A.22-05-022 Community Renewable Energy Proposal Workshop

Staff is conducting an audio and technical check currently

Workshop will begin at 1p.m.

California Public Utilities Commission

A.22-05-022 Community Renewable Energy Proposal Workshop

Kelly Hymes, Administrative Law Judge
Josh Litwin, Sr. Regulatory Analyst
February 27, 2023

This workshop will not be recorded or on the record

Opening Remarks

Alice Reynolds

President of the California Public Utilities Commission

Workshop Objectives

1) Better understand party proposals for existing and new Community Renewable Energy Programs served on January 20th.
2) Allow an opportunity for parties and attendees to ask clarifying questions.

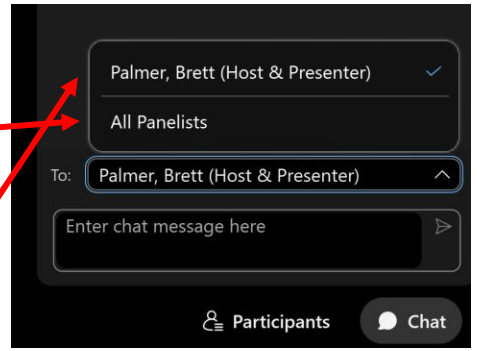
This is not the time to present opposing views on the proposals; such positions should be conveyed in rebuttal and surrebuttal testimony.

Background

- Launched by Applications for Review of DAC-GT & CSGT programs, authorized in D.18-06-027
- Consolidated proceeding A.22-05-022 et al.
- Assigned Commissioner's Scoping Memo and Ruling determined the evaluation of existing and new Community Renewable Energy programs required by AB 2316 should be conducted by parties
- Commission directed a workshop for early 2023 to discuss party proposals

How to Use Webex

- **All Participants**
  - Ask **questions to panelists** using the chat function in the lower right-hand corner
    - Select "**All Panelists**" option
    - Include the name of your organization
    - For follow up questions, please indicate in the chat that it is a follow up



  - For **IT issues**, use the chat function to message "**Palmer, Brett (Host & Presenter)**"
    - Or email brett.palmer@cpuc.ca.gov
  - To **Join by Phone**: 855-282-6330 (Toll Free)
    - Access Code: 248 858 37114

- **Panelists & Presenters**
  - Mute microphone when not speaking
  - Turn on camera when speaking
  - Cherie will control slides; let us know when to move forward
  - Tory will provide all questions to panelists and presenters

Agenda

1:00 p.m.	Welcome & introduction – Josh Litwin, Energy Division
	Opening remarks – President Alice Reynolds
	Objectives & Background – ALJ Hymes
	Workshop Process & Overview of Agenda – Josh Litwin
	EXISTING PROGRAM PROPOSALS
1:10 p.m.	GTSR (GT & ECR) Panel with Q&A following
1:55 p.m.	DAC-GT & CSGT Panel with Q&A following
2:35 p.m.	BREAK
	NEW TARIFF PROPOSALS
2:40 p.m.	Net Value Billing Tariff: CCSA, TURN & SEIA with Q&A following
3:10 p.m.	Green Tariff Successor Programs: PG&E, SCE with Q&A following
3:25 p.m.	Feed-In Tariff: Clean Coalition with Q&A following
3:35 p.m.	Next steps – ALJ Hymes
3:45 p.m.	Adjournment

GTSR Program (GT & ECR): Modify, Replace or Terminate Presentations (35 min.)

- **Cal Advocates (5 min.)**
  - James Ahlstedt
- **Coalition for Community Solar Access (5 min.)**
  - Joseph Wiedman
- **Cypress Creek Renewables (5 min.)**
  - Matt Kozey
- **Pacific Gas & Electric (5 min.)**
  - Josh Harmon
- **Southern California Edison (5 min.)**
  - Eduyng Castano
- **San Diego Gas & Electric (5 min.)**
  - Conor Paris
- **SoCal Community Choice Aggregators (5 min.)**
  - Brian Dickman

Proposals for Existing and Future Green Access Programs: GTSR

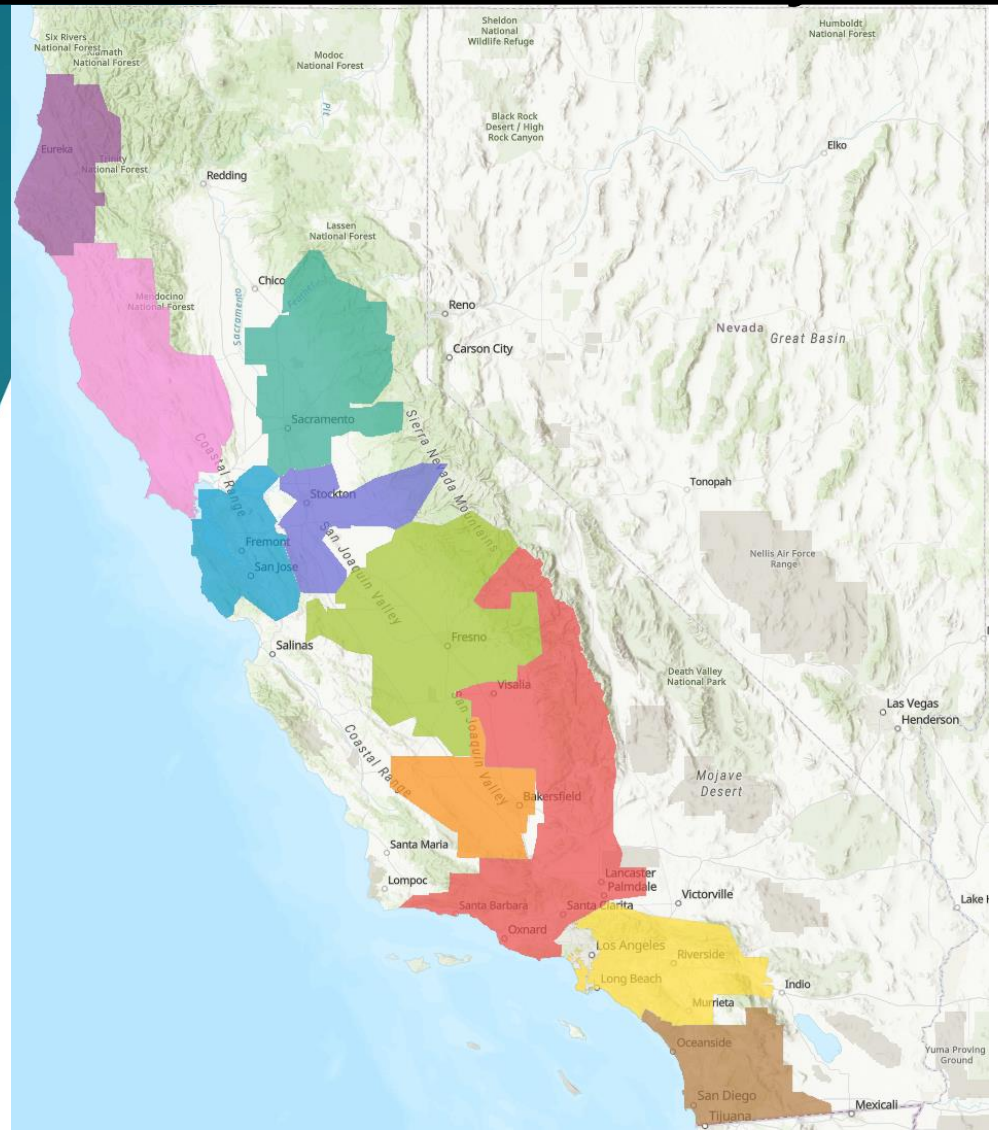
James Ahlstedt

Electric Pricing and Customer Programs Branch

February 27, 2023

Community Solar and Reliability

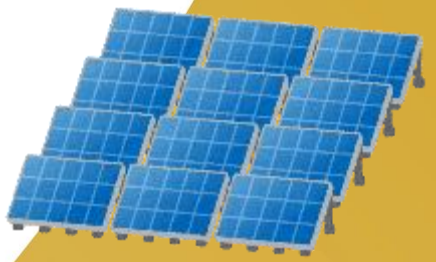
CAISO Local Reliability Areas



- Enhance local reliability in customer communities.
- Account for local transmission constraints.
- Same requirements for all existing and future GAPs.

Transferring GTSR Customers

- Transfer GTSR customers to the successor GAP.
  - Successor may consolidate existing GAPs and reduce administrative burden overall.
  - Timing contingent on when capacity is available.
- Transfer GTSR resources to RPS pool.
  - GTSR resources may not meet standards of successor GAP unless storage is added.



CCSA

Green Tariff Shared Renewables Proposal

February 27, 2023

Advancing Energy Access for Everyone

Overview

- AB 2316 requirements
- GTSR Proposal

AB 2316 Requirements

- Evaluate existing programs on three goals:
  - Efficiently serves distinct customer groups
  - Minimizes duplicative offerings
  - Promotes robust participation of low-income customers
- How does GTSR (GT and ECR) fare?

Proposal for GTSR

- Any modifications to GTSR (GT and ECR) should honor existing contracts and allow for customers to participate
- Do not conduct any further GTSR solicitations

Joseph Wiedman - joe@jfwiedman.com

Derek Chernow – derek@communitysolaraccess.org

Thank You!

CYPRESS CREEK RENEWABLES

Community Renewable Energy Proposals

CPUC Virtual Workshop

February 27th, 2023

Introduction

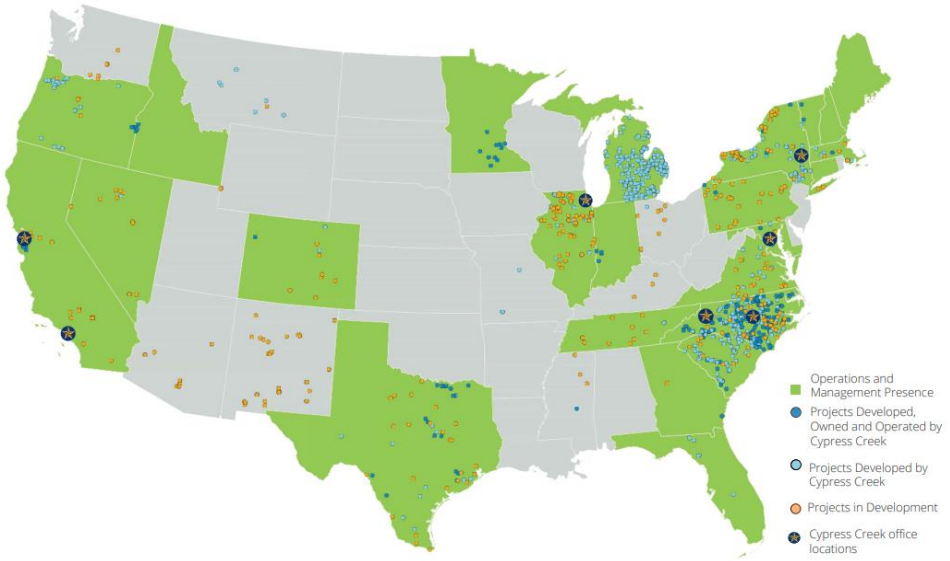
Cypress Creek Renewables

About Me

Director of Community Scale Markets at Cypress Creek Renewables – I'm an attorney by training, with over a decade of experience at the intersections of the energy business and public policy, including nearly 3 years at Cypress Creek, and over six years at a utility, focusing on advocating for solar energy policy priorities in state legislatures and regulatory commissions.

About CCR

Cypress Creek Renewables develops, finances, owns and operates solar and energy storage projects across the United States. We have developed more than 850 solar projects totaling 12GW to date. Our 2GW operating fleet of solar projects produces enough energy each year for 208,000 homes and avoids 1.65 million metric tons of CO_2 annually, the equivalent of taking 355,000 cars off the road.



Criteria for Evaluating the GTSR Programs

Do ECR & GT meet AB2316's statutory requirements?

Efficiently Serve Distinct Customer Groups

To efficiently serve distinct customer groups, a customer renewable energy subscription program must:

1. Provide broad access to renewables for a variety of electric customers while guaranteeing participant savings;
2. Ensure the tariff and program design support commercial development;
3. Minimize impacts to non-participating ratepayers; and,
4. Minimize administrative burdens on participants, IOUs, and Commission Staff.

Minimize Duplicative Offerings

A program that minimizes duplicative offerings must:

1. Target customer groups not served by other customer renewable energy programs, whether due to the other programs' limited scope, the cost of participating in the other programs, or the ineffectiveness of the other programs; and/or
2. Enable new structures for renewable projects to come online that have historically been missing in California's electricity market.

Promote Robust Participation from Low Income Ratepayers

- A program that promotes robust participation by low-income customers must require that projects built under the program dedicate a majority (greater than 50%) of their subscription capacity to low-income customers, including residents of underserved communities.
- We propose using AB2316's definition of a low-income customer for this criteria.

Neither ECR nor GT Meet AB2316's Statutory Requirements

CCR's Assessment of ECR vis-à-vis AB2316

Efficiently serves distinct customer groups?	**NO**
Provides broad access for different customer groups while guaranteeing savings?	x
Ensures tariff design supports commercial development?	x
Minimizes non-participating ratepayer impact?	?
Minimizes administrative burdens?	x
Minimizes duplicative offerings?	**NO**
Targets customers not served by existing CPUC renewables programs?	X
Enables new kinds of projects to come online?	X
Promotes robust participation by low-income customers?	**NO**

Takeaway: ECR is unpredictable for both developers and customers, lowering demand for the product and making projects challenging to finance

CCR's Assessment of GT vis-à-vis AB2316

Efficiently serves distinct customer groups?	**NO**
Provides broad access for different customer groups while guaranteeing savings?	x
Ensures tariff design supports commercial development?	✓-
Minimizes non-participating ratepayer impact?	?
Minimizes administrative burdens?	x
Minimizes duplicative offerings?	**NO**
Targets customers not served by existing CPUC renewables programs?	X
Enables new kinds of projects to come online?	X
Promotes robust participation by low-income customers?	**NO**

Takeaway: GT is a premium program, hindering its ability to scale and drive real impact for ratepayers – especially low-income ratepayers – and the grid

What are the main obstacles impeding the GTSR programs' success?

Ensuring future program designs do not repeat the mistakes of the past

Enhanced Community Renewables

- Use of the PCIA is an inappropriate means to ensure no cost shift; the Avoided Cost Calculator is a more accurate and relevant measure
- Fully floating tariff means subscription could be a premium or savings program depending on the year
  - Makes no sense for a low-income customer to sign up for a program that might cost them more
  - Makes financing projects challenging given lack of any locked-in revenues + high likelihood of customer churn
- Burdensome community interest standard requires developers to phantom "enroll" specific customers to the project years before it comes online
- ECR's fully floating tariff structure, inability to guarantee savings (and thus secure offtake), and uniquely burdensome community interest requirements have led to zero ECR projects built, and zero customers enrolled over the course of the program's life – despite significant time and resources from the CPUC and IOUs

Green Tariff

- GT is a premium program by design – customers that enroll are actively choosing to pay more on their electric bill
  - Unfriendly program design to low-income ratepayers already struggling to pay their bill
  - Limits customer base to a small subset of "green-motivated" customers willing to pay more
  - We roughly estimate there are 7,952 residential GT customers and 9,931 commercial GT customers enrolled across the 3 IOUs
  - With an IOU customer count of nearly 25 million -- this program has reached a very limited group of customers
- When PG&E's GT program inadvertently and temporarily turned into a savings program, enrollment skyrocketed, proving there is customer interest in savings-based renewable energy programs
- In the case of the GT program, it is customer demand, not project supply, limiting the growth of the program and the inability of IOUs to hit their capacity allocations


Thank you.
CYPRESS CREEK
RENEWABLES

GAP Proceeding- PG&E Proposals for GT and ECR

Josh Harmon

February 27, 2023 Proceeding Workshop

Together, Building a Better California

Evaluation of GT and ECR

ECR-Specific

- ECR is duplicative of GT
- No distinct customer group appears to value close proximity to a project
- ECR's complex design serves no customer need and has led to no projects for PG&E
    - Counterparties have terminated all PPAs that were signed

GT & ECR

- Rate design is right to seek nonparticipant indifference, but volatility places risk on developers (ECR) and creates cost-shift risk via RPS backstop
- Dedicated resource constraints regarding size and location of projects has led to procurement challenges for GT. These restrictions fail to provide clear benefits to participants that would justify their relatively higher cost or the challenge of procuring them.
- PG&E's GT program is unable to accept new customers until new resources are procured and built per CPUC direction. These resources do not appear to be available in the required capacity to restart enrollment. As ECR has no active projects, PG&E has no functioning general market shared renewables program.
- The GTSR program's statutory cap cannot be responsive to growing customer needs

Title 24

- Neither GT nor ECR is able to meet the CEC's Title 24 requirements
- A Title 24 program has the potential to benefit participants, nonparticipants, and homebuilders

Proposals

PG&E proposes:

- Transitioning GT to a successor program that more efficiently meets the needs of customers that wish to be 100% renewable while protecting nonparticipants from cost-shift
- Ending ECR as it does not efficiently serve any distinct customer needs
- A statewide Title 24 program run by a third-party implementer would best meet the needs of new construction customers while accommodating customer choice
  - PG&E's testimony suggests how such a program could meet each of the CEC's requirements

GTSR (GT & ECR)

Presenter: Eduyng Castano

SCE's GTSR Program – Status and Challenges

GTSR Current Status:

Green Rate:

- Currently SCE has 60MW under contract. The Sept 30, 2022, solicitation did not produce new contracts as bids were over price cap.
- Interest has exceeded capacity; enrollment is on a waitlist basis
- PFM for Interim Solution filed Aug 26, 2022 (60MW from RPS) pending review

Enhanced Community Renewables (ECR):

- 3 PPAs executed (3MW, 20MW,12MW);
  - Projects expected to be online between May 2023 and Dec 2024
- 2 (3 MW) PPAs pending; bidders received selection notices on Jan 27, 2023

Challenges:

- Green Rate price volatility creates large swings in enrollments, making it difficult to efficiently match procurement to the need
  - Variable rates to customers does not support developers contracting
- 2 MW cap and 20% program cap excludes large customers
- Outdated price caps to contract awards (based on 2016 last RAM contracts)
- ECR Community Interest requirement challenges

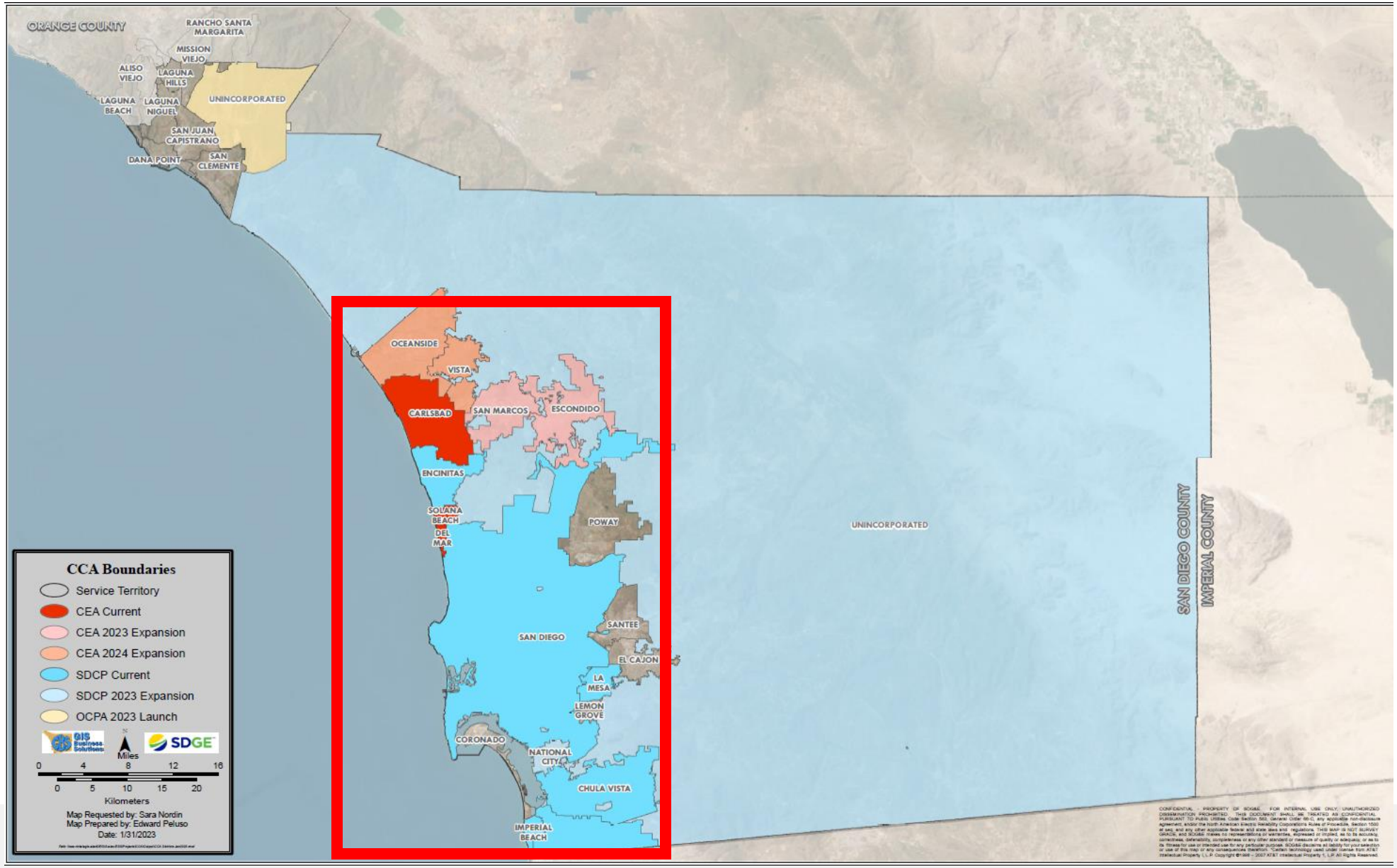
Proposal:

- Terminate Green Rate in 2025 and replace with Green Share, a more efficient offering to a larger customer base (GR projects will be transitioned to Green Share)
- Keep ECR and give it time for projects to come online

Green Tariff Shared Renewables
SDG&E GAP Application

Conor Paris: Customer Programs Supervisor – Renewables

By End of 2023, 75% of Territory Served by CCAs



EcoChoice* Rate Increases by Customer Class

Year	Residential $/kWh	Small Commercial $/kWh	Med/Lg C & I $/kWh
2016	$ 0.00199	$ 0.00269	$ 0.00250
2017	$ 0.01495	$ 0.02141	$ 0.01285
2018	$ 0.00172	$ 0.00442	$ (0.00147)
2019	$ (0.00438)	$ (0.00613)	$ (0.01812)
2020	$ (0.00606)	$ 0.00128	$ (0.00656)
2021	$ 0.05315	$ 0.05081	$ 0.04644
2022	$ 0.24319	$ 0.25134	$ 0.23257

- The Green Tariff rate was on a trajectory to be 20X's higher compared to 2 years ago
- The spike led to a 90% decrease in program participation by 2021
- Growth of CCAs could not have been anticipated when SDG&E filed our original green tariff in January 2012 nor under SB 43
- SDG&E requested suspension (granted by CPUC) and suspended in Fall 2022. SDG&E seeks no further changes in the present GAP application

*EcoChoice is Schedule GT of GTSR. SDG&E has no ECR contracts, no customers.

SOCAL CCAS RECOMMENDATIONS - GTSR

- Two components of SCE's GTSR rates require correction
  - Resource Adequacy (RA) adjustment: program participants must continue to pay for RA procured on their behalf
  - Renewable Energy Value Adjustment (REVA): accounts for difference between solar generation and customer load profiles

- If GTSR program continues, corrections are required: SCE proposes to continue its existing GTSR program through 2025

- Commission has already addressed these issues for PG&E and SDG&E (D.21-12-036, D.22-02-002 and D.21-12-040)

SOCAL CCAS RECOMMENDATIONS – GTSR (CONT'D)

- SCE's current RA Charge and REVA shift GTSR program costs to non-participants
  - D.15-01-051 prohibits cost-shifting for GTSR
  - The RA Charge to GTSR participants should be the same as charged to all bundled customers
    - Cost of Retained RA should be spread over total bundled sales to calculate the RA Charge
    - GTSR participants also receive an RA Credit for the value of dedicated resources; RA value of dedicated resources should be spread over participants' usage.
  - Renewable Energy Value Adjustment (REVA)
    - Average Time-of-day (TOD) Ratio should be applied to current year average bundled generation rates
    - SCE applies annual TOD Ratio to historical bundled generation rates

- GTSR rates should be updated annually in the ERRA Forecast case
  - PG&E and SDG&E already update in the ERRA Forecast
  - SCE files separate advice letter, limiting transparency into rates and link to ERRA

- New or revised Green Access Programs should avoid GTSR rate design issues

Question & Answer (10 min.)
GTSR (GT & ECR)

- **Cal Advocates**
  - James Ahlstedt
- **Coalition for Community Solar Access**
  - Joseph Wiedman
- **Cypress Creek Renewables**
  - Matt Kozey
- **Pacific Gas & Electric**
  - Josh Harmon
- **Southern California Edison**
  - Eduyng Castano
- **San Diego Gas & Electric**
  - Conor Paris
- **SoCal Community Choice Aggregators**
  - Brian Dickman

DAC-GT & CSGT: Modify or Consolidate Presentations (25 min.)

- **Cal Advocates (5 min.)**
  - James Ahlstedt
- **Joint Community Choice Aggregators (5 min.)**
  - Brittany Iles
- **San Diego Gas & Electric (5 min.)**
  - Conor Paris
- **Southern California Edison (5 min.)**
  - Aileen Lagbao
- **Pacific Gas & Electric (5 min.)**
  - Larsen Plano

Proposals for Existing and Future Green Access Programs: DAC-GT and CSGT

James Ahlstedt

Electric Pricing and Customer Programs Branch

February 27, 2023

Freeze DAC-GT and CSGT

- Freeze new construction when successor GAP is operational as a replacement.
  - Do not allocate additional MWs.
  - Customers may still enroll up to MW cap.
- Ensure successor GAP has enhanced benefits for low-income customers.
  - DAC-GT and CSGT program success has been limited.
  - Successor GAP may present opportunities for greater number of low-income customers.
- Aligning costs with benefits via the ACC improves outcomes.

Joint Community Choice Aggregators' Disadvantaged Communities Green Tariff and Community Solar Green Tariff Proposed Program Modifications

Green Access Program Application Proceeding

A.22-05-022, A.22-05-023, A.22-06-024

February 27, 2023

*The Joint CCAs are comprised of East Bay Community Energy, Marin Clean Energy, Peninsula Clean Energy Authority, San Jose Clean Energy, Clean Power Alliance of Southern California, Lancaster Choice Energy, Pico Rivera Innovative Municipal Energy, San Jacinto Power, San Diego Community Power, and the City and County of San Francisco.

Disadvantaged Communities Green Tariff Successes

- The CCAs advocate for maintaining the DAC-GT and CSGT programs with limited modifications.
- **Proven Success of the DAC-GT Program**
  - The DAC-GT program has been operating successfully in the CCA service areas.
    - Multiple CCA Program Administrators are at, or nearing, full program subscription capacity including CPA, EBCE, MCE, PCE, and SJCE
  - Through November 2022, together the CCAs have:
    - Enrolled over 12,800 customers
    - Procured over 23MW of solar and entered into 9 Power Purchase Agreements for the DAC-GT program
    - Provided over $2M in bill savings
  - When evaluating whether to modify these programs, the Commission should consider these successes and the essential elements of the program.
- CPA, the first CCA to become a DAC-GT/CSGT program administrator, has also successfully executed 2 PPAs for the CSGT program.

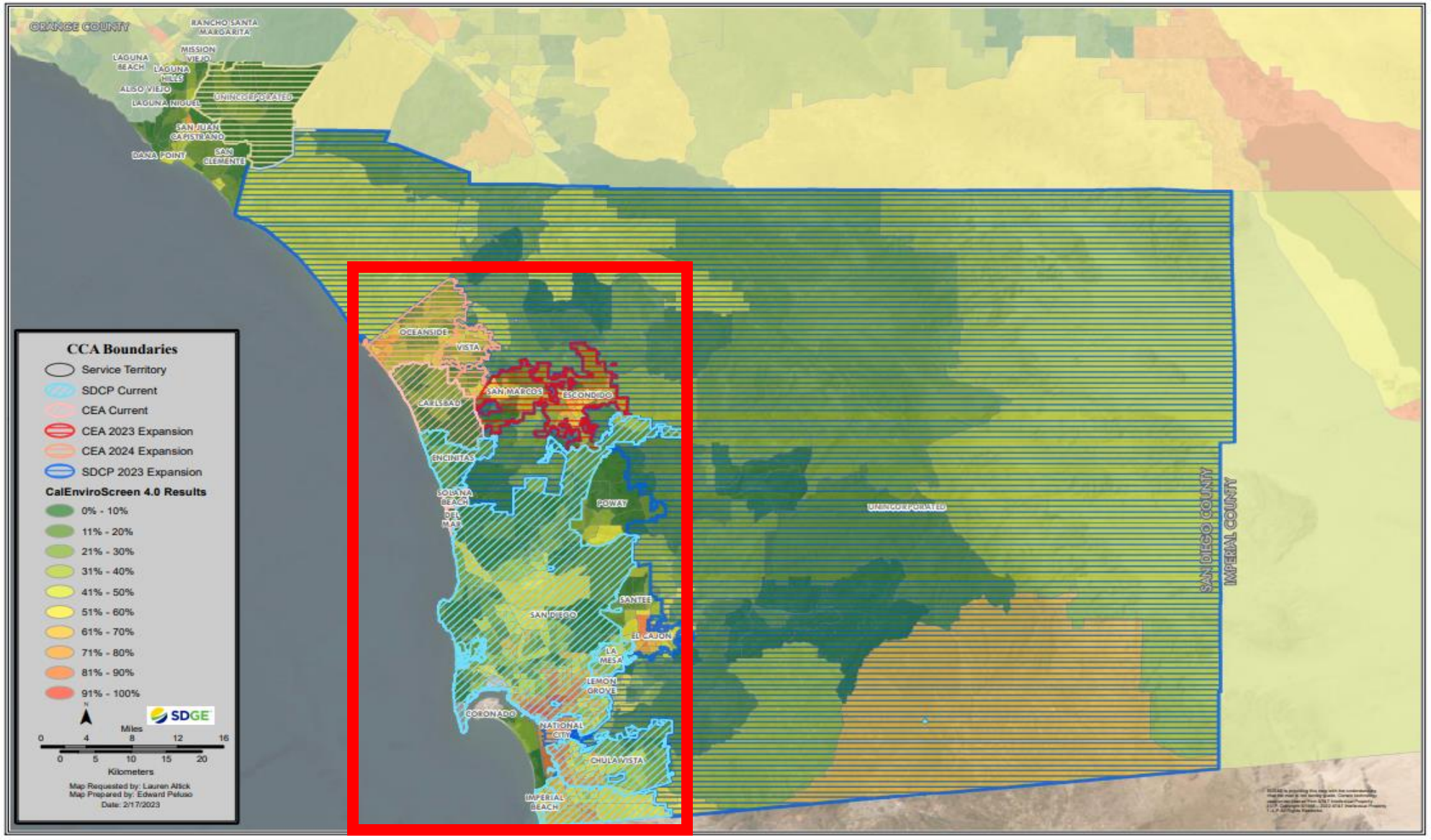
DAC-GT & CSGT Proposed Program Modifications

- **Increase of DAC-GT Program Capacity Cap**
  - Due to the success of the DAC-GT program, the Joint CCAs propose that the Commission increase the DAC-GT program capacity for those program administrators that have reached full enrollment and wish to expand their programs.
- **Expand DAC Census Tract and Project Site Eligibility**
  - Existing DAC census tracts should be allowed to retain their eligibility status each time a new version of CES is released as provided for in Resolution E-5212.
  - Expand the locational siting requirements of the DAC-GT and CSGT programs to make projects within 5 miles of a DAC eligible to participate in the programs.
- **Expansion of Eligible Technology Types to Explicitly Include Co-Located Solar and Storage**
  - It is apparent that co-located solar plus storage is eligible for the DAC-GT and CSGT programs, however, the Joint CCAs request that the Commission make clear the acceptance of, and explicitly provide for, the use of storage in the programs if it meets the adopted rules of Commission Decision 17-12-005.
- **Establish Methodologies to Address Transfer of Unused Program Capacity in the Event of Program Termination and/or CCA Expansion**
  - Unprocured program capacity should be offered to other program administrators and an established process should be created to re-examine program allocation upon a CCA's expansion.

DAC-GT & CSGT
SDG&E GAP Application

Conor Paris: Customer Programs Supervisor – Renewables

By End of 2023, 12% of DAC Accounts will be Eligible for SDG&E Rates



2023 Megawatt Allocation Estimates

LSE/ESP	Residential DAC Accounts Served by Entity	% of Residential DAC Accounts in SDG&E's Service Territory	DAC-GT Allocation (MW)	CSGT Allocation (MW)
SDG&E	8,198	12%	2.2	0.6
SDCP	57,429	88%	15.8	4.4
CEA	1	0%	0	0
Total	65,628	100%	18.00	5.00

DAC-GT/CSGT

Presenter: Aileen Lagbao

SCE's Proposal to Modify DAC Programs

Current Status: No DAC-GT projects, 1 DAC-CSGT project going live Oct 1, 2023

Challenge: Attracting solar developer participation in the Request for Offer (RFO) process

Proposal: Keep both DAC-GT and CSGT programs; modify both programs for customers in disadvantaged communities to help improve available procurement and increase enrollment

KEY MODIFICATION REQUESTS
Expand the DAC-GT and DAC-CSGT project site requirement to make projects within 5 miles from an eligible DAC eligible to participate Change the biannual DAC-GT and CSGT Request for Offer (RFO) solicitations to an annual RFO to allow for more time for developers to gather and submit documentation for a conforming offer*
Auto-enroll customers who may be at higher risk for disconnection or have higher bills **(DAC-GT Only)***

**Note: Consistent with Evergreen Economics' Recommendation*

PG&E's DAC-GT and CS-GT Timeline and Status

DAC-GT / CS-GT are near the End of the Beginning after 5 years

1 **June, 2018: Decision Creates DAC-GT and CS-GT programs**

- Community solar programs where PG&E procures CA solar supply and provides participants a 20% electric bill discount
- Targets residential income-qualified customers in disadvantaged communities (DACs)
- Alternative way for customers who face barriers to traditional solar to receive solar energy without installing a system
- CS-GT Leverages local community sponsor (CBO) for stronger local engagement, marketing and outreach, and job-specific training within the community

2 **May, 2019: Implementation Details Established in Resolution 4999**

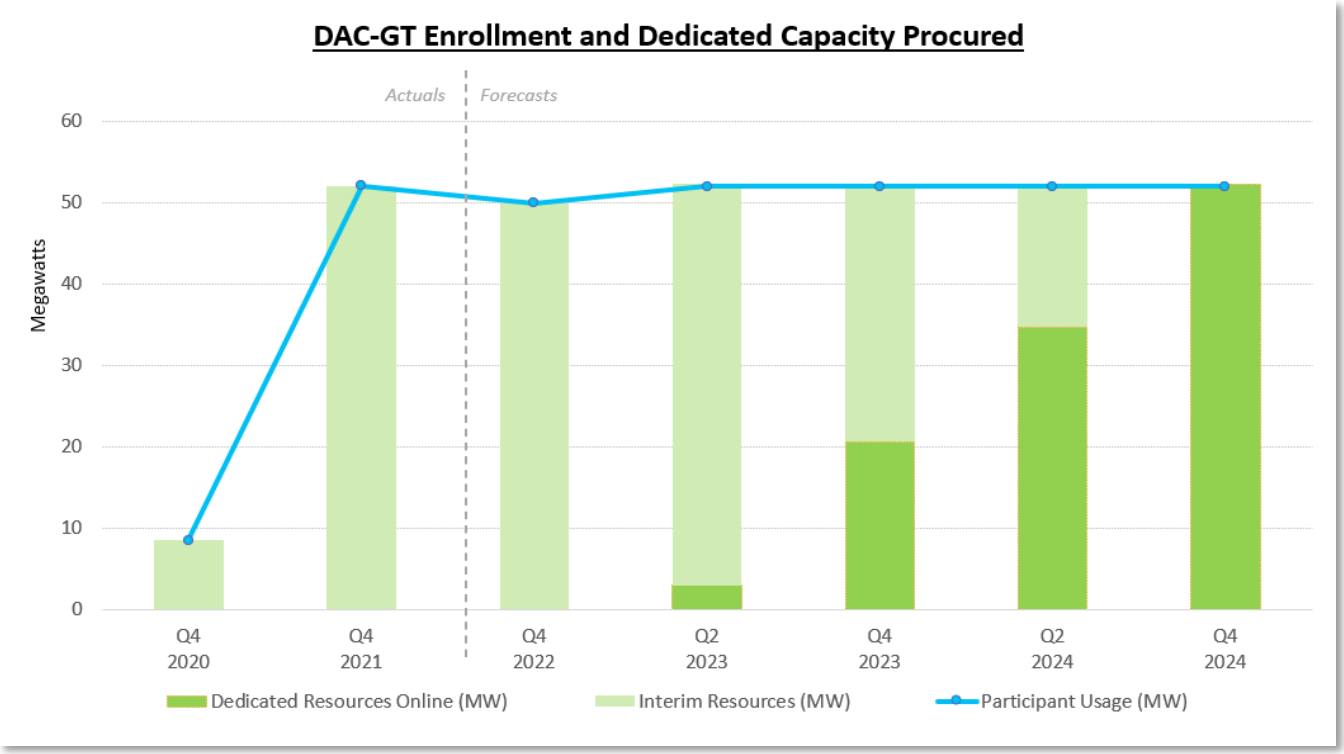
- Program infrastructure build out begins
- Further details established in three additional 2021 Resolutions

3 **March, 2020: First PG&E DAC-GT / CS-GT Solicitation**

- Initial DAC-GT enrollments enabled with temporary RPS pool
- No CS-GT temporary pool

4 **February, 2022: DAC-GT fully enrolled, CS-GT no enrollments; Small amount of CS-GT capacity unprocured; No projects online,**

- Auto enrollment of DAC-GT program in 2020 per CPUC direction



Larsen Plano, PG&E Manager DG Programs
Keoni Kanoa, Program Manager, DAC-GT/CS-GT

February 27, 2023

DAC-GT/CS-GT Program Consolidation and Modifications

Proposal has clear alignment with AB 2316's evaluation criteria

1. Efficiently Serve Distinct Customer Groups
2. Minimize Duplicative Offerings
3. Promotes Robust Low-Income Customer Participation

Current DAC-GT and CS-GT programs have room for improvement

1. **CS-GT and DAC-GT are duplicative**
   - Same benefits (Solar Supply, Bill Discount) to nearly the same customer group (income-qualified DAC residents)
2. **CS-GT inefficiently promotes low-income customer participation**
   - Only 25% of a CS-GT project is certain to support low-income residential customers in DACs
3. **CS-GT startup has been less efficient than DAC-GT**
   - CS-GT has additional complexity: geographic and community sponsor requirements are barriers to developer response and slowed program launch
   - DAC-GT is fully procured and already has customers enrolled
4. **CS-GT has high risk to participants, developers, non-participants**
   - CS-GT enrollment is **dependent on community sponsor marketing and outreach to a small number of customers**
   - Inability to reach enrollment goals leads to unsubscribed capacity and/or solar projects not coming online
   - RPS portfolio is backstop for unsubscribed capacity

Program changes help DAC-GT and CS-GT deliver on AB 2316's goals

1. **Merging both types of projects into a single program removes duplication, participation barriers, and increases efficiency**
   - The program would be marketed to customers under Green Saver name
   - **Community Sponsors remain the primary marketer for CS-GT projects**
   - Capacity not subscribed locally would be available for income-qualified customers across all DACs
2. **Auto-enrollment further maximizes income-qualified customer participation and removes risks associated with insufficient participation**
   - CS-GT community sponsors market locally before launch and for 12-months post project launch giving priority to local communities
   - Unsubscribed capacity after 12-months could be auto-enrolled by PG&E
   - Project success no longer contingent on local enrollments
3. **RPS portfolio bridges any energy supply gaps, enabling maximum enrollment**
   - Enrollment levels can be "closer to the margin" of expected production
   - Further leveraging RPS in a "Top Up" approach enables same capacity to support a larger and larger number of customers as RPS increases.
4. **Consolidation and modifications can improve cost efficiency by enabling access to IRA Tax credits and potentially reenabling access to GHG funds**
   - Ensuring projects only serve low-income residential customers expected to enable access to low-income tax credit bonus of Inflation Reduction Act
   - Adjusting bill credit methodology could reenable access to GHG funds

Question & Answer (10 min.)
DAC-GT & CSGT

- **Cal Advocates**
  - James Ahlstedt
- **Joint Community Choice Aggregators**
  - Brittany Iles
- **San Diego Gas & Electric**
  - Conor Paris
- **Southern California Edison**
  - Eduyng Castano
- **Pacific Gas & Electric**
  - Larsen Plano

Break

Workshop will resume at 2:40 pm

Net Value Billing Tariff (NVBT) Presentations (20 min.)

NVBT Proposal (10 min.)

- **Coalition for Community Solar Access**
  - Joseph Wiedman

NVBT Distinctions (5 min. each)

- **The Utility Reform Network**
  - Jennifer Dowdell
- **Solar Energy Industries Association**
  - Tom Beach

CCSA

Net Value Billing Tariff Proposal

February 27, 2023

Advancing Energy Access for Everyone

Overview

- Basic Tariff Structure
- Crediting Mechanics
- Consumer Protection

Basic Tariff Structure

- Generator Account – customer account creating credits from exported energy($ x kWh)
- Benefiting Account – customer account receiving credits based on subscription
- Monthly crediting with indefinite rollover on Benefiting Account
- Avoided Cost-based Compensation => Export Credit Rate (ECR)
  - ACC "value stack" + day ahead CAISO energy values = Hourly value of exported energy
- Eligible Facilities
- Solar + storage or wind generators
- Must connect to IOU distribution system

Basic Tariff Structure

- Benefitting Accounts
  - Any customer class, bundled or unbundled
  - Service under any otherwise applicable rate
  - Same distribution service territory as facility
  - Leave service territory: forfeit subscription
  - Move within service territory: subscription can transfer
  - No tariffed minimum duration of service
  - Subscription size: expected annual kWh usage
- Generator Account
  - Facility enrollment: executed interconnection agreement and non-ministerial permit obtained
  - Unallocated credits can be banked for up to two years

Crediting Mechanics

- Facility enrollment: executed interconnection agreement and non-ministerial permit obtained
- IOU reads Generating Account meter
- Monthly report identifies % allocation to each Benefiting Account
- Simplified customer billing option upon request of Facility Owner

Consumer Protection

- Termination fees prohibited for Low-income participants*
- Use of credit scores prohibited for Low-income participants
- All Benefiting Accounts receive standardized, Commission-approved disclosure
- Facility Owner and Subscription Coordinators must be registered with the Commission

Joseph Wiedman - joe@jfwiedman.com

Derek Chernow – derek@communitysolaraccess.org

Thank You!

Green Access Workshop (A.22-05-022,-023,-024)

The Utility Reform Network (TURN)

Presented by Jennifer Dowdell, Senior Policy Expert

February 27, 2023

High-Level Differences: TURN v. CCSA Proposal

CCSA Proposal	TURN Proposal	TURN Rationale
Program Structure and Economics		
Project Structure: No preferred project structure or participant arrangements.	Project Structure: Allow all facility development models; however, recognized community ownership/equity structures that allow for use of external funding sources available to non-profits providing maximum benefit to DACs/low-income (LI).	TURN urges endorsement of a wide variety of development models but recognizes that "Community Partnerships" can create value by contributing: 1) grant funding; 2) sites for development; and 3) credibility for subscribers. Also, allows other community benefits (e.g., EV charging and resilience centers), and efficient use of grant funding available to non-profits.
Eligibility: All customer classes.	Eligibility: All customers classes w/in service territory but CPUC to track customer enrollment and review if large industrial participation exceeds reasonable levels.	TURN is concerned that large industrials may be preferred over residential and small commercial customers as subscribers by facility owners.
Min Discounts: ~20%/TBD.	Min. Discounts: 25%.	TURN believes preferred community partnership structures could support 25% discounts (share of credits) available to customers.
Facility credits: All credits banked for up to 2 year; LI credits applied for LI customers.	Facility credits: Banked 2 years for residential and small commercial– not industrial. LI credits applied for LI customers.	Banking of residential credits supports free movement of customers and no termination fees.
Term: 25-year tariff "lock-in" w/ one-time reopener at developer option.	Term: Long-term contracts (max 30-year for Community Partnerships) w/"refreshes" ACC values every 10 years to reflect the most recent ACC values.	25-year lock-in term risks unreasonable subsidy and overpayment. Up to 30-year contract w/ 10-year refreshes creates predictable LT-revenue stream and maintains connection to current market.
Interconnection: Interconnect on first-come; first-served basis.	Interconnection: Explicit Interconnection preferences for "Community Partnerships".	Equity participation by DACs and local governments may create: 1) higher overall project value; higher DAC/LI subscription, and non-energy community benefits and should be encouraged w/priority interconnection. Rule 21, established by CPUC, can be modified to reflect these considerations.

High-Level Differences: TURN v. CCSA Proposal

CCSA Proposal	TURN Proposal	TURN Rationale
Customer Protections and Metrics		
Disclosures & Protections: Disclosures modeled after existing state programs (e.g., NY), including registration with the CPUC, no termination fees, no credit checks.	Disclosures & Protections: TURN broadly agrees w/additions.	TURN also supports a transparent marketplace allowing research and comparison of offerings available in specific areas, separate CPUC-published consumer program guide, penalties and program removal by IOU for consumer protection violations and complaints.
Savings Model: Proposes %Net Billing Tariff shared savings but supports other models by facility owners.	Savings Model: Single model for customer savings calculation based on % of Net Billing Tariff.	A single customer savings model for customer value ensures that customers will be able to make meaningful comparisons of the subscriber offers available in their areas.
Subscriber-Owner Contract: May differ Owner-by-owner, facility-by-facility.	Subscriber-Owner Contract: Contract terms standardized and approved by CPUC.	A single contract makes subscriber offer comparisons transparent for customers and simplifies the CPUC's compliance role.
Compliance w/51% LI: Subscriptions below 51% low income—Banks credits to be allocated to future LI subscribers.	Compliance w/51% LI: Penalty if below 51% for 7 months in any year capacity limited to amount serving LI customers. Credits cannot be banked; otherwise, banked credits allocated to LI customers.	The strong incentive encourages a margin above 51% to ensure overall compliance and that facilities actively compete to serve LI customers.
Subscription Marketer: No preference for entity managing subscriptions or program reporting.	Subscription Marketer: Encourage CBO and/or Community partner engagement for subscription and program administration.	TURN believes CBOs and community partners have a high degree of credibility in the communities they serve and may be helpful in subscribing low-income customers in DACs.
Other Items		
Prior Programs: Continue existing DAC-GT programs until capacity is exhausted.	Current Programs: Suspend new enrollments in existing programs.	To continue new enrollment in the existing ineffective programs would only create confusion in the market and run the risk of cannibalizing demand for higher-value programs.

A New Community Solar Program for California

Presentation from SEIA

CPUC Docket R. 22-05-022

Tom Beach
Crossborder Energy

February 27, 2023

Summary of SEIA's Community Solar Testimony

- Maintain the DAC-GT and CSGT programs until fully subscribed.
- SEIA supports the proposal of the Coalition for Community Solar Access (CCSA).
  - To replace the failed Enhanced Community Renewables (ECR) program.
- One recommended modification to the CCSA proposal:
  - Use a peak period of 5 p.m. to 9 p.m. PDT in July – August
  - Better aligns with all avoided capacity costs in the ACC (G, T & D)
- Add rate options
  - Critical peak pricing for the generation capacity component of the ACC
  - One-time option to move to current ACC values for the remaining contract term
- Consider additional locational values not included in the ACC
- Integrate these new resources into the Resource Adequacy program

Question & Answer (10 min.)
Net Value Billing Tariff

NVBT Proposal

- **Coalition for Community Solar Access**
  - Joseph Wiedman

NVBT Distinctions

- **The Utility Reform Network**
  - Jennifer Dowdell
- **Solar Energy Industries Association**
  - Tom Beach

PG&E and SCE GTSR Successor Programs Presentation (10 min.)

Green Share

- **Southern California Edison**
  - Eva Molnar

GTSR Successor Program

- **Pacific Gas & Electric**
  - Josh Harmon

SCE Green Share and PG&E GTSR Successor

Presenters: SCE- Eva Molnar / PG&E -Josh Harmon

Green Share and the GTSR Successor Provide an Avenue to More Efficiently Procure Renewable Energy for a Broader Customer Base

Challenges with the Existing GTSR Programs:

- Green Rate/Tariff price volatility creates large swings in enrollments, making it difficult to efficiently match procurement to the need
- Dedicated resource approach can shift costs onto nonparticipants via RPS backstop
- The GTSR offerings cannot provide renewable energy for large business customers

Recommendation: Offer Green Share/GTSR Successor, which leverages a "share" of the RPS portfolio

Our proposals strip much of the unnecessary complexity from the existing GTSR program and maximize customer eligibility

- Our proposals enable general market customers to achieve 100% renewable energy in a simple, least-cost manner by leveraging RPS procurement
- Low-income customer needs are best addressed specifically by DAC-GT since it can guarantee savings; the IOUs made recommendations to better encourage robust participation for this offering

SCE and PG&E collaborated on our proposals and intend to work with stakeholders to drive to a unified proposal design

Proposal Comparison

GT (Green Tariff)	PG&E GT Successor	SCE Green Share
Fully replaces generation	Tops off from RPS compliance level to 100%	Same
< 2MW eligibility limit	All bundled customers eligible	Same, but phased launch
No participant time commitment	1-year commitment	Same
Can enroll anytime	Annual enrollment window	Annual window for large customers, anytime for small
50% or 100% enrollment options	100% only (since RPS will soon be 50% for all customers)	Flexibility for large customers; 100% for all else
Floating, volatile customer rate (PCIA, RA, Gen Credit, Admin, TOD SVA, etc)	Simpler, more stable PCIA Green Market Price Benchmark + Admin	Market Price Benchmark only
PPAs for new projects with restrictive characteristics (20MW, service area, etc)	Accelerated RPS procurement of new projects and PCC1-RECs	Same
2 GT-specific solicitations/year	Leverage RPS solicitations	Same
Excess energy from any oversupply must be absorbed by RPS/all customers; CCA expansion risk	Manage RPS as a single pool, selling or re-allocating RECs	Same
Projects must be 20 MW or less & in PA service area	Any RPS-eligible resource is eligible	Same
No mechanism to increase program capacity	Tier 1/2 AL expansion allows for program to respond to customer needs	Tier 2 AL
No sunset date; risk of stranded costs	Sunset when bundled supply is 100% renewable	Same
Two-way balancing account to and one-way memo account for A&M	Re-vintage the GTSR-GR contracts; establish new two-way balancing account and one-way sub-account for program implementation costs	Same
No true-up	RPS Forecast and Final rate true –up; Volume true-ups for all customers but open to change	Same for rate true-up; No volume true-up for res, small/medium non-residential

Question & Answer (5 min)
PG&E and SCE GTSR Successor Programs

Green Share

- **Southern California Edison**
  - Eva Molnar

GTSR Successor Program

- **Pacific Gas & Electric**
  - Josh Harmon

Feed-In Tariff Presentation (5 min.)

- **Clean Coalition**
  - Ben Schwartz

Clean Coalition Green Tariff Party Proposal:

Feed-In-Tariff

Ben Schwartz
Policy Manager
Clean Coalition
626-232-7573 mobile
ben@clean-coalition.org
Clean-coalition.org

Reasons to select a Feed-In-Tariff (FIT)

- A Feed-In Tariff (FIT) is a standardized, long-term, guaranteed contract that allows smaller local renewable energy projects to sell power to the local utility or other load-serving entity (LSE). Market-based, cost-effective FITs with streamlined interconnection allow local businesses, residents, and organizations to install clean local energy projects in underutilized spaces such as rooftops, parking lots, parking structures and wastewater treatment plants.
- FITs offer clear guidance to the market through predefined terms and prices, thereby allowing project developers to qualify their planned projects before undertaking significant investment in siting, RFO processes, interconnection, etc.
- A clear, predictable purchase offer — and a simple, standardized contract for use between a LSE and energy generators — streamline the development of clean local energy. Not only does this approach nearly eliminate speculative projects, but it also drives down renewable energy development costs.
- FITs secure projects that will be built immediately and can deliver power within 12-18 months.
- Auctions and similar competitive solicitations result in an inefficient market due to exorbitant bidding costs and high failure rates.
  - Competitive solicitations for project developers raise the costs of doing business for all developers — and result in higher prices for consumers.

Conclusions from Evergreen Economics' Report:

1. "a major challenge in getting projects under contract is that the PAs have been unable to engage solar developers as a first step." (p. 31)
2. "For DAC-GT, only six contracts have been awarded from two of the ten rounds of solicitations. One PA has held three DAC-GT solicitations, with no responses. For CSGT, four contracts have been awarded, and five of the nine solicitations received no responses." (p. 31)

Components of a successful FIT

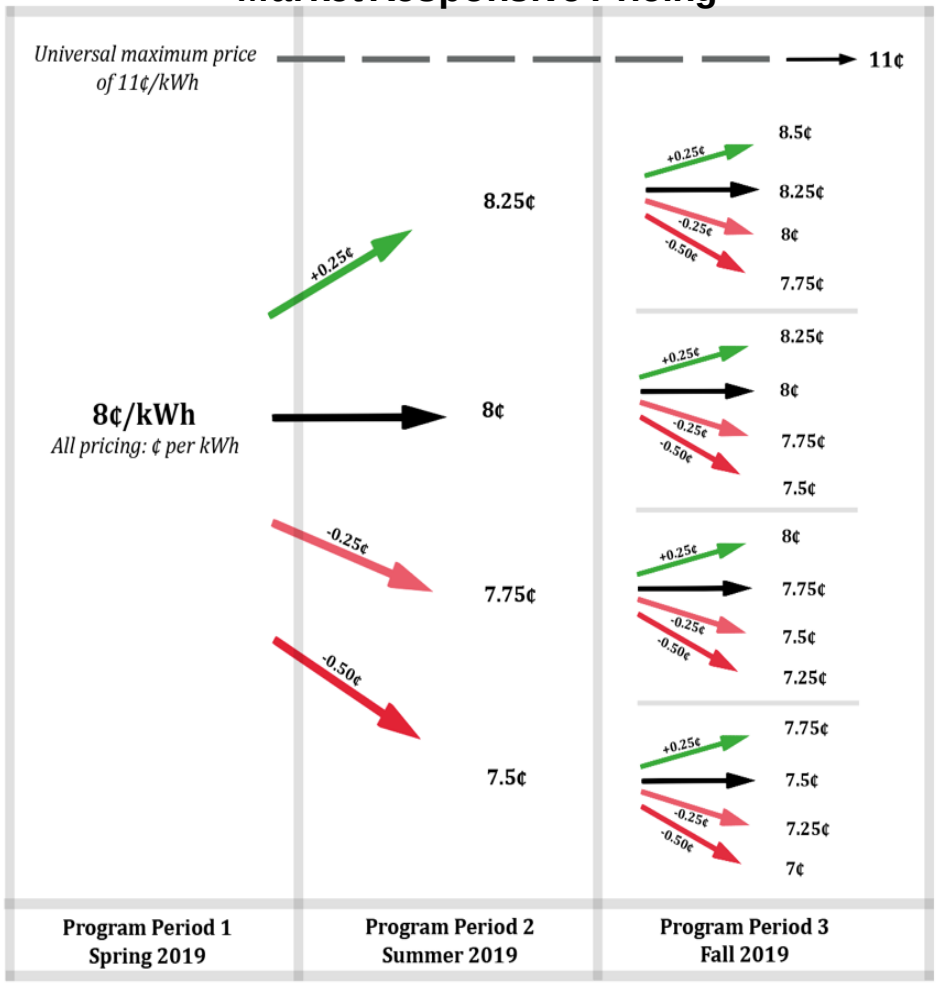
Clean Coalition recommends the CPUC implement four pricing adders:

- **Built-environment adder at 20%** - Rooftops, parking lots, parking structures, etc.
- **Small project adder at either 10% or 20%** - 10% for projects larger than 100 kW and less than or equal to 350 kW and 20% for projects less than or equal to 100 kW.
- **Community benefit adder at 5%** - Tax-exempt and/or within Communities of Concern (disadvantaged communities)
- **Dispatchability adder at 15¢/kWh** - Eligible for guaranteed daily dispatchable renewable energy at 2-4 hours of nameplate renewable energy FIT project.

Other essential program requirements:

- Market Responsive Pricing (MRP)
- Projects must be deployed on the distribution grid (same grid area as the subscribers/beneficiaries).
- Auto-enrollment of customers in DACs to receive GT benefits.
- No PCIA or Transmission Access Charges (TAC) assessed on GT-project energy.
- Deployments of co-located storage are encouraged.
- Streamlined interconnection.

Market Responsive Pricing



Once baseline pricing is set for the initial FIT tranche, MRP governs baseline pricing, which can never exceed a universal maximum of 11¢/kWh.

Links to example FITs

Clean Coalition's FIT for the City of San Diego: https://clean-coalition.org/wp-content/uploads/2019/09/San-Diego-Final-FIT-Design-Recommendations-31_wb-9-Sep-2019.pdf

LADWP FIT+ Program: https://www.ladwp.com/ladwp/faces/wcnav_externalId/r-gg-rs-fit?_afrWindowId=s67csbit7_1&_afrLoop=1252618308694249&_a%29%29=&_afrWindowMode=0&_adf.ctrl-state=s67csbit7_4

LADWP FIT+ Pricing and Deployed Projects

Total = 185 MW			
In-Service 101.2 MW	Active 83.6 MW	Available 0.2 MW	Wait List 3.96 MW

Updated as of 1/24/2023

FiT Pricing Table			
Project Capacity	In-Basin Projects		Owens Valley Projects
	Solar PV	Non-PV	Solar PV
30 kW - 500 kW	14.5¢ per kWh	11.5¢ per kWh	11.5¢ per kWh
> 500 kW - 3 MW	14.0¢ per kWh	11.0¢ per kWh	Not Available
> 3 MW	13.5¢ per kWh	10.5¢ per kWh	Not Available

Question & Answer (5 min.)
Feed-In Tariff

- **Clean Coalition**
  - Ben Schwartz

Next Steps – ALJ Hymes (10 min.)

REVISED PROCEEDING SCHEDULE	
EVENT	**DEADLINE**
Proposal Workshop Held	February 27, 2023
Amended Testimony Served	March 15, 2023
Rebuttal Testimony Served	April 7, 2023
Surrebuttal Testimony Served	April 21, 2023
If applicable, Motions for Evidentiary Hearing Filed	April 21, 2023
If applicable, Motions to Enter Testimony Filed	May 1, 2023
Opening Briefs Filed	May 10, 2023
Reply Briefs Filed	May 22, 2023

- **Please type any procedural questions on next steps in the chat box**

Thank you!

For DAC-GT, CSGT or questions about this proceeding, contact Josh Litwin (joshua.litwin@cpuc.ca.gov)

For Green Tariff Shared Renewables (Green Tariff & Enhanced Community Renewables) Questions, contact Cherie Chan(cherie.chan@cpuc.ca.gov)

This slide deck will be available here: https://www.cpuc.ca.gov/industries-and-topics/electrical-energy/demand-side-management/community-solar-in-california

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