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

Order Instituting Rulemaking to Implement
Senate Bill 237 Related to Direct Access.

Rulemaking 19-03-009

**CALIFORNIA COMMUNITY CHOICE ASSOCIATION'S
COMMENTS ON THE PROPOSED DECISION RECOMMENDING
AGAINST FURTHER DIRECT ACCESS EXPANSION**

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June 3, 2021

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California Community Choice Association¹ (CalCCA) submits these comments pursuant to Rule 14.3 of the California Public Utilities Commission's (Commission's) Rules of Practice and Procedure on the proposed *Decision Recommending Against Further Direct Access Expansion* (Proposed Decision), filed May 14, 2021.

I. THE PROPOSED DECISION DRAWS AN APPROPRIATE CONCLUSION

CalCCA supports the Commission's recommendation against further Direct Access (DA) expansion. The Commission appropriately concludes that:

“...based on the current procurement practices of Direct Access providers, we are unable to ensure that expansion of Direct Access would not result in increased greenhouse gas emissions, criteria air pollutants, and toxic contaminants when compared to maintaining the current cap on Direct Access. Therefore, we cannot recommend expanding Direct Access at this time.”²

¹ California Community Choice Association represents the interests of 22 community choice aggregators (CCAs): Apple Valley Choice Energy, Baldwin Park Resident Owned Utility District, Central Coast Community Energy, Clean Energy Alliance, Clean Power Alliance, CleanPowerSF, Desert Community Energy, East Bay Community Energy, Lancaster Choice Energy, Marin Clean Energy, 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, Silicon Valley Clean Energy Authority, Sonoma Clean Power, and Valley Clean Energy.

² Proposed Decision, at 2.

Greenhouse gas (GHG) emission reductions are a key criteria by which to assess DA expansion and the September 2020 Staff Report (Staff Report) provides sufficient justification on which to base its conclusion.

The Power Content Label (PCL) provides a snapshot of load-serving entities (LSEs') committed procurement. Based on the review of the PCLs, the Staff Report demonstrates that most Electric Service Providers (ESPs) meet their minimum Renewables Portfolio Standard (RPS) requirements and "...most ESPs rely on unspecified generation sources to meet their energy needs."³ This is problematic for two reasons.

First, as a result of using unspecified generation resources as their main source for power, ESPs can offer lower prices to their customers. This puts ESPs at a competitive price advantage relative to other LSEs who generally exceed the RPS targets.

Second, the Commission goes on to state that:

"Even if the ESPs do meet their RPS compliance requirement for long-term contracts, past procurement indicates that their portfolios will have a higher emissions profile than the portfolios of other LSEs."⁴

The procurement practices of most ESPs, as noted by the Commission, do not align with the state's GHG goals and do not guarantee that greenhouse gas emissions, criteria air pollutants, and toxic contaminants will not increase.

For these reasons, the Commission is justified in recommending that Direct Access not be expanded.

³ Proposed Decision, at 16.

⁴ *Id.*

II. CONCLUSION

CalCCA commends Energy Division staff for their efforts in developing a well-reasoned and thoughtful Staff Report. CalCCA appreciates the opportunity to submit these comments and encourages the Commission to adopt the PD.

Respectfully submitted,



Evelyn Kahl
General Counsel to the
California Community Choice Association

June 3, 2021