

4/15/2019 L. Jan Reid



**FILED**

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

Order Instituting Rulemaking to Develop an  
Electricity Integrated Resource Planning  
Framework and to Coordinate and Refine Long-  
Term Procurement Planning Requirements.

Rulemaking 16-02-007  
(Filed February 11, 2016)

**REPLY COMMENTS OF L. JAN REID  
ON PROPOSED DECISION OF ADMINISTRATIVE LAW JUDGE FITCH**

April 15, 2019

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## **I. Introduction**

Pursuant to Rule 14.3 of the Commission's Rules of Practice and Procedure, L. Jan Reid (Reid) submits these reply comments on the proposed decision (PD) of Administrative Law Judge (ALJ) Julie Fitch in Rulemaking (R.) 16-02-007 concerning the Proposed System Portfolio and Plan for 2017-2018. (Agenda ID #17300) Acting Chief Administrative Law Judge (ALJ) Anne Simon mailed the PD on March 18, 2019. Reply comments are due on Monday, April 15, 2019. I will file this pleading electronically on the due date.

## **II. Summary and Recommendations**

I have relied on state law and past Commission rulings in developing recommendations concerning the IRP process. I recommend the following:<sup>1</sup>

1. The Commission should modify the PD and identify the parties whose pleadings violated Rule 14.3 and state that no weight will be given to their comments. (p. 2)
2. The Commission should reject the CCA's recommendation concerning CCA procurement. (pp. 3-4)

## **III. Proposed Findings**

My recommendations are based on the following proposed findings.

1. Rule 14.3(c) requires that PD comments shall focus on factual, legal, or technical errors in the proposed or alternate decision. (p. 2)
2. Public Utilities Code Section 454.52(a)(1) requires the Commission to ensure that LSEs meet eight separate requirements. (p. 4)

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<sup>1</sup> Citations for these recommendations and proposed findings are given in parentheses at the end of each recommendation and finding.

#### **IV. Legal Requirements**

The Commission's own rules state that: (Rule 14.3, Commission's Rules of Practice and Procedure)

(c) Comments shall focus on factual, legal or technical errors in the proposed or alternate decision and in citing such errors shall make specific references to the record or applicable law. Comments which fail to do so will be accorded no weight. Comments proposing specific changes to the proposed or alternate decision shall include supporting findings of fact and conclusions of law.

(d) Replies to comments may be filed within five days after the last day for filing comments and shall be limited to identifying misrepresentations of law, fact or condition of the record contained in the comments of other parties. Replies shall not exceed five pages in length.

I have read over 300 pages of comments on the PD submitted by other parties. Most parties did not limit their pleadings to the discussion of factual, legal, or technical errors as required by Rule 14.3. For example, Pacific Gas and Electric Company (PG&E) did not even mention the word "error" in their pleading.

Therefore, I recommend that the Commission identify the parties whose pleadings violated Rule 14.3 and state that no weight will be given to their PD comments.

## **V. CCA Procurement**

The California Community Choice Association (CCA) stated that: (CCA Comments, p. 11)

SB 350's IRP guidelines and AB 117's role for CCAs in the California energy market provide a legislative framework that seeks to balance the essential role of the Commission's statewide planning process with other interests, including local choice. In D.18-02-018 the Commission expressly recognized this framework, stating that it "...respect[s] the separate authority of the CCA governing boards and the limitations on our rate and contract authority for [CCAs]" and that "...with some exceptions related to renewable integration resources, the procurement decisions, customer rates, and contract terms and conditions (outside of the RPS) are the domain of the CCA governing boards and not the Commission."

First, the CCA does not provide a complete analysis of D.18-02-018. The decision also states that: (D.18-02-018, slip op. at 171)

We have also added some language to make clear our intention to work collaboratively and cooperatively with all LSEs and their representatives, including CCA governing boards, while still fulfilling our responsibility to ensure a reliable system that meets the state's GHG goals, for which CCAs have a joint responsibility with all other LSEs.

Thus, the Commission indicated that they will work collaboratively with the governing board, but that they still retain regulatory authority over CCA procurement.

An ESP or a CCA is an LSE as defined by Public Utilities Code Section (PUC §) 380(k) which states that "For purposes of this section, "load-serving entity" means an electrical corporation, electric service provider, or community choice aggregator." In turn, PUC § 454.52(a)(1)) adopts the definition of LSE as provided by PUC § 380(k).

Public Utilities Code Section (PUC §) 454.52(a)(1)) states that:

Beginning in 2017, and to be updated regularly thereafter, the commission shall adopt a process for each load-serving entity, as defined in Section 380, to file an integrated resource plan, and a schedule for periodic updates to the plan, to ensure that load-serving entities do the following:

(A) Meet the greenhouse gas emissions reduction targets established by the State Air Resources Board, in coordination with the commission and the Energy Commission, for the electricity sector and each load-serving entity that reflect the electricity sector's percentage in achieving the economywide greenhouse gas emissions reductions of 40 percent from 1990 levels by 2030.

(B) Procure at least 50 percent eligible renewable energy resources by December 31, 2030, consistent with Article 16 (commencing with Section 399.11) of Chapter 2.3.

(C) Enable each electrical corporation to fulfill its obligation to serve its customers at just and reasonable rates.

(D) Minimize impacts on ratepayers' bills.

(E) Ensure system and local reliability.

(F) Strengthen the diversity, sustainability, and resilience of the bulk transmission and distribution systems, and local communities.

(G) Enhance distribution systems and demand-side energy management.

(H) Minimize localized air pollutants and other greenhouse gas emissions, with early priority on disadvantaged communities identified pursuant to Section 39711 of the Health and Safety Code.

Thus, the Commission is required to ensure that CCAs, LSEs, and ESPs meet the eight conditions listed above. It is not possible for the Commission to meet its statutory requirements unless the Commission has the authority to regulate the procurement of LSEs and ESPs.

The Commission obviously has the authority to regulate the procurement of CCAs, ESPs, and LSEs. Therefore, the Commission should reject the CCA's recommendation concerning CCA procurement.

## **VI. Conclusion**

The Commission should adopt Reid's recommendations for the reasons given herein.

\* \* \*

Dated April 15, 2019 at Santa Cruz, California.

/s/

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## VERIFICATION

I, L. Jan Reid, make this verification on my behalf. The statements in the foregoing document are true to the best of my knowledge, except for those matters that are stated on information and belief, and as to those matters I believe them to be true.

I declare under penalty of perjury that the foregoing is true and correct.

Dated April 15, 2019 at Santa Cruz, California.

/s/

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