



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

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R2301007

Implementing Senate Bill 846 Concerning
Potential Extension of Diablo Canyon Power
Plant Operations.

R.23-01-007

**CALIFORNIA COMMUNITY CHOICE ASSOCIATION'S REPLY
COMMENTS ON ORDER INSTITUTING RULEMAKING TO
CONSIDER POTENTIAL EXTENSION OF DIABLO CANYON POWER
PLANT OPERATIONS IN ACCORDANCE WITH SENATE BILL 846**

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On behalf of
California Community Choice Association

March 7, 2023

TABLE OF CONTENTS

	SUMMARY OF RECOMMENDATIONS	ii
I.	INTRODUCTION	2
II.	THE COMMISSION MUST ADDRESS THE ALLOCATION OF BENEFITS FROM EXTENDED OPERATIONS AT DCPD IN THIS RULEMAKING.....	2
III.	CONCLUSION.....	3

SUMMARY OF RECOMMENDATIONS

- The California Public Utilities Commission (Commission) should not authorize any mechanism for the recovery of Diablo Canyon Power Plant (DCPP) extended operations costs without concurrently addressing the allocation of associated benefits.
 - Whether the Commission addresses the annual process for the review and approval of DCPP extended operations costs in Phase 1 or Phase 2 of this rulemaking, the Commission must establish that process by early 2024.
 - The Commission should set a date for an evidentiary hearing at this time to not preclude the opportunity for record development through witness examination.
 - The Commission should adopt California Community Choice Association's alternative scheduling proposal, which allows for resolution of Phase 1 by the end of 2023.
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The California Community Choice Association¹ (CalCCA) submits these reply comments in response to the *Order Instituting Rulemaking to Consider Potential Extension of Diablo Canyon Power Plant Operations In Accordance With Senate Bill 846*,² issued January 20, 2023, pursuant to Rule 6.2 of the California Public Utilities Commission’s (Commission) Rules of Practice and Procedure,³ and the directives provided by the OIR.

¹ 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.

² *Order Instituting Rulemaking to Consider Potential Extension of Diablo Canyon Power Plant Operations in Accordance With Senate Bill 846*, R.23-01-007 (Jan. 20, 2023) (OIR): <https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M501/K368/501368884.PDF>.

³ *State of California Public Utilities Commission Rules of Practice and Procedure* (May 1, 2021), at 45: <https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/administrative-law-judge-division/documents/rules-of-practice-and-procedure-may-2021.pdf>.

I. INTRODUCTION

These comments respond to the Green Power Institute's (GPI)⁴ recommendation regarding the scope of this rulemaking. GPI recommends that the Commission assess the reliability need for Diablo Canyon Power Plant (DCPP) in other ongoing rulemakings like the Resource Adequacy (RA) or Integrated Resource Planning (IRP) rulemakings, and not in this rulemaking. Even if the Commission agrees with GPI, it should nevertheless address the allocation of benefits associated with extended operations of DCPP in this rulemaking, for the reasons described in CalCCA's opening comments and in these reply comments.

II. THE COMMISSION MUST ADDRESS THE ALLOCATION OF BENEFITS FROM EXTENDED OPERATIONS AT DCPP IN THIS RULEMAKING

In opening comments, GPI recommends that the Commission assess the reliability need for DCPP in an ongoing rulemaking such as the RA rulemaking or the IRP rulemaking, and not in this rulemaking. With respect to RA, DCPP's current contributions to reliability are well-accepted, as the facility currently has a qualifying capacity value and deliverability assessment that demonstrates it can reliably serve load within the CAISO-controlled grid. This reliability impact should not be in question within this rulemaking (R.23-01-007) nor is it presently in question in the RA rulemaking itself where DCPP has provided RA capacity from the inception of the RA program. CalCCA does not object to the Commission assessing DCPP's reliability contributions within the RA and/or IRP rulemakings. However, the Commission must address the allocation of the benefits of continued operations at DCPP (such as RA capacity) in this rulemaking (specifically, in Phase 1), where it is considering the recovery of extended operations costs. As CalCCA explained in its initial comments, costs and benefits are two sides of the same

⁴⁴ *Comments of the Green Power Institute on the Order Instituting Rulemaking to Extend Operations at Diablo Canyon Power Plant, R.23-01-007 (Feb. 21, 2023):* <https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M502/K376/502376645.PDF>.

coin, and failing to address the benefits of extended operations in this rulemaking would risk leaving non-PG&E customers without adequate or fair opportunities to realize the value that they are paying for.

III. CONCLUSION

For all the foregoing reasons, CalCCA requests that the Assigned Commissioner and Administrative Law Judge modify the scoping issues and procedural schedule consistent with CalCCA's recommendations in these and its opening comments.

Respectfully submitted,

A handwritten signature in blue ink that reads "Evelyn Kahl".

Evelyn Kahl
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CALIFORNIA COMMUNITY CHOICE
ASSOCIATION

March 7, 2023