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BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Implement Senate Bill 520 and Address Other Matters Related to Provider of Last Resort.	R.21-03-011

CALIFORNIA COMMUNITY CHOICE ASSOCIATION'S COMMENTS ON THE PROPOSED DECISION SETTING GUIDELINES FOR PROVIDER OF LAST RESORT APPLICATIONS

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SUMMARY OF RECOMMENDATIONS[1]

- The Proposed Decision should be adopted as it logically defers the case specific inquiry required by Public Utilities Code section 387[2] to an application by a non-IOU entity for POLR status; and

- The Commission should guarantee the pathway for an applicant to seek guidance on threshold questions.

[1] Acronyms used herein are defined in the body of this document.

[2] All subsequent code sections cited herein are references to the California Public Utilities Code unless otherwise specified.

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The California Community Choice Association[3] (CalCCA) submits these comments pursuant to Rule 14.3 of the California Public Utilities Commission (Commission) Rules of Practice and Procedure[4] on the proposed *Decision Setting Guidelines for Provider of Last Resort Applications*[5] (Proposed Decision), dated December 12, 2025.

I. INTRODUCTION

California Public Utilities Code section 387 requires the Commission to establish parameters for a load serving entity (LSE) other than an investor-owned utility (IOU) to serve as the Provider of Last Resort (POLR). The Proposed Decision will close the proceeding and satisfies the requirements of section 387 by adopting guidelines for non-IOUs to file an application for POLR status and for the Commission to develop "situation-specific criteria for eligibility to serve as a POLR."[6] The Commission logically establishes general parameters for

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[3] California Community Choice Association represents the interests of 24 community choice electricity providers in California: Apple Valley Choice Energy, Ava Community Energy, Central Coast Community Energy, Clean Energy Alliance, Clean Power Alliance of Southern California, CleanPowerSF, Desert 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.

[4] *State of California Public Utilities Commission, Rules of Practice and Procedure, California Code of Regulations Title 20, Division 1, Chapter 1* (May 2021), https://webproda.cpuc.ca.gov/-/media/cpuc-website/divisions/administrative-law-judge-division/documents/rules-of-practice-and-procedure-may-2021.pdf.

[5] Proposed *Decision Setting Guidelines for Provider of Last Resort Applications*, Rulemaking (R.) 21-03-011 (Dec. 12, 2025), https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M590/K884/590884359.PDF.

[6] Proposed Decision at 1.

non-IOU POLR service, along with procedural next steps for a non-IOU LSE to have its fact specific circumstances considered in an application proceeding applying the section 387 requirements. Given no non-IOU LSE currently seeks to serve as the POLR, this process conserves the Commission's and party resources until an application is actually filed. CalCCA supports this approach with one proposed modification, as set forth below.

The Proposed Decision allows applicants to identify in the application any "threshold questions that, depending on the outcome, may influence whether the applicant would continue to seek POLR status."[7] The Proposed Decision states that "[i]f the applicant identifies these questions in its application, the Commission ***may*** choose to prioritize its review of those sections to provide clarity on these questions in an initial decision before issuing a final determination on the application."[8] While CalCCA appreciates the Commission's acknowledgment that applicants may have such threshold questions, the Commission should definitively establish that applicants ***may*** submit these threshold questions and the Commission ***will*** provide an initial ruling or decision. Depending on the answers to the threshold questions, the applicant can then decide whether to move forward with its (potentially amended) application.

In summary, the Commission should:

- Adopt the Proposed Decision, with one modification, as it logically defers the case specific inquiry required by section 387 to an application by a non-IOU entity for POLR status; and
- Modify the Proposed Decision to guarantee the pathway for an applicant to seek guidance on threshold questions.

II. THE PROPOSED DECISION SHOULD BE ADOPTED, WITH ONE MODIFICATION, AS IT LOGICALLY DEFERS THE CASE SPECIFIC INQUIRY REQUIRED BY SECTION 387 TO AN APPLICATION BY A NON-IOU ENTITY FOR POLR STATUS

CalCCA supports deferring a case-specific inquiry set forth in section 387 to an application by a non-IOU entity for POLR status and closing the proceeding. While section 387 requires the Commission to establish the framework for a non-IOU LSE to serve as POLR, there are currently no non-IOU entities expressing near-term intent to serve as a POLR.

The Proposed Decision satisfies the requirements of section 387 by adopting guidelines for non-IOUs to file an application for POLR status and for the Commission to develop

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7 *Id.* at 19.

8 *Id.* (emphasis added).

situation-specific criteria for eligibility. This approach is logical, as it allows the Commission to consider issues specific to each applicant and its application as they arise. It will also allow the Commission and parties to conserve limited time and resources until a decision is needed. For these reasons, the Proposed Decision should be adopted, with one modification described below.

III. THE COMMISSION SHOULD GUARANTEE THE PATHWAY FOR AN APPLICANT TO SEEK GUIDANCE ON THRESHOLD QUESTIONS

The Commission should modify the Proposed Decision to guarantee that, before issuing a final decision on a POLR application, the Commission will answer threshold questions that may influence whether an applicant continues to seek POLR status. The Proposed Decision states:

> POLR applications submitted pursuant to this decision may identify their own threshold questions that, depending on the outcome, may influence whether the applicant would continue to seek POLR status. If the applicant identifies these questions in its application, the Commission ***may*** choose to prioritize its review of those sections to provide clarity on these questions in an initial decision before issuing a final determination on the application.[9]

This provides POLR applicants the opportunity to provide threshold questions in their application but also provides the Commission ***the option*** to provide guidance on the applicant's threshold questions before issuing a final determination on the application.

The Proposed Decision should be modified to guarantee that, if the POLR applicant provides threshold questions, the Commission will provide guidance on those questions in a ruling or decision before issuing a final determination on the application. This modification will ensure that applicants fully understand the requirements and Commission regulations associated with POLR status. It will also provide applicants the opportunity to fully respond to the questions in the Proposed Decision, Appendix A, and confirm their desire to seek POLR status before the applicant and Commission invest time and resources on a full application (which could potentially be amended after receipt of the initial ruling or decision).

[9] Proposed Decision at 19-20 (emphasis added).

The Proposed Decision should therefore be modified as follows:[10]

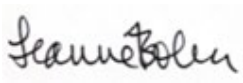
> …POLR applications submitted pursuant to this decision may identify their own threshold questions that, depending on the outcome, may influence whether the applicant would continue to seek POLR status. If the applicant identifies these questions in its application, the Commission **will** ~~**may choose to**~~prioritize its review of those sections to provide clarity on these questions in an initial ruling or decision before issuing a final determination on the application.

In addition, the Conclusions of Law should be amended as set forth in Appendix A, attached hereto.

IV. CONCLUSION

CalCCA appreciates the opportunity to submit these comments. For all the foregoing reasons, the Commission should adopt the Proposed Decision, with the recommended modifications set forth herein.

Respectfully submitted,



Leanne Bober,
Director of Regulatory Affairs and Deputy General Counsel

CALIFORNIA COMMUNITY CHOICE ASSOCIATION

January 2, 2026

[10] *See* Proposed Decision at 19-20; proposed text deletions show as ~~**bold and strikethrough**~~. Proposed text additions show as **bold and underlined**.

APPENDIX A
TO
CALIFORNIA COMMUNITY CHOICE ASSOCIATION'S COMMENTS ON THE PROPOSED DECISION SETTING GUIDELINES FOR PROVIDER OF LAST RESORT APPLICATIONS

PROPOSED CHANGES TO FINDINGS OF FACT, CONCLUSIONS OF LAW AND ORDERING PARAGRAPHS

Proposed text deletions show as **~~bold and strikethrough~~**
Proposed text additions show as **bold and underlined**

CONCLUSIONS OF LAW

3. If a non-IOU entity identifies threshold questions in its application for which the Commission's answers will determine whether the entity will continue to seek POLR status, the Commission will prioritize issuing an initial ruling or decision answering those threshold questions before issuing a final determination on the application, and allow the applicant to decide after the initial decision whether it will continue to seek POLR status through its (potentially amended) application.

~~3.~~ 4. It is reasonable to affirm all rulings made by the Administrative Law Judge and assigned Commissioner in this proceeding.

~~4.~~ 5. It is reasonable to deny all motions not ruled on in this proceeding.

~~5.~~ 6. It is reasonable to close this rulemaking.