

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE
STATE OF CALIFORNIA



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Order Instituting Investigation on the
Commission's Own Motion to Determine
Whether Pacific Gas and Electric Company and
PG&E Corporation's Organizational Culture
and Governance Prioritize Safety.

Investigation 15-08-019
(Filed August 27, 2015)

**MOTION TO BECOME A PARTY
OF THE CALIFORNIA LARGE ENERGY CONSUMERS ASSOCIATION**

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February 28, 2019

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Pursuant to Rule 1.4(a)(4) of the Rules of Practice and Procedure of the California Public Utilities Commission (Commission), the California Large Energy Consumers Association (CLECA) submits this motion to become a party; CLECA seeks party status to respond to the opening comments of the East Bay Community Energy, Peninsula Clean Energy Authority, Pioneer Community Energy, Silicon Valley Clean Energy, Sonoma Clean Power, Valley Clean Energy Alliance, and City of San Jose (Joint CCAs).

I. DESCRIPTION OF CLECA AND CLECA'S INTEREST IN THE INVESTIGATION

CLECA is an organization of large industrial electric customers of Pacific Gas & Electric Company (PG&E) and Southern California Edison Company; CLECA has been active in Commission proceedings since the early-to-mid 1980s. Some members take bundled service, some take Direct Access (DA) service, and some members take service from Community Choice Aggregators (CCAs). The member companies are in the steel, cement, industrial gas, mining, pipeline, cold storage, and beverage industries and share the fact that electricity costs comprise a significant portion of their costs of production. The retail costs of electricity in California are

among the highest in the nation.¹ CLECA members all participate in utility demand response programs and energy efficiency programs to mitigate the impact of these high costs on the global competitiveness of their products.

CLECA is now interested in this Investigation because of its potential impact on the CLECA members' participation in PG&E demand response programs and ability to engage in DA when eligibility is expanded on or after June 2019, pursuant to statutory directive. The Joint CCAs posit that "PG&E should be removed entirely from the retail generation side of the business"²; this Joint CCA position includes terminating the utility's demand response programs (to be turned over to the CCAs)³ and foreclosing new DA opportunities.⁴ This position by the Joint CCAs could impact these CLECA interests.

II. DESCRIPTION OF CONTENTIONS TO BE MADE AND DEMONSTRATION OF REASONABLE PERTINENCE TO ISSUES ALREADY PRESENTED

A. CLECA's Intended Contentions

First, CLECA intends to contend that the Commission has established a process for terminating a utility's ability to offer demand response programs to CCA customers: the Commission determines if a CCA's demand response program is similar to a utility demand response program; if found similar, this impacts the ability of CCA customers to participate in the utility's demand response program.⁵ This is due to the critical importance of customer

¹ https://www.eia.gov/electricity/monthly/epm_table_grapher.php?t=epmt_5_6_a

² Opening Comments of the East Bay Community Energy, Peninsula Clean Energy Authority, Pioneer Community Energy, Silicon Valley Clean Energy, Sonoma Clean Power, Valley Clean Energy Alliance, and City of San Jose (Joint CCAs Opening Comments), at 4.

³ Joint CCAs Opening Comments, at 6-7.

⁴ Joint CCAs Opening Comments, at 3.

⁵ D. 16-09-056, at 46 ("Demand response customers shall have the right to provide demand response through a service provider of their choice"); *see also* Id, at 52 ("We plan to ensure that a broad array of demand response options, including demand response provider options, is offered to customers. As we

choice in demand response, as recognized by D. 16-09-056 and D. 17-10-017. CLECA intends to contend that Commission Decisions 16-09-056 and 17-10-017 should not be changed by the Joint CCA comments in this investigation.

Second, CLECA intends to contend that the expansion of DA by 4,000 GWh is set by statute⁶ and that that recently-mandated expansion should not be limited or foreclosed in PG&E's service territory in this investigation. The statutory requirements are clear, and CLECA intends to contend that the Joint CCA request for support for amendments are misguided.

B. Demonstration of Reasonable Pertinence to Issues Already Presented

CLECA will be making these contentions in direct response to the comments of Joint CCAs. First, the Joint CCAs request to "[p]ut financial stewardship, responsibility and control over programs such as demand response, energy efficiency and transportation electrification under local [CCA] control."⁷ Second, the Joint CCAs state,

The Commission should support legislative amendments that give local CCA governing boards the ability to be the only provider of retail electric service to all customers in the community currently served by either the CCA or PG&E. Under this framework, when PG&E leaves retail service, PG&E's bundled customers would migrate to an existing or to be formed, CCA or municipal utility serving their community. Current direct access customers would not be impacted by this transition and would still be able to retain their service from an energy service provider. However, if a direct access customer wants to exit direct access or, if a direct access provider is unable to comply with state

discuss below, it is the customers who should determine what role the Utilities will play in the future, through their selections from the various options that are provided. Utilities and third-party providers should fairly compete on a level playing field to vie for customers to enroll in their demand response programs."); *see also* D. 17-10-017, at 15 ("In balancing the objective of competitive fairness with the objectives established in the demand response goal and principles,²⁶ this Decision establishes the following four-step process for implementing the Competitive Neutrality Cost Causation Principle.").

⁶ Pub.Util.Code §365.1(e) ("On or before June 1, 2019, the commission shall issue an order regarding direct transactions that provides as follows: (1) Increase the maximum allowable total kilowatt-hours annual limit by 4,000 gigawatt-hours and apportion that increase among the service territories of the electrical corporations. (2) All residential and nonresidential customer accounts that are on direct access as of January 1, 2019, remain authorized to participate in direct transactions.")

⁷ Joint CCAs Opening Comments, at 3.

regulations, the direct access customer would migrate to the CCA serving their community.⁸

These issues have thus been explicitly presented by the Joint CCAs in their comments in the investigation; accordingly, CLECA's intended contentions are reasonably pertinent to issues already in the proceeding. CLECA seeks the ability to respond directly as a party to these comments on a timely basis in accordance with Commission Rules of Practice and Procedure; CLECA does not seek to change the scope of the proceedings or the schedule.

III. CONCLUSION

For the above reasons, the Commission should expeditiously grant this motion.

Respectfully submitted,

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February 28, 2019

⁸ Joint CCAs Opening Comments, at 6-7.