identify the specific conditions under which it would accelerate, and order that any request to accelerate should proceed through a process that allows stakeholder review.

E. Customer Education, Not a New Rate Structure, Should Be the Priority

Q: How does customer education relate to PG&E's proposal?

A: PG&E's principal reason for removing subscriptions is that customers "find subscriptions challenging to understand."[93] A comprehension problem calls for better education and support. These pilots should work when participants, and the ASPs and CCAs who help them, understand the rate. Yet PG&E's marketing, education, and outreach (ME&O) request is only $175,000 over the entire four-year stop-gap period—less than one percent of the $26.5 million PG&E seeks.[94] That budget is limited to maintaining existing pilot materials, refreshing fact sheets, and sending annual support emails, with an objective of "pilot continuity."[95] By PG&E's own account, participating customers will have to "affirmatively confirm their intent to remain on the pilot (HFP 2.0)" after reviewing revised terms and conditions, and customers who do not will be unenrolled from HFP 1.0.[96] The more PG&E changes at one time, the more education customers will need, and the more likely it is that customers will drop out, undermining the very purpose of PG&E's proposed changes to the tariff.

Q: What do you recommend regarding customer education?

A: I recommend the Commission direct PG&E to submit a customer education plan, developed in consultation with CCAs and ASPs, and authorize PG&E to reallocate funds within its approved implementation budget to support it.

---

92 Attachment KJC-2 (PG&E Response to CalCCA DR 8.23).
93 Exh. PG&E-6 at 2-20:22-23; *see also id*. at 3-3:6-9.
94 *Id*. at 2-39 (Table 2-8, line 6); *id*. at 6-3 (Table 6-1).
95 *Id*. at 6-1:5-7; *id*. at 6-2:3-5; *id*. at 6-3 (Table 6-1).
96 *Id*. at 5-10:33 to 5-11:5.

Q: Would education remain important if the Commission were to adopt the RNA?

A: Yes. Even if the Commission adopts the RNA, customer education will be critical. The RNA changes how customers' bills are calculated. HFP 2.0 introduces the possibility of net charges, and the exit ramp is a new feature that customers must understand. A robust education plan developed with ASPs and CCAs, who are often customers' first point of contact, will be necessary regardless of the Commission's decision on subscriptions.

F. Recommendations Regarding the Proposed Transition from Subscriptions to RNA

Q: What do you recommend regarding PG&E's proposal to replace subscriptions with the RNA?

A: I recommend that the Commission decline to approve the replacement of subscriptions with the RNA at this time. The Commission should instead:

- Approve PG&E's proposal to adopt credit-and-charge billing, but otherwise maintain the current HFP design, including subscriptions, through the extension period;
- Permit PG&E to propose targeted, incremental refinements to the design based on the final HFP 1.0 evaluation and the RTP Impact Assessment, with an opportunity for CCAs and other stakeholders to review and comment before any change is implemented; and
- Direct PG&E to submit a customer education plan, developed in consultation with CCAs and ASPs, and authorize PG&E to reallocate funds within its approved implementation budget to support it.

IV. IN THE ALTERNATIVE, IF THE COMMISSION APPROVES THE RNA, IT SHOULD REQUIRE PG&E TO PROVIDE SUPPLEMENTAL INFORMATION AND OPTIONS TO SMOOTH THE TRANSITION AND ADOPT AN AUTOMATION TECHNOLOGY REQUIREMENT FOR NON-RESIDENTIAL PARTICIPANTS

A. If the Commission Approves the RNA, It Should Require PG&E to Provide Supplemental Information and Options to Smooth the Transition

Q: If the Commission approves the transition to the RNA despite CalCCA's recommendations above, what can it do to ensure stakeholders better understand the impact of this new pilot element before implementation?

A: If the Commission nonetheless adopts the RNA, it should condition that approval on PG&E first serving, before HFP 2.0 is implemented: (1) a quantitative analysis of the RNA's

customer-level, customer-class, and participant/non-participant cost incidence, including the distribution of resulting credits and charges among customers within each rate schedule; (2) the results of its research on a fixed monthly charge alternative, together with a schedule for completing it; and (3) a commitment to report RNA outcomes by LSE. This additional information will allow stakeholders like CCAs to better understand the upcoming changes, assess their ability to participate in the new structure, and communicate to potential participants about these changes.

Q: If the Commission approves the transition to the RNA, what else can it do to help ensure CCAs have the information they need to transition to this structure?

A: The Commission should also require PG&E to confirm that CCAs will retain the ability to modify RNA values for their own customers, and to provide itemized estimates of the costs CCAs would bear under each customization option, which PG&E has said are the CCAs' responsibility.[97] Because Exhibit PG&E-6 does not describe the CCA customization options PG&E has confirmed in discovery, the Commission should also require PG&E to document them in its implementing advice letter or in supplemental testimony.

Q: If the Commission approves the transition to the RNA, what other aspects of the proposals related to the RNA should be clarified?

A: The proposed exit ramp. CalCCA does not oppose the concept of an exit ramp in the event the Commission removes the subscription, which itself acts as a customer protection. PG&E acknowledges that removing subscriptions "takes away a measure of customer protection against long periods of sustained high prices," and proposes that HFP 2.0 prices automatically revert to the OAT if day-ahead energy-plus-generation-capacity prices reach specified thresholds.[98]

However, PG&E's testimony does not explain how the exit ramp would work for CCA customers. PG&E generates a separate generation price for each LSE, including each participating CCA, and CCAs may modify their generation-side pricing parameters.[99] PG&E does not say whether the exit ramp triggers are evaluated using PG&E's generation

---

97 *See* Attachment KJC-2 (PG&E Responses to CalCCA DRs 8.16 and 8.27(a)).

98 Exh. PG&E-6 at 3-5:19-20; *id*. at 3-6:4-20.

99 *Id*. at 5-6:15-17; Attachment KJC-2 (PG&E Response to CalCCA DR 8.27(a)).

prices or each CCA's generation prices. Nor does it explain who bears any resulting generation-side revenue effect for unbundled customers, since PG&E describes its recovery of exit-ramp under-collections through balancing accounts for generation for bundled customers only.[100] PG&E should clarify these points before any exit ramp is approved.

Q: What else can the Commission do to help smooth the transition to this new structure?

A: The Commission should direct PG&E to preserve subscriptions as an optional feature, as PG&E itself says it may consider after HFP 2.0.

B. If the Commission Approves the RNA, It Should Require Non-Residential Accounts to be Served by an Automation Technology or Participate with an Automation Service Provider

1. HFP Is Intended to Produce Load Shift, But Price Exposure Alone Does Not Ensure It

Q: What is the purpose of the HFP pilots?

A: PG&E describes HFP as "a performance-based overlay on top of existing rates" designed to "incent targeted load response" to variable and unpredictable hourly prices.[101] PG&E identifies the pilots' authorizing decision as the "Decision to Expand System Reliability Pilots," D.24-01-032.[102] The value of an hourly rate to the system, and to the ratepayers who fund the pilots, depends on whether customers' load actually moves out of high-priced hours.

Q: Does PG&E's RNA design ensure that customers who receive bill benefits actually change their load?

A: No. As I explained in Section III, PG&E acknowledges that under its proposed design, credits "could be given for incidentally favorable load shape," and that customers with a favorable load shape may receive bill benefits "without a change in behavior."[103] PG&E's testimony recognizes the same phenomenon in other pilots, reporting that the evaluation of SCE's Dynamic Rate Pilot found bill impacts "often driven by structural load

---

100 Exh. PG&E-6 at 3-6:28 to 3-7:2.

101 *Id*. at 5-9:19-21.

102 Attachment KJC-2 (PG&E Response to CalCCA DR 8.04). *See* D.24-01-032 at 2 (the expanded pilots "are authorized to provide system reliability benefits between June 1, 2024 and December 31, 2027).

103 Attachment KJC-2 (PG&E Responses to CalCCA DRs 8.22 and 8.09(b)).

characteristics" rather than sustained behavioral response.[104] Credit-and-charge billing, which CalCCA supports, exposes customers to charges and strengthens the incentive to respond. But it does not verify that a response is occurring. A customer whose load is already favorably shaped can still earn net credits, and for unbundled customers, the generation component of those credits is funded by the CCA.[105]

This issue is more acute for non-residential customers that have much larger loads than residential customers.[106] Additionally, residential customers make up a much smaller portion of enrolled load in sum and generally have less access to technology than non-residential customers.[107]

Q: What does the record show about the role of automation in producing load response?

A: PG&E's own testimony points to the technology. PG&E states that outcomes in dynamic pricing evaluations "depend heavily on customer segment, technology enablement, billing structure, and program maturity."[108] PG&E defines ASPs as entities that "manage customer end-use devices to respond to RTP prices on the customer's behalf," and makes HFP prices available through an API and the CEC's Market-Informed Demand Automation Server to support automated load control.[109] PG&E proposes to select ASPs based on their capability to "automate load response for customers," and to pay them partly based on "demonstrated load response."[110]

PG&E already conditions eligibility for certain residential rates on technology: E-ELEC customers must have a heat pump, behind-the-meter storage, or EV charging equipment, and EV2A customers must have an EV or behind-the-meter storage.[111] The Commission took the same approach when it authorized the pilots. It expanded participation to residential, commercial, and industrial customers "with load shifting

---

104 Exh. PG&E-6 at 7-6:2-6.

105 *Id*. at 5-7:32 to 5-8:3; *id*. at 8-2:9-16.

106 *Mid-Term Evaluation of PG&E's Hourly Flex Pricing Pilot* (Aug. 2026), at 2, Table ES.1 (showing megawatts (MW) of enrolled load with 102.7 MW in Agricultural, 56.8 MW in Commercial, and 3.5 MW in residential).

107 *Id*.

108 Exh. PG&E-6 at 7-6:13-15.

109 *Id*. at 2-4 n.9; *id*. at 2-11:4-13.

110 *Id*. at 2-27:6-19.

111 *Id*. at 2-32:1-4.

technologies," directed that PG&E's Expanded Pilot 2 "should prioritize" customers "that previously adopted technologies that enable responses to a dynamic price signal," and directed PG&E to "prioritize working with customers with existing enabling technologies."[112] It also approved $3.6 million for "ASP technology integration and automation with pilot price signal."[113]

Q: Does PG&E carry that technology focus into HFP 2.0?

A: Not consistently. PG&E proposes to add residential customers on E-TOU-D to HFP, a rate "which does not have technology requirements," while observing that customers with automated thermostats may be able to respond to hourly prices.[114] That departs from the emphasis the Commission placed on customers with load shifting technologies when it authorized the pilots.[115] Table 2-1 reports enrollment by pilot and sector, not by whether the customer uses automation, and I have not found in PG&E's testimony a comparison of load response between customers with and without automation.[116] PG&E nonetheless asks the Commission to fund the pilots at a scale sized for up to 16,000 service agreements.[117]

2. CalCCA Proposes an Automation Requirement for Non-Residential HFP Participation

Q: What do you propose?

A: I propose that, as a condition of enrolling and remaining enrolled in HFP, each participating non-residential service agreement be served by a qualifying automation device or service: equipment or software that automatically adjusts the customer's load in response to HFP price signals, without requiring the customer to take manual action on each price change. The requirement is one of deployment, not performance. Customers would not be required

---

112 D.24-01-032 at 2; *id*. at 35; *id*., Conclusion of Law 14.

113 *Id*., Attachment A, Table A-2.

114 PG&E-06 at 2-32:5-8, 11-13.

115 Compare Exh. PG&E-6 at 2-32:11-13 (proposing to add E-TOU-D, a rate that "does not have technology requirements"), with D.24-01-032 at 2 (expanding the pilot to residential, commercial, and industrial customers "with load shifting technologies"); D.24-01-032 at 35 (directing PG&E to "prioritize working with customers with existing enabling technologies"); D.24-01-032, Conclusion of Law 14 (Expanded Pilot 2 "should prioritize" customers "that previously adopted technologies that enable responses to a dynamic price signal").

116 Exh. PG&E-6 at 2-4 (Table 2-1).

117 *Id*. at 2-37:34 to 2-38:2.

to achieve a specified load reduction, and would remain free to override the automation at any time.

Q: What would count as qualifying automation?

A: The requirement should be technology neutral. Qualifying automation could be customer-owned or provided by an ASP, and could include, for example, a smart thermostat configured to respond to HFP prices, managed EV charging, a battery storage controller, a building or process energy management system, an agricultural pumping controller, or an ASP platform that automatically schedules or dispatches controllable load. PG&E already publishes HFP prices programmatically for this purpose,[118] and already pays ASPs in HFP Pilot 2 based on enrolled controlled load, which means a mechanism for identifying controlled load exists.[119]

Q: Is the requirement consistent with PG&E's ASP proposal?

A: Yes. PG&E's proposed ASP model is built around automating customer load response across residential, agricultural, commercial, industrial, and BEV customers, with payments tied to enrollment and demonstrated load response.[120] PG&E requests $3.6 million to support that model.[121] Because customer-owned equipment would also qualify, the requirement does not create dependence on any single provider.

Q: Will the requirement reduce enrollment?

A: It may reduce enrollment compared with an unconditioned opt-in pilot. But PG&E describes HFP as designed to incent load response, not to maximize the number of enrolled accounts. Enrollment that earns credit without load shift does not advance that purpose, and for CCAs it creates generation credit exposure without a corresponding system benefit. Participation in HFP is also voluntary, so the requirement conditions access to a pilot rate rather than imposing an obligation on any customer. If enrollment is lower than PG&E has forecast, PG&E's program administration costs should be lower as well,[122] which is a further reason for the reasonableness review I recommend in Section V.C.

---

118 *Id*. at 2-11:4-13.
119 *Id*. at 2-26:28-31.
120 *Id*. at 2-27:3-22.
121 *Id*. at 2-27:23-29.
122 Attachment KJC-2 (PG&E Response to CalCCA DR 9.04).

Q: Does an automation requirement fully resolve the cost-shift concerns you identified?

A: No. A customer with automation can still have an incidentally favorable load shape, and the RNA concerns I described in Section III remain. The requirement addresses the narrower problem that credits can be earned with no change in load at all, by tying participation to the means of changing load rather than relying on PG&E's assertion that customers with favorable load shapes are creating value. This proposed requirement complements, and does not replace, the analyses I recommend PG&E perform before the RNA is adopted.

C. Recommendations If the Commission Adopts the RNA

Q: What do you recommend in this Section?

A: If the Commission approves PG&E's RNA proposal, it should also:

- Require PG&E to first serve, before HFP 2.0 is implemented: (1) a quantitative analysis of the RNA's customer-level, class-level, and participant/non-participant cost incidence, including the distribution of resulting credits and charges among customers within each rate schedule; (2) the results of its research on a fixed monthly charge alternative, together with a schedule for completing it; and (3) a commitment to report RNA outcomes by load-serving entity;
- Confirm that CCAs retain the ability to modify RNA values for their own customers, and require PG&E to provide itemized estimates of the costs CCAs would bear under each customization option, which PG&E has said are the CCAs' responsibility;[123]
- Require PG&E to document the CCA customization options PG&E has confirmed in discovery in its implementing advice letter or in supplemental testimony;
- Require PG&E to clarify, in supplemental testimony, how the exit ramp would apply to CCA customers;
- Direct PG&E to preserve subscriptions as an optional feature, as PG&E itself says it may consider after HFP 2.0;
- Require, as a condition of enrolling and remaining enrolled in HFP, that each participating non-residential service agreement use a qualifying, technology neutral automation device or service that can automatically adjust load in response to HFP prices, while allowing customers to override the automation; and

[123] *See id*. (PG&E Responses to CalCCA DRs 8.16 and 8.27(a)).

- Adopt CalCCA's recommendations regarding customer education described in Section III above.

V. THE COMMISSION SHOULD REQUIRE PG&E TO SUPPLEMENT ITS TESTIMONY ON COST RECOVERY AND ALLOCATION AND SHOULD ADOPT GUARDRAILS ON COST RECOVERY

A. The Commission Should Require PG&E To Supplement Its Cost Recovery Proposal on Cost Allocation Issues

Q: What is PG&E's cost recovery proposal?

A: PG&E proposes to continue the cost recovery mechanisms authorized for the existing pilots. PG&E would true-up shadow bill credits annually through its Annual Electric True-up process; recover the distribution component of any shortfall from bundled and unbundled customers through DRAM; and recover the generation component from bundled customers only through ERRA.[124] PG&E would track and record "all costs for the Stop Gap Proposal" in the Expanded Pilots Subaccount of the DRTPMA and seek recovery through a general rate case, subject to reasonableness review.[125]

Q: What is missing from that proposal?

A: PG&E has not proposed how the costs recorded in the DRTPMA will ultimately be allocated. PG&E confirms that neither its opening testimony nor D.24-01-032 specifies the allocation, and that PG&E will make a recovery proposal only when it later seeks cost recovery.

The ordering language from D.24-01-032 only directs that implementation costs be recorded in a DRTPMA subaccount and recovered in a general rate case.[126] But the Commission's reasoning is more specific. It stated that "[e]xpanded pilot implementation costs should be recovered from all bundled and unbundled customers," because the pilots benefit all ratepayers and a large portion of the costs are upfront and administrative costs that are difficult to attribute to bundled or CCA customers.[127] PG&E's response does not address that reasoning, and PG&E has not said which of the roughly $26.5 million in costs it considers attributable to bundled customers, to unbundled customers, or to both.

---

124 Exh. PG&E-6 at 8-1:4-19; *id*. at 8-1:27 to 8-2:21.
125 *Id*. at 8-3:10-15.
126 D.24-01-032, Conclusion of Law 31(a).
127 *Id*. at 55-56.

Q: Why is that a problem for CCAs and unbundled customers?

A: There are three concerns.

First, under D.24-01-032, CCA customers pay their share of PG&E's implementation costs, which the Commission directed be recovered from all bundled and unbundled customers because the pilots benefit all ratepayers.[128] CalCCA itself argued in that proceeding that the pilots benefit the grid for all customers.[129] CalCCA does not dispute the principle. But it means that CCA customers will help fund a $26.5 million program for which PG&E proposes to eliminate the CCA-side enrollment incentive, an inconsistency I address in Section II.

Second, the Commission's all-customer rationale does not necessarily apply to all costs. The Commission did not apply this rationale to the generation component of shadow bill credits; it assigned these costs to bundled customers only because that component can be directly attributed. Further, the Commission generally indicated that cost recovery should follow cost causation principles.[130] PG&E should be required to identify which of its proposed costs, if any, relate solely to generation service for its bundled customers. It should further be required to identify the implementation and maintenance costs CCAs will have to bear if they choose to customize their generation-side RTP rate.[131]

Third, by the time PG&E proposes an allocation in a future general rate case, the costs will already have been incurred, and the practical ability of CCAs to influence how they are allocated will be limited.

Q: What do you recommend regarding cost allocation?

A: I recommend that the Commission: (1) require PG&E to submit supplemental testimony in this proceeding that itemizes the Stop-Gap implementation costs and identifies any that are attributable solely to generation service for bundled customers, supported by cost-causation analysis; (2) allow intervenors an opportunity to respond; and (3) order that any costs demonstrated to be attributable solely to bundled generation service be recovered

---

128 *Id*. at 55-56.
129 *Id*. at 54-55.
130 *Id*. at 55-56.
131 Attachment KJC-2 (PG&E Response to CalCCA DR 8.27(a)).

from bundled customers only, consistent with the cost-causation principles the Commission applied to generation costs in D.24-01-032.

B. PG&E's Request For Post-Decision Cost-Update Authority Is Improperly Open-Ended

Q: What is PG&E requesting regarding updates to its cost estimates?

A: PG&E requests "the opportunity to file a Tier 2 Advice Letter within 45 days of the Final Decision to update cost estimates based on the CPUC's Final Decision," stating that the final design "may require substantively higher or lower costs to implement than the rate and program design that is presented here in this testimony."[132] PG&E also requests authority to file a Tier 2 Advice Letter for additional funding if enrollment exceeds 16,000 service agreements, at an estimated annual cost of about $260,000 per 2,000 service agreements above that level.[133]

Q: Has PG&E provided any estimate of how much those updates could change its request?

A: No. PG&E has not estimated the range by which its requested costs could change through the proposed Tier 2 Advice Letter process. PG&E states that it cannot develop a cost range for the unknown potential outcomes of the Commission's final decision. PG&E identifies multiple design choices that could affect its budget, including the treatment of subscriptions, the RNA, credit-and-charge billing, dual participation, marketing, education and outreach, measurement and evaluation, and the proposed ASP and CCA engagement and funding approaches.[134] PG&E does not quantify the cost impact of any of those variables.

Q: Why is that a concern?

A: Approving the Stop-Gap Proposal as proposed would effectively grant PG&E a blank check for post-decision cost adjustment. The Commission would authorize $26.5 million without any information about how far that figure could move. In my March testimony, I explained that the Tier 2 Advice Letter process does not provide the formalities of a Commission proceeding, does not confer discovery rights on intervenors, and does not

---

132 Exh. PG&E-6 at 2-37:10-15; *see also id*. at 2-42 (Table 2-9, line 11).

133 *Id*. at 2-37:34 to 2-38:5.

134 Attachment KJC-2 (PG&E Response to CalCCA DR 8.07(a)-(b)).

provide a holistic view of the utility's costs.[135] Those concerns apply with equal force here. Given the scale of the unresolved design variables PG&E itself identifies, the ratepayer impact of this proposed approach could be significant.

Q: What guardrails do you recommend?

A: If the Commission authorizes any post-decision cost-update process, it should adopt the following guardrails:

- Before the Commission issues a proposed decision, PG&E should be required to serve high and low cost estimates tied to specific decision scenarios (for example, RNA adopted as proposed versus modified or rejected, and CCA incentive retained versus discontinued);
- Any authorized Tier 2 Advice Letter process should be limited to conforming PG&E's estimates to the specific design elements the Commission adopts, and should not alter the allocation of costs among customer groups;
- Any updated estimate exceeding the authorized incremental budget by more than 10 percent should be filed through a process that provides notice, an opportunity to protest, and discovery rights, such as PG&E's next general rate case; and
- Any request for additional funding associated with enrollment above 16,000 service agreements should identify enrollment by LSE to track enrollment by provider and be subject to the same allocation determination the Commission makes in response to my recommendation in Section V.A.

C. PG&E's Program Administration Forecast Should Be Supported with Staffing and Cost Detail

Q: Has PG&E supported its program administration forecast?

A: PG&E supports its program administration forecast only in general terms. It requests approximately $14.8 million for program administration and customer support—about 1.8 times its $8.2 million request for pricing, billing, and customer relationship-management systems.[136]

PG&E explains that the categories are not directly comparable because program administration relies on labor-intensive internal staff and contracted resources, while

[135] Prepared Direct Testimony of Kyra J. Coyle on Behalf of the California Community Choice Association (Mar. 9, 2026), pp. 14-15.

[136] Exh. PG&E-6 at 2-39 (Table 2-8, lines 1-2, column (d)).

systems costs largely reflect vendor implementation and software-as-a-service expenses.[137] PG&E further explains that the majority of the costs for program administration will be provided through contractors to fill the roles of program management, business product architect, and customer operations and analytics.[138] PG&E describes the budget as supporting "upwards of 16,000 customer services," compared to the 2,352 service agreements enrolled today.[139] However, the only program administration function that increases overtime is that of the customer operations and analytics as additional resources will be added as projected enrollment levels increase.[140]

Q: What do you recommend?

A: PG&E proposes to record these costs in the DRTPMA and seek recovery in a general rate case subject to reasonableness review.[141] I recommend that the Commission specify that, in that review, PG&E must provide the staffing counts, labor-rate assumptions, and vendor contract costs underlying its program administration costs, and must demonstrate that the costs recovered are consistent with actual, rather than forecast, enrollment.

VI. THE COMMISSION SHOULD DIRECT A COLLABORATIVE PROCESS FOR THE DATA EXCHANGE USED TO PREVENT DOUBLE COMPENSATION AND CONFIRM THAT THE DUAL ENROLLMENT CHECKS ARE ADEQUATELY PREVENTING DOUBLE COMPENSATION

Q: How does PG&E currently prevent double compensation involving CCA programs?

A: PG&E claims that it verifies dual participation at enrollment, using the California Independent System Operator (CAISO) Demand Response Registration System for supply-side programs. For CCAs participating in HFP, and for non-PG&E event-based load-modifying programs, PG&E "exchanges Excel files with CCAs every two weeks," and asks CCAs to respond within two to five business days.[142] PG&E also acknowledges that it lacks visibility into whether customers participate in CCA event-based programs, which it describes as a major obstacle.[143]

---

137 Attachment KJC-2 (PG&E Response to CalCCA DR 8.19).
138 *Id*. (PG&E Response to CalCCA DR 9.04).
139 *Id*. (PG&E Response to CalCCA DR 8.19); Exh. PG&E-6 at 2-4 (Table 2-1).
140 Attachment KJC-2 (PG&E Response to CalCCA DR 9.04).
141 Exh. PG&E-6 at 8-3:10-15.
142 Attachment KJC-2 (PG&E Response to CalCCA DR 8.25).
143 Exh. PG&E-6 at 4-2:9-19.

Q: What additional data does PG&E say it may need from CCAs?

A: PG&E identifies both program-level and customer-level information that it considers necessary to prevent double compensation. The requested program-level information includes the program name and administrator, incentive structure, event triggers and dispatches, baseline methodology, and impact-allocation rules. The customer-level information requested includes service agreement identifiers, participation dates, per-event performance, and event-specific payments or credits. PG&E does not specify how frequently CCAs would need to provide that information.[144]

Q: What concerns does CalCCA have about that approach?

A: There are two. First, much of this information is competitively sensitive. PG&E itself acknowledges that protecting confidential information of entities that operate competing programs is important.[145] Yet PG&E has "not evaluated any other data-sharing protocols, confidentiality protections, or system changes specific to HFP CCA program participation" beyond the Excel exchange and the non-disclosure agreements it typically uses.[146] Second, a manual, biweekly file exchange may not scale as enrollment grows from 2,352 service agreements toward the 16,000 for which PG&E has sized HFP 2.0.[147]

Q: What do you recommend?

A: I recommend that the Commission review the dual enrollment check process to ensure that PG&E is adhering to its own stated process to prevent dual compensation. I also recommend the Commission direct PG&E to convene a stakeholder process with CCAs to define the appropriate dataset, frequency of exchange, and confidentiality protections necessary to prevent double compensation involving CCA programs, and to evaluate a more automated data exchange. PG&E should not impose any expanded data requirement on CCAs as a condition of participation until that process is complete.

Q: Does this conclude your testimony?

A: Yes.

---

144 Attachment KJC-2 (PG&E Response to CalCCA DR 8.25).
145 Exh. PG&E-6 at 4-2:20-23.
146 Attachment KJC-2 (PG&E Response to CalCCA DR 8.26).
147 Exh. PG&E-6 at 2-37:34 to 2-38:2.

Attachment KJC-1

CV of Kyra J. Coyle

KYRA J. COYLE

Principal

CONTACT

225 Union Blvd., Ste 450
Lakewood, Colorado 80228
kcoyle@newgenstrategies.net
www.newgenstrategies.net

EDUCATION

Bachelor of Arts, Business Administration with emphasis in Accounting, Dakota Wesleyan University

Minor, Computer Applications, Dakota Wesleyan University

KEY EXPERTISE

Economic and Financial Analysis

Expert Witness and Litigation Support

Financial Forecast, Cost of Service, and Rate Design

Power Supply Contract Negotiations

Large Load Tariff Design

Transmission Revenue Requirement Filings

FERC Accounting

Regulatory Policy and Affairs

Strategic Planning

Ms. Kyra Coyle has over 20 years of experience in the utility, mining, and public accounting sectors and joined NewGen as a Senior Manager in December 2023 and has been promoted to a Principal as of January 2025. Her expertise includes utility revenue requirement analyses, strategic planning, project management, contract negotiations, financial modeling, regulatory affairs, budgeting, forecasting, and regulatory accounting. Her rate-related projects have included studies to develop retail electric, natural gas, transmission, ancillary service, standby and special contract rates.

Ms. Coyle has provided expert witness testimony on revenue requirement cost of service issues before public utility commissions and the Federal Energy Regulatory Commission. She has also offered other types of cost of service and rate-related litigation support.

RELEVANT EXPERIENCE

Financial Forecasting, Revenue Requirement, and Regulatory Strategy

Ms. Coyle provides strategic financial leadership for regulated utilities, specializing in revenue requirement development, long-term forecasting, and regulatory strategy. Her work supports rate case filings, capital investment planning, and sustainable financial performance across electric and natural gas utilities.

- Developed and supported retail electric, natural gas, transmission, ancillary service, standby, and special contract rate studies.
- Led development and filing of rate case applications aligned with corporate strategic plans.
- Directed revenue requirement analyses and regulatory filings.
- Managed financial strategy supporting approximately $1.9 billion in rate base.
- Secured approval for a major transmission project (~260 miles).
- Conducted long-term financial planning and forecasting for regulated and non-regulated utility entities.
- Participated in executive-level strategic initiatives including capital deployment and long-term operational planning.
- Developed equity management plans to support financial stability, capital structure objectives, and long-term regulatory strategy.
- Performed economic and financial analysis to support executive decision-making, capital planning, and regulatory initiatives.
- Supported regulatory filings and strategic planning efforts with detailed financial modeling and documentation.

KYRA J. COYLE
Principal

Clients/Project Experience

- Office of Public Utility Counsel (OPUC)
- Homer Electric Association, Inc.
- Cities Served by Texas Gas Service Company
- Joint Community Choice Aggregators
- Stadion, LLC
- Vitesse, LLC
- City of Chicago
- SABIC Innovative Plastics Mount Vernon, LLC

Cost of Service, Rate Design, and Tariff Development

Ms. Coyle has extensive experience developing retail electric and natural gas rates, performing cost of service analyses, and designing specialized tariffs. Her work includes complex large-load negotiations and development of innovative rate structures to support economic development initiatives.

- Designed and evaluated retail electric and natural gas rates.
- Developed large load tariffs and negotiated power supply contracts.
- Allocated generation and transmission costs for high-density power customers.
- Supported development of innovative tariff offerings to promote economic development.
- Conducted cost allocation and financial modeling to support rate strategy decisions.
- Developed and supported large load tariff design for high-density and industrial customers to ensure appropriate cost allocation and revenue recovery.
- Negotiated and financially modeled power supply contracts, evaluating contract terms, pricing structures, and long-term financial impacts.
- Performed fuel reconciliation analyses to support accurate recovery of fuel costs and regulatory compliance.
- Evaluated and supported recovery of system restoration costs through cost allocation methodologies and regulatory documentation.
- Supported applications for Certificates of Public Convenience and Necessity (CPCN) by preparing financial analysis and documentation demonstrating project need and economic feasibility.

Clients/Project Experience

- California Community Choice Association (CalCCA)
- Joint Community Choice Aggregators
- Joint Community Choice Aggregators
- Office of Public Utility Counsel (OPUC)
- Vitesse, LLC
- SABIC Innovative Plastics Mount Vernon, LLC

Expert Witness and Litigation Support

Ms. Coyle has provided expert witness testimony and litigation support on revenue requirement and cost of service matters before state commissions and FERC. She supports regulatory proceedings with defensible financial analysis and strategic testimony preparation.

- Provided expert witness testimony on revenue requirement and cost of service issues before:
  - State public utility commissions
  - Federal Energy Regulatory Commission (FERC)

- Delivered litigation support related to:
  - Revenue requirement

Cost of service

Rate-related regulatory matters

- Served as expert witness on financial and regulatory policy matters before legislative and regulatory bodies.
- Provided expert witness and litigation support related to revenue requirement, cost of service, rate design, and regulatory cost recovery issues.

Clients/Project Experience

- Office of Public Utility Counsel
- Homer Electric Association, Inc.
- Cities Served by Texas Gas Service Company
- Joint Community Choice Aggregators
- Stadion, LLC
- Vitesse, LLC
- Eastern New England Consumer-Owned Systems
- City of Chicago
- SABIC Innovative Plastics Mount Vernon, LLC

Transmission and Regulatory Accounting

Ms. Coyle applies FERC accounting principles and regulatory compliance expertise to transmission revenue requirement filings and related proceedings. Her experience bridges financial reporting and regulatory strategy.

- Prepared and supported transmission revenue requirement filings.
- Applied FERC accounting principles in rate and regulatory matters.
- Supported compliance filings and regulatory documentation.
- Supported transmission revenue requirement compliance activities by preparing financial analyses and applying regulatory accounting principles.
- Assisted with transmission-related regulatory documentation and cost recovery support consistent with FERC accounting practices.

Clients/Project Experience

- Eastern New England Consumer-Owned Systems
- Alaska Railbelt Transmission Organization (RTO)
- Homer Electric Association, Inc.

Financial Leadership and Strategic Management

In prior leadership roles, Ms. Coyle directed regulatory and financial strategy for multi-state electric and natural gas utilities. She partnered with executive leadership and operations teams to align financial planning with long-term capital and regulatory objectives.

Black Hills Corporation

Director of Regulatory/Finance – Electric and Natural Gas Utilities (WY, MT, SD)

- Led all financial and regulatory matters for electric and gas utilities.

- Directed rate case filings and regulatory strategy.
- Negotiated contracts with large industrial customers.
- Built relationships with regulators, legislators, and stakeholders.
- Executed long-term financial strategy initiatives.

Senior Manager of Finance and Regulatory

- Responsible for forecasting and strategic planning across regulated and non-regulated operations.
- Financial modeling for purchase power agreements and capital projects.
- Participated in divestiture of 49.9% interest in non-regulated entity.
- Partnered with operations to optimize financial performance.

Professional Finance Senior/Principal

- Budgeting and forecasting for power generation assets.
- Managed capital and O&M budgets exceeding $50M annually.
- Financial modeling of PPAs.
- Maximized asset value through operational coordination.

Accounting and Corporate Finance Experience

Ms. Coyle provided accounting and financial leadership for a multi-entity organization, overseeing financial reporting, budgeting, consolidation, and audit coordination. She supervised accounting, purchasing, and logistics functions while serving as the primary audit liaison. Her experience includes implementation and restructuring of ERP systems, including redesign of the chart of accounts and enterprise-wide NetSuite training to improve financial reporting accuracy and operational efficiency.

U.S. Bentonite Processing, Inc.

Accounting Manager

- Led accounting support staff and supervised purchasing/logistics.
- Prepared monthly financial statements for board of directors.
- Managed close, consolidation, and budgeting for three U.S.-based companies.
- Primary audit contact.
- Implemented NetSuite restructuring including chart of accounts redesign and company-wide training.

Record of Testimony: **KYRA J. COYLE**

UTILITY	PROCEEDING	SUBJECT	BEFORE	CLIENT	YEAR
1. Rocky Mountain Power	Docket No. 2000-710-ER-26	In the Matter of the Application of Rocky Mountain Power for Authority to Increase its Retail Electric Service Rates Overall by Approximately $70.5 Million per Year or 8.8 Percent, to Modify Schedule 92 Insurance Cost Adjustment Tariff, to Establish a New Schedule 96 Asset Sale Adjustment Tariff, and to Revise the Schedule 95 Energy Cost Adjustment Mechanism	Wyoming Public Service Commission	Office of Consumer Advocate	2026
2. PacifiCorp	Docket No. UE-463	Advice No. 25-015, Schedule 401 Service to New Large Energy Facilities	Public Utility Commission of Oregon	Vitesse, LLC	2026
3. Chugach Electric Association, Inc.	Docket No. U-25-036	In the Matter of the Revenue Requirement Study and Rate Design Revisions Designated as TA577-8 Filed by CHUGACH ELECTRIC ASSOCIATION, INC.	The Regulatory Commission of Alaska	Golden Valley Electric Association, Inc.	2026
4. Pacific Gas and Electric Company	Docket No. A.24-09-014	Application of Pacific Gas and Electric Company to Revise its Electric Marginal Costs, Revenue Allocation, and Rate Design	California Public Utilities Commission	California Community Choice Association	2026
5. El Paso Electric Company	SOAH Docket No. 473-26-08223 PUC Docket No. 59137	Application of El Paso Electric Company for Approval of a System Resiliency Plan	Public Utility Commission of Texas	Office of Public Utility Counsel	2026
6. Texas-New Mexico Power Company	SOAH Docket No. 473-26-05799 PUC Docket No. 58964	Application of Texas-New Mexico Power Company for Authority to Change Rates	Public Utility Commission of Texas	Office of Public Utility Counsel	2026
7. Railbelt Transmission Organization	Docket No. U-25-028	In the Matter of the Initial Nondiscriminatory Open Access Transmission Tariff Designated as TA1-8001 Filed by the Railbelt Transmission Organization	The Regulatory Commission of Alaska	Homer Electric Association, Inc.	2025

UTILITY	PROCEEDING	SUBJECT	BEFORE	CLIENT	YEAR
8. Texas Gas Service Company, a Division of ONE Gas, Inc.	OS-25-00028202	Statement of Intent of Texas Gas Service Company, a Division of ONE Gas, Inc. to Change Gas Utility Rates Within the Unincorporated Areas of the Central-Gulf, West North, and Rio Grande Valley Service Areas	Railroad Commission of Texas	Cities Served by Texas Gas Service Company	2025
9. Pacific Gas and Electric Company	Docket No. A.24-10-014	Application of Pacific Gas and Electric Company for Approval of Its Billing Modernization Initiative	California Public Utilities Commission	Joint Community Choice Aggregators	2025
10. CenterPoint Energy Houston Electric, LLC	SOAH Docket No. 473-25-18704 PUC Docket No. 58028	Application of CenterPoint Energy Houston Electric, LLC for Determination of System Restoration Costs	Public Utility Commission of Texas	Office of Public Utility Counsel	2025
11. El Paso Electric Company	SOAH Docket No. 473-25-11219 PUC Docket No. 57568	Application of El Paso Electric Company for Authority to Change Rates	Public Utility Commission of Texas	Office of Public Utility Counsel	2025
12. Southwestern Electric Power Company	SOAH Docket No. 473-24-22136 PUC Docket No. 56643	Application of Southwestern Electric Power Company for Authority to Reconcile Fuel Costs	Public Utility Commission of Texas	Office of Public Utility Counsel	2025
13. CenterPoint Energy Houston Electric, LLC	SOAH Docket No. 473-25-05323 PUC Docket No. 57271	Application of CenterPoint Energy Houston Electric, LLC for Determination of System Restoration Costs	Public Utility Commission of Texas	Office of Public Utility Counsel	2025
14. PacifiCorp	Docket No. 24-035-04	Application of Rocky Mountain Power for Authority to Increase Its Retail Electric Utility Service Rates in Utah and for Approval of Its Proposed Electric Service Schedules and Electric Service Regulations	Public Service Commission of Utah	Stadion, LLC	2024
15. PacifiCorp	Docket No. UE 433	PacifiCorp d/b/a Pacific Power Request for General Rate Revision	Public Utility Commission of Oregon	Vitesse, LLC	2024

UTILITY	PROCEEDING	SUBJECT	BEFORE	CLIENT	YEAR
16. CenterPoint Energy Houston Electric, LLC	SOAH Docket No. 473-24-13232 PUC Docket No. 56211	Application of CenterPoint Energy Houston Electric, LLC for Authority to Change Rates	Public Utility Commission of Texas	Office of Public Utility Counsel	2024
17. Constellation Mystic Power, LLC.	Docket No. ER18-1639-027	Annual Fixed Revenue Requirement, Capital Expense Recovery, and Stipulated Variable Cost Recovery for Mystic 8 & 9 Fuel Security System	Federal Energy Regulatory Commission	Eastern New England Consumer-Owned Systems (ENECOS)	2024
18. Peoples Gas Light and Coke Company	Docket No. 23-0069	Proposed General Increase in Gas Rates and Revisions to Other Terms and Conditions of Service	Illinois Commerce Commission	City of Chicago	2024
19. Southern Indiana Gas and Electric Company DBA CenterPoint Energy Indiana South	Cause No. 45990	Authority to Modify its Rates and Charges for Electric Utility Service Through a Phase-In of Rates…	Indiana Utility Regulatory Commission	SABIC Innovative Plastics Mount Vernon, LLC	2024
20. Cheyenne Light, Fuel, and Power Company DBA Black Hills Energy	Docket No. 20003-228-EN-23	Certificate of Public Convenience and Necessity to Construct and Operate a New 115 kV Substation, Two New 115 kV Transmission Lines, Modification and Extension of Four 115 kV Transmission Lines, Four New 115 kV Load-Serving Transmission Lines and Related Facilities	Wyoming Public Service Commission	--	2023
21. Black Hills Power, Inc. DBA Black Hills Energy	Docket No. 20002-131-EA-23	Proposed Modification of the Neil Simpson II Generation Facility to a Dual Fuel Source and Request for a Determination Regarding the Need to File for a Certificate of Public Convenience and Necessity	Wyoming Public Service Commission	--	2023
22. Cheyenne Light, Fuel, and Power Company DBA Black Hills Energy	Docket No. 20003-225-EM-23	Authority to Increase Its Power Cost Adjustment by $0.00872 per Kilowatt Hour	Wyoming Public Service Commission	--	2023

UTILITY	PROCEEDING	SUBJECT	BEFORE	CLIENT	YEAR
23. Cheyenne Light, Fuel, and Power Company and Black Hills Power, Inc. DBA Black Hills Energy	Docket No. 20003-223-ET-23	Authority to Establish a Low-Carbon Surcharge Tariff and Rate	Wyoming Public Service Commission	--	2023
24. Cheyenne Light, Fuel, and Power Company and Black Hills Power, Inc. DBA Black Hills Energy	Docket No. 20002-127-ET-23	Authority to Establish a Low-Carbon Surcharge Tariff and Rate	Wyoming Public Service Commission	--	2023
25. Cheyenne Light, Fuel, and Power Company DBA Black Hills Energy	Docket No. 20003-221-EA-23	Establish Intermediate Low-Carbon Portfolio Standards and Requirements	Wyoming Public Service Commission	--	2023
26. Black Hills Power, Inc. DBA Black Hills Energy	Docket No. 20002-126-EA-23	Establish Intermediate Low-Carbon Portfolio Standards and Requirements	Wyoming Public Service Commission	--	2023
27. Cheyenne Light, Fuel, and Power Company DBA Black Hills Energy	Docket No. 20003-217-EM-23	Authority to Decrease Its Power Cost Adjustment by $0.03149 per Kilowatt-Hour	Wyoming Public Service Commission	--	2023
28. Black Hills Wyoming Gas, LLC DBA Black Hills Energy	Docket No. 30026-78-GR-23	Authority to Implement a General Rate Increase of $19,262,412 per Annum and Extend Its Wyoming Integrity Rider	Wyoming Public Service Commission	--	2023
29. Cheyenne Light, Fuel, and Power Company DBA Black Hills Energy	Docket No. 20003-214-ER-22	A General Rate Increase of $15,366,026 per Annum and Authority to Revise Its Power Cost Adjustment Mechanism	Wyoming Public Service Commission	--	2022
30. Cheyenne Light, Fuel, and Power Company DBA Black Hills Energy	Docket No. 20003-213-EM-22	Authority to Increase Its Power Cost Adjustment by $0.00129 per Kilowatt-Hour	Wyoming Public Service Commission	--	2022

UTILITY	PROCEEDING	SUBJECT	BEFORE	CLIENT	YEAR
31. Cheyenne Light, Fuel, and Power Company DBA Black Hills Energy	Docket No. 20003-211-EM-22	Authority to Pass on a Blockchain Interruptible Service Customer Credit Adjustment Rate of $0.00 per Kilowatt-Hour Effective June 1, 2022	Wyoming Public Service Commission	--	2022
32. Cheyenne Light, Fuel, and Power Company DBA Black Hills Energy	Docket No. 20003-210-ET-22	Revise the Demand Side Management Surcharge Rate, Effective June 1, 2022	Wyoming Public Service Commission	--	2022
33. Cheyenne Light, Fuel, and Power Company and Black Hills Power, Inc. DBA Black Hills Energy	Docket No. 20003-209-EA-22	Establish Intermediate Low-Carbon Energy Portfolio Standards and Requirements	Wyoming Public Service Commission	--	2022
34. Cheyenne Light, Fuel, and Power Company and Black Hills Power, Inc. DBA Black Hills Energy	Docket No. 20002-123-EA-22	Establish Intermediate Low-Carbon Energy Portfolio Standards and Requirements	Wyoming Public Service Commission	--	2022
35. Cheyenne Light, Fuel, and Power Company DBA Black Hills Energy	Docket No. 20003-208-EA-22	Authority to Increase Its Voluntary Renewable Energy Rider Rate to $0.47 per Month per 100-KWh Block, Effective April 1, 2022	Wyoming Public Service Commission	--	2022
36. Cheyenne Light, Fuel, and Power Company DBA Black Hills Energy	Docket No. 20003-206-EN-22	A Certificate of Public Convenience and Necessity to Construct and Operate One New 230 kV Substation, Two Replacement 115 kV Substations, Three 230 kV Transmission Lines, Two 115 kV Transmission Lines and Related Facilities in Converse, Laramie, Goshen and Platte Counties on Wyoming and Scotts Bluff County in Nebraska	Wyoming Public Service Commission	--	2022

UTILITY	PROCEEDING	SUBJECT	BEFORE	CLIENT	YEAR
37. Black Hills Wyoming Gas, LLC DBA Black Hills Energy	Docket No. 30026-68-GM-22	Authority to Implement Wyoming Integrity Rider Rates of $0.0231 per Therm for Residential General Service, $0.0139 per Therm for Small General Service, $0.0148 per Therm for Medium General Service, $0.0092 per Therm for Large General Service, and $0.0285 per Therm for On-System Transportation Service	Wyoming Public Service Commission	--	2022
38. Black Hills Wyoming Gas, LLC DBA Black Hills Energy	Docket No. 30026-67-GM-22	Authority to Decrease the Revenue Adjustment Mechanism Rate By $0.0058 per Therm	Wyoming Public Service Commission	--	2022
39. Black Hills Wyoming Gas, LLC DBA Black Hills Energy	Docket No. 30026-66-GP-22	Authority to Pass on a Gas Cost Rate Decrease of $0.1155 per Therm	Wyoming Public Service Commission	--	2022
40. Black Hills Wyoming Gas, LLC DBA Black Hills Energy	Docket No. 30026-65-GN-22	Determination of CPCN Requirements Regarding the Relocation of an Existing Transmission Pipeline and Related Facilities	Wyoming Public Service Commission	--	2022
41. Black Hills Wyoming Gas, LLC DBA Black Hills Energy	Docket No. 30026-63-GP-22	Authority to Pass on a Gas Cost Rate Decrease of $0.0026 per Therm	Wyoming Public Service Commission	--	2022
42. Black Hills Wyoming Gas, LLC DBA Black Hills Energy	Docket No. 30026-60-GM-22	Authority to Increase the Revenue Adjustment Mechanism Rate by $0.0022 Per Therm	Wyoming Public Service Commission	--	2022
43. Black Hills Wyoming Gas, LLC DBA Black Hills Energy	Docket No. 30026-57-GT-22	Authority to Decrease the Energy Efficiency Surcharge for Residential Customers by $0.0034 per Therm and Increase It by $0.0006 per Therm for Non-Residential Customers	Wyoming Public Service Commission	--	2022

UTILITY	PROCEEDING	SUBJECT	BEFORE	CLIENT	YEAR
44. Black Hills Wyoming Gas, LLC DBA Black Hills Energy	Docket No. 30026-55-GP-22	Authority to Pass on a Wholesale Gas Cost Increase of $0.0669 per Therm	Wyoming Public Service Commission	--	2022
45. Cheyenne Light, Fuel, and Power Company DBA Black Hills Energy	Docket No. 20003-205-ET-21	Approval of the 2022-2024 Demand Side Management Program Plan by November 1, 2021, for Implementation on January 1, 2022	Wyoming Public Service Commission	--	2021
46. Cheyenne Light, Fuel, and Power Company DBA Black Hills Energy	Docket No. 20003-203-EM-21	Authority to Pass on a Blockchain Interruptible Service Customer Credit Adjustment Rate Of $0.00 Per KWh Effective June 1, 2021	Wyoming Public Service Commission	--	2021
47. Cheyenne Light, Fuel, and Power Company DBA Black Hills Energy	Docket No. 20003-202-EM-21	Authority to Increase Its Power Cost Adjustment by $0.00246 per Kilowatt-Hour	Wyoming Public Service Commission	--	2021
48. Cheyenne Light, Fuel, and Power Company DBA Black Hills Energy	Docket No. 20003-201-EN-21	Certificate of Public Convenience and Necessity to Construct and Operate Two 115 kV Substations, Associated Transmission Lines, and Related Facilities in Laramie County, Wyoming	Wyoming Public Service Commission	--	2021
49. Cheyenne Light, Fuel, and Power Company DBA Black Hills Energy	Docket No. 20003-200-ET-21	Authority to Update Its Demand Side Management Surcharge Rate, Effective June 1, 2021	Wyoming Public Service Commission	--	2021
50. Cheyenne Light, Fuel, and Power Company DBA Black Hills Energy	Docket No. 20003-199-EA-21	Authority to Increase Its Voluntary Renewable Energy Rider Rate to $0.43 per Month per 100-KWh Block, Effective April 1, 2021	Wyoming Public Service Commission	--	2021
51. Cheyenne Light, Fuel, and Power Company DBA Black Hills Energy	Docket No. 20003-198-EN-21	Certificate of Public Convenience and Necessity to Construct and Operate a 115 kV Substation, Associated Transmission Lines, and Related Facilities in Laramie County, Wyoming	Wyoming Public Service Commission	--	2021

UTILITY	PROCEEDING	SUBJECT	BEFORE	CLIENT	YEAR
52. Cheyenne Light, Fuel, and Power Company DBA Black Hills Energy	Docket No. 20003-194-EM-20	Authority to Increase Its Power Cost Adjustment by $0.00243 per Kilowatt-Hour Effective July 1, 2020	Wyoming Public Service Commission	--	2020
53. Cheyenne Light, Fuel, and Power Company DBA Black Hills Energy	Docket No. 20003-193-EN-20	Certificate of Public Convenience and Necessity to Rebuild an Existing 115 kV Transmission Line from Skyline Substation to East Business Park Substation in Laramie County, Wyoming	Wyoming Public Service Commission	--	2020
54. Cheyenne Light, Fuel, and Power Company DBA Black Hills Energy	Docket No. 20003-190-ET-20	Authority to Update Its Tariff Applicable to the Demand Side Management Margin Revenue Recovery, the Balancing Account and Program Costs	Wyoming Public Service Commission	--	2020
55. Cheyenne Light, Fuel, and Power Company DBA Black Hills Energy	Docket No. 20003-188-ET-20	Authority to Decrease Its Electric Voluntary Renewable Energy Rider Rate to $0.03 per Month per 100-KWh Block	Wyoming Public Service Commission	--	2020
56. Cheyenne Light, Fuel, and Power Company DBA Black Hills Energy	Docket No. 20003-182-ET-19	Authority to Update Its Electric and Gas Tariffs Applicable to the Demand Side Management Margin Revenue Recovery, the Balancing Account and Program Costs	Wyoming Public Service Commission	--	2019
57. Cheyenne Light, Fuel, and Power Company DBA Black Hills Energy	Docket No. 20003-173-ET-18	Authority to Implement a Blockchain Interruptible Service Tariff	Wyoming Public Service Commission	--	2018

Attachment KJC-2

PG&E Responses to CalCCA Discovery Requests

PACIFIC GAS AND ELECTRIC COMPANY
2023 General Rate Case Phase II
Application 24-09-014
Data Response

PG&E Data Request No.:	CalCCA_008-Q001
PG&E File Name:	GRC-2023-PhII_DR_CalCCA_008-Q001
Request Date:	August 18, 2026
Requester DR No.:	008
Requesting Party:	California Community Choice Association
Requester:	Julia Kantor
Date Sent:	September 9, 2026
PG&E Witness(es):	Andrew Au

QUESTION 001

Referring to Exh. PG&E-6 at p. 2-4 (PG&E's statement that CCA engagement "has been important for recruiting customers and enabling load response") and Exh. PG&E-6 at p. 2-35 (PG&E's proposal to discontinue CCA incentive funding):

a. Does PG&E anticipate any reduction in CCA-facilitated recruiting or load response as a result of eliminating the incentive? Please explain why or why not, and the basis for PG&E's conclusion.

b. Please provide any documents in PG&E's possession showing any analyses PG&E has conducted around the impact of CCA incentive funding on customer recruitment and load response.

ANSWER 001

a. PG&E does not propose continuation of CCA incentive funding as part of its Stop Gap Proposal because it appears that CCAs are independently motivated to participate in PG&E's RTP pilots in order to comply with the California Energy Commission's Load Management Standards (LMS) as is explained in exhibit PG&E-6 on lines 19 through 24 of p.2-35 and lines 1-10 on p.2-36. Specifically, PG&E observed that nine of the ten CCAs in PG&E's service area subject to LMS requirements cited participation in PG&E's HFP pilots as a pathway in their approved LMS Compliance Plans. PG&E further notes that CCAs are largely relying on PG&E's RTP pilots to satisfy LMS-related objectives and are able to do so using PG&E's RTP pricing and billing infrastructure, for which CCAs are not charged.

   Accordingly, the basis for PG&E's proposal is that CCA participation is being driven by LMS compliance needs and access to the RTP platform rather than by continuation of the incentive funding. PG&E also noted that under the proposed HFP 2.0 "credit and charge" billing structure, CCAs would be less exposed to funding shortfalls associated with annual true-up reconciliation of unbundled generation charges.

PG&E has not identified, in the cited testimony, a quantitative analysis estimating a specific level of change in CCA recruiting activity or load response that would result from eliminating the incentive. The testimony explains the rationale for discontinuing the incentive but does not present a forecasted reduction (or lack of reduction) in customer recruitment or load response attributable to the funding change.

b. PG&E has not performed a quantitative assessment to estimate the extent to which eliminating the incentive would affect CCA customer recruitment activity or resulting load response. While PG&E has provided its rationale for discontinuing the incentive, it has not developed a forecast of any potential increase or decrease in customer participation or load response attributable to the removal of the funding.

PACIFIC GAS AND ELECTRIC COMPANY
2023 General Rate Case Phase II
Application 24-09-014
Data Response

PG&E Data Request No.:	CalCCA_008-Q002
PG&E File Name:	GRC-2023-PhII_DR_CalCCA_008-Q002
Request Date:	August 18, 2026
Requester DR No.:	008
Requesting Party:	California Community Choice Association
Requester:	Julia Kantor
Date Sent:	September 9, 2026
PG&E Witness(es):	Andrew Au

QUESTION 002

Referring to Exh. PG&E-6 at p. 2-35: Provide all data, analyses, and/or communications PG&E relied upon in concluding that continuation of CCA incentives is unnecessary because CCAs are "now leveraging participation…to meet LMS guidance."

ANSWER 002

PG&E states that the conclusion described in Exhibit PG&E-6 was based on PG&E's review of publicly filed and approved Community Choice Aggregator ("CCA") Load Management Standards ("LMS") Compliance Plans and the participation status of CCAs in PG&E's Real-Time Pricing ("RTP") pilots.

As described in in exhibit PG&E-6 on lines 19 through 24 of p.2-35 and lines 1-10 on p.2-36, PG&E relied on the observation that:

- CCAs are subject to California Energy Commission ("CEC") LMS requirements to submit hourly dynamic rate proposals and make dynamic rates available to customers, subject to applicable requirements.[1]
- CCAs are largely relying on PG&E's RTP pilots to support those LMS obligations and are able to do so using PG&E's RTP pricing and billing infrastructure, for which CCAs are not charged.
- Of the ten CCAs in PG&E's service area to which the LMS requirements apply, nine cited participation in PG&E's HFP pilots as a pathway in LMS Compliance Plans approved by the CEC in 2025 and 2026.

The testimony specifically identifies the following LMS Compliance Plan filings as support for that conclusion:

[1] California Code of Regulations, Title 20, Division 2, Chapter 4, Article 5, § 1623.1.

- Ava Energy, Clean Version of Ava Community Energy Revised Load Management Standards Compliance Plan (TN #264899, docketed July 18, 2025).
- San José Clean Energy, SJCE Revised LMS Compliance Plan (TN #262497, docketed March 28, 2025).
- Silicon Valley Clean Energy, SVCE LMS Plan (Public Version) (TN #255393, docketed April 2, 2024).
- Central Coast Community Energy, Revised Load Management Standards Plan (TN #266039, docketed September 17, 2025).
- Peninsula Clean Energy, Revised LMS Compliance Plan (TN #262291, docketed March 21, 2025). PG&E cites Peninsula Clean Energy's statement that it is participating in two of PG&E's HFP pilots as a means of pursuing LMS-compliant rate offerings.
- Valley Clean Energy, Revised Load Management Standards Compliance Plan (TN #262691, docketed April 15, 2025).
- Marin Clean Energy, Revised Load Management Standards Plan (TN #268185, docketed January 7, 2026).
- Pioneer Community Energy, Revised Load Management Standards Plan (TN #266073, docketed September 18, 2025).
- CleanPowerSF, Revised Load Management Standards Plan (TN #266041, docketed September 17, 2025).

PG&E's testimony does not identify a separate quantitative study that evaluates whether elimination of CCA incentive funding would affect CCA participation, customer recruitment, or load response. Rather, the testimony explains that PG&E's conclusion was based on the existence of LMS requirements, the approved LMS Compliance Plans cited above, the participation of nine CCAs in PG&E's RTP pilots, and the availability of PG&E's RTP billing and programmatic infrastructure at no charge to participating CCAs.

PACIFIC GAS AND ELECTRIC COMPANY
2023 General Rate Case Phase II
Application 24-09-014
Data Response

PG&E Data Request No.:	CalCCA_008-Q004
PG&E File Name:	GRC-2023-PhII_DR_CalCCA_008-Q004
Request Date:	August 18, 2026
Requester DR No.:	008
Requesting Party:	California Community Choice Association
Requester:	Julia Kantor
Date Sent:	September 9, 2026
PG&E Witness(es):	Andrew Au

QUESTION 004

Referring to Exh. PG&E-6 at p. 2-35 to 2-36: Did PG&E solicit input from participating CCAs before proposing to discontinue the CCA incentive? If so, summarize the input received and how it factored into PG&E's decision to discontinue the incentive. If not, why not?

ANSWER 004

No, PG&E did not solicit input from participating Community Choice Aggregators (CCAs) before proposing to discontinue the CCA incentive. PG&E did not do so because PG&E made a determination that including CCA incentives in our proposal was not appropriate given the California Energy Commission's Load Management Standards (LMS) and CCAs' approved LMS compliance plans. The rationale for this determination is explained in exhibit PG&E-6 on lines 19 through 24 of p.2-35 and lines 1-10 on p.2-36. In its original proposal for the existing HFP pilots, PG&E did not propose funding for CCAs. As noted in the CPUC's *Decision to Expand System Reliability Pilots of Pacific Gas and Electric Company and Southern California Edison Company*, D.24-01-032, CalCCA made the request for funding. The Decision states:

> *CalCCA argued that any CCA should have the option to receive ratepayer funding to administer dynamic rates pilots in their service area." It further argued that CCAs have local knowledge and that administering dynamic rate pilots would help them gain experience ahead of the CEC Load Management Standards deadlines.*[1]

This statement also connects the applicability of funding to the LMS. PG&E anticipates and looks forward to the CCAs input through the regulatory stakeholder process.

[1] D.24-01-032, p.28.

PACIFIC GAS AND ELECTRIC COMPANY
2023 General Rate Case Phase II
Application 24-09-014
Data Response

PG&E Data Request No.:	CalCCA_008-Q005
PG&E File Name:	GRC-2023-PhII_DR_CalCCA_008-Q005
Request Date:	August 18, 2026
Requester DR No.:	008
Requesting Party:	California Community Choice Association
Requester:	Julia Kantor
Date Sent:	August 25, 2026
PG&E Witness(es):	Rebecca Madsen

QUESTION 005

Referring to Exh. PG&E-6 at p. 8-1 to 8-3:

a. Confirm or deny that CCA (unbundled) customers bear cost responsibility for the distribution-component shortfall through DRAM, while only bundled customers bear cost responsibility for the generation-component shortfall through ERRA. If denied, please explain.

b. Please explain PG&E's proposed cost recovery/cost allocation proposal for the costs to be tracked within the DRTPMA balancing account. Under PG&E's proposal, which customer groups will bear these costs?

ANSWER 005

a. PG&E confirms that CCA (unbundled) customers bear cost responsibility for the distribution-component shortfall through DRAM, and further clarifies that bundled customers also bear cost responsibility for the distribution-component shortfall through DRAM. This is noted in PG&E's opening testimony, Exh. PG&E-6 at page 8-2:

"PG&E proposes to true-up shadow bill credits for the Stop Gap Proposal on an annual basis through its AET process and recover (a) the revenue shortfall from the distribution component of PG&E's bundled and unbundled customers in its existing DRAM balancing account…"

PG&E confirms that only bundled customers bear cost responsibility for the generation-component shortfall through ERRA. This is noted in PG&E's opening testimony, Exh. PG&E-6 at page 8-2:

"PG&E proposes to true-up shadow bill credits for the Stop Gap Proposal on an annual basis through its AET process and recover…(b) the revenue shortfall from the generation component of PG&E's bundled customers in its ERRA."

b. In its opening testimony PG&E did not propose which rate component(s) or from what customer group(s) to recover the Stop Gap Proposal costs proposed to be recorded in the Expanded Pilots Subaccount of the DRTPMA. D.24-01-032, which found it reasonable for PG&E to track and record implementation costs for its HFP Pilots in its existing DRTPMA, also did not specify what rate component(s) or from what customer group(s) the costs should be recovered. When PG&E files to recover the costs recorded in the Expanded Pilots Subaccount of the DRTPMA it will make a proposal for what rate component(s) and from which customer group(s) the costs should be recovered and will abide by the CPUC's decision on this matter.

PACIFIC GAS AND ELECTRIC COMPANY
2023 General Rate Case Phase II
Application 24-09-014
Data Response

PG&E Data Request No.:	CalCCA_008-Q006
PG&E File Name:	GRC-2023-PhII_DR_CalCCA_008-Q006
Request Date:	August 18, 2026
Requester DR No.:	008
Requesting Party:	California Community Choice Association
Requester:	Julia Kantor
Date Sent:	September 9, 2026
PG&E Witness(es):	Andrew Au

QUESTION 006

Referring to Exh. PG&E-6 at p. 8-1 to 8-2: Provide, for each of the most recent three years for which data is available, the dollar amounts of distribution-component shadow-bill shortfalls recovered through DRAM that are attributable to CCA/unbundled customers, separately from bundled customers.

ANSWER 006

HFP is designed such that it aligns closely with the true cost-to-serve. The dynamic rates in general cannot prevent all cost shifts. However, PG&E notes that the definitions of “shortfalls” and “cost shifts” are very important for this context. Customers that do not participate in dynamic pricing, i.e. TOU customers, are already creating a cost shift themselves because the TOU prices they pay do not match the utility’s cost to serve. While no pricing scheme will be perfectly cost-based, PG&E believes that because the HFP design is more cost-based than TOU rates, customers on HFP are effectively reducing an existing cost shift rather than creating a new one, even without modifying their usage pattern.. In summary, PG&E does not believe there is a shortfall in this context.

PACIFIC GAS AND ELECTRIC COMPANY
2023 General Rate Case Phase II
Application 24-09-014
Data Response

PG&E Data Request No.:	CalCCA_008-Q007
PG&E File Name:	GRC-2023-PhII_DR_CalCCA_008-Q007
Request Date:	August 18, 2026
Requester DR No.:	008
Requesting Party:	California Community Choice Association
Requester:	Julia Kantor
Date Sent:	September 9, 2026
PG&E Witness(es):	Andrew Au

QUESTION 007

Referring to Exh. PG&E-6 at p. 2-37, and PG&E's statement that

> "PG&E requests the opportunity to file a Tier 2 Advice Letter within 45 days of the Final Decision to update cost estimates based on the CPUC's Final Decision on this proposal. This is important as the final rate and program design that PG&E is required to implement may require substantively higher or lower costs to implement than the rate and program design that is presented here in this testimony":

a. What is the cost range PG&E anticipates could be requested through this Tier 2 Advice Letter process?

b. At this point, what information does PG&E lack that prevents it from finalizing its cost forecast with a higher degree of certainty? What aspects of the Final Decision does PG&E anticipate will impact the final cost forecast?

ANSWER 007

a. PG&E is unable to develop a cost range for unknown potential outcomes in the CPUC's Final Decision in this case.

b. PG&E's cost estimates are based on PG&E's proposed rate and programmatic design for the extended Hourly Flex Pricing (HFP) pilot and revised HFP 2.0 offering. There are a number of unknown rate design and programmatic variables that could affect the budget needed. Changes to these elements could increase or decrease implementation complexity and associated vendor, systems, partner engagement, and administrative costs. These parameters will be determined by the CPUC's Final Decision and include:

    i. Whether the Commission would approve, modify, or reject proposed HFP 2.0 rate and programmatic design elements, including removal of subscriptions, adoption of the revenue neutral adder, the proposed credit-and-charge billing

structure, removal of transactive pricing, customer protection provisions, and other pilot design modifications.

ii. Whether the Commission would modify customer eligibility requirements and/or direct additional rate schedules.

iii. Whether the Commission would adopt a different approach to dual participation, avoiding double compensation, and/or require additional systems, processes, or safeguards to address dual participation issues.

iv. Whether the Commission would require modifications to the proposed ASP engagement or CCA engagement approach and funding.

v. Whether the Commission would require modifications to the proposed Marketing, Education, and Outreach activities.

vi. Whether the Commission would require modifications to the proposed Measurement and Evaluation activities, reporting requirements.

vii. Whether the Commission would require additional functionality, operational processes, or implementation activities beyond those reflected in PG&E's proposed implementation plan.

viii. As yet unknown proposals that may be generated by intervenors to the proceeding and approved by the CPUC.

PACIFIC GAS AND ELECTRIC COMPANY
2023 General Rate Case Phase II
Application 24-09-014
Data Response

PG&E Data Request No.:	CalCCA_008-Q009
PG&E File Name:	GRC-2023-PhII_DR_CalCCA_008-Q009
Request Date:	August 18, 2026
Requester DR No.:	008
Requesting Party:	California Community Choice Association
Requester:	Julia Kantor
Date Sent:	August 31, 2026
PG&E Witness(es):	Tysen Streib

QUESTION 009

Referring to Exh. PG&E-6 at p. 2-25:

a. Explain if and how the RNA and the "price you see is the price you pay" design will ensure that customers with favorable load shapes do not receive bill benefits without a corresponding change in behavior.

b. Explain if and how the RNA and the "price you see is the price you pay" design will prevent cost shifting onto customers who do not participate in HFP.

ANSWER 009

a. No, the RNA and the "price you see is the price you pay" design will not ensure that customers with favorable load shapes do not receive bill benefits without a corresponding change in behavior. As described in the response to GRC-2023-PhII_DR_CalCCA_008-Q008, the RNA is calculated to be revenue neutral to the schedule as a whole, not revenue neutral for individual customers. Customers with a favorable load shape are using energy when it's cheapest and creating value for the utility, which should be encouraged. See more details in part (b) below.

b. The RNA, the "price you see is the price you pay" design, and dynamic rates in general cannot prevent all cost shifts. However, PG&E notes that the definition of "cost shift" is very important for this context. Customers that do not participate in dynamic pricing, i.e. TOU customers, are already creating a cost shift because the TOU prices they pay do not match the utility's cost to serve. While no pricing scheme will be perfectly cost-based, PG&E believes that because the HFP design is more cost-based than TOU rates, customers on HFP are effectively reducing an existing cost shift rather than creating a new one, even if they are receiving bill benefits without a change in behavior.

PACIFIC GAS AND ELECTRIC COMPANY
2023 General Rate Case Phase II
Application 24-09-014
Data Response

PG&E Data Request No.:	CalCCA_008-Q010
PG&E File Name:	GRC-2023-PhII_DR_CalCCA_008-Q010
Request Date:	August 18, 2026
Requester DR No.:	008
Requesting Party:	California Community Choice Association
Requester:	Julia Kantor
Date Sent:	August 31, 2026
PG&E Witness(es):	Tysen Streib

QUESTION 010

Referring to Exh. PG&E-6 at p. 2-25:

a. Provide any sensitivity analyses in PG&E's possession showing the range of RNA values across rate schedules.

b. Describe if and how PG&E tested whether the proposed RNA design eliminates (or minimizes) cost shifting among customer classes and between participating and non participating customers.

ANSWER 010

a. PG&E has not performed any RNA calculations beyond those already provided in workpapers.

b. See the response to GRC-2023-PhII_DR_CalCCA_008-Q009. No other testing has been performed.

PACIFIC GAS AND ELECTRIC COMPANY
2023 General Rate Case Phase II
Application 24-09-014
Data Response

PG&E Data Request No.:	CalCCA_008-Q011
PG&E File Name:	GRC-2023-PhII_DR_CalCCA_008-Q011
Request Date:	August 18, 2026
Requester DR No.:	008
Requesting Party:	California Community Choice Association
Requester:	Julia Kantor
Date Sent:	August 31, 2026
PG&E Witness(es):	Tysen Streib

QUESTION 011

Referring to Exh. PG&E-6 at p. 3-4: Explain how the RNA will interact with the proposed removal of peak demand charges. Will this design ensure that customers on schedules with significant demand-driven cost causation are neither over- nor under-collected relative to cost of service? Please explain.

ANSWER 011

The dynamic HFP rate collects the same capacity costs as peak demand charges typically collect. Any difference between the cost-based HFP design and the TOU tariff design are captured within the RNA to ensure that the schedule does not over- or under-collect. See the response to GRC-2023-PhII_DR_CalCCA_008-Q008 for additional information.

PACIFIC GAS AND ELECTRIC COMPANY
2023 General Rate Case Phase II
Application 24-09-014
Data Response

PG&E Data Request No.:	CalCCA_008-Q012
PG&E File Name:	GRC-2023-PhII_DR_CalCCA_008-Q012
Request Date:	August 18, 2026
Requester DR No.:	008
Requesting Party:	California Community Choice Association
Requester:	Julia Kantor
Date Sent:	August 31, 2026
PG&E Witness(es):	Tysen Streib

QUESTION 012

Referring to Exh. PG&E-6 at p. 2-25: Identify any alternatives to the RNA that PG&E considered for collecting non-marginal costs following removal of subscriptions (including, but not limited to, retaining a modified subscription, a fixed monthly charge, or another allocator), and explain why the RNA was selected over such alternatives. If no alternatives were evaluated, please explain why.

ANSWER 012

As mentioned in Exhibit (PG&E-6),[1] PG&E is not considering alternatives to the RNA, but is researching a fixed monthly charge that would reduce or eliminate the RNA. PG&E is just beginning to explore these options and does not have any analysis available.

[1] See Exhibit (PG&E-6), p. 3-7, lines 25-27.

PACIFIC GAS AND ELECTRIC COMPANY
2023 General Rate Case Phase II
Application 24-09-014
Data Response

PG&E Data Request No.:	CalCCA_008-Q013
PG&E File Name:	GRC-2023-PhII_DR_CalCCA_008-Q013
Request Date:	August 18, 2026
Requester DR No.:	008
Requesting Party:	California Community Choice Association
Requester:	Julia Kantor
Date Sent:	September 2, 2026
PG&E Witness(es):	Tysen Streib

QUESTION 013

Referring to Exh. PG&E-6 at p. 2-25: Did PG&E solicit input from CCAs regarding the design of the proposed RNA before filing this testimony? If so, please (1) explain how such input was solicited, (2) summarize the substance of any input received, and (3) explain if and how PG&E incorporated this input into its ultimate proposal in testimony.

ANSWER 013

Yes. PG&E hosts a regular coordination meeting with the CCAS participating in HFP. PG&E shared information with the CCAs on the Stop-Gap rate design in the meeting on 3/26/26 and there was an action item for 3CE to coordinate the rate design feedback from CCAs, however no feedback was provided.

In addition, PG&E did work with CCAs on the original Day Ahead Hourly Real-Time Pricing (DAHRTP) design which was proposed in A.19-11-019 and used the same RNA design. PG&E met with CCAs multiple times, discussed RNA design, and received feedback regarding the flexibility that CCAs desired in setting their own generation RNA values. That same flexibility as discussed in those meetings would still exist in this current proposal.

PACIFIC GAS AND ELECTRIC COMPANY
2023 General Rate Case Phase II
Application 24-09-014
Data Response

PG&E Data Request No.:	CalCCA_008-Q016
PG&E File Name:	GRC-2023-PhII_DR_CalCCA_008-Q016
Request Date:	August 18, 2026
Requester DR No.:	008
Requesting Party:	California Community Choice Association
Requester:	Julia Kantor
Date Sent:	September 9, 2026
PG&E Witness(es):	Andrew Au

QUESTION 016

Referring to Exh. PG&E-6 at p. 2-25: Please explain whether a CCA could modify the design of the RNA offered to its customers as part of the HFP 2.0 program design? If so, please explain in what ways a CCA could modify the RNA. If not, please explain why not.

ANSWER 016

As currently proposed, the RNA will be a flat $/kWh adder that may vary by hour. A CCA may modify the values and/or hours as desired.

Yes, a CCA could choose to modify the RNA for the CCA generation rate component offered to its customers by choosing the value of the RNA applied to those customers. Specifically, the RNA could be structured as a flat $/kWh adder that is applied across desired hours.

PACIFIC GAS AND ELECTRIC COMPANY
2023 General Rate Case Phase II
Application 24-09-014
Data Response

PG&E Data Request No.:	CalCCA_008-Q019
PG&E File Name:	GRC-2023-PhII_DR_CalCCA_008-Q019
Request Date:	August 18, 2026
Requester DR No.:	008
Requesting Party:	California Community Choice Association
Requester:	Julia Kantor
Date Sent:	September 9, 2026
PG&E Witness(es):	Andrew Au

QUESTION 019

Referring to Exh. PG&E-6 at p. 2-39: Why is the program administrative cost forecast almost twice that of pricing/billing/customer relationship systems? In PG&E's view, why is this cost breakdown reasonable?

ANSWER 019

One should not try to benchmark the operating cost against the Billing and Customer Relationship Management system costs. The Program Administration budget is comprised of internal FTE labor and external contract resources to enable and support ongoing pilot management and operations. This includes customer enrollment and shadow billing, true-up and on-bill credit processing, ongoing customer inquiries, coordination with CCA and ASP partners, and management of external partner vendors that help PG&E with operations and support of the pilot. These processes are highly labor intensive, requiring a dedicated team of resources who are well-versed in pilot intricacies and who will be responsible for managing enrollment and support for upwards of 16,000 customer services. In contrast, the costs for the Billing and Customer Relationship Management Systems represent capital costs that are primarily vendor-based implementation costs and ongoing Software-as-a-Service (SaaS) fees. Such costs, by their nature, typically represent one-time build costs and incremental support fees. The two categories serve different purposes and are not directly comparable on a one-to-one basis.

Accordingly, the magnitude of Program Administration costs reflects the breadth of functions required to operate, oversee, and maintain the program, while the Billing and CRM Systems category reflects only one component of the overall program infrastructure.

PACIFIC GAS AND ELECTRIC COMPANY
2023 General Rate Case Phase II
Application 24-09-014
Data Response

PG&E Data Request No.:	CalCCA_008-Q021
PG&E File Name:	GRC-2023-PhII_DR_CalCCA_008-Q021
Request Date:	August 18, 2026
Requester DR No.:	008
Requesting Party:	California Community Choice Association
Requester:	Julia Kantor
Date Sent:	September 9, 2026
PG&E Witness(es):	Andrew Au

QUESTION 021

Referring to Exh. PG&E-6 at p. 2-25: Explain whether PG&E considered retaining a modified two-part subscription methodology (e.g., with more frequent subscription updates or a shorter true-up period) as an alternative to full removal. If this was considered and rejected, explain why. If it was not considered, please explain why not.

ANSWER 021

PG&E considered the role of the subscription as part of the HFP rate offering as part of its evaluation of lessons learned from the current HFP pilots. However, PG&E did not pursue a modified subscription design, such as more frequent subscription updates or a shorter true-up period, as part of the proposed HFP 2.0 structure.

As discussed in PG&E's testimony and responses to CalCCA Data Request 008, Question 017, PG&E found that the subscription methodology creates customer comprehension challenges, complicates bill validation, increases administrative burden for PG&E, CCAs, and Automation Service Providers, and can obscure the underlying hourly price signal that HFP is intended to provide. More frequent subscription updates or shorter true-up periods would not eliminate these underlying challenges.

PACIFIC GAS AND ELECTRIC COMPANY
2023 General Rate Case Phase II
Application 24-09-014
Data Response

PG&E Data Request No.:	CalCCA_008-Q022
PG&E File Name:	GRC-2023-PhII_DR_CalCCA_008-Q022
Request Date:	August 18, 2026
Requester DR No.:	008
Requesting Party:	California Community Choice Association
Requester:	Julia Kantor
Date Sent:	August 31, 2026
PG&E Witness(es):	Tysen Streib

QUESTION 022

Referring to Exh. PG&E-6 at p. 2-25: Describe what mechanism, if any, will replace the subscription's function of associating bill credits with an actual change in customer load, so as to ensure that credits reflect genuine load shift rather than an incidentally favorable load shape. If no such mechanism exists, please explain why not.

ANSWER 022

Please see the response to GRC-2023-PhII_DR_CalCCA_008-Q009. Credits could be given for incidentally favorable load shape, but this is because the HFP design is more cost-based than TOU rates, as explained in answer to Q009, subpart b.

PACIFIC GAS AND ELECTRIC COMPANY
2023 General Rate Case Phase II
Application 24-09-014
Data Response

PG&E Data Request No.:	CalCCA_008-Q023
PG&E File Name:	GRC-2023-PhII_DR_CalCCA_008-Q023
Request Date:	August 18, 2026
Requester DR No.:	008
Requesting Party:	California Community Choice Association
Requester:	Julia Kantor
Date Sent:	September 9, 2026
PG&E Witness(es):	Andrew Au

QUESTION 023

Referring to Exh. PG&E-6 at p. 2-15: Confirm or deny that PG&E does not propose to implement any element of HFP 2.0 (including the RNA and the removal of subscriptions) prior to January 1, 2029, absent an accelerated regulatory or implementation timeline.

ANSWER 023

PG&E is exploring options to accelerate implementation of HFP 2.0, but requires and plans to request regulatory approval for expedited implementation of to implement the certain changes to HFP proposed in PG&E-06, PG&E's Stop-Gap HFP Proposal. Thus, PG&E's implementation timeline is closely linked to when PG&E will receive regulatory approval (as illustrated in Figure 2-1 on p. 2-17 of PG&E-06) and may be updated. As noted in PG&E-06 on p.2-37 line 10, PG&E has requested to submit an implementation advice letter after the Final Decision to update costs and may also present a revised timeline for implementation if warranted in that advice letter.

PACIFIC GAS AND ELECTRIC COMPANY
2023 General Rate Case Phase II
Application 24-09-014
Data Response

PG&E Data Request No.:	CalCCA_008-Q024
PG&E File Name:	GRC-2023-PhII_DR_CalCCA_008-Q024
Request Date:	August 18, 2026
Requester DR No.:	008
Requesting Party:	California Community Choice Association
Requester:	Julia Kantor
Date Sent:	September 9, 2026
PG&E Witness(es):	Jahon Amirebrahimi

QUESTION 024

Referring to Exh. PG&E-6 at p. 2-14 to p. 2-16, and p. 2-20 to p. 2-25:

a. Given the concerns PG&E identifies with the current subscription-based HFP 1.0 design, explain why PG&E proposes to continue that design unchanged for an additional year (through 2028) rather than pursuing incremental, interim corrections in 2028.

b. Identify any interim adjustments to the current HFP 1.0 design — short of full HFP 2.0 implementation — that PG&E could feasibly implement during 2028 to address the subscription-related and RNA-related learnings described in this testimony, and explain why any such adjustments were, or were not, considered/proposed.

c. Provide PG&E's estimate of any incremental customer impact (e.g., continued over/underpayment relative to cost of service, or cost shifting) that may result from continuing the current subscription-based HFP 1.0 design through the end of 2028, as compared to implementing corrective changes on an accelerated basis.

d. Explain the relationship between the timing of the Final HFP 1.0 Evaluation Study (expected March 2028) and the RTP Impact Assessment (expected May 2028) (p. 2-15) and PG&E's proposed January 2029 HFP 2.0 implementation date, including whether preliminary findings from those studies could inform an earlier transition.

e. Describe PG&E's position on using 2028 to incorporate HFP 1.0 learnings directly into the design and phased rollout of HFP 2.0, rather than extending HFP 1.0 unchanged through the end of 2028.

ANSWER 024

a. Please refer to PG&E's response to CalCCA Request #008 Question 023.

b. Please refer to PG&E's response to CalCCA Request #008 Question 023.

c. PG&E does not have the information requested by this data request. Both rate designs are structured to be revenue neutral as a whole, and PG&E does not have estimates of various impacts on customers on a more granular level. PG&E has not developed any analyses for that purpose and performing such an analysis would be burdensome and speculative. On these grounds, PG&E objects to this question as burdensome and speculative.

   Without waiving the foregoing objection, PG&E responds as follows. PGE&E believes that both the current subscription design and the revised changes are close to PG&E's cost of service and that one design is not necessarily superior to the other for that purpose. PG&E's desire to remove subscription is for customer experience reasons, not for cost accuracy.

d. The HFP 1.0 final evaluation and RTP Impact Assessment serve complementary purposes. The HFP 1.0 final evaluation, due March 1, 2028, is an ex-post assessment of observed pilot performance, including load response, bill impacts, system benefits, costs, customer experience, and pilot processes. The RTP Impact Assessment, due May 1, 2028, is a forward-looking, scenario-based analysis of potential RTP adoption, load response, system impacts, and cost-effectiveness under broader deployment scenarios. PG&E proposed January 2029 as the target for implementing HFP 2.0 to provide time following the Commission's Final Decision to complete the required rate, billing, operational, vendor, and customer-transition activities. PG&E's proposal also permits an earlier transition if regulatory and implementation timelines allow.

   To the extent sufficiently developed findings become available before the final reports, PG&E may consider them in ongoing planning. However, PG&E cannot presently confirm that preliminary findings would support an earlier transition. That determination would depend on the nature and reliability of the findings, the Commission's authorization, and operational feasibility.

e. PG&E supports incorporating available HFP 1.0 learnings into the design and implementation of HFP 2.0. PG&E would consider incorporating additional HFP 1.0 learnings during 2028 if regulatory approvals for such changes were received on a timeline that enabled accelerated changes where feasible.

PACIFIC GAS AND ELECTRIC COMPANY
2023 General Rate Case Phase II
Application 24-09-014
Data Response

PG&E Data Request No.:	CalCCA_008-Q025
PG&E File Name:	GRC-2023-PhII_DR_CalCCA_008-Q025
Request Date:	August 18, 2026
Requester DR No.:	008
Requesting Party:	California Community Choice Association
Requester:	Julia Kantor
Date Sent:	August 25, 2026
PG&E Witness(es):	Neda Assadi

QUESTION 025

Referring to Exh. PG&E-6 at p. 4-2: Describe in detail what specific customer-level or program-level information from CCAs (or other third party demand response or incentive program administrators) would be sufficient for PG&E to prevent double compensation under HFP, including the frequency (e.g., monthly, per dispatch event, or per true-up cycle) at which such information would need to be provided.

ANSWER 025

Today, PG&E prevents double compensation under Hourly Flex Pricing (HFP) at the time of enrollment through dual participation enrollment verifications.

Participation in supply-side DR programs is well tracked in the California Independent System Operator (CAISO) Demand Response Registration System (DRRS), across all entities registering customers for participation in CAISO wholesale market DR resources (IOUs, CCAs, DRPs, etc.). Registration in DRRS is deemed to be participation in a supply side program.[1] If a customer enrolled in HFP seeks to later enroll in a supply-side DR program, the CAISO DRRS process requires PG&E to verify that the customer is eligible, and PG&E will reject the customer from participating in the CAISO wholesale market due to the dual participation prohibition. If a customer enrolled in HFP seeks to later enroll in a PG&E program (supply side or load modifying) where dual participation is prohibited, PG&E will reject the customer from participating in the conflicting program due to the dual participation prohibition. PG&E will not provide the name of the program/entity the customer is enrolled with to the entity seeking to enroll the customer in the Expanded Pilots, in compliance with existing privacy requirements.[2]

[1] This PG&E dual participation check includes the CEC DSGS Option 2, which is the Incremental Market-Integrated Demand Response Capacity Pilot and requires participation in the wholesale market.

[2] This does not apply if the customer is seeking to enroll itself, or if the customer has already authorized the release of such data to the third party.

To implement dual participation prohibitions on non-PG&E event-based load-modifying programs and for CCAs participating in HFP, PG&E is working with CCAs to prevent dual participation where prohibited, both where the CCA is the entity registering the customer, and where it is not. Today, PG&E exchanges Excel files with CCAs every two weeks (typically Wednesdays), with CCAs asked to respond within 2 to 5 business days to verify enrollment eligibility.

Any future processes that would prevent double compensation in programs that are permitted is highly dependent on the program design and compensation structures. At minimum, program-specific requirements include:

- Program name, administrator/DR provider, and grid service(s) provided
- Incentive structure (capacity vs. energy vs. one-time payment/credit)
- Event triggers and dispatches
- Type of baseline used to calculate performance
- Rules for impact allocation (if split between two programs) used for settlement and resource planning

Customer-specific requirements include:

- Service agreement IDs
- Start date and end date of participation
- Customer performance per event
- Event-specific payment/credit or one-time payment/credit

For HFP today, which permits dual participation with Critical Peak Pricing (CPP) programs like SmartRate and Peak Day Pricing and the Emergency Load Reduction Program (ELRP) pilot, PG&E addresses double compensation for ELRP at the time of the HFP Bill Credit assessment/true-up using a simple formula that reduces HFP bill credits by the incentives received under the other program.[3] This process minimizes operational changes to the existing ELRP processes and allows for one-time assessment at the time of shadow bill true-up.

[3] See PG&E Advice 7223-E-B.

PACIFIC GAS AND ELECTRIC COMPANY
2023 General Rate Case Phase II
Application 24-09-014
Data Response

PG&E Data Request No.:	CalCCA_008-Q026
PG&E File Name:	GRC-2023-PhII_DR_CalCCA_008-Q026
Request Date:	August 18, 2026
Requester DR No.:	008
Requesting Party:	California Community Choice Association
Requester:	Julia Kantor
Date Sent:	August 25, 2026
PG&E Witness(es):	Neda Assadi

QUESTION 026

Referring to Exh. PG&E-6 at p. 4-2: Describe any data-sharing protocols, confidentiality protections, or system changes PG&E has evaluated, or believes would need to be developed, to receive CCA program participation or payment data sufficient to inform shadow-bill calculations while protecting competitively sensitive CCA program information.

ANSWER 026

PG&E has implemented an Excel file-sharing process for HFP as stated in the response for Question 25. PG&E has not evaluated any other data-sharing protocols, confidentiality protections, or system changes specific to HFP CCA program participation. PG&E has existing data-sharing protocols and confidentiality protections typically described within non-disclosure agreements.

PACIFIC GAS AND ELECTRIC COMPANY
2023 General Rate Case Phase II
Application 24-09-014
Data Response

PG&E Data Request No.:	CalCCA_008-Q027
PG&E File Name:	GRC-2023-PhII_DR_CalCCA_008-Q027
Request Date:	August 18, 2026
Requester DR No.:	008
Requesting Party:	California Community Choice Association
Requester:	Julia Kantor
Date Sent:	September 9, 2026
PG&E Witness(es):	Tysen Streib and Andrew Au

QUESTION 027

a. If PG&E offered a delivery-only RTP rate (i.e., a rate limited to the distribution/delivery component, excluding the generation-related RNA or commodity component), describe how such a rate would need to be structured to allow a CCA to offer its own generation-side RTP rate in coordination with PG&E's delivery-only rate, and identify any technical, billing, or regulatory barriers to this approach.

b. Could PG&E offer a delivery-only RTP rate that doesn't need to be paired with a Generation RTP rate (i.e., a delivery RTP rate that can be paired with a customer's normal Otherwise Applicable Tariff)? Does PG&E have any plans to consider such a rate option?

c. Could PG&E offer a generation-only RTP rate that doesn't need to be paired with a delivery RTP rate (i.e., a generation RTP rate that can be paired with a customer's normal Otherwise Applicable Tariff)? Does PG&E have any plans to consider such a rate option?

ANSWER 027

a. PG&E can offer a delivery-only RTP rate which would allow a CCA to offer its own generation-side RTP rate. PG&E's preference is to provide the same options as was offered to CCA's in the HFP 1.0 CCA agreement, including:

Generation-Side RTP Options for CCAs

1. Limited configuration to PG&E's proposed rate design
    - Modify MEC (Marginal Energy Cost) coefficients, and/or
    - Modify MGCC (Marginal Generation Capacity Cost) coefficients, and/or
    - Modify RNA (e.g., discount)
    - Requires the CCA to provide pricing parameters, comply with implementation SLAs, and complete testing.

- CCA is responsible for associated implementation and maintenance costs.

2. Fully Customized Generation RTP

- CCA-specific rate and pricing designs.
- CCA is responsible for implementation and maintenance costs.

Technical Considerations

These options assume the CCAs use the same Shadow Billing and Pricing Engine systems utilized by PG&E for its Stop-Gap program. Implementation would require coordination with the RTP pricing platform vendor for detailed evaluation, contracting, system configuration, testing, and ongoing support and operations.

b. Yes, subject to Commission approval, PG&E has the ability to offer a delivery-only RTP rate without requiring participation in a corresponding generation RTP rate. PG&E is actively evaluating this design option, particularly for unbundled customers served by LSEs that do not provide a generation RTP offering, to facilitate broader customer access to RTP participation.

c. No, PG&E has no plans to consider offering a generation-only RTP rate. The California Public Utilities Commission required PG&E to offer all customer classes an RTP rate with both generation and delivery portion as contained in Energy Commission's Load Management Standards. PG&E does not believe that it would be worthwhile maintaining a separate generation-only version of the rate alongside the CPUC mandated version.

PACIFIC GAS AND ELECTRIC COMPANY
2023 General Rate Case Phase II
Application 24-09-014
Data Response

PG&E Data Request No.:	CalCCA_009-Q004
PG&E File Name:	GRC-2023-PhII_DR_CalCCA_009-Q004
Request Date:	September 25, 2026
Requester DR No.:	009
Requesting Party:	California Community Choice Association
Requester:	Julia Kantor
Date Sent:	October 9, 2026
PG&E Witness(es):	Andrew Au

QUESTION 004

Referring to PG&E's response to CalCCA Data Request 8.19:

a. Please provide the FTE counts and labor rates assumed to support the Program Administration budget.

b. Please provide the estimate for external contractors and number of hours assumed in the Program Administration budget.

ANSWER 004

a. The Program Administration labor estimate was developed using a standard assumption of 2,080 hours per full-time equivalent (FTE) per year. The FTE estimates comprise both PG&E personnel and external contractor resources.

   The staffing assumptions reflected in the workpaper - *GRC-2023-PhII_DR_CalAdvocates_034-Q001Atch01* are shown below.

Labor Component	2028 FTE	2029 FTE	2030 FTE	2031 FTE
Program Management	2.0	2.0	2.0	2.0
Business Product Architect	2.0	2.0	2.0	2.0
Project Management	2.0	2.0	2.0	2.0
Customer Operations & Analytics*	2.0	3.0	4.0	5.0

**Customer Operations & Analytics is the only function that increases over time, reflecting additional resources added as projected enrollment levels increase.*

The corresponding budgeted hours are:

Labor Component	2028 Hours	2029 Hours	2030 Hours	2031 Hours
Program Management	4,160	4,160	4,160	4,160
Business Product Architect	4,160	4,160	4,160	4,160
Project Management	4,160	4,160	4,160	4,160
Customer Operations & Analytics	4,160	6,240	8,320	10,400

The workpaper uses the following labor rates for estimation purposes:

Resource Type	Hourly Rate
Contractor 1	$150/hour
Contractor 2	$150/hour
Contractor 3	$125/hour
Contractor 4	$225/hour
PG&E Employee	$158/hour (2028), $164/hour (2029), $171/hour (2030), $179/hour (2031)

The Customer Operations & Analytics function is the only Program Administration labor category that scales with projected enrollment growth. Adds one incremental resource as projected enrollment grows beyond approximately 7,000, 9,000, and 12,000 enrolled service agreements, resulting in staffing growth from 2 FTEs in 2028 to 5 FTEs in 2031. The Program Management, Business Product Architect, and Project Management functions remain at 2 FTEs each year because they support ongoing program governance, implementation oversight, solution management, stakeholder coordination, vendor management, budgeting, and operational administration activities that are not directly tied to enrollment volumes.

b. The Program Administration budget for use of external contractor resources at $150/hour, $125/hour and $225/hour rates is presented below.

   The workpaper presents 2,080 hours per FTE per year. Based on the staffing assumptions reflected in the Program Administration budget, the external contractor hours are as follows:

Labor Component	2028 Hours	2029 Hours	2030 Hours	2031 Hours
Program Management (2 contractors)	4,160	4,160	4,160	4,160
Business Product Architect (1 contractor)	2,080	2,080	2,080	2,080

Labor Component	2028 Hours	2029 Hours	2030 Hours	2031 Hours
Project Management (no contractors estimated)	0	0	0	0
Customer Operations & Analytics (contractors)	2,080	4,160*	6,240*	8,320*

**Customer Operations & Analytics is the only function that increases over time, reflecting additional resources added as projected enrollment levels increase.*

Total estimated external contractor hours assumed in the Program Administration budget are therefore:

Year	Estimated Total Contractor Hours
2028	8,320
2029	10,400
2030	12,480
2031	14,560

For the full 2028-2031 period, the Program Administration budget assumes a total of 45,760 external contractor hours. These hours support Program Management, Business Product Architect, Project Management, and Customer Operations & Analytics activities. Customer Operations & Analytics is the only function that increases over time, reflecting additional resources added as projected enrollment levels increase.

The corresponding Program Administration labor budget for external contractors is approximately:

- Program Management: $2.50 million
- Business Product Architect: $1.87 million
- Project Management: $0 (no contractors estimated)
- Customer Operations & Analytics: $2.6 million

PG&E estimates approximately $6.97 million in external contractor labor costs as part of the Program Administration budget for the 2028-2031 period. This estimate reflects the level of contractor resources necessary to support program management, business architecture, project management, and customer operations functions required to administer and operate the proposed HFP program.

PACIFIC GAS AND ELECTRIC COMPANY
2023 General Rate Case Phase II
Application 24-09-014
Data Response

PG&E Data Request No.:	CalCCA_010-Q001
PG&E File Name:	GRC-2023-PhII_DR_CalCCA_010-Q001
Request Date:	October 21, 2026
Requester DR No.:	010
Requesting Party:	California Community Choice Association
Requester:	Julia Kantor
Date Sent:	October 23, 2026
PG&E Witness(es):	Andrew Au

QUESTION 001

Referring to PG&E's response to CalCCA Data Request 8.01:

a. Please provide the number of enrolled bundled customers versus enrolled unbundled customers in PG&E's HFP pilots to date.

b. Please provide the amount of enrolled bundled load versus enrolled unbundled load in PG&E's HFP pilots to date.

ANSWER 001

a. Data as of 10/21/2026 for HFP Pilot 1 and HFP Pilot 2.

Pilot	Service Type	Count of enrolled SA's	Enrolled Load (MW)
HFP Pilot 1 (Ag)	Bundled	1,232	93.03
	Unbundled	50	6.86
HFP Pilot 2 (Res, C&I)	Bundled	177	11.75
	Unbundled	767	48.68
	Total	2,226	160.32

b. Refer a.