CALCCA
ADVANCING LOCAL ENERGY CHOICE

September 29, 2020

CPUC Energy Division
Attn: Tariff Unit and Edward Randolph, Director
505 Van Ness Avenue
San Francisco, CA 94102

By email: EDTariffUnit@cpuc.ca.gov

Re: CalCCA Protest to PG&E AMP Advice Letter in response to Decision 20-06-003

Dear Tariff Unit and Mr. Randolph:

Pursuant to General Order 96-B, the California Community Choice Association (CalCCA)[1] submits this protest to Pacific Gas & Electric Company's Advice Letter 4308-G/5943-E ("Advice Letter").

Pacific Gas & Electric Company (PG&E) filed its Advice Letter on September 9, 2020 in response to Decision ("D") 20-06-003, Ordering Paragraph ("OP") 83 and OP 87.

> OP 83: To implement the arrearage management payment (AMP) plan, Pacific Gas and Electric Company, San Diego Gas & Electric Company, Southern California Edison Company, and Southern California Gas Company must each file a Tier 2 Advice Letter within 90 days of this decision to implement the AMP plan.
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> OP 87: The issue of concern raised by CalCCA as it relates to the allocation of proportional recovery shall be discussed in the AMP working group and a proposed resolution shall be set forth in the Tier 2 Advice Letters that Pacific Gas and Electric Company, San Diego Gas & Electric Company, Southern California Edison Company, and Southern California Gas Company file.

[1] 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, Central Coast Community Energy, CleanPowerSF, Clean Energy Alliance, Clean Power Alliance, Desert Community Energy, East Bay Community Energy, Lancaster Choice Energy, MCE, 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.

While the Advice Letter adequately addresses some requirements established in D. 20-06-003, other provisions do not adequately implement certain requirements or require further clarification.

1. By proposing that the issue of third party cost recovery be addressed in the next phase of R.18-07-005, PG&E fails to fully comply with OP 87.

CalCCA, along with the investor-owned utilities ("IOUs"), The Utility Reform Network ("TURN"), and other parties, participated in a series of AMP Working Group ("AMP WG") meetings where parties discussed and agreed to various implementation and cost recovery issues included in PG&E's Advice Letter, one of which was socialization of all AMP debt forgiveness (both IOU and CCA) costs as the preferred method for cost recovery. As expected, PG&E proposes to socialize the recovery of both bundled and unbundled customers' AMP debt forgiveness among all customers. However, in its Advice Letter PG&E further states that it believes "Commission approval is needed to proceed with third party AMP cost recovery."[2]

OP 87 clearly states that a resolution to the issue of cost recovery was to be set forth in the Advice Letters. By proposing to add the topic of cost recovery to "the rate setting phase of the proceeding,"[3] PG&E fails to comply with OP 87 and creates an additional obstacle to achieving the Commission's intent of offering customers, both unbundled and bundled, access to an AMP program that does not burden certain ratepayers more than others through disproportionate cost recovery. At the prehearing conference (PHC) for the Percentage of Income Payment Plan (PIPP) phase of the proceeding held on September 17, 2020 PG&E suggested that the Commission is unable to approve the proposed cost recovery mechanism through an Advice Letter because proper notice has not been provided to affected parties.[4] This proceeding, however, focused centrally on vulnerable customers, including CARE and FERA customers, making clear that program funding could be affected. Moreover, D.20-06-003 further made clear that the details of cost recovery would be addressed by the AMP WG. Finally, this Advice Letter provides yet another opportunity for comment. By approving the proposed cost recovery without change, the Commission will, indeed, make clear that it has approved this methodology without question, as PG&E requires.

Of further concern to CalCCA is the proposal that "third-party service providers that elect to participate in the AMP prior to Commission authorization of the socialized cost recovery approach would be responsible for tracking and recovering unbundled customers' AMP debt forgiveness associated with the third party provider's charges."[5] This is troublesome for three

[2] PG&E Advice Letter at p. 13.
[3] PG&E Advice Letter at p. 13.
[4] PHC Transcript at p. 34.
[5] PG&E Advice Letter at p. 14.

reasons. First, this implies that all forgiven debt would be recovered solely from the ratepayers that each individual CCA serves and that debt forgiven prior to Commission approval of socialized recovery, under PG&E's proposal, would not be eligible for socialized cost recovery once it is approved by the Commission. This would disproportionately burden CCA communities with higher AMP participation than others. Second, CCAs have no certainty about a timeline for when the issue of cost recovery could be resolved. Indeed, PG&E proposed in the recent PHC addressing the PIPP that AMP cost recovery be addressed in the PIPP working group, and the Administrative Law Judge indicated that he anticipates an 18 month resolution to the PIPP phase.[6] Third, taking PG&E's approach would leave CCAs with no certainty of the ultimate outcome, which would discourage CCA participation in the AMP program.

Furthermore, PG&E is requesting that CCAs in its territory notify it "within 45 days of this AL regarding their intent to participate."[7] CCAs are being asked to make a determination about participation in the AMP without knowing if their participation risks ultimately burdening their ratepayers with disproportionate cost recovery. CCAs have and continue to be supportive of the AMP and would like to be able to offer their unbundled customers access to the program, especially since many customers face economic hardship due to the COVID-19 pandemic. However, PG&E's proposal makes CCA participation in the program difficult because neither the magnitude of the potential financial impact of participating in the program before socialized cost recovery is approved nor the timeline for third-party cost recovery to be authorized are known. CalCCA requests that PG&E clarify whether the requested 45 day notification is 45 days after the disposition of the Advice Letter or 45 days after the date it was filed. If PG&E requests notification 45 days after the date the Advice Letter was filed, CalCCA requests that the Commission provide guidance on cost-recovery through approval of the AMP Advice Letters prior to the 45 day mark.

2. PG&E did not adequately address what information it will provide CCAs that notify PG&E they intend to participate the AMP.

With respect to coordination with third-party providers, PG&E states that it is "coordinating with the CCAs to determine the customer information that PG&E must share with the CCAs to enroll customers in the program as well as the appropriate channels to provide that information in a secure and efficient manner."[8] CalCCA is unaware of any coordination or outreach to CCAs besides the coordination that occurred as part of the AMP WG. Given that the AMP WG spent substantial time discussing the data that would need to be communicated to CCAs to enable third-party participation and that CalCCA provided tables specifying the requested information, CalCCA is surprised that PG&E failed to include any mention of the specific data that would be shared with CCAs. Under the situation proposed by PG&E, where CCAs would be responsible for tracking and recovering all forgiven debt prior to a Commission

[6] PHC Transcript at p. 20.
[7] PG&E Advice Letter at p. 14.
[8] PG&E Advice Letter at p. 13.

approval of socialized cost recovery, the data that is communicated to the CCAs is of central importance. For example, CCAs have no visibility into the amounts owed to the IOU. Because eligibility is determined based on both IOU and third-party arrears, a CCA would have no way of knowing with certainty which of its customers are eligible for the AMP or which have enrolled. Additionally, the dollar value of arrears that are expected to be forgiven, the value of forgiven amounts that have been processed, and whether a customers has made the monthly payment it was supposed to make and is still in good standing in the program must be communicated to the CCAs that participate in the program.

CalCCA agrees with PG&E that "existing channels to share required information" should be leveraged. However, what specifically that information is should be added to the Advice Letter or PG&E should set up regular meetings related to AMP data needs with CCAs to ensure program alignment and streamlined customer enrollment. Finally, PG&E uses the word "required" to describe the information that it intends to share with CCAs. CalCCA requests that PG&E clarify what it means and whether it is stating that only information required by the Commission to be shared to CCAs would be shared.

We thank the Commission for its consideration of this protest and urge the Commission to require PG&E to re-file its Advice Letter so that it includes the information it plans to share with CCAs that intend to participate in the AMP and a proposal for how it intends to track and recover all forgiven bad debt, including third-party charges.

Respectfully submitted,

Evelyn Kahl
General Counsel to the
California Community Choice Association

cc: PGETariffs@pge.com
Service List R. 18-07-005