



September 11, 2023

VIA EMAIL

Mr. Carl Linvill (clinvill@raponline.org)

Ms. Jennifer Gardner (jennifer@envisionenergyllc.com)

Re: California Community Choice Association's (CalCCA) Response to West-Wide Governance Pathway Initiative Overview and Questions for Stakeholders

Dear Mr. Linvill and Ms. Gardner:

California Community Choice Association (CalCCA) appreciates the opportunity to provide the attached response to *West-Wide Governance Pathway Initiative Overview and Questions for Stakeholders*, distributed on August 29, 2023. CalCCA represents load-serving entities serving more than 14 million California customers and thus has a strong interest in exploring the cost savings and reliability greater regional coordination could deliver. CalCCA looks forward to working closely with policymakers and other stakeholders to explore these opportunities, beginning with Phase 1 of the Initiative.

Sincerely,

Beth Vaughan
Executive Director,
California Community Choice Association

Attachment: California Community Choice Association Response to Questions for Stakeholders (Sept. 11, 2023).



WEST-WIDE GOVERNANCE PATHWAY INITIATIVE

California Community Choice Association Response to Questions for Stakeholders

September 11, 2023

California Community Choice Association¹ (CalCCA) appreciates the opportunity to respond to the Questions for Stakeholders distributed on August 29, 2023, by the West-Wide Governance Pathway Initiative (Initiative). It is critically important to move forward deliberately and quickly to explore options for increased regional coordination in the West to capture the potential benefits for ratepayers and other stakeholders. For this reason, and recognizing the complexity of the decision in front of us, CalCCA supports the Phase 1 proposal advanced by the Initiative, offering a few refinements for consideration.

- 1. The design of Phase 1 is being facilitated outside of any existing organization or decision-making process. What pros and cons do you see to continuing this approach in Phase 1? If you see challenges inherent in this approach, what solutions do you recommend?*

The approach outlined by the Initiative makes sense. Facilitation of the process by a neutral party, rather than a policymaker or other stakeholder, is critical to trust-building and should ensure that all voices are heard. Neutrality of the process will be supported by 501(c)(3) funding. Facilitators, however, should not be decisionmakers, and full consensus will be difficult to achieve. Accordingly, transparency should be incorporated in the process where reasonable, and thought should be given at the outset to the decisionmaking process for the Initiative and who will be responsible for confirming any decisions.

- 2. What is most important to you about the structure and process for Phase 1? What solutions would you propose to address your structure and process-related priorities for Phase 1?*

Time is of the essence in determining the direction of Western markets, and stakeholders should strive for an efficient and transparent rather than a perfect process. The process should provide:

- ✓ Up-front identification of key objectives;
- ✓ Milestones and a schedule;

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 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.

- ✓ A vision of the initial (i.e., 2024) end-state;
- ✓ Transparency of analysis and decisionmaking through a designated website and public meetings;
- ✓ Advance notice of the process; and
- ✓ Leveraging of existing models and processes, including the Western Energy Imbalance Market, Extended Day Ahead Market and the related governance structures.

CalCCA looks forward to further opportunities to refine the process and chart a clear path to completing Phase 1.

3. *What do you like about the brief description of the Phase 1 scope and what would you change in the Phase 1 scope? Please provide your reasoning for any changes you propose.*

At a high level, the Phase 1 scope includes most of the necessary components for a decisionmaking process. Critically, however, the process must define early on the scope of operations of the entity under consideration. For example, is the focus an organization operating day-ahead and imbalance markets or will the organization have transmission responsibilities? Will the scope of the organization change over time? The formation plan, board selection, and other processes require a clear understanding of where the organization is headed.

4. *What stakeholder engagement model do you believe is best suited to simultaneously enable:*
 - a. *broad stakeholder involvement in Phase 1 and future phases; and*
 - b. *an ability to efficiently move through the work that must be completed in each of those phases?*

A Phase 1 model relying on policymakers from each jurisdiction and designated representatives from each key stakeholder or stakeholder group is likely to serve the interest of expeditious decisionmaking. The process should include both meetings with all representatives and meetings with smaller working groups to inform key questions identified at the outset of the process. The model should be supported by (i) publicly disseminated information at a regular cadence, (ii) periodic opportunities for informal written comments; and (iii) inclusive public meetings to gather input and share updates. The Phase 2 model, given more time, should have a more formalized stakeholder process akin to the California Independent System Operator Corporation's stakeholder initiatives.

CalCCA looks forward to the opportunity to work with and support policymakers and other stakeholders to explore both short- and long-term regional coordination opportunities.