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**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 THE
CALIFORNIA COMMUNITY CHOICE ASSOCIATION
ON DATA-RELATED PCIA ISSUES**

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On behalf of
California Community Choice Association

October 8, 2021

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Pursuant to Administrative Law Judge (ALJ) Wang’s September 17, 2021 e-mail ruling (ALJ Ruling), the California Community Choice Association¹ (CalCCA) hereby submits these reply comments on data-related Power Charge Indifference Adjustment (PCIA) issues.

The Direct Access Customer Coalition (DACC) and Alliance for Retail Energy Markets (AReM)’s Opening Comments recognize the urgent need for reform to increase transparency and access to data related to the balancing accounts that underlie PCIA rates. “[I]f a balance is increasing or decreasing from month to month, it can be important to understand why so as to better estimate what the end of the year balance of the [Energy Resource Recovery Account (ERRA)] and [Portfolio Allocation Balancing Account (PABA)] would be as such balances will be directly collected from the CCA customers.”² The investor-owned utilities’ (IOUs’) bundled

¹ California Community Choice Association represents the interests of 22 community choice electricity providers in California: 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, Sonoma Clean Power, and Valley Clean Energy.

² R.17-06-026, *Response of AReM/DACC to the September 17, 2021 Email Ruling of ALJ Stephanie Wang*, at 2 (Oct. 1, 2021) (DACC/AReM Response).

customers enjoy the protections such data provide, and unbundled customers should have the same.

CalCCA’s detailed Opening Comments already address most of the arguments Southern California Edison Company (SCE), San Diego Gas & Electric (SDG&E), and Pacific Gas and Electric Company (PG&E) (collectively, “Joint IOUs”) raise in opposition to the transparency necessary to protect unbundled customers. Those Opening Comments demonstrate how the Portfolio Allocation Balancing Account (PABA) balances are volatile, comprise a large part of the PCIA revenue requirement and are based extensively on actual IOU cost and revenue data that is *solely* in the IOUs’ possession.³ The Opening Comments show how the data at the heart of CalCCA’s proposal⁴ underlie those PABA balances and are necessary for the community choice aggregators (CCAs) and their customers to understand fundamental market dynamics in order to plan for large swings in the PCIA to which unbundled customers are currently exposed.⁵ As such:

- Providing the data related to the balancing accounts that underlie PCIA rates is in the public interest, despite IOU contentions’ otherwise;⁶
- The Joint IOUs counter-proposal to provide *less* data will only make matters worse and should be rejected;⁷ and

³ R.17-06-026, *Opening Comments of the California Community Choice Association on Data-Related PCIA Issues*, at 19 (Oct. 1, 2021) (CalCCA Opening Comments).

⁴ R.17-06-026, *California Community Choice Association’s Comments on Assigned Commissioner’s Amended Scoping Memo and Ruling*, at 22 (Jan. 22, 2021).

⁵ CalCCA Opening Comments at 10-19.

⁶ R.17-06-026, *Joint Response of Southern California Edison Company (U 338-E), Pacific Gas and Electric Company (U 39-E) and San Diego Gas & Electric Company (U 902-E) to Administrative Law Judge’s Ruling Requesting Comments on ERRAs-Related PCIA Issues*, at 6-7 (Oct. 1, 2021) (Joint IOUs Response).

⁷ *Id.* at 4-5.

- The data are clearly needed for CCA planning, and neither the public monthly reports nor the PCIA Energy Resource Recovery Account (ERRA) Forecast proceeding provide the year-round data needed.⁸

The CalCCA Proposal will result in CCA representatives receiving the *same* data they already receive under the *same* framework in which they already receive it.⁹ The IOUs' arguments that the CalCCA proposal creates some kind of grave danger akin to the 2000-2002 Energy Crisis are vastly overstated and incorrect.¹⁰

The Non-Disclosure Agreement (NDA) CalCCA contemplates is just as restrictive as the model NDA, with the only difference being the use of a one-year, renewable term rather than a specific docket. Nothing in California Public Utilities Commission (Commission) precedent or statute prevents the Commission from recognizing the need for, and then creating, a non-docket specific NDA.¹¹ After all, Decision (D.) 11-070-028 created a *model* NDA, not an NDA to be applied in all circumstances. Statute, D.06-06-066, and D.11-07-028 do not bind the Commission to its existing NDA with no flexibility to address changing circumstances.¹² These Reply Comments do not rehash these three issues since they have already been addressed in CalCCA's Opening Comments.

Instead, these Reply Comments demonstrate:

- There is no incremental burden to the IOUs in aligning the data requirements established within the ERRA Forecast Proceedings (Question 1);
- A five-day turn-around is appropriate for what are essentially workpapers (Question 1);

⁸ *Id.* at 6-7, 9, 12-13, 14-15.

⁹ CalCCA Opening Comments at 10-19.

¹⁰ Joint IOUs Response at 9.

¹¹ CalCCA Opening Comments at 15-19.

¹² Joint IOUs Response at 12-13.

- Under CalCCA’s proposal, no confidential data will ever be provided to CCA decision-makers (Question 2);
- PCIA modeling results would be \$/kWh figures, akin to those provided in the IOUs’ own ERRA applications, and would not reveal the price an LSE is willing to pay for energy or capacity (Question 2);
- Some, but not all, of the IOUs’ suggestions for additional NDA safeguards appear reasonable (Question 2);
- The IOUs’ shortcoming on labeling data as confidential is the systematic misapplication of D.06-06-066—the inconsistency between utilities is evidence of that misapplication (Question 3);
- DACC/AReM’s request for a modified NDA should be explored (Question 3);
- The IOUs proposal to create a default approach to returning year-end balances, with exceptions proposed in ERRA proceedings, should be adopted (Question 4); and
- The IOUs should detail how they derive bundled customers’ share of the PABA balance when combining it with the ERRA balance to avoid unnecessary ERRA triggers (Question 5).

CalCCA addresses each of these issues in response to each question raised in the ALJ Ruling, in turn, below.

I. THE IOUS PROTEST BURDENS THEY ALREADY MEET (QUESTION 1)

In three decisions resolving the three IOUs’ 2021 ERRA Forecast applications, the Commission ordered each IOU to provide similar data in future proceedings;¹³ obligations with which the IOUs’ Opening Comments state they already comply.¹⁴ Nonetheless, citing unspecified complications resulting from “unique operational systems and processes,” PG&E states it cannot make the “operational changes to fully align the information and data produced

¹³ D.20-12-035 at Ordering Paragraph (OP) 8; D.20-12-038 at OP 4; D.21-01-017 at OP 6.

¹⁴ Joint IOUs Response at 2-3.

within SCE's reports."¹⁵ Because the IOUs do not identify those changes, it is unclear what changes PG&E would be required to make in order to comply with the Commission's directive. Its ordering paragraph differs from SCE's ordering paragraph by only *one or two words*.¹⁶

While SDG&E's reporting largely aligns with SCE's reports despite the difference in language between the two orders,¹⁷ the utility suggests it may be overwhelmed by an obligation it already meets. SDG&E states the data they already provide is more than what is provided to the Commission, is beyond what the utility uses in its ERRA Forecast case, and may change in the November Update.¹⁸ None of these arguments should persuade the Commission.

First, SDG&E should be required to submit the same data as part of its monthly reports to the Commission that it submits to the CCAs within the forecast proceeding. Such data have assisted the CCAs to date and likely would help the Commission better understand the forces driving those balancing account balances to the benefit of all ratepayers and other stakeholders. Second, SDG&E fails to establish there is an incremental burden from its existing obligations under D.21-01-017. Based on its productions to date, SDG&E would not need to change its existing reporting in order to meet the standard set forth in SCE's D.20-12-035, and its success in meeting those obligations undermines its suggestion it cannot do so going forward.

The Joint IOUs also take issue with extending the five business-day time period for the provision of workpapers that exists for PG&E to all three IOUs, suggesting the existing ten business day timeline for discovery would be more appropriate.¹⁹ The Commission should not adopt this change. The ten-day timeline applies to all types of discovery that may be served in a

¹⁵ *Id.* at 4.

¹⁶ *Compare* D.20-12-038 at 31-32 and OP 4 to D.20-12-035 at OP 8.

¹⁷ *Compare* D.21-01-017 at OP 6 to D.20-12-035 at OP 8.

¹⁸ Joint IOUs Response at 4.

¹⁹ *Id.* at 4-5.

Commission proceeding, including the type of detailed interrogatories, hypotheticals, multi-sub-part questions, or requests for large amounts of data for which parties may actually need two calendar weeks to respond. Here, however, the requested data essentially serve as the workpapers underlying the monthly reports since the reports are built upon the data the IOUs are required to produce. Production of documents akin to workpapers do not require two-week production timelines, especially when PG&E has consistently met its five-day deadline, SCE already meets the five-day deadline without being required to do so, and SDG&E has often provided the data within five days without being required to do so.

The Joint IOUs state: “From a legal perspective, it is unclear why the Commission ordered different reporting requirements for the Joint IOUs.”²⁰ CalCCA imagines the coordination of three different ERRA Forecast proceeding decisions (consolidated with trigger proceedings) over the Thanksgiving holiday last year was a heavy undertaking, especially for Commissioners, judges and staff working remotely due to COVID. Regardless, the Joint IOUs’ statement regarding the different reporting requirements is the same issue CalCCA’s proposal is trying to address: the resolution of any inconsistencies that may prevent long-term alignment in data production.

II. THE IOUS RESIST A FRAMEWORK THAT HAS WORKED WELL FOR NEARLY 20 YEARS (QUESTION 2)

The IOUs’ responses to Question 2 and its sub-parts raise a number of red herrings that should not detract from the merits of CalCCA’s proposal. First, the IOUs incorrectly assert the purpose of the proposal is to give “decisionmakers additional access to procurement information.”²¹ No CCA decisionmaker will have access to confidential procurement

²⁰ Joint IOUs Response at 5.

²¹ *Id.* at 8.

information as a result of CalCCA's proposal. The proposal works within the Commission's existing confidentiality framework, which only gives qualified reviewing representatives access to confidential information.²² The IOUs' misrepresentation of CalCCA's proposal must not influence the Commission's decision-making.

Second, the IOUs suggest adoption of CalCCA's proposal may result in the CCAs somehow gaining a market advantage over the IOUs, having superior market insight compared to the Commission, or causing the first dominoes of another energy crisis to fall.²³ This parade of horrors is full of vague conjecture but empty of merit; the IOUs do not provide any concrete explanations of how a model predicting the direction of the PCIA under different scenarios could result in the erosion of "fundamental customer protections established in the wake of the 2000-2002 energy crisis."²⁴ Again, the Commission's decision-making should be based on concrete fact and legal argument, and not on speculation or conjecture.

The Joint IOUs ask the Commission to require the CCAs to demonstrate how a reviewing representative can model the PCIA while accomplishing the "nearly impossible task"²⁵ of ensuring the CCAs not use the results in connection with market transactions. No such requirement is necessary since CalCCA can address the issue now.

The IOUs' "impossible task" is about as difficult as a professional basketball player making a layup during warm-ups. There is almost zero potential for a model showing a range of \$/kWh PCIA rates to influence the market price of energy or capacity. The model would not reveal confidential information. It would present a range of possible PCIA rates based on possible market outcomes that an individual user selects, *e.g.*, if brown power prices are *x*, and

²² CalCCA Opening Comments at 19-22.

²³ Joint IOUs Response at 8-9.

²⁴ *Id.* at 8.

²⁵ *Id.* at 9, 11.

retails sales are y , then the PCIA would be z . This modeling cannot influence the clearing price of a particular Request for Offer or the contract price of a bilateral transaction because it is not possible to discern the price an IOU or another load-serving entity (LSE) is willing to pay for capacity or energy from a \$/kWh PCIA forecast. The modeling results are simply too aggregated.

The IOUs' own ERRA Forecast applications, workpapers and testimony demonstrate this fact. In those cases, the forecasted PCIA rates the IOUs propose rely on a great deal of market-sensitive information, but none of the proposed revenue requirements or forecasted PCIA rates are redacted in those pleadings. The reason is that the outputs are too aggregated to be of any value to an unscrupulous party looking to manipulate the market.

CalCCA's proposal builds upon a confidentiality framework that has protected utility data for nearly 20 years. Many of the concerns the IOUs' comments raise, *e.g.*, the IOUs being unsure "if market sensitive data received under a Year-Round NDA is being used for non-approved purposes,"²⁶ could also occur under the existing framework. However, the market power the IOUs believe could materialize from those circumstances has not materialized because the Commission's confidentiality framework relies on what DACC/AReM deftly calls a "well-drafted agreement," which is all that is required here.²⁷

CalCCA's aim is to work with the IOUs and "all affected parties" to develop such an agreement.²⁸ The IOUs include some proposals to help ensure confidentiality that are worth further consideration, including dispute procedures that would allow the IOU to suspend providing access to someone that has breached the NDA,²⁹ and to prevent someone that has

²⁶ Joint IOUs Response at 13.

²⁷ DACC/AReM Response at 3.

²⁸ Joint IOUs Response at 13.

²⁹ *Id.* at 14.

breached the NDA from being a reviewing representative in the future.³⁰ CalCCA’s Opening Comments also include a number of protections that go beyond those the IOUs recommend in their Opening Comments, including an NDA with a one-year term to limit the IOUs obligation in a manner similar to a docket-specific obligation.³¹

CalCCA’s Opening Comments also propose a right for Commission Staff to inspect the model and use of confidential information.³² That approach is superior to the IOUs’ “audit right”,³³ which would provide the IOUs an unacceptable entrée to review another market participant’s proprietary model.³⁴ This opposition to the IOUs’ “audit right” proposal is not hypocritical and, in fact, helps demonstrate the imbalance the IOUs continue to seek for two reasons. First, CalCCA’s model has been designed to help forecast PCIA rates charged by the IOUs. It will be used only for information and planning by CCAs who make use of the model. This is a very different set of circumstances than the IOUs seeking access to this planning model, since IOUs do not pay any rates charged by CCAs. Second, where CalCCA seeks to use *reviewing representatives* to review IOU *data*, which directly impacts the PABA balances, the IOUs propose to allow *any IOU personnel* to access the CCAs’ *model*. This would give IOUs more flexible access to CalCCA’s model than CalCCA has to the IOU data. If the IOUs have concerns regarding whether the model structurally prevents disclosure of confidential information, Energy Division Staff can review the model’s use of that information to ensure unauthorized personnel do not have access.

³⁰ Joint IOUs Response at 14.

³¹ CalCCA Opening Comments at 19-22.

³² *Id.* at 22.

³³ Joint IOUs Response at 13-14.

³⁴ Cal. Civ. Code section 3426.1(d) (defining “trade secret”).

III. THE IOUS MISS THE POINT ON CONFIDENTIAL DATA, BUT DACC/AREM'S NDA PROPOSAL HAS MERIT (QUESTION 3)

A. Systemic Misapplication of D.06-06-066 is the Problem.

With regard to the treatment of confidential data, the IOUs' Opening Comments miss the point, arguing about the symptoms of a problem rather than the problem itself. The inconsistent treatment of data among IOUs is the symptom of an on-going, systematic misreading of the appendices to D.06-06-066 defining what data should be made public. CalCCA's proposal is not consistency for the sake of consistency, it is a proposal to make public what D.06-06-066 requires the IOUs to make public within their ERRA Forecast proceedings. The IOUs' arguments about the actions of one IOU binding another,³⁵ or one IOU's willingness to disclose certain data based on circumstances distinct to that IOU,³⁶ miss the point. Tables 1 and 2 in CalCCA's Opening Comments demonstrate the incorrect application of the D.06-06-066 confidentiality standards pertaining to data requested and reviewed by the CCA reviewing representatives – the inconsistency is how that misapplication manifests.

The IOUs' exaggeration of the differences between their service territories and bookkeeping should be given little weight. After years of participating in the ERRA Forecast proceedings, the CCAs' reviewing representatives know the IOUs' workpapers well, and there is little difference between the level of confidentiality provided. The data in those workpapers are simple: generation resources, forecasted loads, quantities, costs and revenues. It is not as though a dollar in SCE's service territory is more confidential than a dollar in PG&E's service territory.

A consistent interpretation of the same decision across the IOUs' ERRA Forecast proceedings should be the default; but that does not mean exceptions should not apply. For

³⁵ Joint IOUs Response at 15.

³⁶ *Id.* at 15.

example, the first three rows of Table 1 from CalCCA’s Opening Comments (reproduced below) show that SDG&E keeps confidential data that should be made public:

ERRA Proceeding	Data Category	D.06-06-066 Matrix	PG&E	SCE	SDG&E
Forecast	PCIA Portfolio Cost by Vintage	Section II.B.8	Public	Public	Confidential
Forecast	GRC Revenue Requirement by Vintage	Section III.A	Public	Public	Confidential
Forecast	Total PCIA/PABA Revenue Requirement by Vintage	Section III.A & III.B	Public	Public	Confidential

Redacting data that would allow parties to reverse engineer confidential data is a valid exception to the default rule of disclosure, but the exception does not warrant keeping the totality of all vintages of PCIA portfolio costs, GRC revenue requirements, and PCIA/PABA revenues redacted, which is SDG&E’s current practice. One SDG&E argument against making the data referenced above public in the past has been that if the revenue requirement and customer sales by vintage are unredacted, parties would be able to discern bundled customer sales volumes (i.e. SDG&E’s bundled sales forecast). However, the same protection for bundled customer sales volumes can be achieved by redacting only a subset of the PCIA rate inputs rather than all inputs. For example, to avoid disclosing its bundled customer sales volumes, SCE only redacts sales volumes for the last PCIA vintage. Other data in SCE’s PCIA template, including the items listed above, remain unredacted. Excerpts from SDG&E’s public workpapers filed with its 2022 ERRA Forecast are provided to illustrate.

SDG&E Indifference Rate Calculation as Filed

FARA Revenue Requirement Allocation to Rate Groups (v. FF&C) (SDG) - Unaudited Revenue Requirement's Column C											
Rate Group	Generation Revenue Allocation Factor	CTC Indifference	Legacy DDG & Other	Rate Group							
				2009	2010	2011	2012	2013	2014	2015	
Total Indifference		\$ 11,341	\$ 1,527								
Residential	42.0%	\$ 4,837	\$ 654								
Small Commercial	13.0%	\$ 1,525	\$ 203								
Medium/Lg C&I	42.0%	\$ 4,787	\$ 642								
Agricultural	1.0%	\$ 170	\$ 23								
Lighting	0.4%	\$ 42	\$ 6								
Total	100.0%	\$ 11,341	\$ 1,527								

Vintage Billing Determination Sides-CRNs											
Rate Group	Vintage Sides (CRNs)	CTC Sides	Legacy DDG & Other	Rate Group							
				2009	2010	2011	2012	2013	2014	2015	
Residential	6,511	6,511	6,511								
Small Commercial	2,392	2,392	2,392								
Medium/Lg C&I	2,441	2,441	2,441								
Agricultural	83	83	83								
Lighting	80	80	80								
Total Sides	13,211	13,211	13,211								

Incremental Rate for Each Portfolio of Revenue (Vintage Indifference Assessed by Rate Group - Forward Side by Rate Group)											
Rate Group	CTC Rate	Legacy DDG & Other	2009	2010	2011	2012	2013	2014	2015	2016	2017
Residential	\$ 0.0080	\$ 0.0011	\$ 0.0040	\$ 0.0020	\$ 0.0012	\$ 0.0020	\$ 0.0017	\$ 0.0019	\$ 0.0023	\$ 0.0023	\$ 0.0025
Small Commercial	\$ 0.0087	\$ 0.0010	\$ 0.0024	\$ 0.0024	\$ 0.0024	\$ 0.0024	\$ 0.0024	\$ 0.0024	\$ 0.0024	\$ 0.0024	\$ 0.0024
Medium/Lg C&I	\$ 0.0050	\$ 0.0017	\$ 0.0024	\$ 0.0024	\$ 0.0024	\$ 0.0024	\$ 0.0024	\$ 0.0024	\$ 0.0024	\$ 0.0024	\$ 0.0024
Agricultural	\$ 0.0013	\$ 0.0017	\$ 0.0014	\$ 0.0014	\$ 0.0014	\$ 0.0014	\$ 0.0014	\$ 0.0014	\$ 0.0014	\$ 0.0014	\$ 0.0014
Lighting	\$ 0.0012	\$ 0.0017	\$ 0.0014	\$ 0.0014	\$ 0.0014	\$ 0.0014	\$ 0.0014	\$ 0.0014	\$ 0.0014	\$ 0.0014	\$ 0.0014
Drugs	\$ 0.0082	\$ 0.0018	\$ 0.0019	\$ 0.0019	\$ 0.0019	\$ 0.0019	\$ 0.0019	\$ 0.0019	\$ 0.0019	\$ 0.0019	\$ 0.0019

Final Cumulative Rates											
Rate Group	CTC	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Residential	\$ 0.0080	\$ 0.0011	\$ 0.0040	\$ 0.0070	\$ 0.0082	\$ 0.0094	\$ 0.0113	\$ 0.0134	\$ 0.0157	\$ 0.0179	\$ 0.0201
Small Commercial	\$ 0.0087	\$ 0.0010	\$ 0.0042	\$ 0.0086	\$ 0.0130	\$ 0.0174	\$ 0.0218	\$ 0.0262	\$ 0.0306	\$ 0.0350	\$ 0.0394
Medium/Lg C&I	\$ 0.0050	\$ 0.0017	\$ 0.0042	\$ 0.0070	\$ 0.0094	\$ 0.0117	\$ 0.0140	\$ 0.0163	\$ 0.0186	\$ 0.0209	\$ 0.0232
Agricultural	\$ 0.0013	\$ 0.0017	\$ 0.0014	\$ 0.0014	\$ 0.0014	\$ 0.0014	\$ 0.0014	\$ 0.0014	\$ 0.0014	\$ 0.0014	\$ 0.0014
Lighting	\$ 0.0012	\$ 0.0017	\$ 0.0017	\$ 0.0017	\$ 0.0017	\$ 0.0017	\$ 0.0017	\$ 0.0017	\$ 0.0017	\$ 0.0017	\$ 0.0017
Drugs	\$ 0.0082	\$ 0.0018	\$ 0.0043	\$ 0.0072	\$ 0.0101	\$ 0.0130	\$ 0.0159	\$ 0.0188	\$ 0.0217	\$ 0.0246	\$ 0.0275

Alternative SDG&E Redaction

FARA Revenue Requirement Allocation to Rate Groups (v. FF&C) (SDG) - Unaudited Revenue Requirement's Column C											
Rate Group	Generation Revenue Allocation Factor	CTC Indifference	Legacy DDG & Other	Rate Group							
				2009	2010	2011	2012	2013	2014	2015	
Total Indifference		\$ 11,340	\$ 1,527								
Residential	42.0%	\$ 4,837	\$ 654								
Small Commercial	13.0%	\$ 1,525	\$ 203								
Medium/Lg C&I	42.0%	\$ 4,787	\$ 642								
Agricultural	1.0%	\$ 170	\$ 23								
Lighting	0.4%	\$ 42	\$ 6								
Total	100.0%	\$ 11,340	\$ 1,527								

Vintage Billing Determination Sides-CRNs											
Rate Group	Vintage Sides (CRNs)	CTC Sides	Legacy DDG & Other	Rate Group							
				2009	2010	2011	2012	2013	2014	2015	
Residential	6,511	6,511	6,511								
Small Commercial	2,392	2,392	2,392								
Medium/Lg C&I	2,441	2,441	2,441								
Agricultural	83	83	83								
Lighting	80	80	80								
Total Sides	13,211	13,211	13,211								

Incremental Rate for Each Portfolio of Revenue (Vintage Indifference Assessed by Rate Group - Forward Side by Rate Group)											
Rate Group	CTC Rate	Legacy DDG & Other	2009	2010	2011	2012	2013	2014	2015	2016	2017
Residential	\$ 0.0080	\$ 0.0011	\$ 0.0040	\$ 0.0020	\$ 0.0012	\$ 0.0020	\$ 0.0017	\$ 0.0019	\$ 0.0023	\$ 0.0023	\$ 0.0025
Small Commercial	\$ 0.0087	\$ 0.0010	\$ 0.0024	\$ 0.0024	\$ 0.0024	\$ 0.0024	\$ 0.0024	\$ 0.0024	\$ 0.0024	\$ 0.0024	\$ 0.0024
Medium/Lg C&I	\$ 0.0050	\$ 0.0017	\$ 0.0024	\$ 0.0024	\$ 0.0024	\$ 0.0024	\$ 0.0024	\$ 0.0024	\$ 0.0024	\$ 0.0024	\$ 0.0024
Agricultural	\$ 0.0013	\$ 0.0017	\$ 0.0014	\$ 0.0014	\$ 0.0014	\$ 0.0014	\$ 0.0014	\$ 0.0014	\$ 0.0014	\$ 0.0014	\$ 0.0014
Lighting	\$ 0.0012	\$ 0.0017	\$ 0.0014	\$ 0.0014	\$ 0.0014	\$ 0.0014	\$ 0.0014	\$ 0.0014	\$ 0.0014	\$ 0.0014	\$ 0.0014
Drugs	\$ 0.0082	\$ 0.0018	\$ 0.0019	\$ 0.0019	\$ 0.0019	\$ 0.0019	\$ 0.0019	\$ 0.0019	\$ 0.0019	\$ 0.0019	\$ 0.0019

Final Cumulative Rates											
Rate Group	CTC	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Residential	\$ 0.0080	\$ 0.0011	\$ 0.0040	\$ 0.0070	\$ 0.0082	\$ 0.0094	\$ 0.0113	\$ 0.0134	\$ 0.0157	\$ 0.0179	\$ 0.0201
Small Commercial	\$ 0.0087	\$ 0.0010	\$ 0.0042	\$ 0.0086	\$ 0.0130	\$ 0.0174	\$ 0.0218	\$ 0.0262	\$ 0.0306	\$ 0.0350	\$ 0.0394
Medium/Lg C&I	\$ 0.0050	\$ 0.0017	\$ 0.0042	\$ 0.0070	\$ 0.0094	\$ 0.0117	\$ 0.0140	\$ 0.0163	\$ 0.0186	\$ 0.0209	\$ 0.0232
Agricultural	\$ 0.0013	\$ 0.0017	\$ 0.0014	\$ 0.0014	\$ 0.0014	\$ 0.0014	\$ 0.0014	\$ 0.0014	\$ 0.0014	\$ 0.0014	\$ 0.0014
Lighting	\$ 0.0012	\$ 0.0017	\$ 0.0017	\$ 0.0017	\$ 0.0017	\$ 0.0017	\$ 0.0017	\$ 0.0017	\$ 0.0017	\$ 0.0017	\$ 0.0017
Drugs	\$ 0.0082	\$ 0.0018	\$ 0.0043	\$ 0.0072	\$ 0.0101	\$ 0.0130	\$ 0.0159	\$ 0.0188	\$ 0.0217	\$ 0.0246	\$ 0.0275

The default data treatment should be to follow the matrix unless reasonable exceptions apply, and then those exceptions should be applied as narrowly as possible.

B. DACC/AReM’s Proposal for a “Modified NDA” Has Merit and Should Be Considered in a Future Phase of This Proceeding.

DACC/AReM recommend the Commission adopt two NDAs—one more stringent than the other—to govern access to confidential PCIA-related data.³⁷ Under the DACC/AReM proposal, the more stringent NDA would conform to the Commission’s model NDA³⁸ and would govern and enable access to data associated with individual contracts and ongoing ERRA and PABA detail.

The second, “modified NDA” would include less onerous restrictions (consistent with the Phase 1 NDA approved in this proceeding in December 2017³⁹ (Phase 1 NDA)). The modified NDA would govern and enable access to certain data used to calculate the PCIA (for example, sales volume by vintage) but not to detailed contract information.⁴⁰ DACC/AReM suggest that this two-tier structure would allow a broader set of reviewing representatives to “view basic data that can be used to understand, explain and forecast each IOU’s PCIA without being exposed to market-sensitive contract information.”⁴¹ To strike a balance between transparency and ensuring that market participants do not use the confidential data to gain an unfair advantage, DACC/AReM suggest that “[i]ndividuals who do not work for or consult to market participants

³⁷ DACC/AReM Response at 5.

³⁸ D.08-04-023, *Decision Adopting Model Protective Order and Non-Disclosure Agreement, Resolving Petition for Modification and Ratifying Administrative Law Judge Ruling* (Apr. 10, 2008).

³⁹ R.17-06-026, *Assigned Commissioner and Assigned Administrative Law Judge Ruling Granting Relief Sought in December 8, 2017 Supplemental Joint Report on Data Issues* (Dec. 20, 2017).

⁴⁰ DACC/AReM Response at 5.

⁴¹ *Id.*

on wholesale power issues could sign this [modified] NDA, even if other individuals in the firm might not [?] (*sic*) do so.”⁴²

DACC/AReM’s proposal is generally reasonable and worth exploring. The CCAs, the IOUs and other parties negotiated, and the Commission approved the Phase 1 NDA to ease the restrictions on reviewing representatives in the Commission’s model NDA. The Phase 1 NDA, however, applies only to this proceeding. Adopting a modified NDA similar to the Phase 1 NDA that applies beyond this proceeding might allow key stakeholders, including CalCCA,⁴³ to access more of the data necessary for CCA rate forecasting and financial planning. Such modifications, coupled with the requirements for an ethical wall and other strict protections, would help staff at CalCCA and CCAs better anticipate changes in the PCIA over time without the need for reviewing representatives. This in turn would reduce CCA customers’ vulnerability to unpredictable swings in rates as a result of PCIA volatility.

While CalCCA continues to recommend that the Commission require the utilities to make confidential data available year-round (subject to the protections in the Commission’s model NDA)⁴⁴, DACC/AReM’s proposal for the development and adoption of a modified NDA merits future consideration, perhaps in the next phase of this proceeding.

IV. THE JOINT IOUS’ PROPOSAL TO CREDIT YEAR-END BALANCES VIA PABA SHOULD BE APPROVED (QUESTION 4)

The IOUs advocate for the adoption of transferring year-end balancing account balances to the most recent vintage as a default approach, with transfers to different vintages being

⁴² *Id.*

⁴³ The CCAs acknowledge that the IOUs’ concerns about widespread dissemination of market-sensitive materials are valid, and have recommended that only representatives of organizations representing customers that pay the PCIA should have access to this data (and only to the extent those representatives are willing to sign an NDA). *See* CalCCA Opening Comments at 19.

⁴⁴ *See* CalCCA Opening Comments at 20.

warranted in “some unique circumstances”⁴⁵ They also acknowledge CalCCA’s prior point that “[a]ny default rule should apply to both under- and over-collections.”⁴⁶

The IOUs have it right on this point. Establishing a default rule will provide certainty,⁴⁷ and exceptions, in particular for errors that require prior-period adjustments, should be allowed.⁴⁸ Allowing for those exceptions to be proposed and, if necessary, litigated in ERRA proceedings also makes sense.⁴⁹ CalCCA urges the Commission to adopt this proposal.

PG&E also includes a paragraph in the Joint IOUs’ comments changes to the default rule that may be warranted on account of its 2020 Phase 2 GRC.⁵⁰ While CalCCA remains open to modifications to PCIA-related accounting that improve accuracy, any change to the default rule applicable to all IOUs should occur via this proceeding, or other generally applicable PCIA rulemakings that may follow this proceeding, rather than be litigated via the already condensed and over-burdened ERRA proceedings.

V. THE UTILITIES MUST MAKE CLEAR HOW BUNDLED CUSTOMERS’ SHARE OF PABA CREDITS ARE CALCULATED (QUESTION 5).

The CCAs had hoped the IOUs’ Opening Comments would make clear how bundled customers’ share of PABA balances would be calculated when they are applied to ERRA balances, a step that all parties agree is necessary to avoid unnecessary ERRA triggers. Since all customers owe the PABA balance, overcollections that are owed to customers must be split between bundled and unbundled customers. It is important for the IOUs to provide the details of this accounting so that stakeholders can understand how the IOUs determined the bundled customer portion of the

⁴⁵ Joint IOUs Response at 16.

⁴⁶ *Id.* at 16.

⁴⁷ *Id.* at 17.

⁴⁸ *Id.*

⁴⁹ *Id.*

⁵⁰ *Id.* at 18.

PABA balance. The CCAs are not requesting any new work from the IOUs, other than the *de minimis* effort entailed in their existing ERRA and PABA balance reports the combined ERRA and PABA balance, that they will have to calculate anyway, along with the working formulae that will show how each IOU determined bundled customers' share of the PABA.

VI. CONCLUSION

For all the foregoing reasons, and those stated in Opening Comments, CalCCA respectfully renews its request for the Commission to:

- Align the data requirements, including the master data request approach and five-day timeline, approved last year in the ERRA Forecast proceedings to ensure long-term implementation of those requirements is consistent across the service territories;
- Develop a non-docket specific NDA to provide the data the CCAs require year-round in order to protect their customers is as follows:
 - The *same* confidential versions of the Monthly Reports for each month of the year at the time such confidential versions are provided to the Commission;
 - The *same* data and workpapers underlying those Monthly Reports, at the *same* level of granularity, and within the *same* schedule, that is now required to be provided as part of ERRA forecast proceedings in each IOU service territory; and
 - Continued access to the *same* workpapers underlying PCIA rates that the IOUs have provided within the prior years' ERRA Forecast proceedings as part of either the November Update or an advice letter implementing the final decision in the ERRA Forecast proceeding;
- Require correct and consistent application of D.06-06-066 with regard to confidential data as a default, with any exceptions narrowly applied;
- Adopt a default approach of refunding or charging over- and under-collections via the most recent PABA vintage for year-end balances, including PG&E's PCIA Undercollection Balancing Account Financing Subaccount; and

- Require the IOUs to detail how they derive bundled customers' share of the PABA balance when combining it with the ERRA balance to avoid unnecessary ERRA triggers.

Respectfully submitted,



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