

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



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Application of Pacific Gas and Electric
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Electric and Gas Service Effective on
January 1, 2020 (U39M).

Application No. 18-12-009
(Filed December 13, 2018)

**JOINT CCAS' RESPONSE TO MOTION OF PACIFIC GAS AND
ELECTRIC COMPANY TO AMEND SETTLEMENT AGREEMENT**

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On behalf of the Joint CCAs

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OF THE STATE OF CALIFORNIA**

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Pursuant to Rule 11.1(e) of the Rules of Practice and Procedure of the California Public Utilities Commission ("Commission"), East Bay Community Energy ("EBCE"),¹ Marin Clean Energy ("MCE"),² Peninsula Clean Energy Authority ("PCE"),³ Pioneer Community Energy ("Pioneer"),⁴ San José Clean Energy ("SJCE"),⁵ and Sonoma Clean Power ("SCP")⁶ (collectively, the "Joint CCAs") hereby submit this response to the *Motion of Pacific Gas and Electric Company ("PG&E") to Amend Settlement Agreement* ("Motion").⁷

¹ EBCE is the community choice aggregator ("CCA") for Alameda County.

² MCE is the CCA for Marin and Napa Counties, unincorporated Contra Costa County, and the Cities and Towns of Benicia, Concord, Danville, El Cerrito, Lafayette, Martinez, Moraga, Oakley, Pinole, Pittsburg, Richmond, San Pablo, San Ramon, and Walnut Creek.

³ PCE is the CCA for San Mateo County.

⁴ Pioneer is the CCA for Placer County.

⁵ SJCE is the CCA for the City of San José.

⁶ SCP is the CCA for the Cities of Cloverdale, Cotati, Fort Bragg, Petaluma, Point Arena, Rohnert Park, Santa Rosa, Sebastopol, Sonoma, Willits and the Town of Windsor, and the Counties of Sonoma and Mendocino.

⁷ A.18-12-009, *Motion of Pacific Gas and Electric Company (U 39 M) to Amend Settlement Agreement* (August 13, 2020) ("PG&E's Motion").

I. The Motion is Another Example of the Continuing Issues of Transparency and Accuracy in this Proceeding.

PG&E filed the Motion to correct certain numerical discrepancies in the Settlement Agreement⁸ that PG&E discovered as a result of the Energy Division’s discovery requests on the Agreement.⁹ The errors PG&E identified do not impact the revenue requirement in the Settlement Agreement,¹⁰ and to the Joint CCAs’ knowledge, do not impact any of the arguments, specific re-allocations of costs between generation and distribution functions, or any other recommendations that the Joint CCAs have advanced throughout this proceeding.

The Joint CCAs respond here to urge the Commission to recognize the continuing issues of transparency and accuracy impacting this proceeding. Prior to this Motion, PG&E had already submitted voluminous errata filings, comprising over 600 pages, that had been made part of the record in this proceeding.¹¹ In addition, PG&E filed a Motion for Official Notice of Facts (“Motion for Official Notice”) concurrently with its Reply Brief,¹² in which it requested that the Commission take official notice of information contained in PG&E Corporation’s and PG&E’s Form 10-K Annual Reports,¹³ which contradicted evidence the utility provided the Joint CCAs via discovery responses. As the Commission noted in its Ruling on this Motion for Official Notice, PG&E’s “fail[ure] to provide accurate . . . data throughout the course of the proceeding

⁸ A.18-12-009, *Joint Motion of the Public Advocates Office, the Utility Reform Network, Small Business Utility Advocates, Center for Accessible Technology, the National Diversity Coalition, Coalition of California Utility Employees, California City County Street Light Association, the Office of the Safety Advocate and Pacific Gas and Electric Company for Approval of Settlement Agreement* (December 20, 2019) (“Motion for Approval of Settlement Agreement”). All references herein to the Settlement Agreement pertain to the settlement agreement attached as Attachment 1 to the Motion for Approval of Settlement Agreement.

⁹ PG&E’s Motion, p. 1.

¹⁰ *Id.*

¹¹ See generally Exh. 26; Exh. 27.

¹² A.18-12-009, *Pacific Gas and Electric Company (U 39 M) Motion for Official Notice of Facts* (January 27, 2020) (“PG&E’s Motion for Official Notice”).

¹³ *Id.*, p. 1.

and . . . lateness in correcting its data, specifically in its Reply Brief, unfairly disadvantages JCCA by taking away JCCA’s opportunity to respond to the corrected data and to support its litigated positions in light of the corrected data.”¹⁴ PG&E’s continuous corrections to the record, via voluminous errata and motions, have interfered with parties’ ability to advance arguments with accurate utility data and information. The Commission should order PG&E to exercise greater care to improve the accuracy of its filings in future general rate cases so that parties can build an accurate and complete record.

In addition to these issues concerning the accuracy of its filings, PG&E has also failed to provide sufficient detail in its filings. In particular, as the Joint CCAs have pointed out throughout this proceeding, PG&E has not provided sufficient transparency and detail to justify and explain its functionalization methodologies and results for “common” Customer Care costs.¹⁵ These details are critical to understanding whether PG&E has equitably functionalized these costs based on cost causation principles. Further, the utility had issued five errata just to correct Customer Care cost allocation issues in this proceeding,¹⁶ prior to its Motion for Official Notice.

Going forward, the Commission should compel PG&E to provide more detailed utilization data, to inform a more equitable allocation of Customer Care and other common costs. Absent such an order, PG&E is likely to continue to use imprecise allocators that are not based on cost causation principles, and parties advocating for a more equitable allocation will continue to work with the limited—and often inaccurate—data they can receive through lengthy discovery

¹⁴ A.18-12-009, *E-Mail Ruling Granting in Part Pacific Gas and Electric Company’s Motion for Official Notice of Facts and Joint Community Choice Aggregators’ Motion to File Sur-Reply*, p. 5 (June 5, 2020).

¹⁵ See A.18-12-009, *Opening Brief of the Joint Community Choice Aggregators*, pp. 76-77 (January 6, 2020) (“Opening Brief”).

¹⁶ Exh. 216 at 39-41.

processes. For instance, over the course of this proceeding, the Joint CCAs submitted twenty sets of discovery questions—many of which focused on these functionalization issues—and still only received detailed utilization data for certain Customer Care costs, which the Joint CCAs then used to recommend precise allocators for such costs.¹⁷ In contrast, PG&E was unable to provide detailed data for other common Customer Care costs.¹⁸

The Commission can address these transparency issues going forward by (1) ordering PG&E to more carefully track the utilization of its various common Customer Care services between bundled and unbundled customers and to use those numbers to propose proper functionalization methods, and (2) requiring PG&E to present its allocations of all shared common costs more transparently in future general rate cases, in line with the Joint CCAs' recommendations in their Opening Brief.¹⁹

II. Conclusion

For the reasons stated herein, the Joint CCAs urge the Commission to recognize the continuing issues of transparency and accuracy in this proceeding. In so doing, the Commission should order PG&E in future general rate cases to (1) exercise greater care to improve the accuracy of its filings, (2) more carefully track the utilization of its various common Customer Care services between bundled and unbundled customers and use those numbers to propose proper functionalization methods, and (3) present its allocations of all shared costs more transparently.

¹⁷ Opening Brief, pp. 62-75.

¹⁸ *Id.*, pp. 75-78.

¹⁹ *Id.*, pp. 75-82.

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Respectfully submitted,

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