

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

Order Instituting Rulemaking to Review,
Revise, and Consider Alternatives to the
Power Charge Indifference Adjustment.

Rulemaking 17-06-026
(Filed June 29, 2017)

**REPLY COMMENTS OF CALIFORNIA COMMUNITY CHOICE ASSOCIATION ON
COMMENTS TO CO-LEADS' WORKING GROUP ONE REPORT ON QUESTIONS 8
THROUGH 12**

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The California Community Choice Association (CalCCA)¹ submits the following reply comments pursuant to the ADMINISTRATIVE LAW JUDGE'S RULING MODIFYING PROCEEDING SCHEDULE dated July 9, 2019. These comments are in response to opening comments on the Phase 2 Working Group 1 Co-Lead Proposal and Recommendations, Scoping Memo Questions 8- 12 Final Report, filed July 1, 2019 (Final Report). The Final Report was timely filed and served pursuant to the Decision (D.) 17-06-026 Phase 2 Scoping Memo and Ruling of Assigned Commissioner, dated February 1, 2019 (Scoping Memo).

I. INTRODUCTION

CalCCA is a co-lead of Working Group 1, along with Pacific Gas & Electric Company (PG&E; collectively with CalCCA, Co-Leads). Pursuant to the Scoping Memo, the Final Report addressed questions 8 through 12.

In these comments, CalCCA replies to comments from (in alphabetical order), AReM/DACC, CLECA, Joint Utilities, Protect our Communities (POC), and UCAN. We limit

¹ California Community Choice Association represents the interests of 18 community choice electricity providers in California: Apple Valley Choice Energy, Clean Power SF, Clean Power Alliance, East Bay Community Energy, Lancaster Choice Energy, Marin Clean Energy, Monterey Bay Community Power, Peninsula Clean Energy, Pioneer Community Energy, Pico Rivera Innovative Municipal Energy, Rancho Mirage Energy Authority, Redwood Coast Energy Authority, San Jacinto Power, San Jose Clean Energy, Silicon Valley Clean Energy, Solana Energy Alliance, Sonoma Clean Power, and Valley Clean Energy.

our reply to departing load (questions 8-10), bill presentation (question 12), a Joint IOU proposal on including line losses in the PCIA rate calculation, and UCAN's proposal on working group governance.

To recap, questions 8-10, and 12 are:

- Question 8 Which methodologies, probabilistic or scenario-based, should the Commission adopt to forecast departing load? (Section II)
- Question 9 What are the barriers for the IOUs to obtain the information they need to adequately forecast future CCA departing load and mitigate future forecasting inaccuracies, and how can they overcome those barriers? (Section II)
- Question 10 What mechanisms would help minimize future deviations between announced and actual load departure dates, thereby improving the fidelity of departing load forecasts? (Section II)
- Question 12 Should the Commission require any changes in the presentation of the PCIA in tariffs and on customer bills, and if so, what should those changes be? (Section IV).

II. METHODOLOGIES FOR FORECASTING DEPARTING LOAD REQUIRE FURTHER WORKING GROUP INPUT

With respect to forecasting question 8, CalCCA continues to support further development of a consistent and transparent approach to forecasting departing load across utilities, with buy-in from interested stakeholders.²

POC echoed CalCCA's concerns about forecasting, and also called for further work on forecasting issues. Joint utilities also agree with CalCCA that the Commission should continue the working group structure, as part of a future phase of this proceeding, to explore improvements to the departing load forecast methodology."³

² CalCCA raised its concerns relating to questions 8-12 in the Informal Comments of California Community Choice Association on Co-Leads' Proposal and Recommendations Presented at Working Group One Meeting on June 7, 2019, attached to the Final Report along with other party comments as Exhibit A.

³ Joint Utility Opening Comments at 3.

Thus, CalCCA reiterates its recommendation that the Commission establish a schedule, whether in this phase or framed as a new phase, for further work on departing load forecasting issues.

III. THE COMMISSION SHOULD REJECT THE PROPOSED IMPOSITION OF A BINDING NOTICE OF INTENT REQUIREMENT ON DEPARTING LOAD

With respect to questions 9 and 10, also regarding forecasting, CalCCA opposes imposition of a mandatory “Binding Notice of Intent” (BNI), or similar mechanism, upon prospective departing load. AReM/DACC, Joint Utilities and POC also commented on questions 9 and 10. AReM/DACC and POC oppose imposition of a BNI-type mechanism on departing load, for reasons that echo those raised by CalCCA.

AReM/DACC further opposes imposition of an E-4907-type mechanism on departing load. AReM/DACC also distinguished between DA taking service under a newly-authorized tranche (such as that authorized by SB237) and DA taking service by virtue of participating successfully in a lottery for allocation of already-authorized tranches.

CalCCA clarifies here that it was only proposing to extend to new tranches of DA. CalCCA does not propose to have that mechanism apply to new DA customers taking over volumes from an existing DA customer leaving DA service.

IV. THE WORKING GROUP SHOULD EXPLORE ADDING A LINE ITEM FOR THE PCIA TO ALL CUSTOMERS’ BILLS BY 2021

As presented at the June 7, 2019 working group meeting, CalCCA recommends the Commission require that IOUs add a PCIA line item to the summary table on each customer’s utility bill, as contemplated by the PCIA Phase I Decision. This change informs bundled and unbundled customers alike that they are paying the PCIA and is expressly contemplated in the PCIA Phase 1 Decision.

POC commented on this issue, and supported work on refining and implementing CalCCA's proposal by 2021. Joint utilities "support continuation of a working group process concerning improvements to customer bill presentation."⁴ Joint utilities further contend that "it is infeasible to implement any recommended change prior to 2021."

Accordingly, CalCCA proposes the Commission: (a) mandate that bill changes to show a PCIA line item in the bill summary table on all customer bills be implemented by the end of 2021, and (b) adopt a process for additional working group meetings among the IOUs and stakeholders to further develop the bill design described above and assist in timely implementation of this change.

V. THE ELIMINATION OF THE LINE LOSS FACTOR CALCULATION IN THE PCIA ALTOGETHER IS A MAJOR STEP AND REQUIRES FURTHER COMMISSION PROCESS PRIOR TO ADOPTION OR REJECTION

In addition to the specific questions raised in the Scoping Memo, in mid-June the Joint IOUs raised with CalCCA problems with the line loss factor in the PCIA Common Workpaper Template and proposed this issue be addressed as part of Working Group 1.

As set out in CalCCA's opening comments CalCCA would support making a change to a formula in the approved template to eliminate the "arithmetic error" Commission Staff called out in its approval of PG&E's Advice 5527-E and 5527 E-B. CalCCA took issue with the Joint IOUs' proposal to eliminate the line loss calculation from the PCIA altogether.

In opening comments, the Joint IOUs contend that it is simple to "remove the application of line losses from all calculations within the PCIA template." The Joint IOUs continue to request that the Commission make that change to the PCIA in preference to the more limited fix to the template CalCCA supports.

⁴ Joint Utilities Opening Comments, at 5-6.

There is currently no record explaining why the Commission's inclusion of a line loss adjustment in the template is no longer warranted. Wholesale elimination of a longstanding element of the template warrants additional record development.

CalCCA therefore proposes that the Commission either: (a) open a separate phase of this proceeding to address the line loss questions the Joint IOUs raise, or, (b) invite PG&E to file a petition for modification of any relevant decisions bearing on the inclusion of line losses in the PCIA calculation.

VI. UCAN'S WORKING GROUP GOVERNANCE PROPOSAL

In opening comments, UCAN reasserted its governance proposal from its informal comments. POC also called for a more transparent working group process.

Informality greatly benefits this working group process. This should not, of course, come at the cost of transparency and inclusion. CalCCA is committed to making sure all voices are heard — see, e.g., the Co-Lead motion that led to the Commission permitting these opening and reply comments. CalCCA is happy to consult with parties informally on refining how this working group operates, should the Commission conclude that this working group should go forward on any issues.

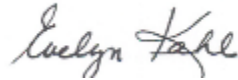
VII. CONCLUSION

CalCCA reiterates that the Commission should find as follows:

1. The IOUs should be required to share more information regarding the inputs and assumptions that are applied in each IOU's departing load forecast methodology, and the Commission will adopt an accepted list of inputs and assumptions, which will be applied statewide. Working Group 1 should continue to act as the forum for developing additional modeling parameters, on a schedule to be set by the assigned Commissioner.
2. The IOUs' proposal to impose a mandatory BNI or similar mechanism upon departing load is denied.

3. The IOUs must include a line item on the first page of all customers' bills showing the PCIA charge, and this change must be implemented before the end of 2021. An ongoing forum and process for parties to continue to discuss and implement additional bill presentation improvements will be established.
4. The IOUs' proposal regarding the elimination of the line loss factor from the PCIA calculation is denied without prejudice.
5. UCAN's governance proposal is denied without prejudice.

Respectfully submitted,



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Dated: July 26, 2019