JANUARY FILINGS

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking for Oversight of Energy Efficiency Portfolios, Policies, Programs, and Evaluation.	Rulemaking 25-04-010 (Filed April 24, 2025)

OPENING COMMENTS OF MARIN CLEAN ENERGY ON ADMINISTRATIVE LAW JUDGE'S RULING PROVIDING NOTICE AND OPPORTUNITY TO COMMENT ON STAFF PROPOSAL FOR POLICY ON NATURAL GAS ENERGY EFFICIENCY INCENTIVES

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January 13, 2026

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking for Oversight of Energy Efficiency Portfolios, Policies, Programs, and Evaluation.	Rulemaking 25-04-010 (Filed April 24, 2025)

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I. Introduction

Pursuant to Rule 6.2 of the Rules of Practice and Procedure of the California Public Utilities Commission ("Commission" or "CPUC"), Marin Clean Energy ("MCE"), respectfully submits these Opening Comments on *Administrative Law Judge's Ruling Providing Notice and Opportunity to Comment on Staff Proposal for Policy on Natural Gas Energy Efficiency Incentives* ("Ruling") *and Energy Efficiency Natural Gas Incentive Phase-Out Staff Proposal (DRAFT)* ("Staff Proposal") issued on December 01, 2025. The Ruling invited Opening Comments through January 6th, 2026. On December 19th, 2025, Administrative Law Judge Kao issued the *Email Ruling Granting Extension of Time to File Comments to December 1, 2025 Ruling* that granted a an extension allowing Opening Comments through January 13th, 2026. MCE submits these timely comments in response.

MCE thanks the Commission for its thoughtful Staff Proposal and the opportunity to provide comments. MCE strongly agrees with the Commission's statement that, "California needs bold action to meet the state's goals to decarbonize the electric sector, and EE has an important role to

play in that transition."[1] Advancing affordable, equitable, and community-led decarbonization solutions is key to MCE's mission and essential to its EE portfolio programs.[2] MCE identified "support[ing] electrification and decarbonization efforts" as an overarching strategy for its *Application of Marin Clean Energy for Approval of 2024-2031 Energy Efficiency Business Plan and 2024-2027 Energy Efficiency Portfolio Plan* ("MCE 2024 Application").[3] MCE administers several programs within its EE portfolio that support decarbonization and advance electrification including the Home Energy Savings program ("HES"); Multifamily Energy Savings program ("MFES"); Residential Efficiency Market program; Small Business Energy Advantage program ("SBEA"); and Green Workforce Pathways program.[4] Additionally, MCE layers other decarbonization programs and offerings with its EE portfolio programs to deliver greater benefits to its customers and the state including its Emergency Water Heater Loaner Program; Self-Funded Decarbonization Project Funds for Ancillary Measures; and the Equitable Building Decarbonization Program.[5]

MCE supports the Staff Proposal's overarching plan to phase out natural gas incentives in the EE portfolios. As MCE already limited its use of non-exempt natural gas measures in its portfolio, MCE focuses its comments on recommendations to serve equity customers and low-global warming potential ("low-GWP") refrigerant programs. MCE specifically encourages the Commission to expand the Staff Proposal's strong foundation on phasing out natural gas measures

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[1] Staff Proposal, p. 3.
[2] MCE, About, https://mcecleanenergy.org/about/ ("Our mission is to confront the climate crisis by eliminating fossil fuel greenhouse gas emissions, producing renewable energy, and creating equitable community benefits.").
[3] MCE 2024 Application, p. 8.
[4] *See* https://mcecleanenergy.org/green-job-seekers/; https://mcecleanenergy.org/grow-your-business-expertise/.
[5] Association for Energy Affordability (AEA), EBD Northern California, https://aea.us.org/ebd-northern/ (MCE participates as a partner).

by including more recommendations to better support decarbonization and electrification measures in the EE portfolio.

II. MCE Responses to Staff Proposal Questions

- *Equity*
    - *What other actions should this staff proposal take to encourage electrification among equity customers?*

MCE strongly supports prioritizing equity customers in the Commission's Staff Proposal and decarbonization policies within the EE portfolio. Equity customers are disproportionately impacted by the varied health impacts of natural gas appliances in California.[6] Equity customers simultaneously face greater barriers to electrification, often require additional ancillary EE measures prior to electrification, and are historically underserved by EE programs more broadly.[7] Equity customers also experience higher energy burdens devoting more than two to three times the percentage of their income to energy costs than other customers.[8] While MCE, as stated above, supports phasing out natural gas measures from the portfolios, MCE requests the Commission take steps to ensure equity customers that face additional barriers to electrification can still benefit from EE programs.

MCE recommends the Staff Proposal:

- Support Community-Led Education and Outreach Activities;
- Encourage Coordination with Other Equity Building Electrification Proceedings and Programs;

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[6] UCLA Fielding School of Public Health Department of Environmental Health Sciences, 2020, available at: https://coeh.ph.ucla.edu/effects-of-residential-gas-appliances-on-indoor-andoutdoor-air-quality-and-public-health-in-california/ (finding disproportionate impacts for low-income and environmental justice communities due to a variety of compounding factors like greater exposure to outdoor air pollution, low housing quality, living in a smaller unit, older building age etc).

[7] Evergreen Economics, Evaluation of MCE's Low Income Families and Tenants (LIFT) Program, 2024, pp. 30-32 (detailing retrofit costs and barriers for low-income electrification projects).

[8] ACEEE, Drehobl, Ariel, Lauren Ross, and Roxana Ayala, How High Are Household Energy Burdens?, 2020, available at: https://www.aceee.org/sites/default/files/pdfs/u2006.pdf, pp. iii, v.

- Continue to Support Streamlining Portfolio Requirements for Stacking External Funds; and
- Support Electrification Readiness Measures Across Portfolios.

Support Community-Led Education and Outreach Activities.

MCE administers three equity focused programs that offer electrification measures—the HES program, the MFES program and the SBEA program. MCE's HES program is a direct install program that provides low- and moderate-income single-family homeowners and renters a free home energy assessment and no-cost home energy upgrades, including electrification measures. Similarly, MCE's MFES program is a direct install program that serves low-income customers in deed-restricted multifamily properties, offering EE and electrification measures. This program provides rebates for both tenant units and whole-building upgrades. MCE's SBEA program aims to deliver meaningful bill savings and EE education to small businesses located in Environmental and Social Justice ("ESJ") communities and businesses that meet the definition of Hard-to-Reach ("HTR") through free onsite assessments and energy upgrades including electrification measures.

MCE's experience as a program administrator ("PA") of related EE programs with electrification measures informs its belief that equity electrification projects require significant community input on program offerings, program design, and technical support.[9] There is not one electrification program design that can meet the diverse energy, health and affordability needs of all equity customers in California.[10] Additionally, electrification technologies like electric heat

[9] MCE, RE: Marin Clean Energy on the Request for Information RE: Equitable Building Decarbonization Program (DOCKET NO. 22-DECARB-03), CEC, Docket No. 22-DECARB-03, 2023, pp. 3-4.

[10] Building Energy, Equity and Power (BEEP) Coalition, Community Priorities for Equitable Building Decarbonization Report, 2022, available at: https://ww2.arb.ca.gov/sites/default/files/2022-03/BEEP%20Letter%20and%20Report_Equitable%20Decarb%20March%202022.pdf at 1 ("Our

pumps may be new to equity customers and require more education and support prior to program participation.[11] The Commission must support meaningful community-led education and outreach activities within the portfolio from trusted messengers like community-based organizations ("CBO"s) to ensure electrification programs may serve equity customers' diverse and varied needs.[12] MCE's SBEA program, for example, establishes local partnerships through an Outreach Partner Network overseen by Environmental Innovations that includes local installers, Green Business Programs ("GBPs"), and CBOS. The Outreach Partner Network engages businesses where they are and in the language they speak. These strategies support successful customer outreach, and program participation.

Encourage Coordination with Other Equity Building Electrification Proceedings and Programs.

MCE recommends the Commission coordinate with other active proceedings focused on equity customers and electrification including, but not necessarily limited to: the Building Decarbonization proceeding (R.19-01-011), the Long-term Gas System Planning proceeding (R.24-09-012),[13] Technology and Equipment for Clean Heating Initiative ("TECH"),[14] and the Equitable Building Decarbonization Program (22-DECARB-03). All these proceedings and

energy system is incredibly complex. There are no two regions in California that experience energy the same way, so our approach to transitioning our energy system needs to create space for local leadership and community-based pilots.").

[11] DNV, MCE LOW-INCOME FAMILIES AND TENANTS PILOT PROGRAM EVALUATION, 2021, p. 34 ("Given the newness of the technology [electric heat pumps] and the lack of customer exposure to it, there could be potential misconceptions about and misuse of heat pump technology.").

[12] California Energy Commission, Low-Income Barriers Study, Part A: Overcoming Barriers to Energy Efficiency and Renewables for Low-Income Customers and Small Business Contracting Opportunities in Disadvantaged Communities, 2016, p. 9 ("The Legislature should direct funding for all state programs to collaborate with trusted and qualified community-based organizations in community-centric delivery of clean energy programs, in coordination with local government").

[13] Implementing Senate Bill 1221 (Min, 2024) neighborhood decarbonization pilots (equity).

[14] Energy Solutions, TECH Clean CA, https://techcleanca.com/.

programs have an explicit focus on equity and electrification. The Commission should incorporate best practices, lessons learned and layer offerings to equity customers to the greatest extent possible.

Continue to Support Streamlining Portfolio Requirements for Stacking External Funds.

Equity customers often experience higher costs to electrify due to deeper retrofit needs.[15] MCE as a PA of EE electrification programs serving equity customers often must stack external funds to serve some customers. For example, MCE stacks Transformative Climate Communities ("TCC") funds with its HES program to serve customers in the city of Richmond with electrification measures that improve health and safety. MCE recommends the Staff Proposal direct the Commission to work with PAs, parties, and public stakeholders to facilitate easier and greater stacking of external funds for equity customers.

Support Electrification Readiness Measures Across Portfolios

MCE recommends the Commission expand the scope of the Staff Proposal to include proactive steps to support electrification investments across the portfolio and specifically to better incentivize electrification readiness measures. The present Staff Proposal thoroughly details its actions to phase out natural gas. However, the policy changes required to phase out natural gas measures do not in and of themselves remove existing barriers to electrification measures. MCE recommends the Commission adopt a more holistic approach in its Staff Proposal that pairs natural gas phase out efforts with complementary efforts to support greater electrification measures. MCE recommends the Commission prioritize supporting electrification readiness measures.

[15] Evergreen Economics, Evaluation of MCE's Low Income Families and Tenants (LIFT) Program, 2024, pp. 30-32 (detailing retrofit costs and barriers for low-income electrification projects).

Electrification readiness measures like attic insulation, duct sealing, pre-wiring work, fenestration, pest remediation and panel upgrades are essential to serving equity customers in the portfolio with electrification measures. These measures are not presently categorized or quantified like fuel substitution measures. However, these electrification readiness measures are often a prerequisite to delivering electrification measures to equity customers. The current value of these electrification readiness measures does not capture their relationship to electrification or their electrification related value. MCE recommends the Staff Proposal direct the Commission to partner with PAs, parties and stakeholders to identify the full set of electrification readiness measures and update their values to reflect their known relationship with electrification.

- *Refrigerant leakage detection and mitigation, and low-GWP refrigerant programs*
    - *Are PAs the appropriate implementors of refrigerant leakage detection, reclamation/recycling programs? If not, who is?*

Yes, MCE submits PAs can be excellent implementers of refrigerant leak detection, reclamation and recycling programs. As stated in its MCE 2024 Application, MCE supports and is committed to incorporating low-GWP refrigerants into its EE portfolio,[16] "Shifting away from high global warming potential (GWP) refrigerants to low-GWP refrigerants through EE programs presents a unique and valuable opportunity."[17] Senate Bill 1013 (Lara, 2018) requires the Commission to "consider developing a strategy for including low-GWP refrigerants in equipment funded by the energy efficiency programs overseen by the Public Utilities Commission."[18] Following Senate Bill 1013, Decision ("D.") 21-05-031 correspondingly directs PAs to develop "[p]rograms that encourage the use of lower-GWP refrigerants than current

[16] MCE 2024 Application, Exhibit 2, p. 1-16 (incorporating low-GWP measures into its efficiency market programs).
[17] *Id*.
[18] Senate Bill 1013 (Lara, 2018), sec. 2.

"standard practice" or regulation."[19] The Decision also "encourages the program administrators to seek out all cost-effective opportunities to incorporate low-GWP measures in the energy efficiency portfolios."[20]

PAs of EE programs with low-GWP and refrigerant related measures are well positioned to document refrigerant leaks, reclamation and recycling. PAs can manage, perform or oversee pursuant to the program structure processes and partnerships that will ensure appropriate refrigerant capture during the installation of low-GWP measures. MCE is interested in further exploring and incorporating low-GWP refrigerant measures in its forthcoming 2028 Application including refrigerant leak, reclamation and recycling measures.

- *How should pilot programs use EE incentives to encourage refrigerant recycling and the use of low-GWP refrigerants be set up?*

MCE observes many beneficial ultra-low GWP technologies, defined as less than 150 GWP, exist in the market and are ideal for EE portfolio programs and pilot programs.[21] MCE supports EE pilot programs with low-GWP refrigerants and ultra-low GWP refrigerants specifically.

- *Should contractors be offered incentives for documenting refrigerant reclamation, how much should be offered or how should a documentation incentive be determined?*

[19] D.21-05-031, p. 53.
[20] *Id.*, p. 60.
[21] ACEEE, Cool Refrigerant Developments for a Warming World: Low GWP HVAC Refrigerant Regulations and Technologies in US and Global Markets, 2024, available at: https://www.aceee.org/sites/default/files/proceedings/ssb24/pdfs/Cool%20Refrigerant%20Developments%20for%20a%20Warming%20World%20-%20Low%20GWP%20HVAC%20Refrigerant%20Regulations%20and%20Technologies%20in%20US%20and%20Global%20Markets.pdf, pp. 1, 4.

Yes, contractors should be offered incentives for documenting refrigerant reclamation. MCE recommends the Commission allow incentives for refrigerant reclamation based on the documented reclamation amount to ensure proper disposal and accurate documentation methods.

- *Should contractors be offered above market price for returning refrigerants that are deemed to be contaminated? If yes, how should this additional price be determined?*

Yes, MCE recommends the Commission consider above market priced incentives for returning contaminated refrigerants especially in heating, ventilation, air conditioning ("HVAC") projects. HVAC project measures have a documented a higher occurrence of venting instead of refrigerant capture.[22] MCE recommends the Commission use the Refrigerant Avoided Cost Calculator ("RACC") values to establish a price.

III. Conclusion

MCE thanks the Commission and Energy Division staff for their continued leadership on decarbonization and EE policy. MCE looks forward to collaborating with the Commission, PAs, parties, and stakeholders on additional reforms to maximize the decarbonizing impact of California's EE programs.

Dated: January 13, 2026.

Respectfully submitted,

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[22] Science and Technology for the Built Environment, 27(5), Kim, J.; Trenbath, K.; Granderson, J.; Chen, Y.; Crowe, E.; Reeve, H., et al., Research challenges and directions in HVAC fault prevalence, 2021, pp. 624-640 (discussing HVAC refrigerant leakage).

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BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Establish Energization Timelines.	R.24-01-018

CALIFORNIA COMMUNITY CHOICE ASSOCIATION'S COMMENTS ON THE PROPOSED DECISION ESTABLISHING A STANDARD OFFER FOR FLEXIBLE SERVICE CONNECTIONS

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January 16, 2026

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SUMMARY OF RECOMMENDATIONS[1]

The Commission should adopt the Proposed Decision, with modifications as set forth below.

- The Proposed Decision's requirements for sharing capacity among multiple standard offer customers should be modified to require the IOUs to:
  - Make information on available shared capacity readily accessible to all applicants; and
  - Enhance application portals to incorporate processes for communicating capacity sharing opportunities during the initial engineering evaluation step of the energization process.
- The Proposed Decision should be modified to explicitly require the IOUs to incorporate accurate ICA data and maps into their energization processes as soon as practicable.

[1] Acronyms used herein are defined in the body of this document.

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Establish Energization Timelines.	R.24-01-018

CALIFORNIA COMMUNITY CHOICE ASSOCIATION'S COMMENTS ON THE PROPOSED DECISION ESTABLISHING A STANDARD OFFER FOR FLEXIBLE SERVICE CONNECTIONS

The California Community Choice Association[2] (CalCCA) submits these comments pursuant to Rule 14.3 of the California Public Utilities Commission (Commission) Rules of Practice and Procedure[3] on the proposed *Decision Establishing a Standard Offer for Flexible Service Connections*[4] (Proposed Decision), dated December 24, 2025.

I. INTRODUCTION

The Proposed Decision directs Pacific Gas and Electric Company (PG&E) and Southern California Edison Company (SCE) (together, the investor-owned utilities (IOU)) to establish a Standard Offer process for Flexible Service Connection (FSC) agreements as a bridging solution. FSCs allow customers to partially energize on constrained distribution infrastructure until grid upgrades can be completed. The Proposed Decision also requires PG&E and SCE to implement

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[2] California Community Choice Association represents the interests of 24 community choice electricity providers in California: Apple Valley Choice Energy, Ava Community Energy, Central Coast Community Energy, Clean Energy Alliance, Clean Power Alliance of Southern California, CleanPowerSF, Desert Community Energy, Energy For Palmdale's Independent Choice, Lancaster Energy, Marin Clean Energy, Orange County Power Authority, Peninsula Clean Energy, Pico Rivera Innovative Municipal Energy, Pioneer Community Energy, Pomona Choice Energy, Rancho Mirage Energy Authority, Redwood Coast Energy Authority, San Diego Community Power, San Jacinto Power, San José Clean Energy, Santa Barbara Clean Energy, Silicon Valley Clean Energy, Sonoma Clean Power, and Valley Clean Energy.

[3] *State of California Public Utilities Commission, Rules of Practice and Procedure, California Code of Regulations Title 20, Division 1, Chapter 1* (May 2021), https://webproda.cpuc.ca.gov/-/media/cpuc-website/divisions/administrative-law-judge-division/documents/rules-of-practice-and-procedure-may-2021.pdf.

[4] Proposed *Decision Establishing a Standard Offer for Flexible Service Connections,* Rulemaking (R.) 24-01-018 (Dec. 24, 2025), https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M591/K699/591699367.PDF.

data collection and reporting to refine the FSC Standard Offer and determine the cost-efficiency of the process, among other requirements. Together, these measures take an essential step towards minimizing customer energization delays and accelerating electrification efforts. CalCCA supports the Proposed Decision, with modifications as set forth below.

The Proposed Decision correctly determines that it is reasonable for the IOUs to consider allowing multiple applicants to share unlocked capacity on constrained distribution infrastructure rather than allocating this capacity entirely to the first applicant. While it requires the IOUs to be transparent and consistent in establishing criteria for opportunities to share capacity, the Proposed Decision does not go far enough in ensuring that the IOUs provide access to information on available capacity to all applicants. The Proposed Decision should therefore be modified to require the IOUs to make information on available shared capacity readily accessible to all applicants, thereby improving the efficiency of the application process.

The Proposed Decision also fails to ensure that the IOUs develop efficient and effective customer communications processes for the initial engineering evaluation step of the energization process. Both PG&E and SCE are developing online application portals as part of their Customer Engagement and Communication Plans.[5] The Commission should require the IOUs to enhance these application portals to facilitate capacity sharing opportunities during the initial engineering evaluation step of the energization process.

Finally, the Proposed Decision should be modified to explicitly require the IOUs to incorporate accurate integration capacity analysis (ICA) maps and data in the energization process as soon as practicable. While the Proposed Decision is correct in not relying on the load ICA for determining FSC Standard Offer capacity at this time, accurate load ICA data can help improve the efficiency of the energization process. Using ICA data enables applicants to identify locations on the grid that have sufficient capacity to meet their needs, or to evaluate flexible service and distributed energy resource (DER) options to meet their needs until grid upgrades are completed.

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[5] *See* SCE Advice Letter (AL) 5420 E-A, *Supplement to Advice 5420 E, SCE's Customer Engagement and Communication Plan in Compliance with Ordering Paragraph 13 of Decision (D.) 24-09-020,* R.24-01-018 (June 4, 2025); *see also* PG&E AL 7431 E-A, *PG&E's Proposed Energization OIR Customer Engagement and Communication Plan Pursuant to D.24-09-020*, R.24-01-018 (Apr. 23, 2025).

The Commission should adopt the Proposed Decision, with modifications as set forth below.

- The Proposed Decision's requirements for sharing capacity among multiple standard offer customers should be modified to require the IOUs to:
    - Make information on available shared capacity readily accessible to all applicants; and
    - Enhance application portals to incorporate processes for communicating capacity sharing opportunities during the initial engineering evaluation step of the energization process.
- The Proposed Decision should be modified to explicitly require the IOUs to incorporate accurate ICA data and maps into their energization processes as soon as practicable.

II. THE PROPOSED DECISION SHOULD BE ADOPTED WITH MODIFICATIONS TO THE PROCESS FOR SHARING CAPACITY AMONG MULTIPLE STANDARD OFFER CUSTOMERS

The Commission should adopt the Proposed Decision, but with modifications to the processes for sharing capacity on constrained distribution equipment with multiple customers. The Proposed Decision finds that there are instances in which capacity can safely and cost-effectively be shared and correctly directs the IOUs to consider allowing more than one customer to share unlocked capacity on shared infrastructure. While it directs the IOUs to be transparent and consistent in determining when applicants may be able to share unlocked capacity, it stops short of requiring the IOUs to provide critical information to applicants.

As set forth below, the Proposed Decision should be modified to make information on available capacity readily accessible to all applicants and to modify the IOUs' online application portals to incorporate processes for communicating capacity sharing opportunities during the initial engineering evaluation step of the energization process.

A. The Proposed Decision Should Be Modified to Require the IOUs to Make Information on Available Unlocked Capacity Readily Accessible to All Energization Applicants

The Commission should modify the Proposed Decision to ensure the IOUs make information on unlocked capacity readily accessible to all energization applicants. The Proposed Decision directs the IOUs to maintain records of their analyses of capacity-constrained infrastructure in which capacity sharing may be available to more than one applicant. The Commission should go one step further and require the IOUs to make this information available

to applicants seeking to utilize this shared infrastructure, enabling these customers to make informed decisions about project siting and design. The IOUs would still determine when capacity can be safely and cost-effectively shared, as well as which applicants would be eligible to participate in an FSC Standard Offer. Making this information available to applicants enables them to make more informed decisions and reduces the need for back-and-forth communication between the IOUs, thereby improving the efficiency of the application process. The Commission should therefore require the IOUs to make information on capacity sharing opportunities readily available to applicants. Broadly speaking, the Commission should also require visibility into permanent upgrade pathways, including indicative timelines and a clear process for transitioning customers to firm service once capacity constraints are alleviated.

B. The Proposed Decision Should Be Modified to Require the IOUs to Enhance Their Application Portals to Incorporate Processes for Communicating Capacity Sharing Opportunities During the Initial Engineering Evaluation Step

The Commission should modify the Proposed Decision to require the IOUs to enhance their online application portals to incorporate processes for communicating capacity sharing opportunities during the initial engineering evaluation step of the energization process. Ordering Paragraph (O¶) 15 of D.24-09-020[6] requires the IOUs to submit Tier 1 ALs proposing customer-engagement and communication plans to provide customers applying for energization with additional information about the process and timing of their applications. PG&E's AL 7431 E-A[7] and SCE's AL 5420 E-A[8] included information about the development of an online application portal designed to facilitate customer communications and improve the efficiency of the energization process. These portals include project tracking, automated reporting, and customer communication tools, which could be further modified to incorporate information about capacity-sharing opportunities. The Commission should require the IOUs to upgrade these application portals to integrate capacity-sharing information and opportunities during the initial engineering evaluation step for energization applications.

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[6] D.24-09-020, *Decision Establishing Target Energization Time Periods and Procedure for Customers to Report Energization Delays*, R.24-01-018 (Sep. 17, 2024), O¶ 15, at 97, https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M540/K806/540806654.PDF.

[7] PG&E AL 7431 E-A, at 7-13.

[8] SCE AL 5420 E-A, Appendix A.

III. THE PROPOSED DECISION SHOULD BE MODIFIED TO EXPLICITLY REQUIRE THE IOUS TO INCORPORATE ACCURATE LOAD ICA DATA INTO THEIR ENERGIZATION PROCESSES AS SOON AS PRACTICABLE

The Proposed Decision should be modified to explicitly require the IOUs to incorporate accurate and complete Load ICA data into their energization processes as soon as practicable. The Proposed Decision states that "[p]arties agreed that the Load ICA provided by PG&E and SCE is not currently an investment grade tool citing inherent limitations, a lack of accuracy, and a lack of incorporation into planning and screening processes."[9] Citing these arguments, the Proposed Decision declines to "rely upon the Load ICA for Standard Offer capacity values *at this time.*"[10] While the Load ICA may have limitations, its accessibility and transparency make it a valuable tool for identifying FSC Standard Offer opportunities. The Interstate Renewable Energy Council, Inc., (IREC) pointed out these advantages in previous comments in the R.24-01-018 proceeding:

> Indeed, there are significant advantages associated with the publicly accessible nature of the ICA profile, chief among them that it enables customers to identify sites that may suit their needs without waiting many months for utility studies. Yet the unfortunate reality is that the ICA's readiness to perform this function is currently in considerable dispute and varies from utility to utility. This does not mean that these issues cannot be resolved, but achieving that goal will require focused attention, coordinated across this docket and the High DER docket.[11]

The Load ICA should not be used exclusively to determine FSC Standard Offer opportunities, but, as IREC's comments highlight, it can reduce the time required to identify such options. The Commission should therefore require the IOUs to incorporate accurate Load ICA data into the energization processes as soon as accurate and complete Load ICA data is available.

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9 Proposed Decision at 35.

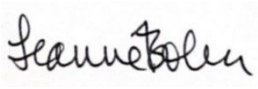
10 *Ibid*. (emphasis added).

11 *Opening Comments of The Interstate Renewable Energy Council, Inc. in Response to ALJ Ruling Clarifying Next Steps for Flexible Service Connections and Modifying the Phase 2 Schedule*, R.24-01-018 (Mar. 13, 2025), at 18, https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M559/K095/559095170.PDF.

IV. CONCLUSION

CalCCA appreciates the opportunity to submit these comments and respectfully requests adoption of the recommendations proposed herein. For all the foregoing reasons, the Commission should modify the proposed decision as provided in Appendix A, attached hereto.

Respectfully submitted,



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CALIFORNIA COMMUNITY CHOICE ASSOCIATION

January 16, 2026

APPENDIX A
TO
CALIFORNIA COMMUNITY CHOICE ASSOCIATION'S
COMMENTS ON THE PROPOSED DECISION ESTABLISHING A STANDARD OFFER FOR FLEXIBLE SERVICE CONNECTIONS

PROPOSED CHANGES TO FINDINGS OF FACT, CONCLUSIONS OF LAW AND ORDERING PARAGRAPHS

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Proposed text additions show as **bold and underlined**

NEW FINDINGS OF FACT

X. Both PG&E's and SCE's Customer Engagement and Communication Plans include customer application portals that include the ability to provide customer notifications.

X. Accurate Load Integration Capacity Analysis data can help customers make informed project siting and design decisions during the preliminary capacity assessment process.

X. The Load Integration Capacity Analysis provided by PG&E and SCE is not currently an investment-grade tool and cannot be relied upon for Standard Offer capacity values at this time.

NEW CONCLUSIONS OF LAW

X. It is reasonable to require PG&E and SCE to make information on available capacity transparent and easily accessible to all energization applicants to facilitate capacity sharing.

X. It is reasonable to require PG&E and SCE to incorporate customer communications about potential shared capacity options via their online application portals.

X. It is reasonable to require PG&E and SCE to incorporate accurate load integration capacity analysis data in the energization process as soon as practicable.

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Order Instituting Rulemaking to Enhance Demand Response in California.	R.25-09-004

CALIFORNIA COMMUNITY CHOICE ASSOCIATION'S COMMENTS ON ADMINISTRATIVE LAW JUDGE'S RULING SEEKING COMMENTS ON STAFF PROPOSAL TO EXTEND FLEX ALERT FUNDING TO 2026

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January 20, 2026

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SUMMARY OF RECOMMENDATIONS[1]

CalCCA recommends that the Commission:

- Adopt the Staff Proposal's recommendation to continue funding the Flex Alert Marketing Program for 2026 to further foster customer participation in the Flex Alert program; and

- Initiate an analysis of the Flex Alert Marketing Program's annual spend compared to incremental changes in awareness and customer willingness to respond to messaging to ensure any future versions of the program address diminishing marginal returns to marketing spend.

[1] Acronyms used herein are defined in the body of this document.

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Enhance Demand Response in California.	R.25-09-004

CALIFORNIA COMMUNITY CHOICE ASSOCIATION'S COMMENTS ON ADMINISTRATIVE LAW JUDGE'S RULING SEEKING COMMENTS ON STAFF PROPOSAL TO EXTEND FLEX ALERT FUNDING TO 2026

California Community Choice Association[2] (CalCCA) submits these comments pursuant to the *Administrative Law Judge's Ruling Seeking Comments on Staff Proposal to Extend Flex Alert Funding to 2026*[3] (Ruling), dated December 30, 2025. The Ruling invites comments on Attachment A to the Ruling, titled *Staff Proposal: Extend Flex Alert Funding to 2026* (Staff Proposal).

I. INTRODUCTION

Five years ago, Governor Gavin Newsom directed the California Public Utilities Commission (Commission) and the California Independent System Operator (CAISO) to develop a Summer Reliability Plan, which launched the statewide public outreach for the Flex Alert program. The Flex Alert program calls Californians to action during periods of grid stress to reduce electricity usage to maintain reliability. The Flex Alert program proved to be a valuable tool to shed loads during grid stress during the unprecedented peak loads experienced in the

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[2] California Community Choice Association represents the interests of 24 community choice electricity providers in California: Apple Valley Choice Energy, Ava Community Energy, Central Coast Community Energy, Clean Energy Alliance, Clean Power Alliance of Southern California, CleanPowerSF, Desert Community Energy, Energy For Palmdale's Independent Choice, Lancaster Energy, Marin Clean Energy, Orange County Power Authority, Peninsula Clean Energy, Pico Rivera Innovative Municipal Energy, Pioneer Community Energy, Pomona Choice Energy, Rancho Mirage Energy Authority, Redwood Coast Energy Authority, San Diego Community Power, San Jacinto Power, San José Clean Energy, Santa Barbara Clean Energy, Silicon Valley Clean Energy, Sonoma Clean Power, and Valley Clean Energy.

[3] *Administrative Law Judge's Ruling Seeking Comments on Staff Proposal to Extend Flex Alert Funding to 2026*, Rulemaking (R.) 25-09-004 (Dec. 30, 2025), https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=ALL&DocID=591699379.

Summer of 2022. In addition, the Flex Alert program highlights for customers how reducing usage during certain times of the day can help customers save money by curtailing or shifting load to times of the day when electricity is less expensive.

Current load growth, especially the electrification of buildings and vehicles and the growth of data center loads, continues to present the need for reliability through load flexibility. Through the Ruling, the Commission requests party comments on an Energy Division Staff Proposal recommending extending the funding for statewide marketing of the Flex Alert program through 2026. The Staff Proposal cites a 2024 study of the effectiveness of the Flex Alert Marketing Program, demonstrating that 93 percent of Californians are aware of the Flex Alert program, and that two-thirds of households reduced energy usage on Flex Alert days.[4]

Given the effectiveness of the Flex Alert Marketing Program, the Commission should adopt the Staff Proposal's recommendation to continue funding for 2026. Additionally, the Commission should review historical marketing spend and trends in awareness, as well as customer actions taken in response to marketing to understand whether the Commission should adjust funding levels for future versions of the Flex Alert Marketing Program. Indeed, there may be diminishing marginal returns to marketing given relatively high levels of customer awareness. This does not mean that some level of marketing and outreach is unnecessary on a continued basis. Rather, it may mean the program could be more cost-effective by shifting some funding to marketing efforts that would markedly increase Californians' engagement in and awareness of Flex Alert, or right-sizing total funding for the program. Given the lack of time to perform such

[4] *See* Staff Proposal at 2 (stating that 93 percent of Californians report being aware of Flex Alert, about two thirds of households report reducing energy use on a Flex Alert day, and over 30 percent of households turned off air conditioning and unplugged appliances during a Flex Alert).

an analysis before the Summer of 2026, the Commission should begin the analysis now to inform any iterations of the Flex Alert Marketing Program beyond the 2026 program year.

CalCCA therefore recommends that the Commission:

- Adopt the Staff Proposal's recommendation to continue funding the Flex Alert Marketing Program for 2026 to further foster customer participation in the Flex Alert program; and
- Initiate an analysis of the Flex Alert Marketing Program's annual spend compared to incremental changes in awareness and customer willingness to respond to messaging to ensure any future version of the program address diminishing marginal returns to marketing spend.

II. CALCCA'S RESPONSES TO STAFF PROPOSAL QUESTIONS 1-4

1. Should the Flex Alert Marketing Program continue in 2026?

The Commission should adopt the Staff Proposal to extend funding for the Flex Alert Marketing Program in 2026, continuing to build awareness of and willingness to participate in potential Flex Alerts. As the Staff Proposal states:

> Demands for electricity are increasing in California from new data centers and from electrification of automobile fleets and HVAC and water heaters in buildings. Extending the Flex Alert marketing campaign informs Californians about ways to keep the grid stable and avoid outages, and also educates the public on wise energy use.[5]

The Staff Proposal describes the two primary benefits the Flex Alert Marketing Program provides: (1) awareness of the Flex Alert program, how it works, and how customers can contribute to calls-to-action as part of the program; and (2) general knowledge that will help customers align usage to cleaner, more affordable times of the day when the grid is less stressed.

As more customers electrify their homes and vehicles, the potential for high, unmanaged loads increases. With recent discussions of significant data center loads forthcoming, this

[5] *Id*. at 1.

potential increases further. Fortunately, CAISO has not called a Flex Alert since 2022,[6] but California's use of the grid is evolving through these technological paradigm shifts. The effectiveness study cited by the Staff Report demonstrates customer awareness of and willingness to act on Flex Alerts, indicating the outreach has been successful. This includes an estimated 93 percent of Californians knowing about the Flex Alert program, two-thirds of households reducing usage on Flex Alert Days, and more than 30 percent of households turning off appliances during Flex Alerts.[7] Continuing active outreach to customers about managing energy use (*e.g.*, how much and when) will ensure customers are up to date and equipped to use energy wisely. While awareness is high, there is still more potential for customers to take action when needed, which further outreach and education can address.

2. Should the Commission order Southern California Edison to extend or renew the existing Flex Alert Marketing Program contract with DDB through 2026, and if so, under what conditions or modifications, if any?

To the extent that the existing implementer of the Flex Alert Marketing Program has met performance goals and satisfies contractual requirements, it is likely that extending or renewing the existing contract is the most cost-effective method of continuing the program for 2026. The process of starting a contract from scratch, with a new or existing implementer, will require more resources than a contract extension. Releasing a new request for proposals, vetting applicants, and establishing a new contract may also make it impossible to accomplish ahead of the Summer of 2026, when warmer weather will tend to increase loads. Therefore, the Commission should order Southern California Edison Company to extend or renew the existing contract.

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[6] *Grid Emergencies History Report*, CAISO (Revised June 12, 2025), at 1, https://www.caiso.com/documents/grid-emergencies-history-report-1998-to-present.pdf.

[7] *2022 Flex Alert Marketing, Education, and Outreach Effectiveness Study* (Mar. 3, 2024), https://pda.energydataweb.com/api/view/3936/2022%20Flex%20Alert%20Evaluation%20Draft%20Report__Public%20Comment.pdf.

3. How much should the Flex Alert Marketing Program Budget be in 2026?

CalCCA does not oppose the Staff Proposal's recommendation to continue the historical annual funding amount of $22 million, but the Commission should direct a review of the budget in parallel to implementing the Flex Alert Marketing Program in 2026. Such a review will allow the Commission to understand any diminishing marginal returns to raising awareness given the already high level of awareness of Flex Alerts.[8] The results of this review can then inform the Commission and stakeholders of any future versions of the Flex Alert Marketing Program, especially given the technological shifts occurring related to building and transportation electrification and the potential for significant data center loads.

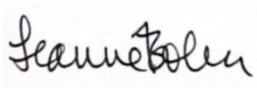
4. Are there any further issues, procedural requirements, contingencies, or program elements not addressed above that parties believe are necessary for the continuation and administration of the Flex Alert Program?

CalCCA has no additional comments on further issues, procedural requirements, contingencies, or program elements at this time.

III. CONCLUSION

For all the foregoing reasons, CalCCA respectfully requests consideration of the comments herein and looks forward to an ongoing dialogue with the Commission and stakeholders.

Respectfully submitted,



Leanne Bober,
Director of Regulatory Affairs and Deputy General Counsel

CALIFORNIA COMMUNITY CHOICE ASSOCIATION

January 20, 2026

[8] *See* Staff Proposal at 2 (stating that 93 percent of Californians report being aware of Flex Alert).

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Oversee the Resource Adequacy Program, Consider Program Reforms and Refinements, and Establish Forward Resource Adequacy Procurement Obligations.	R.25-10-003

CALIFORNIA COMMUNITY CHOICE ASSOCIATION'S TRACK 1 PROPOSALS

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January 23, 2026

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SUMMARY OF RECOMMENDATIONS[1]

CalCCA proposes the Commission:

- Coordinate with the CEC to separate data center loads from the forecast used to set RA requirements and instead base RA requirements on actual data center load interconnection information;
- Account for the reliability value that can be provided by EO co-located resources under the SOD framework;
- Clarify the intended use of local RA CPE data request results consistent with the approach used by SCE; and
- Publish aggregated results of the local RA CPE data request process so that CPEs and LSEs have access to the same information to inform their procurement processes.

[1] Acronyms used herein are defined in the body of this document.

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Oversee the Resource Adequacy Program, Consider Program Reforms and Refinements, and Establish Forward Resource Adequacy Procurement Obligations.	R.25-10-003

CALIFORNIA COMMUNITY CHOICE ASSOCIATION'S TRACK 1 PROPOSALS

California Community Choice Association[2] (CalCCA) submits these Track 1 proposals pursuant to the *Assigned Commissioner's Scoping Memo and Ruling*[3] (Scoping Ruling), dated December 12, 2025. The Scoping Ruling designates the following issues in scope for Track 1: (1) adoption of the 2027-2029 Local Capacity Requirements; (2) adoption of the 2027 Flexible Capacity Requirements; (3) accreditation for long-duration energy storage; (4) Unforced Capacity Methodology; (5) accreditation for solar and wind resources; (6) transactability issues within the slice-of-day (SOD) framework; (7) residual unit commitment (RUC) for resource adequacy (RA) resources; (8) energy-only (EO) resources; and (9) other time sensitive issues

[2] California Community Choice Association represents the interests of 24 community choice electricity providers in California: Apple Valley Choice Energy, Ava Community Energy, Central Coast Community Energy, Clean Energy Alliance, Clean Power Alliance of Southern California, CleanPowerSF, Desert Community Energy, Energy For Palmdale's Independent Choice, Lancaster Energy, Marin Clean Energy, Orange County Power Authority, Peninsula Clean Energy, Pico Rivera Innovative Municipal Energy, Pioneer Community Energy, Pomona Choice Energy, Rancho Mirage Energy Authority, Redwood Coast Energy Authority, San Diego Community Power, San Jacinto Power, San José Clean Energy, Santa Barbara Clean Energy, Silicon Valley Clean Energy, Sonoma Clean Power, and Valley Clean Energy.

[3] *Assigned Commissioner's Scoping Memo and Ruling*, Rulemaking (R.) 25-10-003 (Dec.12, 2025), https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M590/K884/590884355.PDF.

identified by Energy Division or by parties in proposals.[4] The following includes CalCCA's proposals as allowed by the Scoping Ruling.

I. INTRODUCTION

The California Public Utilities Commission's (Commission) RA program plays an important role in maintaining grid reliability by ensuring sufficient resources are provided to the California Independent System Operator (CAISO) balancing authority area when and where needed to meet reliability targets. CalCCA appreciates the Commission's commitment to continually refining the RA program to ensure its effectiveness. Currently, two overriding issues demand changes addressed in CalCCA's proposals set forth herein: (1) unprecedented increased load predicted in the California Energy Commission's (CEC) Integrated Energy Policy Report (IEPR) Demand Forecast; and (2) increased complexity and expense associated with the RA program rules.

First, load serving entities' (LSE) RA requirements are driven largely by the CEC's IEPR Demand Forecast. The interactions between the RA program and the IEPR Demand Forecast must be re-evaluated in the context of new data center load forecasting issues.

Second, in recent years, complying with the requirements established within the RA program has become complex and expensive. In part, this is due to the recent transition to the SOD framework and the transactional friction within the current rules, combined with recent RA market tightness. The implementation of the local RA central procurement entity (CPE) program has also added additional complexity.

For these reasons, CalCCA's proposals focus on: (1) enhancing the RA forecast and allocation process to base RA requirements driven by data center load on actual load

[4] Scoping Ruling at 4-5.

interconnection information; (2) expanding the pool of existing capacity available to provide reliability benefits while adhering to deliverability limits; (3) clarifying recent modifications to the local RA CPE framework; and (4) enhancing transparency regarding procured local resources.

In summary, the Commission should:

- Coordinate with the CEC to separate data center loads from the Demand Forecast used to set RA requirements; instead, RA requirements should be based on actual data center load interconnection information;
- Account for the reliability value that can be provided by EO co-located resources under the SOD framework;
- Clarify the intended use of local RA CPE data request results consistent with the approach used by SCE; and
- Publish aggregated results of the local RA CPE data request process so that CPEs and LSEs have access to the same information to inform their procurement processes.

II. THE COMMISSION SHOULD COORDINATE WITH THE CEC TO SEPARATE DATA CENTER LOAD FROM THE RA FORECAST AND INSTEAD BASE RA REQUIREMENTS ON ACTUAL DATA CENTER LOAD INTERCONNECTION INFORMATION

The Commission's process for allocating RA requirements based upon the CEC's IEPR load forecast should be re-evaluated in the context of the introduction of data center load and the novel impact it will have on load forecasting and RA allocations.[5] The CEC,[6] other state and

[5] CEC Docket No. 24-IEPR-01, *Final 2024 Integrated Energy Policy Report Update* (Oct. 2025), https://efiling.energy.ca.gov/GetDocument.aspx?tn=266416&DocumentContentId=103467.

[6] CEC Docket No. 24-IEPR-03, Jenny Chen, "Data Center Forecast", (Dec. 23, 2024) (Chen Forecast), at 2, https://www.energy.ca.gov/sites/default/files/2024-12/Data_Center_Forecast_Update_ada.pdf, (acknowledging the uncertainties involved with data center certainty analysis, and stating during the 2024 Demand Forecast development that "[t]his has been a continually evolving process, as we learn more every day. The data center methodology will be improved next year.").

federal regulators,[7] researchers,[8] and the media have widely noted the difficulty of concluding whether the data center loads will materialize. Given the unique characteristics and uncertainty associated with data center load, the Commission should work with the CEC to establish new processes for incorporating data center load into the RA forecast and RA allocations. These processes should include the following components: (1) considering data center load separately from other forecasted load for RA purposes, using actual rather than forecasted load to determine RA obligations; and (2) allocating an RA obligation to an LSE serving a data center when certain milestones are met.

Establishing these new processes is necessary to protect existing customers from absorbing costs associated with data center load. In particular, a process should be developed to identify the LSE that will be serving the data center load and allocate RA obligations accordingly. This proceeding is the venue available to the Commission and parties to develop processes that ensure the costs of providing RA to all customers, existing and new, are based on accurate needs and allocated fairly. The proposal below offers a framework for equitably incorporating data center load into the RA forecast and allocation process.

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[7] For example, a recent letter from Federal Energy Regulatory Commission (FERC) Chairman Rosner to regional transmission organizations and independent system operators including the CAISO highlights these challenges and opens a dialogue regarding large load interconnections. *See* FERC Chairman Rosner's Letter to the RTOs/ISOs on Large Load Forecasting (Sept. 18, 2025), https://www.ferc.gov/news-events/news/chairman-rosners-letter-rtosisos-large-load-forecasting ("Our experience to date tells us that large loads, such as data centers, have characteristics that call for new and improved forecasting methods. Given the size and volume of new large load interconnection requests, I'm optimistic that utilities have an opportunity to apply similar criteria to those currently used to assess the commercial readiness of large projects in the generator interconnection queue. These objective criteria include observable milestones such as contracts, financial security deposits, and physical site control.").

[8] *See, e.g., Fast, Flexible Solutions for Data Centers,* Rocky Mountain Institute (July 17, 2025), https://rmi.org/fast-flexible-solutions-for-data-centers/ ("Some estimate that speculative interconnection requests could be five to ten times more than the actual number of data centers, as data centers "shop around" for the fastest interconnection opportunities and cancel data center projects in oversupply.").

A. Actual Rather Than Forecasted Data Center Load Should be Used to Set RA Obligations

Load forecasts can err in either direction. When incorporating large, discrete, and/or uncertain data center loads, load forecast accuracy can have significant affordability and reliability implications for the grid as a whole, individual LSEs, and California customers. Too high of a forecast can result in substantial procurement costs with little or no additional load to spread those costs. Depending on how the RA obligations are allocated, specific LSEs may be especially impacted by these costs. Too low of a forecast can result in the LSE's RA requirements being too low to meet reliability needs.

The Commission, in coordination with the CEC, should therefore modify its process for incorporating data center load into RA allocations. Because RA needs are near-term (year-ahead) and data centers take time to construct, the RA allocation process can benefit from using *actual* large load interconnection information rather than a forecast for the purpose of setting RA requirements. To accomplish this and as set forth below, data center load forecast should therefore be removed from the overall load forecast (Step 1 below), the load forecast minus the data center load should be allocated to LSEs based on load ratio share (Step 2 and Step 3 below), and data center load should be added to an LSE's obligation based upon actual interconnection information (Step 4 below).

Accounting for data center load on an individual basis for RA allocation purposes can therefore mitigate the risk of load forecast inaccuracy. By allocating data center load to the correct LSE with a high degree of certainty, as opposed to the "peanut butter" approach, this proposal has the added benefit of reducing potential cost-shifts between LSEs that experience substantial load growth associated with particular data centers (and are thus able to recover capacity costs from those data centers via rates) and other LSEs that are not.

B. RA Obligations for Data Centers Should Only Be Allocated to LSEs When Certain Milestones are Met

Data center load should only be incorporated into the RA requirements of the individual LSE serving the load upon meeting certain conditions that inform the certainty and timing of energization. These conditions include an executed interconnection agreement, a known energization date within the RA year, permitting milestones, and other indicators. As described above, the RA program requires confidence regarding the amount of data center load that must be served to maintain reliability and affordability. An LSE requires sufficient notification of its role as the generation provider for the data center load and the timing with which its RA obligations for that load will occur so it can conduct procurement activities necessary to serve its customers. These conditions should provide the RA program and LSEs with this confidence from this notification.

To ensure an LSE is given sufficient notification to perform its procurement activities to serve data center load, the Commission should adopt a multi-step process that incorporates data center load into the year-ahead RA (YARA) requirements and/or month-ahead RA (MARA) requirements depending upon when all of certain conditions are met. If the conditions are met by the time the year-ahead RA forecast is developed, then the data center load can be included in the LSE's YARA requirement (Step 4 below). In summary, the process for allocating RA requirements should follow the following steps:

- Step 1: Develop overall load forecast and a separate data center load forecast.[9]
- Step 2: Develop RA load forecast:
    - RA load forecast = Overall load forecast minus data center load forecast.

[9] The CEC's 2024 IEPR Update includes a data center load forecast. This data center load forecast would be subtracted from the overall forecast to obtain the load to be allocated to LSEs based on load ratio share. Data center load would then be added to LSE RA obligations through Step 4. Chen Forecast.

- Step 3: Allocate RA load forecast to individual LSEs based on load-ratio share of the non-data center load forecast:
    - Because the RA forecast does not include new data center load, it can be done based on load ratio share, without the risk of allocating data center load to LSEs who will not serve those data centers.
- Step 4: Add data center load to LSE YARA allocations based on actual data center load interconnection information:
    - Individual LSE YARA Allocation = LSE share of RA forecast[10] plus any new data center loads that meet certain conditions signaling certainty that the data center will energize during the RA year.
    - These conditions could include that the data centers: (1) have chosen the LSE as its generation provider; (2) have an executed interconnection agreement; (3) are based on the customer ramp/utilization forecast; (4) accounts for load modification from onsite generation; (5) have an energization date within the RA year validated by the interconnecting IOU; (6) have obtained local permits to construct; (7) have obtained site control; and (8) have begun construction of the data center.

CalCCA recognizes that there may be instances in which all the criteria in Step 4 above are met after the year-ahead RA forecast is developed and the facility is able to come online prior to the development of the next RA forecast. While likely rare due to construction timelines, the Commission should also consider a mechanism to address such situations. Additionally, new rules for load migration of large loads will be needed to prevent cost shifts between LSEs.

III. THE COMMISSION SHOULD ACCOUNT FOR THE RELIABILITY VALUE THAT CAN BE PROVIDED BY EO CO-LOCATED RESOURCES UNDER THE SOD FRAMEWORK

The Commission should coordinate with the CAISO to allow EO co-located resources to provide RA value when deliverability limits at the point of interconnection (POI) are not exceeded. The advent of the SOD framework has made some RA accreditation rules

[10] The LSE share of the RA forecast would include any pre-existing data center load from previous RA years, as long as the data center load did not expand beyond a pre-defined threshold, in which case the expansion should be included in Step 4, or the data center load did not cease operation, in which case a process should be in place to remove the data center load from the forecast.

considerably more complex and has created some friction between the Commission's and CAISO's processes. While the Commission has transitioned its RA program to SOD, which evaluates all hours on the "worst day" of the month, the CAISO continues to evaluate RA as a single value during the peak hour.[11]

Complications with showing 24 hourly values to the Commission and a single value to the CAISO have arisen with respect to deliverability. Resources must be studied to ensure they are deliverable to CAISO load before they are able to provide RA capacity. The Commission has allowed both components of a co-located resource with *full* or *partial* deliverability status to count for RA when they do not exceed the deliverability at the POI in any hour.[12] This has enabled the storage component and the co-located generating resource (typically a renewable generator) to both count for reliability recognizing that in a SOD RA showing the storage component and the generating component are not exceeding deliverability limits.

The Commission should, in coordination with the CAISO, enable the *EO* portions of co-located resources to count for RA or charging sufficiency requirements for offsite storage when the combined showing of the deliverable and EO components do not exceed the deliverability limits at the POI. This effort will promote RA affordability by unlocking additional capacity that can be shown for RA and storage charging SOD requirements while maintaining reliability by preserving deliverability limits at the POI. Expanding opportunities for co-located resources currently defined as EO to provide reliability value is increasingly important given the

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[11] *CAISO RA Processes and CPUC's Slice of Day* (Oct. 2024), https://stakeholdercenter.caiso.com/InitiativeDocuments/Updated-White-Paper-Resource-Adequacy-Processes-CPUCs-Slice-of-Day-Oct-14-2024.pdf?_gl=1*1pdrq3g*_ga*MTIwMzUwMzQyLjE3NDI4MzQ0MzE.*_ga_NDS4B4M2WP*czE3NjkwMTA5NzYkbzUwNyRnMCR0MTc2OTAxMDk3OCRqNTgkbDAkaDA.

[12] D.25-06-048, *Decision Adopting Local Capacity Obligations for 2026-2028, Flexible Capacity Obligations for 2026, and Program Refinements*, R.23-10-011 (June 26, 2025), Ordering Paragraph 10, https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M571/K237/571237404.PDF.

Commission's base portfolio used in the 2025-2026 CAISO Transmission Planning Process includes 14,996 megawatts (MW) of energy only capacity by 2035 and 31,820 MW of energy only capacity by 2040.[13]

For these reasons and as set forth more fully below, the Commission should: (1) allow EO resources to count for RA or charging sufficiency of offsite storage when they are co-located with a deliverable resource and the showing of both components do not exceed the POI deliverability limits in any single hour; and (2) coordinate with the CAISO through a CAISO stakeholder initiative to update the tariff and business practices to support this change by requiring a must offer obligation (MOO) for shown EO resources.

A. EO Resources Should Count for RA or Charging Sufficiency of Offsite Storage When They are Co-Located with a Deliverable Resource and the Showing of Both Components does Not Exceed Deliverability Limits

EO resources should count for RA or charging sufficiency of offsite storage when they are co-located with a deliverable resource and the showing of both components does not exceed the POI deliverability limits. Along with this proposal, the SOD showing and validation process should be updated to ensure the showing of the two co-located resources does not exceed the deliverability limits at the POI in any hour.[14] For example, assume an LSE contracts with a 100 MW solar, 100 MW storage co-located resource with 100 MW of deliverability at the POI. The solar component is EO, and the storage component is fully deliverable. The examples below demonstrate a showing that complies with this requirement (Table 1) and another showing that

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[13] *2025-2026 Transmission Planning Process Unified Planning Assumptions and Study Plan (Draft)* (Feb. 19, 2025), at 75, https://stakeholdercenter.caiso.com/InitiativeDocuments/2025-2026-Transmission-Planning-Process-Unified-Planning-Assumptions-and-Draft-Study-Plan.pdf.

[14] When the co-located resource has multiple offtakers, the offtakers would need to work contractually to ensure their showings do not result in exceeding deliverability limits. If the offtakers cannot come to a contractual agreement, the RA would default to the offtaker of the FCDS portion for showing/compliance purposes.

does not (Table 2). The example in Table 1 demonstrates how a 100 MW EO solar resource and 100 MW Full Capacity Deliverability Status (FCDS) storage resource at the same POI with 100 MW of deliverability can be shown without exceeding the deliverable MW at the POI in any hour.

Table 1: Co-Located Resource Showing with EO Solar and Deliverable Storage That Does Not Exceed the Deliverable MW at the POI in Any Hour

Solar Exceedance Factor		Co-located (EO Solar + FCDS Storage)		
HE	Exceedance Factor	Solar	Storage	Total
1	0.00	0.00	0	0.00
2	0.00	0.00	0	0.00
3	0.00	0.00	0	0.00
4	0.00	0.00	0	0.00
5	0.00	0.00	0	0.00
6	0.01	0.68	0	0.68
7	0.25	24.69	0	24.69
8	0.65	64.51	0	64.51
9	0.75	75.13	0	75.13
10	0.79	79.03	0	79.03
11	0.80	79.66	0	79.66
12	0.80	79.64	0	79.64
13	0.79	79.20	0	79.20
14	0.78	78.28	0	78.28
15	0.77	77.14	0	77.14
16	0.70	69.65	0	69.65
17	0.39	38.96	0	38.96
18	0.05	4.67	0	4.67
19	0.00	0.00	100	100.00
20	0.00	0.00	100	100.00
21	0.00	0.00	100	100.00
22	0.00	0.00	100	100.00
23	0.00	0.00	0	0.00
24	0.00	0.00	0	0.00

Table 2 demonstrates non-compliance with the requirement to not exceed the deliverable POI in any hour. Here, the storage resource is shown in hour ending (HE) 16 through HE 19, resulting in the solar and storage shown exceeding the deliverable MW at the POI in HE 16 (shown in red in Table 2). This exceedance will therefore result in non-compliance with the requirement not to exceed the deliverable POI in any hour.

Table 2: Co-Located Resource Showing with EO Solar and Deliverable Storage That Exceeds the Deliverable MW at the POI in Any Hour

Solar Exceedance Factor		Co-located (EO Solar + FCDS Storage)		
HE	Exceedance Factor	Solar	Storage	Total
1	0.00	0.00	0	0.00
2	0.00	0.00	0	0.00
3	0.00	0.00	0	0.00
4	0.00	0.00	0	0.00
5	0.00	0.00	0	0.00
6	0.01	0.68	0	0.68
7	0.25	24.69	0	24.69
8	0.65	64.51	0	64.51
9	0.75	75.13	0	75.13
10	0.79	79.03	0	79.03
11	0.80	79.66	0	79.66
12	0.80	79.64	0	79.64
13	0.79	79.20	0	79.20
14	0.78	78.28	0	78.28
15	0.77	77.14	0	77.14
16	0.70	69.65	100	169.65
17	0.39	38.96	100	138.96
18	0.05	4.67	100	104.67
19	0.00	0.00	100	100.00
20	0.00	0.00	0	0.00
21	0.00	0.00	0	0.00
22	0.00	0.00	0	0.00
23	0.00	0.00	0	0.00
24	0.00	0.00	0	0.00

B. The Commission and CAISO Should Coordinate to Ensure Shown Co-located EO Resources Have a Must-Offer Obligation for RA

The Commission should coordinate with the CAISO to ensure co-located EO resources shown for RA have a MOO. The CAISO currently only requires a MOO for resources with full or partial deliverability status. While in the example in Table 1 above, both components can be shown across the day without exceeding the deliverable MW at the POI in any hour, if the solar is classified as EO, it will not have a corresponding MOO from the CAISO without a change to CAISO rules. The Commission should therefore work with the CAISO to ensure that resources such as the EO solar resource in Table 1 above have MOOs when used as RA capacity.

This proposal allows LSEs to unlock additional RA capacity by enabling better optimization of existing deliverability. This will enable LSEs to meet their requirements in a more cost-effective manner without compromising reliability by ensuring LSEs cannot show in excess of the POI's deliverability limit. The Commission should therefore coordinate with the CAISO to allow EO resources to provide RA capacity when co-located with a deliverable resource.

IV. THE INTENDED USE OF LOCAL RA CPE DATA REQUEST RESULTS SHOULD BE CLARIFIED CONSISTENT WITH THE APPROACH USED BY SCE

The Commission should clarify that CPEs should use the local RA data request results to determine whether CPE plus LSE procurement results in sufficient local resources under contract, consistent with the approach taken by SCE. This clarification is necessary to: (1) ensure consistent use by CPEs; and (2) ensure reliable and cost-effective local procurement that does not result in over-procurement when LSE procurement meets local needs.

Decision (D.) 24-12-003 adopted a local RA data request process to replace the non-compensated self-showing options. Energy Division provides aggregated local RA procurement information from LSEs to the CPEs so the CPEs can better assess "the state of the overall local portfolio" and "…the actual needs for short-term and long-term procurement for the three-year forward requirements and beyond."[15] The local RA data request process took effect in January 2025 for the 2026 RA compliance year. PG&E and SCE Annual Compliance Reports document how each CPE took into account the results of the data request in their procurement decisions.

The PG&E Annual Compliance Report states that:

> Although this data does not count towards PG&E CPE's compliance needs, PG&E CPE used the data to inform its procurement decisions [REDACTED]. Without taking into account the LSE data aggregation results, following the 2025 PG&E CPE procurement efforts, the PG&E CPE has not been able to procure enough capacity to meet the needs in all months for any of the seven (7) local capacity areas within its territory and will be deferring procurement to CAISO backstop mechanisms for those areas for a majority of the months of the 2026 and 2027 compliance years.[16]

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[15] D.24-12-003, *Decision on Track 2 Issues*, R.23-10-011 (Dec. 5, 2024), at 38, https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M550/K149/550149956.PDF.

[16] Advice Letter (AL) 7704-E, *Pacific Gas and Electric Company ("PG&E") Central Procurement Entity ("CPE") 2025 Annual Compliance Report* (Sept. 19, 2025), Public Attachment E, at 3-4, https://www.pge.com/tariffs/assets/pdf/adviceletter/ELEC_7704-E.pdf.

The SCE Annual Compliance Report states that:

> This [Annual Compliance Report] demonstrates that SCE-CPE met the obligations set forth in D.20-06-002, D.20-12-006, D.22-03-034, and D.24-12-003. SCE-CPE did not select any offers for its 2025 SCE-CPE Local RA Request for Offers (RFO), as the CPUC Data Request File indicates sufficient local resources in the LA Basin (LAB) and Big Creek Ventura (BCV) local areas that are currently under contract. In short, the CPUC Data Request File demonstrates existing contracted capacity in excess of the Local Capacity needs identified in the CAISO technical studies for SCE-CPE's compliance obligations for years 2026-2028.[17]

While not entirely clear due to redactions in PG&E's Annual Compliance Report, these statements demonstrate that the two local RA CPEs appear to have used the results of the data request differently. SCE used the data request results to determine whether CPE plus LSE procurement resulted in sufficient local resources under contract. It is unclear how PG&E used the data request results, as PG&E states that the results "informed" its procurement but not its compliance needs. While not clear whether LSE contracts for resources in local areas would have covered all the PG&E CPE's deficiencies, it appears that even if they had, the PG&E CPE may have still conducted procurement because it did not account for the LSE data aggregation results. This could have resulted in excess and unnecessary procurement costs.

The Commission should clarify within this proceeding how CPEs should use the local RA data request responses in their procurement decisions, so the CPEs can use the information consistently and cost-effectively. The Commission should clarify that CPEs should use the data request results to determine whether CPE plus LSE procurement results in sufficient local resources under contract, consistent with the approach taken by SCE. Accounting for LSE

[17] AL 5632-E, *Southern California Edison Company's 2026 Central Procurement Entity Annual Compliance Report* (Sept. 19, 2025), Public Attachment 1, at 4, https://www.sce.com/wps/portal/home/regulatory/advice-letters/.

contracts for resources in local areas will limit over-procurement, and therefore provide ratepayer savings.

V. AGGREGATED RESULTS OF THE LOCAL RA CPE DATA REQUEST SHOULD BE PUBLICIZED

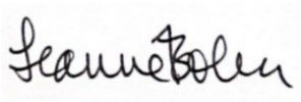
The Commission should publish aggregated results of the local RA CPE data request process so that CPEs and LSEs have access to the same information to inform procurement processes. The local RA data request process adopted in D.24-12-003 results in Energy Division providing aggregated local RA procurement information to the CPEs to inform their annual solicitations and procurement processes. Providing LSEs with the same information the CPEs receive will improve RA market transparency, inform LSEs' system RA procurement, and help LSEs anticipate their Cost Allocation Mechanism credits from CPE procurement. In recent years, the RA market has been very tight. The bi-lateral nature of the RA program can exacerbate procurement challenges when the market is tight. Providing additional transparency can relieve some of the market friction associated with a bi-lateral RA market. The Commission should therefore seek to increase transparency by providing LSEs with the same information the CPEs receive through the local RA data request. In publicizing this information, the Commission should only reveal total local RA MW under contract by local area, ensuring not to reveal any market sensitive information about individual resources or LSEs.

Because this additional transparency can inform both CPE *and* LSE procurement processes, the Commission should also adopt the data request process for the San Diego-Imperial Valley local area and provide the same aggregated local RA procurement information. This will allow LSEs to have the same level of information on local RA capacity in the San Diego area to inform procurement of their own local or system RA obligations.

VI. CONCLUSION

CalCCA respectfully requests consideration of the proposals herein and looks forward to an ongoing dialogue with the Commission and stakeholders.

Respectfully submitted,



Leanne Bober,
Director of Regulatory Affairs and Deputy General Counsel

CALIFORNIA COMMUNITY CHOICE ASSOCIATION

January 23, 2026

PUBLIC UTILITIES COMMISSION
505 Van Ness Avenue
San Francisco CA 94102-3298

Marin Clean Energy
ELC (Corp ID 6)
Status of Advice Letter 91E
As of January 22, 2026

Subject: Marin Clean Energy's Energy Efficiency Mid-Cycle Advice Letter

Division Assigned: Energy

Date Filed: 11-04-2025

Date to Calendar: 11-10-2025

Authorizing Documents: D1805041

Authorizing Documents: D2105031

Authorizing Documents: D2306055

Disposition:	**Accepted**
Effective Date:	**01-20-2026**

Resolution Required: No

Resolution Number: None

Commission Meeting Date: None

CPUC Contact Information:

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PUBLIC UTILITIES COMMISSION
505 Van Ness Avenue
San Francisco CA 94102-3298

To: Energy Company Filing Advice Letter

From: Energy Division PAL Coordinator

Subject: Your Advice Letter Filing

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edtariffunit@cpuc.ca.gov