FILED
12/08/20
04:59 PM

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

Expedited Application of San Diego Gas & Electric Company (U 902 E) Under the Power Charge Indifference Adjustment Account Trigger Mechanism.	Application 20-07-009 (Filed on July 10, 2020)

JOINT REPLY COMMENTS OF SAN DIEGO COMMUNITY POWER, CLEAN ENERGY ALLIANCE, SOLANA ENERGY ALLIANCE, AND THE CALIFORNIA COMMUNITY CHOICE ASSOCIATION ON THE PROPOSED DECISION

Ty Tosdal
Tosdal APC
777 South Highway 101, Suite 215
Solana Beach, CA 92075
Telephone: (858) 252-6416
E-mail: ty@tosdalapc.com

Attorney for:
San Diego Community Power
Clean Energy Alliance
Solana Energy Alliance

Evelyn Kahl, General Counsel
California Community Choice Association
One Concord Center
2300 Clayton Road, Suite 1150
Concord, CA 94520
E-mail: regulatory@cal-cca.org

December 8, 2020

TABLE OF CONTENTS

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

Expedited Application of San Diego Gas & Electric Company (U 902 E) Under the Power Charge Indifference Adjustment Account Trigger Mechanism.	Application 20-07-009 (Filed on July 10, 2020)

**JOINT REPLY COMMENTS OF
SAN DIEGO COMMUNITY POWER, CLEAN ENERGY ALLIANCE,
SOLANA ENERGY ALLIANCE, AND THE CALIFORNIA COMMUNITY CHOICE
ASSOCIATION ON THE PROPOSED DECISION**

Pursuant to Rule 14.3 of the Rules of Practice and Procedure of the California Public Utilities Commission ("Commission"), San Diego Community Power ("SDCP"), Clean Energy Alliance ("CEA"), Solana Energy Alliance ("SEA"), (collectively, the "San Diego CCA Programs"), and the California Community Choice Association ("CalCCA"), hereby submit these Joint Reply Comments on the (Proposed) *Decision Regarding Power Charge Indifference Adjustment Trigger Application of San Diego Gas & Electric Company* ("PD") issued on November 13, 2020 in the above-captioned proceeding.

I. INTRODUCTION

The San Diego CCA Programs and CalCCA largely support the proposed revisions to the PD made by San Diego Gas & Electric Company's ("SDG&E") in its opening comments, with one exception.[1] Several of the proposed revisions were also made by the San Diego CCA Programs and CalCCA in their Joint Opening Comments,[2] and the shared approach to the issues in this

---

[1] *Opening Comments of San Diego Gas & Electric Company (U 902-E) on The Proposed Decision Regarding Power Charge Indifference Adjustment Trigger Application*, A. 20-07-009, December 3, 2020 ("SDG&E Opening Comments") at Appendix B.

[2] *See Joint Comments of San Diego Community Power, Clean Energy Alliance, Solana Energy Alliance, And The California Community Choice Association On The Proposed Decision*, Application ("A.") 20-07-009, December 3, 2020. ("CCA Joint Comments")

proceeding reflect a substantial amount of discussion and collaboration between the parties in this first-of-a-kind proceeding, culminating in a stipulation that was attached to both sets of opening comments.[3] Stipulation notwithstanding, SDG&E raises arguments in its opening comments that merit further attention, as further explained below.

Most importantly, in order to mitigate the considerable rate shock that would otherwise result, Ordering Paragraph ("OP") 1 of the PD should be revised to incorporate a 36-month amortization period and an equal cents per kWh allocation method, consistent with the stipulation that was entered into between SDG&E, the San Diego CCA Programs and CalCCA. However, the additional language SDG&E proposes for OP 1 regarding the bundled customer refund fails to adequately address the status of customers leaving for CCA service next year and should not be adopted without further modification. In addition, the San Diego CCA Programs and CalCCA support SDG&E's proposal to clarify that SDG&E is authorized to increase PCIA rates by *up to* 1.9¢/kWh.[4]

II. OP 1 SHOULD BE REVISED TO INCLUDE A 36-MONTH AMORTIZATION PERIOD AND AN EQUAL CENTS PER kWh APPROACH, BUT SHOULD NOT LIMIT REFUNDS TO BUNDLED CUSTOMERS, AS SDG&E PROPOSES

As SDG&E correctly points out; to date, no party objects to extending the amortization period to 36-months.[5] Further, The San Diego CCA Programs and CalCCA agree that revising the PD to include a 36-month amortization period does not constitute a material change.[6]

---

[3] *See* CCA Joint Comments at Appendix B; SDG&E Opening Comments at Appendix A; Opening Comments on the PD of AReM/DACC at Appendix A.

[4] SDG&E Opening Comments at 2-3.

[5] Id. at 4.

[6] Id. at 5.

Furthermore, SDG&E is right to point out that, in the interest of clarity, OP 1 should explicitly identify equal cents per kWh as the allocation methodology to be used. Providing specific direction in ordering paragraphs provides useful guidance to SDG&E and other parties and can help to avoid subsequent problems or disputes over the Commission's intent.

SDG&E's revision to OP 1 regarding customer refunds, however, should not be adopted as proposed because it could limit distribution of refunds to bundled customers and preclude bundled customers that depart for CCA service next year from obtaining their share of the refund. Specifically, SDG&E proposes that OP 1 be revised to include: "and return this same amount to bundled customers through bundled commodity rates over the same thirty-six amortization period."[7]

While The San Diego CCA Programs and CalCCA agree that bundled customer refunds should be more thoroughly addressed in the PD, SDG&E's proposed language should not be adopted without further clarification or additional language addressing bundled customers who depart for CCA service. As proposed by The San Diego CCA Programs and CalCCA, the PD should adopt an additional Ordering Paragraph adopting SDG&E's PABA transfer proposal.[8] This new OP would ensure that all bundled customers receive their share of the CAPBA refund, even if they depart for CCA service next year.

---

[7] SDG&E Opening Comments at Appendix B.
[8] CCA Joint Comments at A-2.

III. OP 2 SHOULD BE MODIFIED TO CLARIFY THAT SDG&E IS AUTHORIZED TO INCREASE PCIA RATES BY AN AMOUNT LESS THAN 1.9¢/kWh

In its current form, OP 2 of the PD reads as though SDG&E is required to increase the Power Charge Indifference Adjustment ("PCIA") rate by 1.9¢/kWh, no more and no less.[9] However, as SDG&E rightfully suggests, it may be necessary to increase the PCIA rate adder by a lesser amount to recover the CAPBA balance.[10] Specifically, since the 1.9¢/kWh is based upon a 12-month amortization period, the monthly PCIA rate adder is likely to be reduced if the PD adopts the 36-month amortization period contained in the Joint Stipulation between SDG&E, the San Diego CCA Programs, and CalCCA, and also proposed in the Opening Comments of AReM/DACC.[11]

SDG&E proposes that OP 2 be modified to state that the PCIA rate shall be increased *by up to* 1.9¢/kWh.[12] This slight modification would maintain a 1.9¢/kWh ceiling on the PCIA rate increase, but provide SDG&E with the flexibility to recover the CAPBA balance through lower monthly rate increases if a longer amortization period is adopted. This flexibility will allow SDG&E to accommodate a longer amortization period intended to reduce rate shock and to avoid a potential overcollection from departing load customers.

IV. CONCLUSION

The San Diego CCA Programs and CalCCA appreciate the opportunity to provide these reply comments and, for the reasons stated above, support SDG&E's proposed revisions to OP 1,

---

[9] [Proposed] *Decision Regarding Power Charge Indifference Adjustment Trigger Application Of San Diego Gas & Electric Company* ("PD"), Application 20-07-009, November 13, 2020 at OP 2 ("San Diego Gas & Electric Company shall increase its Power Charge Indifference Adjustment rate by 1.9¢/kWh").

[10] SDG&E Opening Comments at 3.

[11] *See* CCA Joint Comments at Appendix B; SDG&E Opening Comments at Appendix A; Opening Comments on the PD of AReM/DACC at Appendix A.

[12] SDG&E Opening Comments at Appendix B.

with the exception of the language related to the customer refund, and OP 2, in addition to the revisions recommended in their Joint Opening Comments.

Respectfully submitted,

/s/ Ty Tosdal

Ty Tosdal
Tosdal APC
777 South Highway 101, Suite 215
Solana Beach, CA 92075
Telephone: (858) 252-6416
E-mail: ty@tosdalapc.com

Attorney for:
San Diego Community Power
Clean Energy Alliance
Solana Energy Alliance

/s/ Evelyn Kahl

Evelyn Kahl, General Counsel
California Community Choice Association
One Concord Center
2300 Clayton Road, Suite 1150
Concord, CA 94520
E-mail: regulatory@cal-cca.org

December 8, 2020