

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



**FILED**

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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, 2020. (U39M)

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

**JOINT CCAS' NOTICE OF EX PARTE COMMUNICATION**

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March 5, 2020

*On behalf of the Joint CCAs*

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Pursuant to Rule 8.4 of the Rules of Practice and Procedure of the California Public Utilities Commission ("Commission"), East Bay Community Energy, Marin Clean Energy, Peninsula Clean Energy, Pioneer Community Energy, San José Clean Energy, Silicon Valley Clean Energy ("SVCE"), and Sonoma Clean Power (collectively the "Joint CCAs") hereby provide notice of the following *ex parte* meeting related to the above-referenced proceeding.

On the Joint CCAs' request, Suzanne Casazza and Anand Durvasula, advisors to Commissioner Liane Randolph, met with the Joint CCAs on Monday, March 2, 2020, from 1:00 p.m. to 1:20 p.m. at the Commission's offices in San Francisco. Poonum Agrawal, SVCE, Senior Regulatory Analyst, and Jake Schlesinger, Keyes & Fox LLP, Partner, participated by telephone; and Tim Lindl, Keyes & Fox LLP, Partner, participated in person on behalf of the Joint CCAs. This meeting concerned issues the Joint CCAs have raised in A.18-12-009.

Attachment A hereto is the document the Joint CCAs presented at this meeting, which provides additional details on the topics discussed.

Respectfully submitted,



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*Counsel to the Joint CCAs*

Dated: March 5, 2020

## **ATTACHMENT A**

## PG&E Phase I Rate Case – A.18-12-019

**Status** – Record is closed: Settlement between some parties (not JCCAs) submitted; Opening and Reply Briefs submitted; Opening and Reply Comments on settlement submitted

- Settlement addresses (1) major cost drivers, mostly related to system hardening and wildfires; (2) the flawed hydroelectric nonbypassable charge; and (3) insurance costs.
- PG&E and co-signers effectively excluded CCAs and many CCA issues from settlement.
- PG&E briefing strategy and discovery responses deprived the Commission of a complete set of arguments on remaining contested issues.
- The Commission can revise a settlement.

**Key Issues** – Settlement ignores PG&E's changing role in California.

- **Cost Functionalization – Large CCA load departures require changes.**
  - Not all costs are clearly distribution or generation related. Some are considered common costs that serve multiple functions, such as customer service or billing costs.
  - PG&E's own numbers (via discovery) show the unbundled customers use certain customer services far less than bundled customers.
  - This makes sense since PG&E admits that it regularly refers customers to their CCAs to resolve certain inquiries and because CCAs also provide customer services, relieving PG&E of some responsibility.
  - To truly unbundle utility services and ensure that unbundled customers only pay for PG&E services they use, functionalization must be more sophisticated going forward.
  - PG&E's discovery responses allow us to craft more precise allocators for customer care costs, but PG&E must be better at tracking utilization of all shared services.
- **Resilience Zones – Ensure CCAs can connect clean generation to PG&E's temporary microgrids during PSPS events.**
  - These are generation-related costs, *i.e.*, interconnection facilities typically paid for by third-party microgrid and generation developers.
  - Program must recognize legal role of CCAs and should be expanded and accelerated.
  - Because PG&E only raised in a Reply Brief, decision should require PG&E to detail how it will ensure CCA-procured generation can interconnect to its resilience zones.
- **Settlement's decommissioning costs for PG&E's PCIA-eligible facilities are exorbitant.**
  - Solar: Methodology to determine decommissioning cost for PG&E's solar generation facilities results in figures *greater than the cost of the original facility*.
  - Hydro: Establishing high decommissioning costs does not make sense when the utility is in the process of selling many of its hydroelectric generation assets.
  - "True-ups" should aim to keep money in customers' pockets, not PG&E's pockets.
- **Grid modernization should be transparent to ensure a level playing field.**
  - PG&E's proposed investments include foundational technologies to enable future grid services markets, which JCCAs generally support.
  - However, if PG&E is the only entity that has access to real time data via these investments, it will have a huge advantage in any future grid services market.
  - To avoid this unfair competitive advantage, all LSEs, including CCAs, should have access to such data.