NOVEMBER FILINGS

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

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

RESPONSE OF THE JOINT COMMUNITY CHOICE AGGREGATORS

Scott Blaising
BRAUN BLAISING & WYNNE P.C.
555 Capitol Mall, Suite 570
Sacramento, CA 95814
Telephone: (916) 326-5812
E-mail: blaising@braunlegal.com

December 23, 2024

On behalf of the Joint CCAs

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

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

RESPONSE OF THE JOINT COMMUNITY CHOICE AGGREGATORS

In accordance with Rule 2.6 of the Rules of Practice and Procedure of the California Public Utilities Commission ("**Commission**"), the joint Community Choice Aggregators ("**Joint CCAs**") submit the following response to the application filed by Pacific Gas and Electric Company ("**PG&E**") in the above-captioned proceeding ("**Rule 30 Application**").[1] Notice of the Rule 30 Application first appeared in the Commission's Daily Calendar on November 22, 2024. Therefore, in accordance with Commission Rules 1.15 and 2.6(a), this response is timely filed.[2]

As further described below, the Joint CCAs support PG&E's goal of more efficiently extending its transmission system to serve new customers while reducing cost risk for existing customers. Given the affordability challenges across PG&E's service territory, the Joint CCAs welcome innovative ideas to help ease customers' energy burden. However, PG&E's proposal to accomplish this goal implicates a broad range of issues that must be carefully examined, not

[1] The Joint CCAs consist of Ava Community Energy ("**Ava**"), Central Coast Community Energy ("**3CE**"), Marin Clean Energy ("**MCE**"), Peninsula Clean Energy ("**PCE**"), Redwood Coast Energy Authority ("**RCEA**"), and Silicon Valley Clean Energy ("**SVCE**").

[2] The 30th day after the Rule 30 Application first appeared in the Daily Calendar fell on a Sunday, therefore the due date was extended to Monday, December 23, 2024.

least of which is whether the proposal might impede the State's goals with respect to electrification, energization and fair generation service competition. The Joint CCAs look forward to participating in this proceeding to examine PG&E's proposal.

I. INTRODUCTION AND SUMMARY

The Joint CCAs are community choice aggregators ("**CCAs**"). CCAs provide electric generation services and related programs utilizing the investor-owned utilities' ("**IOUs**") transmission and distribution systems to deliver the CCAs' electric generation service. As a result, CCAs are dependent on and generally supportive of the IOUs' efforts to efficiently and equitably expand their respective delivery systems. Timely expansion of the delivery systems has become increasingly important to CCAs in order to execute electrification and other decarbonization initiatives, and to support economic and commercial development.

Since 2010, when MCE became the first CCA to provide service, numerous CCAs have begun providing service in PG&E's service territory such that CCAs now provide approximately 46 percent of the electric generation service in PG&E's service territory.[3] At the same time, PG&E continues to offer "bundled" service (***generation and*** delivery service) to customers, and customers have a right to choose that PG&E provide electric generation service. This juxtaposition creates various competition-related factors that must be considered when PG&E offers new or expanded services.

The Commission has adopted a code of conduct for PG&E and the other IOUs addressing how PG&E interacts with CCAs and customers. In addition, the Commission has adopted various principles over the years designed to ensure that PG&E implements and expands services

[3] *See, e.g.*, *California Energy Demand 2023 Baseline LSE and BAA Tables*, Form 1.1c (energy demand for 2023), available at https://efiling.energy.ca.gov/GetDocument.aspx?tn=255153.

in a competitively neutral manner. The Commission should examine and apply existing rules and principles, and consider additional measures, to ensure that PG&E does not use its inherent market power advantages in the realm of transmission-level service to negatively impact competition, creativity, and collaboration.

As supported herein, the Joint CCAs have a direct interest in the issues raised in the Rule 30 Application. For this reason, the Joint CCAs look forward to participating in this proceeding and assisting the Commission in its review and consideration of issues implicated by the Rule 30 Application. The Joint CCAs identify the following initial points for the Commission's consideration, as further described below:

- Safeguards must be considered to avoid the exercise of PG&E's inherent market power advantages.
- Formal communication and collaboration with CCAs should be required.
- PG&E should be required to provide a complete description of its proposal.
- Interim implementation is unjustified.
- PG&E should ensure that its proposal is consistent with and does not impede efforts to enhance energization.
- Affordability and the proper allocation of costs should be examined.

II. RESPONSE

Rule 2.6(c) states that a party "may file a response that does not object to the authority sought in an application, but nevertheless presents information that the person tendering the response believes would be useful to the Commission in acting on the application." The Joint CCAs have begun their review of the Rule 30 Application and corresponding testimony ("**PG&E Testimony**"). The issues and points identified below are matters of preliminary interest to the Joint CCAs. The Joint CCAs request that these issues and points be given due

consideration in this proceeding. Moreover, the Joint CCAs anticipate that they will identify additional issues and points as the proceeding moves forward, and the Joint CCAs reserve the right to raise and address these matters within the scope of this proceeding.

A. Safeguards Must Be Considered To Avoid The Exercise Of PG&E's Inherent Market Power Advantages

In Decision ("**D.**")12-12-036, the Commission adopted a code of conduct relating to the IOUs' actions vis-à-vis CCAs and customers. The Commission was directed by the Legislature to adopt a code of conduct through Senate Bill ("**SB**") 790.[4] A code of conduct was found necessary to address initial attempts by the IOUs, including PG&E, to undermine CCA initiatives.[5] A code of conduct was also found necessary to address and correct structural advantages that naturally inure to the benefit of IOUs.

In D.12-12-036, the Commission reiterated a key legislative finding, as follows: "SB 790 finds that '[e]lectrical corporations have inherent market power derived from, among other things, name recognition among customers, longstanding relationships with customers, … [and] access to competitive customer information.'"[6] The Commission further determined that "[o]ne major focus of both SB 790 and [the Code of Conduct] is to prevent utilities from using their structural advantages to influence customers or local governments against investigation of or participation in CCAs."[7]

Regarding the Rule 30 Application, it will be important for the Commission and parties to examine and address how PG&E may use its structural advantages under the Rule 30 process

---

[4] Stats. of 2011; ch. 599.

[5] *See, e.g.,* D.10-05-050 at 5-6 ("PG&E has engaged in conduct encouraging customers to oppose their local government's participation in a CCA program….").

[6] D.12-12-036 at 8 (citing SB 790, Sec. 2(c)).

[7] D.12-12-036 at 8-9.

to influence transmission-level customers in favor of IOU-centric energy supply or program options. As further described below, the Commission has previously directed that the implementation of PG&E's programs and frameworks should not impact a customer's choices with respect to CCA services and programs.[8] Similar review and direction should be provided in this context. Among other things, Rule 30-related material and applications should clearly describe the customer's right to choose CCA service, and should correct a possible presumption that delivery service under Rule 30 is tied to taking generation service from PG&E.

B. Formal Communication and Collaboration With CCAs Should Be Required

In the Rule 30 Application, PG&E notes that "PG&E conducted broad stakeholder outreach to get feedback and input from affected stakeholders."[9] CCAs were noticeably absent from the list of affected stakeholders with whom PG&E sought feedback and input. The absence of outreach to CCAs in this instance is unusual since, in many respects, CCAs and IOUs operate in a coordinated fashion, and close coordination and communication has previously been required by the Commission. For example, CCAs are defined as a "public safety partner"[10] to whom PG&E and the other IOUs are required to "provide priority notification of a de-energization event" since CCAs and other public safety partners are "'those entities for whom advanced notice is critical to preserve the public safety during a de-energization event, including during re-energization.'"[11] Additionally, in the context of PG&E's proposed multi-season/permanent substation microgrid solutions, the Commission directed that PG&E comprehensively engage with CCAs, consulting with CCAs and communicating in advance

---

8 *See, e.g.,* D.22-11-009 at 62 (describing PG&E's microgrid solution framework).

9 Rule 30 Application at 7. *See also* PG&E Testimony at 1-7.

10 D.21-06-034 at 81.

11 D.21-06-034 at 81 (citing D.19-05-042 at 73).

about the proposed use of substation microgrid solutions.[12] Finally by way of example, CCAs have worked closely with PG&E and the Commission to address transmission-related service issues.[13]

Given this close relationship, it is noteworthy that PG&E did not include CCAs among the groups with whom PG&E sought advance feedback and input. The Joint CCAs encourage PG&E to engage CCAs in advance on issues that will likely have a direct impact on IOU-CCA coordination. Going forward, given the space that CCAs occupy with respect to electric service, it will be critical for PG&E to coordinate in advance on Rule 30-related matters. The Commission should continue to require this coordination.[14]

The timely dissemination of key load growth information is one area, in particular, where coordination should be required between PG&E and CCAs. As part of the proposed Rule 30 process, PG&E will have access to key data that can and should be used for planning purposes – planning related to delivery service, but also planning related to generation service.[15] One of the riskiest aspects of the hyper-scale load growth described in the Rule 30 Application is that high

---

12 *See* D.22-11-009 at 39. The Commission also expressly noted that PG&E's microgrid framework does not alter the choice and protections associated with Community Choice Aggregation programs. (*See* D.22-11-009 at 62.)

13 *See, e.g.,* the Commission's North Coast Resiliency Initiative ("**NCRI**"). As noted by the Commission, the Commission founded the NCRI "in 2021 to determine the causes of, and to craft mitigations for, electrical outages that impact customers along California's North Coast during wildfire season. Along with the CPUC, representatives from other state energy agencies, ***utilities, and Community Choice Aggregators*** comprised the NCRI's Steering Committee which was responsible for the majority of the initiative's work." (*North Coast Resiliency Initiative – Staff Report* (July 6, 2023) at 4; ***emphasis*** added.)

14 *See* notes 10-13.

15 *See, e.g.,* PG&E Testimony at 1-5 (describing transmission requests that PG&E received in 2023 and 2024)

volumes and dispersions of interest may not materialize.[16] To mitigate risk, PG&E should be required to share a broad range of data with CCAs in a timely and coordinated manner. For example, PG&E should share not only timely forecast information, but also expressions of interest regarding transmission-level retail interconnection service. In this way, CCAs will have the same critical information that PG&E has so that CCAs may make informed and necessary procurement adjustments to accommodate expanding load.[17]

While the sharing of certain data broadly with all "stakeholders" may not be appropriate, sharing data with CCAs should not raise any confidentiality concerns. Meaningful and important distinctions exist regarding data sharing between "stakeholders" in general, on the one hand, and CCAs, on the other hand. CCAs are appropriately granted access to confidential and sensitive data on their customers, and CCAs have Commission-approved non-disclosure agreements in place with their IOU partners to enable the sharing of information. In addition, CCAs are entities that are subject, in certain respects, to the Commission's jurisdiction, including confidentiality and privacy concerns. Along these lines, CCAs are required to submit annual reports to the CPUC detailing their management of "covered information" that could be used to identify specific customers based on their energy usage.[18] Moreover, CCAs are required to conduct triennial, independent audits of their data privacy and security practices and report those findings to the Commission. These and other distinctions should set CCAs apart from other stakeholders and should allow CCAs to have greater and more timely access to Rule 30-related data.

---

[16] *See generally* PG&E Testimony at 1-5, note 3 (noting that "actual MWs of transmission level service may differ substantially from the current requests of 4,400 MWs.").

[17] *See* D.12-12-036; CCA Code of Conduct Rule 13 (describing, as a general principle, how the retention of competitively sensitive information by the IOU should not provide "the opportunity for preferential treatment or unfair competitive advantage, lead to customer confusion, or create significant opportunities for cross-subsidization….").

[18] *See generally* D.12-08-045.

C. PG&E Should Be Required To Provide A Complete Description Of Its Proposal

As part of the interim implementation process foreshadowed by PG&E in the Rule 30 Application, PG&E promises to provide "the draft form agreements that PG&E will use for Electric Rule 30…."[19] While PG&E provides a draft ***rule*** in the PG&E Testimony, PG&E does not provide draft form ***agreements***. In the Commission's review of the Rule 30 Application, it will be important for PG&E to provide parties all key documents related to Rule 30, including draft form agreements.

The Joint CCAs intend to address this matter through discovery requests, but PG&E should likewise reexamine its proposal and voluntarily provide additional documents that will be used in the course of this proceeding. Stated differently, draft form agreements and other key documents are not just needed to review PG&E's interim implementation proposal; draft form agreements and other key documents are needed to review the Rule 30 Application and should be voluntarily provided by PG&E as soon as possible.

D. Interim Implementation Is Unjustified

As noted above, PG&E plans to file a motion by which PG&E would receive approval to implement its Rule 30 proposal ahead of the normal review and approval process.[20] Without prejudging PG&E's plan, the Joint CCAs have serious reservations about this approach. While "interim ***programs***" have been approved by the Commission, PG&E provides unpersuasive support for its request that a formal tariff rule should be approved on an interim basis. Indeed, while PG&E may provide substantive support in its actual motion, the only Commission decision

---

[19] Rule 30 Application at 18. Below, the Joint CCAs briefly address PG&E's interim implementation process.

[20] *See* Rule 30 Application at 17 ("…PG&E intends to file a motion for interim implementation of Electric Rule approximately sixty (60) days after filing this Application.")

provided as support by PG&E in the Rule 30 Application was issued well over 30 years ago and is insufficient to provide justification in this context.

E. PG&E Should Ensure That Its Proposal Is Consistent With And Does Not Impede Efforts To Enhance Energizations

Of late, concerns over and frustrations with energization timelines have increased dramatically. The Commission instituted a rulemaking (R.24-01-018) to implement key elements of SB 450 and Assembly Bill ("**AB**") 50.[21] AB 50 was adopted to address energization delays. As noted in the analysis supporting AB 50:

> Recently, backlogs for utilities to fulfill requests for energization have grown, especially – though not only – in the service territory of Pacific Gas and Electric (PG&E).
>
> The author, like many others, is frustrated with the time it takes projects to become energized. This bill directs the CPUC to establish criteria governing timely energization service.
>
> According to the author, "Severe electric interconnectivity delays have become the everyday reality of utility customers in California.[22]

In response to SB 450 and AB 50, the Commission adopted D.24-09-020. As noted by the Commission, "[t]he primary goals of this decision are to require the large electric IOUs to…[a]ccelerate energization of customers" and "[i]ncrease transparency around what steps of the energization process are in the utilities control and the time necessary for the large electric IOUs to complete the steps in customers' energization project request(s)."[23] D.24-09-020 adopted a number of measures and requirements aimed at holding IOUs accountable for energization responsibilities. While D.24-09-020 was extensive in its reach, the Commission

---

[21] *See* D.24-09-020 at 4, note 1 ("SB 410 (Becker) was codified as the Statutes of 2023, Ch. 394; AB 50 (Wood) was codified as the Statutes of 2023, Ch. 317.").

[22] Assembly Floor Analysis of AB 50, September 14, 2023, at 1

[23] D.24-09-020 at 3.

stated that "Rulemaking 24-01-018 remains open as a venue to address additional issues related to accelerating and improving energization timelines for utility customers."[24]

The Rule 30 Application does not mention D.24-09-020 or Rulemaking 24-01-018. It will be important for parties and the Commission to ensure that the new process and rule proposed by PG&E for energization of transmission-level customers does not detract from or otherwise cloud the clear goals, targets, and requirements set forth in D.24-09-020. Among other issues set for resolution in this proceeding, the Commission should require PG&E to address D.24-09-020 and require PG&E to show how its proposal is consistent with the outcomes required by D.24-09-020, as further delineated below.

D.24-09-020 was meant to ensure comprehensive and holistic energization timelines for PG&E (and the other large IOUs). PG&E's proposed Rule 30 would create a new category of energization service that was not contemplated in D.24-09-020. Among other things, PG&E should be required to show how energization timelines for interconnection requests that fall under PG&E's Rules 15 and 16 will not be negatively impacted if Rule 30 is approved by the Commission. Additionally, PG&E should address how Rule 30 would change or reprioritize interconnection work without violating the requirements of D.24-09-020, including for any large customers who are unable or unwilling to pay for interconnection costs up front, as proposed in the Rule 30 Application. Additional investigation of related issues may be needed, and the Joint CCAs reserve the ability to more broadly describe these issues in subsequent pleadings.

/

---

[24] D.24-09-020 at 3.

F. Affordability And The Proper Allocation Of Costs Should Be Examined

PG&E describes its proposed Rule 30 as "a 'win-win' for new transmission-level retail electric customers, existing electric customers, the Commission, and parties."[25] Although PG&E does not expressly mention "affordability," PG&E references the Governor's executive order, which is aimed at ensuring that electric service and costs are "affordable."[26] The Joint CCAs appreciate PG&E's focus on properly assigning actual costs to transmission-level customers.[27] In the course of the proceeding, it will be important for PG&E to further address and substantiate how the Rule 30 Application will affect the affordability of service for other customers and users of the transmission and distribution system.

It will also be important to properly review and assign costs for all impacted transmission facilities. In the Rule 30 Application, PG&E does not propose to assign any "Transmission Network Upgrade" costs to the transmission-level customer "because these upgrades generally benefit all transmission customers once operational."[28] More specifically, PG&E cites precedent from the Federal Energy Regulatory Commission ("**FERC**") for the view that "even if a customer can be said to have caused the addition of a grid facility, the addition represents a *system* expansion used by and benefitting *all* users due to the integrated nature of the grid."[29]

---

[25] Rule 30 Application at 2.

[26] *See* Rule 30 Application at 2, note 2 (Executive Order N-5-24 at 1).

[27] *See, e.g.,* PG&E Testimony at 3-4 ("Under Electric Rule 30, a transmission-level customer receives Refunds based on the revenue generated from its facilities…the transmission-level customer will only be entitled to a Refund if it is providing sufficient revenues in return.") *See also* PG&E Testimony at 3-4 – 3-5 ("Electric Rule 30 requires a new transmission-level customer to pay PG&E's Actual Costs. Under existing electric rules…customers are only required to pay estimated costs.").

[28] PG&E Testimony at 1-9.

[29] PG&E Testimony at 1-9, note 11 (citing *Public Service Company*, 62 FERC ¶ 61,013 (1993) at 61,061) (*emphasis* in the original).

Accordingly, it will be important to ensure that PG&E's determination of a Transmission Network Upgrade under Rule 30 aligns with the Commission's principles of cost causation.

In D.23-04-040, the Commission articulated and affirmed various rate principles, one of which relates to "cost causation," which the Commission succinctly defined as "a customer, or a customer class, that causes a cost to be incurred by receiving service should pay for the cost of service."[30] The Commission further stated that "[t]he purpose of this principle is to fairly apportion utility costs to customers and to encourage economically efficient decision making by customers for consumption and investments in electrification technologies and [Distributed Energy Resources]."[31] These matters should be examined in the course of this proceeding.

III. PROCEDURAL MATTERS

Pursuant to Rule 2.6(d), the Joint CCAs provide the following procedural comments:

A. Proposed Category

The instant proceeding should be categorized as "ratesetting."

B. Need for Hearing

The Joint CCAs believe that evidentiary hearings may be necessary.

C. Issues to be Considered

The Joint CCAs are still evaluating the Rule 30 Application and issues associated with PG&E's request, and therefore the Joint CCAs reserve the right to identify additional issues that should be addressed in this proceeding. The issues identified in this response are an initial, non-exhaustive list of issues that the Commission should address in this proceeding, together with issues identified by PG&E in the Rule 30 Application and other issues identified by parties. As

---

[30] D.23-04-040; Attachment A at 1.

[31] D.23-04-040; Attachment A at 1.

part of or prior to the proposed prehearing conference, the Joint CCAs anticipate providing further clarity regarding the issues that should be considered in this proceeding.

D. Proposed Schedule

The Joint CCAs have no comments on the proceeding's schedule at this time.

IV. PARTY STATUS

The Joint CCAs understand that, in accordance with Rule 1.4(a)(2)(i), the filing of a response to the Rule 30 Application individually accords the Joint CCAs party status in this proceeding. The Joint CCAs hereby request that they individually be given party status, with the party of record listed as follows for each of the Joint CCAs:

John Newton
Principal Regulatory Senior Manager
AVA COMMUNITY ENERGY
1999 Harrison St, Suite 2300
Oakland, CA 94612
Telephone: (510) 641-0807
E-mail: jnewton@avaenergy.org
For: Ava Community Energy

Jerri Strickland
Manager of Energy Policy
CENTRAL COAST COMMUNITY ENERGY
70 Garden Court, Suite 300
Monterey, CA 93940
Telephone: (831) 641-7220
E-mail: jstrickland@3ce.org
For: Central Coast Community Energy

Sabrinna Soldavini
Director of Policy
MARIN CLEAN ENERGY
1125 Tamalpais Avenue
San Rafael, CA 94901
Telephone: (415) 464-6670
Email: ssoldavini@mcecleanenergy.org
For: Marin Clean Energy

Jeremy Waen
Senior Director of Regulatory Policy
PENINSULA CLEAN ENERGY AUTHORITY
2075 Woodside Road
Redwood City, CA 94061
Telephone: (650) 257-8026
E-mail: jwaen@peninsulacleanenergy.com
For: Peninsula Clean Energy Authority

Maren Wenzel
Director of Regulatory, Policy and Planning
SILICON VALLEY CLEAN ENERGY AUTHORITY
333 W El Camino Real, Suite 330
Sunnyvale, CA 94087
Telephone: (408) 716-4745
E-mail: maren.wenzel@svcleanenergy.org
For: Silicon Valley Clean Energy Authority

Faith Carlson
Regulatory and Legislative Policy Manager
REDWOOD COAST ENERGY AUTHORITY
633 3rd Street
Eureka, CA 95501
Telephone: (707)269-1700
E-mail: fcarlson@redwoodenergy.org
For: Redwood Coast Energy Authority

V. CONCLUSION

The Joint CCAs thank the Commission for their consideration of this response and the preliminary issues identified herein.

Dated: December 23, 2024

Respectfully submitted,

/s/ Scott Blaising

Scott Blaising
BRAUN BLAISING & WYNNE P.C.
555 Capitol Mall, Suite 570
Sacramento, CA 95814
Telephone: (916) 326-5812
E-mail: blaising@braunlegal.com

On behalf of the Joint CCAs