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BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Continue Implementation and Administration of California Renewables Portfolio Standard Program.	R.11-05-005 **(Not Consolidated)**
Order Instituting Rulemaking to Continue Implementation and Administration, and Consider Further Development, of California Renewables Portfolio Standard Program.	R.15-02-020 **(Not Consolidated)**
Order Instituting Rulemaking to Continue Implementation and Administration, and Consider Further Development, of California Renewables Portfolio Standard Program.	R.18-07-003 **(Not Consolidated)**

CALIFORNIA COMMUNITY CHOICE ASSOCIATION'S REPLY COMMENTS ON THE PROPOSED DECISION MODIFYING THE RENEWABLE MARKET ADJUSTING TARIFF PROGRAM AND DIRECTING IMPLEMENTATION

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December 6, 2021

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REPLY COMMENTS ON THE PROPOSED DECISION MODIFYING
THE RENEWABLE MARKET ADJUSTING TARIFF PROGRAM
AND DIRECTING IMPLEMENTATION

The California Community Choice Association[1] (CalCCA) submits these reply comments pursuant to Rule 14.3(d) of the California Public Utilities Commission (Commission) Rules of Practice and Procedure on the proposed *Decision Modifying the Renewable Market Adjusting Tariff Program and Directing Implementation* (PD), issued on November 10, 2021.

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[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.

I. IF THE COMMISSION APPROVES THE IOUS' REQUEST FOR REMAT COST RECOVERY THROUGH THE PPPC, IT MUST ENSURE EQUITABLE ALLOCATION OF THE RPS AND RA ATTRIBUTES TO BOTH BUNDLED AND UNBUNDLED CUSTOMERS

CalCCA submits these limited reply comments in response to the Joint Opening Comments of Pacific Gas and Electric Company (PG&E) and Southern California Edison Company (SCE), and the Opening Comments of San Diego Gas & Electric Company (SDG&E) (PG&E, SCE and SDG&E are collectively referred to herein as the "IOUs"). As set forth in previous CalCCA comments on the Renewable Market Adjusting Tariff (ReMAT) cost allocation issue, of paramount concern is that the cost allocation among bundled and unbundled customers equitably distribute the ReMAT contracts' Renewable Portfolio Standard (RPS) and Resource Adequacy (RA) benefits.[2] Under the current methodology, unbundled customers receive the value or attributes through the Power Charge Indifference Adjustment (PCIA) calculation. The IOUs' Opening Comments (as well as the Petition for Modification (PFM) submitted by PG&E and SCE in February, 2021) insist that the Commission revise the cost responsibility for the ReMAT contracts, stating that the Proposed Decision should "adopt broad cost allocation for ReMAT."[3] The PG&E and SCE Joint Opening Comments do refer to the Joint IOU PFM as providing the facts needed to resolve the cost allocation issue, but the Joint Opening Comments do not elaborate on the methodology to do so.[4]

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[2] *See Response of California Community Choice Association to Joint Petition for Modification of Decision 13-05-034 by Pacific Gas and Electric Company (U 39 E) and Southern California Edison Company (U 338 E),* Rulemaking (R.) 11-05-005 (Mar. 15, 2021); *see also California Community Choice Association's Comments on the Proposed Decision Modifying the Renewable Market Adjusting Tariff Program and Directing Implementation,* R.11-05-005, R.15.-02-020, R.18-07-003 (Nov. 30, 2021) (Joint IOU PFM).

[3] PG&E and SCE Joint Opening Comments at 5; *see Joint Petition for Modification of Decision 13-05-034 by Pacific Gas and Electric Company (U 39 E) and Southern California Edison Company (U 338 E),* R.11-05-005 (Feb. 11, 2021).

[4] PG&E and SCE Joint Opening Comments at 5.

The current PCIA methodology adequately addresses the cost allocation issue. However, if the Commission does revise the methodology, it must ensure that community choice aggregator (CCA) customers paying for the program receive equal benefits. If the Commission determines that the ReMAT contract costs should be recovered through the PPPC, the Commission should order, as the IOUs have previously proposed,[5] that only ***net*** ReMAT costs are recovered. Revenues associated with all attributes of value – energy, Renewable Energy Credits, and RA – should be netted against the ReMAT costs. Energy would be sold into the CAISO market, and the resulting revenues would offset the ReMAT costs. Bundled customers would pay for the RPS and RA attributes at the market price benchmark, allowing the value of those attributes to benefit unbundled customers. Above-market costs would then be borne equitably among both bundled and unbundled customers, preventing cost-shifting.

II. CONCLUSION

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

Respectfully submitted,

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[5] *See* Joint IOU PFM at 11-12 ([t]he ReMAT [non-bypassable charge (NBC)] would be consistent with . . . [implementation of] the BioMAT NBC whereby utility will retain the RA or RPS attributes for the benefit of bundled service customers and the bundled service customers will pay for the RA or RPS attributes at the Commission's calculated annual market price benchmark. The ReMAT NBC would be collected through the IOU's PPPC").