



FILED

08/05/20
04:59 PM

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

Application of Pacific Gas and Electric
Company for Adoption of Electric Revenue
Requirements and Rates Associated with its
2021 Energy Resource Recovery Account
(ERRA) and Generation Non-Bypassable
Charges Forecast and Greenhouse Gas Forecast
Revenue Return and Reconciliation. (U 39 E)

Application 20-07-002

PROTEST OF CALIFORNIA COMMUNITY CHOICE ASSOCIATION

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August 5, 2020

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PROEST OF CALIFORNIA COMMUNITY CHOICE ASSOCIATION

Pursuant to Rule 2.6 of the Rules of Practice and Procedure of the Public Utilities Commission of the State of California (Commission), the California Community Choice Association (CalCCA) hereby submits this protest to the above-captioned *Application of Pacific Gas and Electric Company for Adoption of Electric Revenue Requirements and Rates Associated with its 2021 Energy Resource Recovery Account (ERRA) and Generation Non-Bypassable Charges Forecast and Greenhouse Gas Forecast Revenue Return and Reconciliation (U 39 E)* (Application).

CalCCA protests the Application on the grounds Pacific Gas & Electric Company (PG&E) has not demonstrated the relief it requests is just and reasonable,¹ complies with all applicable rules, regulations, resolutions and decisions for all customer classes, including but not limited to Decision (D.) 18-10-019, D.19-10-001 and D.20-02-047 (the 2020 “ERRA Forecast Decision”), and prevents illegal cost shifts between bundled and unbundled ratepayers.² The magnitude of impact on the departing load customers warrants a process that enables full and

¹ See, Cal. Pub. Util. Code § 451.

² Cal. Pub. Util. Code §§ 366.2(f)(2), (g).

timely review of the Application. PG&E's proposal will increase the Power Charge Indifference Adjustment for departing load customers, including CCA customers between 5% and 12% for the 2009 to 2018 vintages, with a small decrease for the 2019 vintage. The final increase to the PCIA, revenue requirement and rate impacts are likely to be substantially greater than those currently in the Application given the current status of the Portfolio Allocation Balancing Account year-end balance in PG&E's June 2020 Monthly Report.³ That June 2020 Report includes a year-to-date PABA undercollection of \$1,073.0 million, nearly *double* the \$537.8 million projected as the year-end PABA balance in the Application (prior to the application of an ERRA-related credit). In sum, the actual relief PG&E is requesting in this docket, including both the revenue requirements and the final rates proposed, does not yet appear in the Application and will not be known until PG&E completes all *four rounds of supplemental testimony* it has requested, including the crucial November update testimony (November Update).

Recognizing that this further testimony -- particularly PG&E's November update -- will be pivotal to the rates ultimately adopted, CalCCA thus is concerned about the ability to effectively review PG&E's proposals in the time provided by the schedule. For this reason, CalCCA supports the Joint CCAs' call for:

- ✓ Cooperation and reduced timelines in discovery for all parties, especially surrounding rebuttal testimony and the November Update;
- ✓ Contemporaneous service of workpapers with any updates to testimony; and
- ✓ Clear presentation of the changes between prepared and updated testimony.

CalCCA also supports the schedule proposed by the Joint CCAs.

³ See *PG&E Energy Resource Recovery Account Activity Report*, p. 4, "Total PABA Ending Balance" (June 2020).

I. DESCRIPTION OF CALCCA

California's community choice aggregators (CCAs) are local governmental entities that provide electricity services to their residents pursuant to Public Utilities Code Section 366.2. CCAs are currently serving about 10 million customers in more than 170 cities and counties across California.

CalCCA was formed in 2016 as a trade organization to facilitate joint participation in certain regulatory and legislative matters in which members share common interests. CalCCA's voting membership includes CCAs serving load and others in the process of implementing new service, including: Apple Valley Choice Energy, Baldwin Park Resident Owned Utility District, CleanPowerSF, Clean Energy Alliance, Clean Power Alliance, Desert Community Energy, East Bay Community Energy, Lancaster Choice Energy, MCE, Monterey Bay Community Power, Peninsula Clean Energy, Pioneer Community Energy, Pico Rivera Innovative Municipal Energy, Pomona Choice Energy, Rancho Mirage Energy Authority, Redwood Coast Energy Authority, San Diego Community Power, San Jacinto Power, San José Clean Energy, Silicon Valley Clean Energy, Solana Energy Alliance, Sonoma Clean Power, Valley Clean Energy, and Western Community Energy.

II. CALCCA'S INTEREST IN THIS PROCEEDING

CalCCA seeks party status in this proceeding to address issues related to the Power Charge Indifference Adjustment (PCIA) rate, which will be set for 2021 in this proceeding. Customers of CalCCA's member CCAs pay the PCIA rate as departing load customers. CalCCA's interests center on whether PG&E has calculated the PCIA consistent with applicable Commission decisions in R.17-06-026, a proceeding in which CalCCA has been an active party. CalCCA is also interested in ensuring consistency of application of the PCIA

methodologies across the service territories of all three investor-owned utility service territories where member CCAs provide service.

Certain CCAs serving customers in the Pacific Gas and Electric Company (PG&E) service territory are also participating in this proceeding as “Joint CCAs”: East Bay Community Energy, MCE, Monterey Bay Community Power Authority, Peninsula Clean Energy, Pioneer Community Energy, San José Clean Energy, Silicon Valley Clean Energy, Sonoma Clean Power, and Valley Clean Energy Alliance. Other CCAs in PG&E’s service territory may also participate individually. CalCCA intends to coordinate with these CCAs to align interests and participation to the extent possible.

III. GROUNDS FOR PROTEST

CCA is still reviewing the Application and anticipates that it will propound discovery requests and otherwise seek to examine other aspects of the Application. CalCCA thus reserves the right to identify and address other issues that may arise in this proceeding. However, on initial review of the Application, CalCCA joins with the Joint CCAs in protesting the Joint Application on the following grounds.

- Recent experience does not support PG&E’s proposed forecast of 10% unsold Resource Adequacy (RA) capacity.
- PG&E continues to use costs from its 2020 General Rate Case (GRC) that have not been approved.
- PG&E’s application regarding its Wildfire Expense Memorandum Account (WEMA) does not have a scoping ruling let alone approval for cost recovery.
- Modifications to line loss factors when calculating the indifference amount are currently premature.
- More detail is needed to understand PG&E’s projected year-end PABA balance.
- PG&E continues to defy the Commission’s Order to implement last year’s ERRA Forecast Decision.
- It is unclear whether PG&E calculated the 2020 true-up using GRC Costs that have not yet been approved.

- Adjustments to the 2020 PABA balances to reflect agreed-upon changes in PG&E’s 2019 ERRR Compliance case should be included in the 2020 true-up, including credits for prior period interest in the 2020 true-up.
- PG&E’s proposals regarding the year-end transfer of ERRR balances may require revision.
- PG&E’s proposal to allocate the year-end PUBA Balance to 2021 PCIA rates requires further investigation.
- PG&E should provide COVID-related updates to its load forecasts for 2021 in its Rebuttal Testimony in addition to the November Update.
- PG&E’s proposals regarding the modified Cost Allocation Mechanism (CAM) require close scrutiny to ensure all customers only pay those costs attributable to them.

In addition, the Commission will need to address the interaction between this docket, the recently filed ERRR trigger application, A.20-07-022, and any PCIA Undercollection Balancing Account trigger application filed during the pendency of this proceeding.

IV. PROCEDURAL SCHEDULE, NEED FOR HEARINGS, AND CATEGORIZATION OF PROCEEDING

Pursuant to Rule 2.6(d), CalCCA provides the following procedural comments:

A. Need for Hearing

CalCCA anticipates that evidentiary hearings will be necessary to address the issues identified in Section III.

B. Proposed Schedule

CalCCA supports the schedule proposed by the Joint CCAs.

C. Categorization

The proceeding is appropriately categorized as “ratesetting.”

V. PARTY STATUS

Pursuant to Rule 1.4(a)(2), CalCCA hereby requests party status in this proceeding. As described herein, CalCCA has a material interest in the matters being addressed in this

proceeding. CalCCA designates the following person as the “interested party” in this proceeding:

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VI. CONCLUSION

CalCCA appreciates the opportunity to submit this protest to the Application and requests party status.

Respectfully submitted,



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General Counsel to the
California Community Choice Association

August 5, 2020