FILED
11/16/21
04:59 PM

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Establish Policies, Processes, and Rules to Ensure Reliable Electric Service in California in the Event of an Extreme Weather Event in 2021.	R.20-11-003

REPLY COMMENTS OF CALIFORNIA COMMUNITY CHOICE ASSOCIATION ON THE PROPOSED DECISION

Evelyn Kahl
General Counsel and Director of Policy
CALIFORNIA COMMUNITY CHOICE ASSOCIATION
One Concord Center
2300 Clayton Road, Suite 1150
Concord, CA 94520
(415) 254-5454
regulatory@cal-cca.org

November 16, 2021

TABLE OF CONTENTS

SUMMARY OF RECOMMENDATIONS

- ✓ The Proposed Decision should limit procurement of contingency resources directed in this proceeding to ensure procurement does not infringe on other LSEs’ ability to meet their own procurement obligations.

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Establish Policies, Processes, and Rules to Ensure Reliable Electric Service in California in the Event of an Extreme Weather Event in 2021.	R.20-11-003

REPLY COMMENTS OF CALIFORNIA COMMUNITY CHOICE ASSOCIATION ON THE PROPOSED DECISION

The California Community Choice Association (CalCCA)[1] submits these reply comments, pursuant to Rule 14.6(c)(10) of the California Public Utilities Commission (Commission) Rules of Practice and Procedure, on the proposed *Phase 2 Decision Directing Pacific Gas and Electric Company, Southern California Edison Company, and San Diego Gas & Electric Company to Take Actions to Prepare For Potential Extreme Weather in the Summers of 2022 and 2023* (Proposed Decision), filed on October 29, 2021.

I. INTRODUCTION

In opening comments, CalCCA recommends the Commission limit procurement ordered in this phase of the proceeding to 2,000 megawatts (MW) plus a 10 percent margin in excess of the 2,000 MW target to minimize over-procurement.[2] In their opening comments, Pacific Gas

[1] California Community Choice Association represents the interests of 23 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, Santa Barbara Clean Energy, Silicon Valley Clean Energy, Sonoma Clean Power, and Valley Clean Energy.

[2] *Comments of California Community Choice Association on the Proposed Decision*, Nov. 10, 2021 (CalCCA Comments) at 4-6.

and Electric Company (PG&E)[3], Southern California Edison Company (SCE)[4], and San Diego Gas and Electric Company (SDG&E)[5] each request clarifications to the treatment of contingency resources also used to meet Integrated Resource Planning (IRP) procurement. These requests by the Investor-Owned Utilities (IOUs) highlight the need to limit over-procurement, given the uncertainty around the amount of procurement that will continue to be allocated through Cost Allocation Mechanism (CAM) following the emergency procurement timeframe (i.e., after 2023) and the potential for such procurement to infringe on other load-serving entities' (LSEs') ability to procure their own resources to meet procurement obligations IRP proceeding.

II. THE PROPOSED DECISION SHOULD LIMIT PROCUREMENT OF CONTINGENCY RESOURCES DIRECTED IN THIS PROCEEDING TO ENSURE PROCUREMENT DOES NOT INFRINGE ON OTHER LSES' ABILITY TO MEET THEIR OWN PROCUREMENT OBLIGATIONS

The three IOUs each request clarifications on how procurement ordered in this proceeding would be counted toward meeting IRP procurement orders. SCE recommends the final decision clarify that IOUs and other LSEs may count resources procured pursuant to this proceeding towards their mid-term reliability procurement orders and that the costs and benefits be allocated through CAM or distribution charges.[6] Alternatively, PG&E recommends that IOU excess mid-term reliability procurement be authorized for CAM cost recovery for the period of time prior to its being counted toward the IOU's IRP procurement targets.[7] Finally, SDG&E's opening comments suggest the IOUs should be able to use contingency resources toward other procurement obligations, such as those in Decision (D.) 19-11-016 or D.21-06-035, after the emergency timeframe ends. SDG&E recommends that if counted toward another compliance obligation, cost recovery should align with the particular compliance obligation, but if the

---

[3] *Opening Comments of Pacific Gas and Electric Company (U 39 E) on the Proposed Phase 2 Decision Directing Pacific Gas and Electric Company, Southern California Edison Company, and San Diego Gas & Electric Company to Take Actions to Prepare for Potential Extreme Weather in the Summers of 2022 and 2023*, Nov. 10, 2021 (PG&E Comments) at 14.

[4] *Comments of Southern California Edison Company (U 338-E) on Phase 2 [Proposed] Decision Directing Pacific Gas and Electric Company, Southern California Edison Company, and San Diego Gas & Electric Company to Take Actions to Prepare for Potential Extreme Weather in the Summers of 2022 and 2023*, Nov. 10, 2021 (SCE Comments) at 14.

[5] *San Diego Gas & Electric Company (U 902 E) Comments on Phase 2 Proposed Decision*, Nov. 10, 2021 (SDG&E Comments) at 1-4.

[6] SCE Comments at 14.

[7] PG&E Comments at 14.

resource is not counted toward another compliance obligation, cost recovery should continue to be through the CAM for the remainder of the resource's contract term.[8]

These requests by the IOUs highlight the need to limit over-procurement in this proceeding, given 1) the uncertainty around the amount of procurement that will continue to be allocated through CAM following the emergency procurement timeframe (i.e., after 2023) and 2) the potential for such procurement to infringe on other LSEs' ability to procure their own resources to meet procurement obligations required in the IRP proceeding. If the IOUs can choose how to use the resource after 2023 as SDG&E suggests, other LSEs will be uncertain of the amount of procurement that will be allocated to them to meet their IRP procurement obligations. The Commission must mitigate this uncertainty by putting a cap on the amount of procurement ordered in this Proposed Decision. Without such a cap, the Commission risks procurement in this proceeding infringing on other LSEs' ability to do their own procurement to meet their IRP procurement obligations. As outlined in CalCCA's opening comments, the cap should be equal to 2,000 MW plus a 10 percent margin in excess of the 2,000 MW target.[9]

III. CONCLUSION

CalCCA appreciates the opportunity to submit these comments and requests adoption of the recommendations proposed herein.

Respectfully submitted,

Evelyn Kahl

Evelyn Kahl
General Counsel and Director of Policy
CALIFORNIA COMMUNITY CHOICE ASSOCIATION

November 16, 2021

---

8 SDG&E Comments at 2-3.
9 CalCCA Comments at 4-6.