

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

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 FOR PARTY STATUS OF THE ALLIANCE FOR RETAIL ENERGY MARKETS

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Consultant To
ALLIANCE FOR RETAIL ENERGY MARKETS

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## MOTION FOR PARTY STATUS OF THE ALLIANCE FOR RETAIL ENERGY MARKETS

Pursuant to Section 1.4 of the California Public Utilities Commission's Rules of Practice and Procedure, the Alliance for Retail Energy Markets ("AReM")<sup>1</sup> submits this Motion for Party Status in this proceeding to investigate whether Pacific Gas and Electric Company's ("PG&E's") corporate organizational culture and governance appropriately prioritize safety. AReM seeks party status in this proceeding to address issues raised in the "Assigned Commissioner's Scoping Memo and Ruling," issued on December 21, 2018 ("December 21<sup>st</sup> Ruling").

#### I. AReM'S INTEREST IN THIS PROCEEDING

AReM is a regulatory alliance of electric service providers ("ESPs") providing competitive electricity service to retail customers in California's direct access market. The most recent data available show that direct access comprises more than 13% of load in the service territories of California's investor-owned utilities, which ESPs compete to serve.<sup>2</sup> AReM's members are also active in the competitive natural gas market providing service to commercial

<sup>&</sup>lt;sup>1</sup> AReM is a California non-profit mutual benefit corporation formed by electric service providers that are active in the California's direct access market. This filing represents the position of AReM, but not necessarily that of a particular member or any affiliates of its members with respect to the issues addressed herein.

<sup>&</sup>lt;sup>2</sup> Supplemental Direct Access Implementation Activities Report, report prepared by Energy Division, providing data as of October 30, 2018.

and industrial customers as Core Transport Agents ("CTAs") and to non-core load. Safe and reliable operations by the utility are of paramount concern to all customers served by PG&E's electric and natural gas delivery systems.

The December 21<sup>st</sup> Ruling set forth the scope of issues to be addressed in the next phase of this proceeding and explained that the proceeding will "review alternatives to the current management and operational structures of providing electric and gas service in Northern California" that could serve to improve the safe operation of the PG&E systems. In particular, the Ruling specifies that the scope of issues will address the following questions:<sup>4</sup>

- Should some or all of PG&E be reconstituted as a publicly owned utility or utilities?
- Should PG&E be a "wires-only company" that only provides electric distribution and transmission services with other entities providing generation services? If so, what entities should provide generation services?

These issues, including consideration and possible adoption of alternative corporate structures for PG&E, have profound significance for AReM and its customers in California, including new customers eligible for direct access with the passage of Senate Bill ("SB") 237.5 The legislation was signed into law in September 2018 and provides for an immediate increase in the amount of allowable direct access load by 4,000 gigawatt-hours in 2019 and also directs the Commission to provide recommendations to the Legislature by June 1, 2020 to further re-open direct access. The outcome of this investigation could potentially affect the implementation of SB 237 in PG&E's service territory. Accordingly, AReM has a material interest in the matters being addressed in this next phase. AReM intends to be an active participant in this proceeding as the Commission investigates alternative PG&E corporate structures

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<sup>&</sup>lt;sup>3</sup> December 21<sup>st</sup> Ruling, p. 2. <sup>4</sup> December 21<sup>st</sup> Ruling, p. 12.

<sup>&</sup>lt;sup>5</sup> Stats. 2018. Ch. 600.

#### II. NOTICE

Service of notices, orders, and other communications and correspondence in this proceeding should be directed as follows:

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#### III. CONCLUSION

AReM's participation in this proceeding will not prejudice any party, and will not delay the schedule or broaden the scope of the issues in the proceeding. For the reasons stated above, AReM respectfully requests that the Commission grant this Motion for Party Status.

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