



June 27, 2022

VIA ELECTRONIC MAIL

Mr. Simon Baker
Interim Director, Energy and Climate Policy
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102

**Re: California Community Choice Association's Comments on Draft Resolution E-5127
Regarding Procedures for the Large Energy Utilities' Annual Year-End Consolidated
Electric Revenue and Rate Change Filings**

Dear Mr. Baker:

Pursuant to Rule 14.5 of the California Public Utilities Commission (Commission) Rules of Practice and Procedure, and the accompanying Comment Letter to Draft Resolution E-5127, California Community Choice Association¹ (CalCCA) submits these comments in support of Draft Resolution E-5127 (Draft Resolution), dated July 14, 2022.

1. SUMMARY

CalCCA strongly supports the draft resolution as a step in the right direction towards implementation of rates in a timely, coordinated and transparent manner. Two adjustments to the Draft Resolution will give all affected ratepayers the best opportunity to understand, communicate, and plan for the rates customers will pay on the first of the year:

- Require the provision of public workpapers in their native format, *i.e.*, an Excel spreadsheet, contemporaneously with service of the advice letters themselves; and
- Require the provision of confidential workpapers to qualified reviewing representatives (RRs) within five calendar days of a party requesting them.

¹ California Community Choice Association represents the interests of 23 community choice electricity providers in California: Apple Valley Choice Energy, Central Coast Community Energy, Clean Energy Alliance, Clean Power Alliance, CleanPowerSF, Desert Community Energy, East Bay Community Energy, Lancaster Choice Energy, Marin Clean Energy, Orange County Power Authority, 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.

Adopting the modest modifications suggested in Appendix A to these comments will help ensure the Draft Resolution's goals are met for all ratepayers.

2. SMALL MODIFICATIONS TO THE DRAFT RESOLUTION WILL HELP ENSURE EFFICIENT AND TRANSPARENT RATE CHANGES

The Draft Resolution makes welcome strides toward more transparent, efficient and consistent rate changes; enacting revisions for which community choice aggregators (CCAs) have long clamored.² A November 5th filing date for the Tier 2 advice letters will bring the timing of Pacific Gas and Electric Company's (PG&E's) Annual Electric True-Up (AET) and San Diego Gas & Electric Company's (SDG&E's) consolidated rate change in line with Southern California Edison's (SCE's) more reasonably timed advice letter.³

Including regulatory account balances for electric revenue accounts through November 30, and projected balances through December 31, will result in less volatile rates the following year. That approach builds on a successful process initially required by Judge Susan Lee and Energy Division in PG&E's 2022 ERRA forecast proceeding (Application (A.) 21-06-001) via a ruling that required PG&E to update its forecasted generation rates with actual data from October and November.⁴ SCE also has included year-to-date actuals in its advice letter implementing its ERRA forecast proceeding (A.22-05-014), although such implementation typically has taken place after the first of the year.⁵ Utilizing as many "actuals," *i.e.*, actual recorded volumes and revenues, to set rates at the end of one year decreases the need to true such rates up the following year.

The data required to be provided as part of the November 5 Tier 2 advice letter is also helpful. Increasing transparency via (1) a summary of each revenue requirement for individual unbundled rate components, (2) an explanation for each revenue requirement change, and, in particular, (3) workpapers supporting rate change and revenue allocation, and revised tariffs schedules will aide non-investor-owned utility (IOU) parties in anticipating and understanding these rate changes. Such understanding will not only benefit departed customers but also reduce

² See, e.g., Joint CCAs' Response to Pacific Gas and Electric Company's Advice Letter 5661-E (Nov. 4, 2019) (stating "The Advice Letter also reflects on-going consistency and transparency issues common across all PG&E's showings with respect to the AET, ERRA and trigger advice letters. The Joint CCAs here again note the difficulty unbundled customers face in understanding their 2020 rates in a reasonable timeframe. The inconsistencies between the utility's AET and trigger advice letters and its testimony and discovery responses in the ERRA proceeding continue to drive the need for more timely, consistent and transparent data.").

³ See Draft Resolution at 2-3.

⁴ E-Mail Ruling Ordering Additional Updates with Amended Schedule, A.21-06-001 (Nov. 24, 2021), at 3 (directing PG&E to file updated testimony in December and postponing a final decision until January 13, 2021).

⁵ See Draft Resolution at 5. Decision (D.) 22-01-023 requires SCE to shift its approach to a January 1 implementation for the first time this year.

administrative burdens in resolving protests to the advice letters, especially when such protests result from a lack of access to the data underlying the rate changes.

While these changes will “provide a more efficient process” to implement these revenue requirements and reduce confusion for customers and non-IOU load-serving entities (LSEs) alike,⁶ the Commission should consider the following three further changes to ensure the Draft Resolution’s goals are met.

3. REQUIRE THE IOUS TO PROVIDE PUBLIC WORKPAPERS IN THEIR NATIVE FORMAT AND CONFIDENTIAL WORKPAPERS WITHIN FIVE CALENDAR DAYS

The Draft Resolution makes an important conclusion that parties need adequate time to verify the information in the IOUs’ advice letters and perform discovery.⁷ General Order 96-B’s 20-day timeline for protests makes that task difficult to achieve in light of the Commission’s customary 10 business-day deadline for discovery responses, which typically translates to a 14-calendar-day deadline, taking up nearly 75 percent of the protest period on its own.

Adding to these difficulties is that a November 5th deadline can include three Commission holidays before the protest date: Veterans Day (November 11), Thanksgiving Day (November 24), and the day after Thanksgiving (November 25), using this year’s dates as an example. The result in years such as this one is a due date for a response to a data request (DR) seeking workpapers, served three days after the advice letters are submitted, that carries the same due date as the protest itself. A DR served the day after the advice letters are submitted would only leave one business day (November 23) for parties to draft a protest alerting the Commission of any errors. Such timelines do not meet the goals laid out in the Draft Resolution.

A solution to this problem can be derived from the Draft Resolution’s requirement for the IOUs to include “workpapers supporting rate change and revenue allocation” and ensure parties have access to the data underlying the advice letters in a timely manner.⁸ First, public workpapers should be provided in Excel format instead of, or in addition to, PDF format as part of the service of the advice letters. Such a requirement will preclude the need for parties unable or unwilling to sign a non-disclosure agreement (NDA) to request those documents in a workable format that supports analysis of the data.

Second, the IOUs should be required to provide confidential versions of those workpapers to qualified RRs within five calendar days of a party requesting them, provided that an RR has executed the appropriate NDA on that party’s behalf. Since the Draft Resolution would require these same materials be provided to Commission staff five days prior, providing the materials to RRs should not be a difficult task for the IOUs. In fact, the five-calendar-day

⁶ Draft Resolution at 1.

⁷ *Id.* at 5.

⁸ *Id.* at OP 4.e.

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timeline will allow the requesting party and the IOU to go through the process of reviewing RRs and providing the applicable NDA for execution.

4. CONCLUSION

CalCCA appreciates the Commission's thoughtful and careful consideration of these comments on Draft Resolution E-5127.

Respectfully,

CALIFORNIA COMMUNITY CHOICE
ASSOCIATION

Evelyn Kahl,



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Service List: A.21-06-021, A.19-08-013, A.22-05-016, A.17-10-007



**APPENDIX A
TO
CALIFORNIA COMMUNITY CHOICE ASSOCIATION'S COMMENTS
ON DRAFT RESOLUTION E-5127 REGARDING PROCEDURES FOR THE
LARGE ENERGY UTILITIES' ANNUAL YEAR-END CONSOLIDATED
ELECTRIC REVENUE AND RATE CHANGE FILINGS**

Findings

8. Providing public workpapers in their native format as part of service of the advice letters, and confidential versions of the workpapers to non-utility reviewing representatives within five calendar days of a request for such workpapers, will ensure parties have adequate time to verify the information in the IOUs' advice letters.

Ordering Paragraphs

4. At a minimum, the consolidated electric rate change ALs shall include the following information:
 - a. A summary of each revenue requirement component, the current revenue requirements, January 1 revenue requirements, change in revenue requirements, and associated authority for change.
 - b. A summary of each revenue requirement for individual unbundled rate components.
 - c. An explanation for each revenue requirement change.
 - d. Estimated rate and residential bill impacts without climate credit.
 - e. Public workpapers in their native format, i.e., an Excel spreadsheet, supporting rate change and revenue allocation, served contemporaneously with the advice letters themselves.
 - f. Revised tariffs schedules.

5. **PG&E, SCE and SDG&E shall provide confidential versions of the workpapers supporting the advice letter to non-utility reviewing representatives within five calendar days of a request for such workpapers, provided such reviewing representative has executed the applicable nondisclosure agreement.**