



FILED

10/14/19
04:59 PM

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

Application of Pacific Gas and Electric Company for
Authority, Among Other Things, to Increase Rates
and Charges for Electric and Gas Services Effective
on January 1, 2017.

(U 39 M)

Application 15-09-001
(Filed September 1, 2015)

**REPLY COMMENTS OF PACIFIC GAS AND ELECTRIC COMPANY (U 39 M)
CONCERNING THE PROPOSED DECISION OF ALJ ROSCOW
REGARDING COMPLIANCE MATTER**

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Dated: October 14, 2019

Attorneys for
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Pursuant to Rule 14.3 of the Rules of Practice and Procedure of the California Public Utilities Commission (Commission), Pacific Gas and Electric Company (PG&E) responds to the October 7, 2019 “Comments of The Utility Reform Network [TURN] on the Proposed Decision Regarding the Cost Ineffectiveness of Pacific Gas and Electric Company’s Smart Meter Investment.”

PG&E supports the September 17, 2019 Proposed Decision of ALJ Roscow (Proposed Decision or PD). PG&E did not provide opening comments on the PD because, pursuant to Rule 14.3(c), comments are to focus on “factual, legal or technical errors.” PG&E saw none. TURN also found none. Instead, TURN argues that the PD should be broadened to impose requirements for “all utilities” and for a wider group of “smart grid investments.”¹ For the reasons explained below, TURN’s recommended changes should be disregarded as beyond the scope of the Proposed Decision and, in any event, unnecessary for the purpose that TURN’s comments purport to achieve.

¹ TURN Comments, p. 1.

I. TURN FINDS NO ERRORS IN THE PROPOSED DECISION AND TURN'S COMMENTS SHOULD THUS BE ACCORDED NO WEIGHT

Rule 14.3(c) directs parties to focus their comments 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.” The Rule continues, “Comments which fail to do so will be accorded no weight.” Further, under the Rule, parties requesting specific changes are directed to “include supporting findings of fact and conclusions of law.” TURN’s comments fail to follow these requirements.

TURN’s comments do not identify any factual, legal or technical errors in the matter at hand, which is PG&E’s study of the cost-effectiveness of the SmartMeter™ upgrade. Rather, TURN expresses concern about other types of smart grid investments and requests that the Commission “add findings in this PD to require utilities to provide more explanation of alternatives and more sensitivity analyses in their requests for smart grid spending.”² In so broadening the topics covered by, and the purpose of, this Proposed Decision, TURN runs afoul of Rule 14.3.

One reason for the limits prescribed by Rule 14.3 is illustrated by TURN’s drift into matters outside the record of the proceeding. For instance, TURN comments on a Commission report issued well after the close of evidentiary proceedings, as well as investments made by utilities other than PG&E.³ TURN’s approach is inappropriate.

Accordingly, TURN’s comments should be disregarded as they fail to respect Rule 14.3. They wrongly (i) stray into matters outside the record of this proceeding, (ii) exceed the scope of matters covered by the Proposed Decision, and (iii) purport to impose requirements on utilities other than PG&E.

² TURN Comments, p. 6.

³ TURN Comments, p. 4, citing the CPUC’s Smart Grid Annual Report issued in February 2019 and discussing smart grid investments at San Diego Gas & Electric Company and Southern California Edison Company.

II. IN ADDITION TO BEING PROCEDURALLY INAPPROPRIATE, TURN'S REQUESTED FINDINGS ARE ALSO UNNECESSARY

After expressing general concern about smart grid investments, TURN asks for there to be “greater scrutiny and a consideration of cheaper alternatives” and for utilities “to provide more explanation of alternatives and more sensitivity analyses in their requests for smart grid spending.”⁴ To these ends, TURN requests that the Commission adopt general findings and requirements for all utilities in the areas of reporting, assumptions and sensitivity analyses.⁵ TURN’s requested findings and requirements are no substitute for those already imposed on utilities with respect to their smart grid investments.

With respect to specific technologies ordered to be considered for implementation by the Commission, such as was done for advanced metering infrastructure, the Commission can be expected to continue to identify the specific types of data that the Commission would like to see in utility showings. For example, the Commission’s numerous Smart Grid decisions, summarized in D.13-03-032, already provide detailed criteria for Commission review and evaluation of Smart Grid-related projects and pilots.⁶ Thus, TURN’s recommended findings would be a poor substitute for the investment-specific directives the Commission has historically requested.

Furthermore, for any investment put forward by the utilities in their General Rate Cases or other rate proceedings, the utility has the burden of showing that its request is just and reasonable. To the extent that the Commission, TURN or any other stakeholder has questions about the validity of the utility’s proposal in a specific proceeding, that proceeding is the most-effective venue to have those questions identified and addressed. Accordingly, TURN’s requested relief is unnecessary for the purpose that TURN’s comments purport to achieve.

⁴ TURN Comments, p. 6

⁵ TURN Comments, pp. 5-6.

⁶ See D.13-03-032, *mimeo*, pp. 3-5, 71.

III. CONCLUSION

For the foregoing reasons, the Commission should disregard TURN's recommendations and adopt the Proposed Decision as written.

Respectfully submitted,

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