



January 9, 2023

VIA ELECTRONIC MAIL

Ms. Leuwam Tesfai
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 Letter 6794-E Regarding Long-Term Market Offer

Dear Ms. Tesfai,

Pursuant to the California Public Utilities Commission's (Commission's) General Order (GO) 96-B,¹ the California Community Choice Association² (CalCCA) submits this protest of Pacific Gas and Electric Company's (PG&E's) Tier 2 Advice Letter 6794-E Regarding Market Offer (Advice Letter), submitted December 19, 2022.

I. SUMMARY

The Commission should not approve the Advice Letter unless it is revised to incorporate a complete, detailed schedule as proposed herein for the Market Offer for the long-term product (Long-Term Market Offer), as required by Decision (D.) 22-11-021³ and as proposed by the Joint IOUs for the Short-Term Market Offer.

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 24 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, Energy For Palmdale's Independent Choice, 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.

³ D.22-11-021, *Decision Approving Voluntary Allocations and Modifying Market Offer Process for the Sale of Excess Renewable Resources to Lower Power Charge Indifference Adjustment Costs Pursuant to Decision 21-05-030*, R.18-07-003 (Nov. 17, 2022) (Market Offer Decision), Ordering Paragraph (O¶) 13 at 52 (emphasis added) ("[PG&E], Southern California Edison Company, and San Diego Gas & Electric Company shall each file a Tier 2 Advice Letter within 30 days of the issuance date of this

II. BACKGROUND

The Market Offer Decision provides directives to PG&E and the other investor-owned utilities (IOUs) for both Short-Term and Long-Term Market Offer sales from Power Charge Indifference Adjustment (PCIA)-eligible resources remaining after Voluntary Allocation.⁴ Pursuant to these directives, PG&E first submitted a Tier 1 Advice Letter on December 5, 2022 with its proposed process, schedule and pro forma agreements for the Short-Term Market Offer.⁵ PG&E's December 5 Advice Letter included as an attachment the Joint IOU Market Offer process filing proposing the process and schedule for the Short-Term Market Offer.⁶ PG&E then submitted the Advice Letter at issue here on December 19, 2022 which includes PG&E's proposed process, schedule, and proposed pro-forma agreements for the Long-Term Market Offer. Included as an attachment is a "Revised Joint IOU Filing," amending the December 5 Joint IOU Market Offer Process.⁷ Unlike the proposed schedule for the Short-Term Market Offer, however, the Revised Joint IOU Market Offer Process only provides proposed dates for release of the Long-Term Market Offer solicitations, and the due date for bids. The Revised Joint IOU Market Offer Process omits significant dates that were included for the Short-Term Market Offer, including proposed dates for IOU notification of successful bidders, agreement execution deadlines, and a schedule for the submission of executed agreements to the Commission.

III. PROTEST

a. **The Commission Should Not Approve the Advice Letter Unless it Incorporates a Complete, Detailed Schedule for the Long-Term Market Offer as Required by D.22-11-021 and as Proposed for the Short-Term Market Offer**

The Advice Letter should not be approved unless it incorporates a complete, detailed "revised timeline," as required by the Market Offer Decision, to ensure expeditious completion of the Long-Term Market Offer.⁸ PG&E has only specified the date on which the solicitation for the Long-Term Market Offer will be launched, and the date when bids will be due.⁹ PG&E's Advice Letter therefore fails to provide the specificity required by the Market Offer Decision. The Commission should not approve the Advice Letter until it adopts definite parameters in the

decision for the long-term solicitation with the changes to the Market Offer process and protocols ordered in this decision, *their revised timeline for the Market Offer process, and any necessary changes to their Market Offer pro formas to conform to directives of this decision*").

⁴ *Id.*

⁵ PG&E Advice 6779-E, *Tier 1 Advice Letter Regarding Market Offer* (Dec. 5, 2022).

⁶ *Id.*, Attachment A (Joint IOU Market Offer Process).

⁷ Advice Letter, Attachment A, *Revised Joint IOU Filing on Track 1— Final 2022 Renewables Portfolio Standard- Market Offer Process* (Revised Joint IOU Market Offer Process).

⁸ Market Offer Decision, O¶ 13, at 52.

⁹ Revised Joint IOU Market Offer Process at 6.

schedule to ensure the Market Offer is timely executed for deliveries to commence as soon as possible in 2023.

b. Expeditious Completion of the Long-Term Market Offer is Crucial to Achieving the Goals of the VAMO Process

Completion of the Market Offer is required to achieve the stated goals of the Commission’s Voluntary Allocation and Market Offer (VAMO) process. One of the major issues in contention among stakeholders with respect to VAMO has been the timing of the Long-Term Market Offer. PG&E originally proposed a schedule for the Long-Term Market Offer which provided it several months simply to create the contracts, with a process to be established after that step was completed.¹⁰ However, the Market Offer Decision makes clear that there must be an early resolution: “[t]he IOUs must keep in mind the urgency of executing contracts as soon as practicable.”¹¹ As a result, the Commission provided the IOUs with 30 days to create long-term contract pro formas,¹² and ordered the IOUs to provide a revised timeline for the Market Offer process.¹³

c. The Commission Should Adopt CalCCA’s Proposed Additions to the IOUs’ Long-Term Market Offer Schedule

To accomplish the objective of the Market Offer Decision, the Commission should adopt CalCCA’s proposed additions to the IOUs’ Long Term Market Offer schedule. CalCCA’s proposal is modeled after the milestones and timeframes the IOUs provided with respect to the Short-Term solicitation (the Short-Term milestones are provided below for reference). CalCCA’s proposed additions to the timeline are provided below in blackline:

¹⁰ *Opening Comments of Pacific Gas and Electric Company (U 39 E) on Proposed Decision Approving Voluntary Allocations and Modifying Market Offer Process for the Sale of Excess Renewable Resources to Lower Power Charge Indifference Adjustment Costs Pursuant to Decision 21-05-030* (Oct. 19, 2022) at 9.

¹¹ Market Offer Decision at 39.

¹² *Id.* at O¶ 13 at 52.

¹³ *Id.* at O¶ 12 at 52.

Date	Short-term Market Offer	Long-term Market Offer (CalCCA proposed revisions in <u>blackline</u>)
January 9, 2023	Solicitation issued	
January 12	Participants' webinar	
January 20	Bids due	
February 15		Solicitation issued (or 10 business days after final and non-appealable disposition of ALs, whichever is later)
<u>February 20</u>		<u>Participants' webinar (or 3 business days after solicitation issued)</u>
February 16	IOU notifies qualified Participants	
March	Execution of agreement	
March	Submission of agreement for CPUC approval	
March 22		Bids due (or if solicitation issued later than February 15, 35 days after solicitation issued)
<u>April 26</u>		<u>IOU notifies qualified Participants (or 35 days after bids due)</u>
<u>May 26</u>		<u>Execution of agreement (or within 30 days after IOU notifies qualified Participants)</u>
<u>June 12</u>		<u>Submission of agreement for CPUC approval (or within 45 days after IOU notifies qualified Participants)</u>

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IV. CONCLUSION

CalCCA thanks the Energy Division for its review of this protest and urges the Commission to adopt the schedule and milestones for the Long-Term Market Offer set forth herein.

Respectfully,

CALIFORNIA COMMUNITY CHOICE
ASSOCIATION

Evelyn Kahl



General Counsel and Director of Policy

cc via email:

Energy Division Tariff Unit (edtariffunit@cpuc.ca.gov)

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Service Lists: [R.17-06-026](#) and [R.18-07-003](#)