

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



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Application Of Southern California Edison
Company (U 338-E) For Authority To Increase
Its Authorized Revenues For Electric Service
In 2025, Among Other Things, And To Reflect
That Increase In Rates.

Application No. 23-05-010
(Filed May 12, 2023)

**MOTION OF CALIFORNIA COMMUNITY CHOICE ASSOCIATION
FOR PARTY STATUS**

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

Application Of Southern California Edison Company (U 338-E) For Authority To Increase Its Authorized Revenues For Electric Service In 2025, Among Other Things, And To Reflect That Increase In Rates.

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**MOTION OF CALIFORNIA COMMUNITY CHOICE ASSOCIATION
FOR PARTY STATUS**

Pursuant to Rule 1.4 of the Rules of Practice and Procedure of the California Public Utilities Commission (Commission), the California Community Choice Association¹ (CalCCA) respectfully moves for party status in the above-captioned proceeding, Application 23-05-010, *Application Of Southern California Edison Company (U 338-E) (SCE) For Authority To Increase Its Authorized Revenues For Electric Service In 2025, Among Other Things, And To Reflect That Increase In Rates* (Application).

I. DESCRIPTION OF CALCCA

CalCCA seeks to participate in this proceeding in order to protect the interests of the community choice aggregators (CCAs) it represents and the interests of those CCAs' customers. CalCCA represents the interests of 24 CCAs in California, including five CCAs that serve SCE's

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 of Southern California, 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.

delivery service customers: California Choice Energy Authority, Central Coast Community Energy, Clean Power Alliance of Southern California, Desert Community Energy, and Orange County Power Authority.² Each of those CCAs is governed by a Board of Directors comprised of elected officials who represent the individual cities and counties the CCA serves, or an elected City Council. While CalCCA's advocacy frequently benefits both bundled and unbundled customers, the CCAs are the sole advocates for their customers and their local energy programs before this Commission.

CCA customers pay CCA-specific generation rates, which vary and are partially influenced by local mandates to increase electric vehicle use, procure and maintain clean electricity portfolios that in many cases exceed state requirements for renewable generation, and achieve other local goals. As a result, CCA customers receive generation services from their local CCA, and receive transmission, distribution, billing, and other services from the incumbent investor-owned utility (IOU). In addition, CCA and other unbundled customers are subject to several non-bypassable charges (NBCs), including the Power Charge Indifference Adjustment (PCIA) and the Cost Allocation Mechanism (CAM).

The CCAs represented by CalCCA are advocates for the customers in the local communities that formed them. Ensuring the accuracy of the PCIA and other charges CCA customers pay, planning for changes to these charges, and protecting customers from the rate shock that can result, are core directives for all CCAs and essential for any load-serving entity (LSE). As a result of these factors, and those discussed further below, CalCCA and its members have a real, present, tangible, and pecuniary interest in this proceeding.

² CalCCA notes that Clean Power Alliance of Southern California (CPA) and California Choice Energy Authority (CalChoice) have already obtained party status in this proceeding via their joint protest filed on June 14, 2023. In this Motion, CalCCA respectfully requests independent party status.

II. STATEMENT OF INTERESTS PERTINENT TO THE ISSUES PRESENTED

CalCCA's members and their customers have a direct interest in ensuring SCE's costs are just and reasonable and appropriately functionalized across SCE's lines of business. Further, CalCCA has an interest in ensuring the ratemaking and functionalization issues raised by SCE's Application are resolved in a manner that is consistent with how these issues are being handled in the other IOUs' service territories. Based on its review to date, CalCCA has identified two primary issues in SCE's Application that directly and substantially impact its interests: (1) SCE's proposal to nearly double revenue from CCA service fees, and (2) SCE's proposal to invest hundreds of millions of dollars in generation-related capital expenditures, which will be PCIA-eligible and borne by both bundled and unbundled customers.

First, SCE's request to increase certain CCA service fees would nearly double revenue from such charges despite the utility forecasting no new mass enrollments of CCA customers during the test year.³ SCE's justification for the charges relies on vague statements about the utility "accumulat[ing] additional information" regarding the costs and the scope of services being performed that are not captured by the existing fees.⁴ One existing fee, the Monthly Account Maintenance Fee (MAMF), will increase from \$0.04 per service account (SA) per month to \$0.22 per SA per month,⁵ an increase of 456%. SCE also proposed a new "monthly bank fee,"⁶ a new meter-related services fee,⁷ a new system set up and EDI testing fee,⁸ and an enrollment and reversion project fee.⁹ In addition, SCE has proposed to change the nature of many of the fees

³ Exh. SCE-03-01 at 157, Figure V-33; *id.* at 148 n. 226.

⁴ *Id.* at 146:17-147:4 and 148:5-10.

⁵ *Id.* at Table V-49, line 15.

⁶ *Id.* at 151:24; *id.* at 152:1 to 153:2.

⁷ *Id.* at 151:21-22; *id.* at 153:23 to 154:12.

⁸ *Id.* at 153:3-14.

⁹ *Id.* at 153:15-22.

charged. For example, some of the fees appear to now be charged monthly despite the services—such as enrolling large groups of new customers—occurring only once, or on a frequency far fewer than each month.

Through its participation in this proceeding, CalCCA seeks to ensure that these fees that CCA customers will pay are just and reasonable, and that the corresponding level of service CCA customers receive is satisfactory. Notably, despite seeking these large fees increases, SCE’s Application does not mention any corresponding increase in the level or quality of service CCAs and their customers should expect to receive. At times, that service has been poor and mistake-riddled, with the utility exacerbating errors by failing to address problems in a timely fashion. For example, SCE identified what it calls additional “routine” activities, including account assistance, exception processing, CCA system and tech support, customer billing, and IT.¹⁰ Those services are some of the most problematic for CCAs and their customers. If these services provided to a CCA customer will indeed be incremental, to the point where a new charge or an increase in existing charges is justified, a doubling of revenue from CCA fees should at least double the quality of services CCAs and their customers receive.

Second, SCE’s Application proposes to increase rates for residential customers by 10%,¹¹ with hundreds of millions of dollars in generation-related capital expenditures contributing to this large rate increase.¹² Because the utility-owned generation (UOG) cost components of the revenue requirements underlying the PCIA and CAM are determined within general rate case (GRC) proceedings, through these proposed capital expenditures in this case, SCE is in effect proposing to raise these generation-related NBC costs for CCA customers. As SCE’s GRC is the only

¹⁰ *Id.* at 149:4-13.

¹¹ Exh. SCE-01-01 at 7:2-5.

¹² *See generally*, Exh. SCE-05-01.

opportunity to ensure that SCE’s UOG costs, including those that are ultimately recovered through NBCs, are just, reasonable, prudently incurred, and correctly vintaged, CalCCA has a strong interest in these generation-related costs SCE proposes to incur within this proceeding.

The Commission adopted the PCIA to ensure that when IOU customers depart from bundled service and receive their electricity from a non-IOU provider, such as a CCA, those customers remain responsible for costs previously incurred on their behalf by the IOUs—but only those costs.¹³ In Decision (D.) 18-10-019, the Commission concluded that “new investments in an old power plant may represent such a significant overhaul of the facility as to justify a ‘re-vintaging’ of the facility. Likewise, it is possible that plant investments for certain upgrades may justify a different vintage treatment for those investments than for the underlying facility.”¹⁴

In this proceeding, SCE has proposed a number of new investments in its existing generation plants that may warrant re-vintaging of an entire generation plant, assigning a different vintage specific to those investments, or setting a new vintage for newly procured resources. These investments include:

- \$205 million in capital expenditures for “projects required to sustain station reliability” at Palo Verde;¹⁵
- \$84 million in capital expenditures for Mountain View generating station;¹⁶
- Replacement of certain diesel generators at Catalina Island with an all-source clean energy RFO, two new diesel units, and the replacement or retrofit of an existing unit;¹⁷ and
- \$470 million in hydroelectric generation capital projects.¹⁸

¹³ D.18-10-019 at 2-3.

¹⁴ *Id.* at 135.

¹⁵ Exh. SCE-05-01 at 276:6.

¹⁶ *Id.* at 220, Table III-46.

¹⁷ *Id.* at 24:1 to 29:9.

¹⁸ *Id.* at 68:21-22.

To the extent the resources at issue are PCIA-eligible resources, and depending on the magnitude and nature of the investments and their impact on SCE's generating facilities, these additional investments could necessitate a reconsideration of the vintaging treatment for some or all of the associated asset revenue requirements. CalCCA's ongoing review of SCE's Application may also reveal additional instances where a close look at the proposed vintaging of generation costs is warranted.

As such, and for the reasons stated above, CalCCA has a real, present, tangible, and pecuniary interest in SCE's proposals and a substantial interest in ensuring that any revenue increases are properly categorized and reflect the actual costs of providing various SCE services. Further, CalCCA is still examining the Application and its supporting volumes of testimony, and reserves the right to address additional issues in the course of this proceeding as they arise through further review, analysis, discovery, and investigation of all aspects of the Application.

III. FACTUAL AND LEGAL CONTENTIONS CALCCA INTENDS TO MAKE IN THIS PROCEEDING

CalCCA intends to make the following factual and legal contentions, among others, as necessary, over the course of its involvement in this proceeding:

1. SCE's proposed CCA service fees must accurately reflect SCE's cost of service.
2. If SCE's proposed CCA service fees cover any services that are incremental to the level of service currently provided, to the point where a new charge or an increase in existing charges is justified, the requested increase in revenue should correspond to an increase in the level or quality of services CCAs and their customers receive.
3. SCE's proposed new investments in its existing generation plants may necessitate a re-vintaging of an entire generation plant, the assignment of a different vintage

specific to the new investments, or the assignment of a new vintage to newly procured resources.

As such, and because CalCCA accepts the record of this proceeding without exception, its participation will not broaden the scope of or cause undue delay to this proceeding.

IV. COMMUNICATIONS

CalCCA consents to “email only” service and requests that the following individual be added to the service list for A.23-05-010 as CalCCA’s representative in this proceeding:

Party Representative

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V. CONCLUSION

For the foregoing reasons, CalCCA respectfully requests the Commission grant its motion for party status.

Dated: August 29, 2023

Respectfully submitted,



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On behalf of CalCCA