

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA**



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R1807003

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

R.18-07-003

**CALIFORNIA COMMUNITY CHOICE ASSOCIATION'S  
COMMENTS ON THE PROPOSED DECISION ESTABLISHING RULES FOR  
PORTFOLIO CONTENT CATEGORY CLASSIFICATION FOR VOLUNTARY  
ALLOCATIONS OF RENEWABLES PORTFOLIO STANDARD RESOURCES**

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June 9, 2022

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## SUMMARY OF RECOMMENDATIONS

- ✓ The California Public Utilities Commission (Commission) should adopt the Proposed Decision's findings that renewable energy credits allocated from investor-owned utilities to load serving entities (LSEs) through the Voluntary Allocation process shall retain their Portfolio Content Category status;
- ✓ The Commission should clarify that LSEs need not request approval of Voluntary Allocations as stated in the Administrative Law Judge's May 20, 2022 Ruling on the Renewable Portfolio Standard Procedural Schedule; and
- ✓ The Commission should clarify the reporting requirements for LSEs electing not to participate in the Voluntary Allocation.

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The California Community Choice Association (CalCCA)<sup>1</sup> submits these comments pursuant to Rule 14.3 of the California Public Utilities Commission (Commission) Rules of Practice and Procedure on the proposed *Decision Establishing Rules for Portfolio Content Category Classification for Voluntary Allocations of Renewables Portfolio Standard Resources* (Proposed Decision or PD), mailed on May 20 2022.

**I. INTRODUCTION**

CalCCA fully supports the Proposed Decision and recommends its adoption, with the clarifications set forth below. Expedient approval of the Proposed Decision at the Commission's voting meeting on June 23, 2022 (or as soon thereafter as possible) will allow the Renewables Portfolio Standard (RPS) Voluntary Allocation and Market Offer process (VAMO)

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<sup>1</sup> 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.

to proceed according to the schedule set forth in the May 20, 2022 ALJ Ruling on the Renewable Portfolio Standard procedural schedule.<sup>2</sup>

The Commission should adopt the Proposed Decision’s findings that renewable energy credits (RECs) allocated from investor-owned utilities (IOUs) to load serving entities (LSEs) through the Voluntary Allocation (VA) process shall retain their Portfolio Content Category (PCC) status. In addition, the Commission should adopt the following clarifications as set forth below and in Appendix A:

- Clarify that LSEs need not request approval of VAs as stated in the ALJ Ruling; and
- Clarify the reporting requirements for LSEs electing not to participate in the VA.

## **II. THE COMMISSION SHOULD ADOPT THE PROPOSED DECISION’S FINDING THAT RECS ALLOCATED THROUGH THE VOLUNTARY ALLOCATION SHALL RETAIN THEIR PCC STATUS**

The Proposed Decision correctly finds that a REC’s PCC status shall be retained in the VAs.<sup>3</sup> Allowing resources allocated to LSEs to retain the RPS benefits upon allocation ensures that Power Charge Indifference Adjustment (PCIA)-eligible customers for whom the RECs were initially procured continue to receive the benefits intended in the Phase 2 PCIA Decision.<sup>4</sup> In addition, CalCCA supports the Proposed Decision’s finding that downstream transfers of the RPS attributes of a VA product should be considered a resale for the purpose of determining PCC classification pursuant to D.11-12-052.<sup>5</sup> Finally, the Commission should revise the Conclusions of Law as set forth in Appendix A to correct the typo referring to D.11-12-052.

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<sup>2</sup> *Administrative Law Judge’s Ruling Modifying the Renewables Portfolio Standard Program’s Procedural Schedule to Accommodate Filing of Voluntary Allocation and Market Offer Information Adopted in Decision 21-05-030*, R.18-07-003 (May 20, 2022) (ALJ Ruling).

<sup>3</sup> PD, Ordering Paragraph (OP) 2-3.

<sup>4</sup> D.21-05-030, *Phase 2 Decision on Power Charge Indifference Adjustment Cap and Portfolio Optimization*, R.17-06-026 (May 24, 2021) (Phase 2 Decision); *see also* PD at 22, OP 2.

<sup>5</sup> PD at 21, OP 9.

### **III. THE COMMISSION SHOULD CLARIFY THAT LSES ARE NOT REQUIRED TO SEEK APPROVAL FOR VOLUNTARY ALLOCATIONS**

While LSEs must seek approval of their RPS Plans, the Commission should clarify that LSEs are not required to seek Commission *approval* of their VA contracts. The Proposed Decision clarifies that IOUs are not required to seek upfront approval of executed (unmodified) pro forma VA contracts through the Advice Letter process.<sup>6</sup> CalCCA supports the Proposed Decision’s finding that only contracts deviating from the pro forma will be subject to further review through a Tier 1 Advice Letter.<sup>7</sup> However, the ALJ Ruling requires LSEs to submit Motions to Update Draft 2022 RPS Plans on August 15, 2022 “including *request[] approval of voluntary allocations* and up-to-date [VA] information.”<sup>8</sup> The Commission should clarify that while LSEs should provide in their August 15, 2022 Motions to Update any information obtained regarding their VAs after the filing of the original draft RPS Plans on July 1, 2022, LSEs *need not request approval* of executed VA contracts.

### **IV. THE COMMISSION SHOULD CLARIFY THE RPS REPORTING REQUIREMENTS FOR LSES NOT PARTICIPATING IN VAMO**

The Proposed Decision should clarify requirements for RPS reporting for LSEs that choose *not* to participate in the VAMO. The PD states:

[f]or RPS compliance reporting for VAMO transactions, Energy Division staff will provide reporting guidance in next year’s updated RPS compliance reporting template. Energy Division and LSEs should work together to refine reporting requirements for voluntary allocations, resales, market offers, and unsold volumes.<sup>9</sup>

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<sup>6</sup> *Id.* at 17.

<sup>7</sup> *Id.* at 22, OP 5.

<sup>8</sup> ALJ Ruling at 6 (Table, Item 22) (emphasis added).

<sup>9</sup> PD at 16.

In addition, Energy Division staff provided information regarding the necessary VAMO content of the 2022 RPS Plans at its May 31, 2022 Webinar.<sup>10</sup> Energy Division requests that LSEs explain in their July 1, 2022 filing “why they plan[] to participate [in VAMO] or not.”<sup>11</sup>

CalCCA requests that the Commission clarify this requirement. LSEs electing *not* to participate in the VA or the MO should merely state in their RPS Plans that they chose not to participate. LSEs may provide an optional, general description of the basis for that decision.

## V. CONCLUSION

CalCCA appreciates the opportunity to submit these comments supporting the Proposed Decision, and requesting clarifications to the findings as provided in Attachment A.

Respectfully submitted,



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

June 9, 2022

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<sup>10</sup> *Renewables Portfolio Standard (RPS) Webinar on 2022 RPS Procurement Plan Templates and Filing Requirements* (May 31, 2022), [https://files.cpuc.ca.gov/RPS\\_PPAs/Procurement%20Plans/RPS%20Webinar%20on%202022%20RPS%20Procurement%20Plans-20220531%202203-1.mp4](https://files.cpuc.ca.gov/RPS_PPAs/Procurement%20Plans/RPS%20Webinar%20on%202022%20RPS%20Procurement%20Plans-20220531%202203-1.mp4)

<sup>11</sup> *Id.*, Slide 9.



**ATTACHMENT A  
TO  
CALIFORNIA COMMUNITY CHOICE ASSOCIATION'S  
COMMENTS ON THE PROPOSED DECISION ESTABLISHING RULES FOR  
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**PROPOSED CHANGES TO CONCLUSIONS OF LAW  
AND ORDERING PARAGRAPHS**

**CONCLUSIONS OF LAW**

9. Any downstream transfers of the RPS attributes conveyed through a Voluntary Allocation should be considered a resale to determine PCC classification pursuant to ~~D.12-11-052~~D.11-12-052.

**ORDERING PARAGRAPHS**

7. Load-serving entities need not seek approval of executed pro forma Voluntary Allocation contracts in their Renewables Portfolio Standard Plans, but should rather describe the Voluntary Allocation contract as required by Energy Division guidance and templates.
8. A load-serving entity choosing not to participate in the Voluntary Allocation or the Market Offer shall state in its Renewable Portfolio Standard Plan that it chose not to participate and provide a general description as to the basis for that decision.