CALCCA
ADVANCING LOCAL ENERGY CHOICE

May 31, 2022

VIA ELECTRONIC MAIL

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

Re: California Community Choice Association's Protest of Pacific Gas and Electric Company's Tier 2 Advice Letters 6589-E and 6589-E-A, regarding Community Choice Aggregator (CCA) Financial Security Requirements in Compliance with D.18-05-022

Dear Mr. Baker:

Pursuant to the California Public Utilities Commission's (Commission) General Order (GO) 96-B,[1] the California Community Choice Association[2] (CalCCA) submits this protest of Pacific Gas and Electric Company's (PG&E) Tier 2 Advice Letters 6589-E and 6589-E-A, regarding Community Choice Aggregator (CCA) Financial Security Requirements in Compliance with D.18-05-022 (Advice Letter). The Advice Letter seeks approval of the Financial Security Requirements (FSRs) that determine the financial security that community choice aggregators (CCAs) must post.

INTRODUCTION

PG&E's proposed FSR amounts are inconsistent with PG&E's Rule 23, and underlying Commission decisions. This inconsistency should be corrected. CalCCA requests that the Commission require PG&E to correct the period for determination of "peak load" in applying the applicable resource adequacy (RA) cost based on PG&E's own tariff.

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1 References to "General Rules" are to the general rules identified in General Order 96-B.

2 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.

PROTEST

PG&E's Calculation Departs From PG&E's Rule 23 and Underlying Decisions in Determining a CCA's "Peak Demand"

Rule 23.X.1 (Sheet 64) requires PG&E to calculate a CCA's monthly peak demand (MW) forecast, for purposes of determining the RA volume, "using the most recent 12 months of historical monthly peaks." PG&E's calculations, however, appear to rely on the use of the most recent six months' historical monthly peaks.[3]

PG&E's Rule 23 is consistent in its peak demand calculation with the comparable rules of Southern California Edison Company (SCE) and San Diego Gas & Electric Company (SDG&E).[4] In fact, each rule uses precisely the same language. The demand calculation articulated in PG&E's Rule 23 is also consistent with Commission Decision (D.) 18-05-022. D.18-05-022 directed the determination of the FSR consistent with the "methodology set forth in the Joint Utilities' testimony."[5] The Joint Utilities' testimony, in turn, provides: "[t]he CCA's monthly peak demand forecast (MW) will be established using the most recent calendar year of historical monthly peaks, defined as the CCA's demand during each month's system peak hour."[6]

For these reasons, the Commission should require PG&E to update the proposed FSR amounts using a peak demand based on the most recent 12 months of historical peaks.

CONCLUSION

CalCCA thanks the Energy Division for its review of this protest, and requests that the Commission require PG&E to correct the period for determination of "peak load" in applying the applicable RA cost consistent with PG&E's tariff and D.18-05-022.

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3 PG&E Advice Letter 6589-E-A, Attachment C, line 30: CCA Average Peak Demand is described as the average of column 8, lines 3 through 8. Lines 3 through 8 are the months of May through October and exclude the months of November through April, and thus are using the six months of the FSR period and not the 12 months as indicated in the tariff.

4 SCE Rule 23 section X.1, PG&E Rule 23 section X.1, and SDG&E Rule 27 section X.1 all state, "The CCA's monthly peak demand forecast (MW) will be established using the most recent [twelve] 12 months of historical monthly peaks, defined as the CCA's demand during each month's system peak hour."

5 *See* D.18-05-022 at 7.

6 *Joint Utilities' Direct Testimony Proposing a Methodology for Calculating and Implementing the CCA Financial Security Requirement*, R.03-10-003 (July 28, 2017) (JU Testimony), at 23 (emphasis supplied).

Respectfully,

CALIFORNIA COMMUNITY CHOICE ASSOCIATION

Evelyn Kahl
General Counsel and Director of Policy

cc via email:
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