

Docket No.: A.22-09-018

Exhibit No.: CALCCA-14

Date: August 25, 2023

Sponsor/Witness: Cross Exhibit – Toy (PG&E)

**EXHIBIT CALCCA-14**  
**Assigned Commissioner's Scoping Memo and Ruling**

**August 25, 2023**



**FILED**

06/02/23

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A2302018

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

Application of Pacific Gas and Electric Company for Compliance Review of Utility Owned Generation Operations, Portfolio Allocation Balancing Account Entries, Energy Resource Recovery Account Entries, Contract Administration, Economic Dispatch of Electric Resources, Utility Owned Generation Fuel Procurement, and Other Activities for the Record Period January 1 Through December 31, 2022. U39E

Application 23-02-018

**ASSIGNED COMMISSIONER'S SCOPING MEMO AND RULING**

This scoping memo and ruling sets forth the issues, need for hearing, schedule, category, and other matters necessary to scope this proceeding pursuant to Public Utilities (Pub. Util.) Code Section 1701.1 and Article 7 of the Commission's Rules of Practice and Procedure (Rules).

**1. Procedural Background**

On February 28, 2023, Pacific Gas and Electric Company (PG&E) filed an application seeking compliance review of its Utility-Owned Generation operations, Portfolio Allocation Balancing Account entries, Energy Resource Recovery Account (ERRA) entries, contract administration, economic dispatch of electric resources, Utility-Owned Generation fuel procurement, and other activities for the record period January 1, 2022 through December 31, 2022. This proceeding is also known as the ERRA Compliance proceeding.

On April 3, 2023, the Public Advocates Office of the California Public Utilities Commission and the California Community Choice Association timely filed protests to the application. PG&E filed a reply to the protests on April 13, 2023.

A prehearing conference (PHC) was held on May 10, 2023 to address the issues of law and fact, determine the need for hearing, set the schedule for resolving the matter, and address other matters as necessary. After considering the application, protests, reply, and discussion at the PHC, I have determined the issues and initial schedule of the proceeding to be set forth in this scoping memo.

## **2. Issues**

The issues to be determined or otherwise considered for the 2022 record period are:

1. Whether PG&E, during the record period, prudently administered and managed the following, in compliance with all applicable rules, regulations, and Commission decisions, including but not limited to Standard of Conduct (SOC) 4:
  - a. Utility-Owned Generation Facilities, except for the Elkhorn Battery Energy Storage System and Pit 1 Powerhouse outages which will be reviewed in the 2023 ERRA Compliance proceeding;
  - b. Qualifying Facilities (QF) Contracts; and
  - c. Non-QF Contracts.

If not, what adjustments, if any, should be made to account for imprudently managed or administered resources?

2. Whether PG&E achieved least-cost dispatch of its energy resources and economically-triggered demand response programs pursuant to SOC 4;
3. Whether the entries recorded in the ERRA and the Portfolio Allocation Balancing Account are reasonable,

- appropriate, accurate, and in compliance with Commission decisions;
4. Whether PG&E's greenhouse gas instrument procurement complied with its Bundled Procurement Plan;
  5. Whether PG&E administered resource adequacy procurement and sales consistent with its Bundled Procurement Plan;
  6. Whether the costs incurred and recorded in the following accounts are reasonable and in compliance with the applicable tariffs and Commission directives:
    - a. Green Tariff Shared Renewables Memorandum Account;
    - b. Green Tariff Shared Renewables Balancing Account;
    - c. Disadvantaged Community – Single Family Solar Affordable Homes Balancing Account;
    - d. Disadvantaged Community – Green Tariff Balancing Account;
    - e. Community Solar Green Tariff Balancing Account; and
    - f. Centralized Local Procurement Sub-Account.
  7. Whether the contract amendment with Calpine Russell City Energy Center is reasonable and should be approved; and
  8. Whether there are any safety considerations raised by this Application.

Decision (D.) 21-06-014 requires utilities to include information regarding the amount of estimated unrealized volumetric sales and unrealized revenue resulting from Public Safety Power Shutoff (PSPS) events in ERRA proceedings addressing the years in which the PSPS events occurred.<sup>1</sup> PG&E reports that no PSPS events occurred during the 2022 record period.<sup>2</sup> As required by

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<sup>1</sup> D.21-06-014 at 283, Ordering Paragraph 1.

<sup>2</sup> Application 23-02-018 at 14.

D.21-06-014, PG&E sent an email to the assigned Administrative Law Judge (ALJ) on May 10, 2023, seeking confirmation that no additional testimony on this topic is required. Given that PG&E had no PSPS events during the 2022 record period, it is not necessary to review any unrealized volumetric sales or unrealized revenue resulting from PSPS events in this proceeding and no testimony on this topic is required.

**3. Need for Evidentiary Hearing**

The protests indicate there are potentially contested, material issues of fact. Accordingly, we will allow parties to present evidence on these issues and evidentiary hearings are needed.

**4. Schedule**

The following schedule is adopted here and may be modified by the ALJ as required to promote the efficient and fair resolution of the application:

EVENT	DATE
Intervenors' prepared direct testimony served	September 22, 2023
Prepared rebuttal testimony served	October 25, 2023
Settlement discussions	November 2023
Evidentiary hearings	December 4-8, 2023
Opening briefs filed and served	December 20, 2023
Reply briefs filed and served	January 17, 2023
Proposed decision issued	Within 90 days after submission
Commission decision issued	No sooner than 30 days after proposed decision

The proceeding will stand submitted upon the filing of reply briefs unless the ALJ requires further evidence or argument. Based on this schedule, the

proceeding will be resolved within 18 months as required by Pub. Util. Code Section 1701.5.

**5. Alternative Dispute Resolution Program and Settlements**

The Commission's Alternative Dispute Resolution (ADR) program offers mediation, early neutral evaluation, and facilitation services, and uses ALJs who have been trained as neutrals. At the parties' request, the assigned ALJ can refer this proceeding to the Commission's ADR Coordinator. Additional ADR information is available on the Commission's website.

Any settlement between parties, whether regarding all or some of the issues, shall comply with Article 12 of the of the Commission's Rules of Practice and Procedure and shall be served in writing. Such settlements shall include a complete explanation of the settlement and a complete explanation of why it is reasonable in light of the whole record, consistent with the law and in the public interest. The proposing parties bear the burden of proof as to whether the settlement should be adopted by the Commission.

**6. Category of Proceeding and Ex Parte Restrictions**

This ruling confirms the Commission's preliminary determination<sup>3</sup> that this is a ratesetting proceeding. Accordingly, *ex parte* communications are restricted and must be reported pursuant to Article 8 of the Commission's Rules of Practice and Procedure.

**7. Public Outreach**

Pursuant to Pub. Util. Code Section 1711(a), I hereby report that the Commission sought the participation of those likely to be affected by this matter

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<sup>3</sup> Resolution ALJ 176-3524 at 3.

by noticing it in the Commission's monthly newsletter that is served on communities and businesses that subscribe to it and posted on the Commission's website.

## **8. Intervenor Compensation**

Pursuant to Pub. Util. Code Section 1804(a)(1), a customer who intends to seek an award of compensation must file and serve a notice of intent to claim compensation by June 9, 2023, 30 days after the PHC.

## **9. Response to Public Comments**

Parties may, but are not required to, respond to written comments received from the public. Parties may do so by posting such response using the "Add Public Comment" button on the "Public Comment" tab of the online docket card for the proceeding.

## **10. Public Advisor**

Any person interested in participating in this proceeding who is unfamiliar with the Commission's procedures or has questions about the electronic filing procedures is encouraged to obtain more information at <http://consumers.cpuc.ca.gov/pao/> or contact the Commission's Public Advisor at 866-849-8390 or 866-836-7825 (TTY), or send an email to [public.advisor@cpuc.ca.gov](mailto:public.advisor@cpuc.ca.gov).

## **11. Filing, Service, and Service List**

The official service list has been created and is on the Commission's website. Parties should confirm that their information on the service list is correct and serve notice of any errors on the Commission's Process office, the service list, and the ALJ. Persons may become a party pursuant to Rule 1.4.<sup>4</sup>

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<sup>4</sup> The form to request additions and changes to the Service list may be found at: <https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/administrative-law-judge-division/documents/additiontoservicelisttranscriptordercompliant.pdf>.

When serving any document, each party must ensure that it is using the current official service list on the Commission's website.

This proceeding will follow the electronic service protocol set forth in Rule 1.10. All parties to this proceeding shall serve documents and pleadings using electronic mail whenever possible, transmitted no later than 5:00 p.m. on the date scheduled for service to occur. Notwithstanding Rule 1.10, parties are not required to serve a paper copy of filed or served documents on the assigned ALJ unless specifically instructed to do so.

When serving documents on Commissioners or their personal advisors, whether or not they are on the official service list, parties must only provide electronic service. Parties must not send hard copies of documents to Commissioners or their personal advisors unless specifically instructed to do so.

Persons who are not parties but wish to receive electronic service of documents filed in the proceeding may contact the Process Office at [process\\_office@cpuc.ca.gov](mailto:process_office@cpuc.ca.gov) to request addition to the "Information Only" category of the official service list pursuant to Rule 1.9(f).

The Commission encourages those who seek information-only status on the service list to consider the Commission's subscription service as an alternative. The subscription service sends individual notifications to each subscriber of formal e-filings tendered and accepted by the Commission. Notices sent through subscription service are less likely to be flagged by spam or other filters. Notifications can be for a specific proceeding, a range of documents and daily or weekly digests.

## **12. Receiving Electronic Service from the Commission**

Parties and other persons on the service list are advised that it is the responsibility of each person or entity on the service list for Commission



