Order Instituting Rulemaking to Continue Implementation and Administration, and Consider Further Development, of California Renewables Portfolio Standard Program.

Rulemaking 18-07-003

CALIFORNIA COMMUNITY CHOICE ASSOCIATION'S RESPONSE TO JOINT MOTION 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 AMEND SCOPING MEMORANDUM TO ACCOMMODATE VOLUNTARY ALLOCATION STRUCTURE

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On behalf of
California Community Choice Association

December 23, 2021
CALIFORNIA COMMUNITY CHOICE ASSOCIATION'S RESPONSE TO JOINT MOTION 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 AMEND SCOPING MEMORANDUM TO ACCOMMODATE VOLUNTARY ALLOCATION STRUCTURE

In accordance with Rule 11.1(e) of the Rules of Practice and Procedure of the California Public Utilities Commission (Commission), the California Community Choice Association\(^1\) (CalCCA) respectfully submits this response to the joint motion of Southern California Edison Company, Pacific Gas and Electric Company, and San Diego Gas & Electric Company (together, the Joint IOUs), filed December 8, 2021 (Motion). This response is timely filed pursuant to Rule 11.1(e).

I. THE JOINT IOUS’ MOTION REQUESTING EXPANSION OF THE SCOPE TO CONSIDER AND FIND THAT VOLUNTARY ALLOCATIONS UNDER VAMO ARE NOT “RESALES” REQUIRING RECLASSIFICATION OF RECS ALLOCATED TO NON-IOU LSES SHOULD BE GRANTED

The Motion requests the Commission (1) expand the scope of Rulemaking (R.) 18-07-003 to address the Product Content Category (PCC) classification of Renewable Energy Credits (RECs) upon allocation under the Voluntary Allocation and Market Offer (VAMO) process adopted in Decision (D.) 21-05-030,2 (2) provide guidance on the PCC classification of certain allocated RECs, and (3) clarify the timing and approval process for Voluntary Allocation pro forma contracts. CalCCA supports the Joint IOUs’ request to amend the Scoping Memorandum in R.18-07-003 on an expedited basis to address the classification of RECs allocated to non-investor-owned utility (IOU) load-serving entity (LSEs) during the VAMO process. CalCCA agrees with the Joint IOUs that voluntary allocations under VAMO are not “re-sales” that would require reclassification of RECs allocated to non-IOU LSEs. The VAMO allocation structure is an inherently different construct than the “re-sales” contemplated by D.11-12-052, and there is no Commission decision requiring RECs allocated under VAMO to be so considered. Departed load customers already pay for the above market costs of the resources in question, which were originally procured on their behalf. As stated in the Motion, “[a]llocation of the RECs under the Voluntary Allocation process simply allows the value of PCC 0 RECs to follow the departed load customers who are already obligated to pay for them.”3

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2 D.21-05-030 was adopted May 24, 2021 in the Power Charge Indifference Adjustment docket, R.17-06-026.
3 Motion at 5.
II. THE JOINT IOUS’ PROPOSALS REGARDING THE TIMING AND APPROVAL OF PRO FORMA CONTRACTS FOR THE VAMO PROCESS ARE BEING ADDRESSED IN COMMENTS ON THE PROPOSED DECISION

Subsequent to the filing of the Motion, Administrative Law Judges Lakhanpal and Sisto issued their Proposed Decision in this proceeding.\textsuperscript{4} The Proposed Decision discusses issues related to the timing and approval of the pro forma contracts to be used in the VAMO allocations and market offers.\textsuperscript{5} As such, CalCCA reserves its comments regarding these topics for its comments on the Proposed Decision.

III. CONCLUSION

CalCCA appreciates the opportunity to submit this response and requests adoption of the recommendations proposed herein.

Respectfully submitted,

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\textsuperscript{5} \textit{Id.}, Conclusion of Law 3 at 78.