

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking Regarding Policies, Procedures and Rules for Development of Distribution Resources Plans Pursuant to Public Utilities Code Section 769.	Rulemaking 14-08-013
And Related Matters.	Application 15-07-002 Application 15-07-003 Application 15-07-006
(NOT CONSOLIDATED)	
In the Matter of the Application of PacifiCorp (U901E) Setting Forth its Distribution Resource Plan Pursuant to Public Utilities Code Section 769.	Application 15-07-005
And Related Matters.	Application 15-07-007 Application 15-07-008

APPLICATION FOR REHEARING IN DECISION 20-07-023

BY

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I. INTRODUCTION

Pursuant to Rule 16.1(a) of the CPUC (“Commission”) Rules of Practice and Procedure the Clean Coalition submits this application for rehearing on Decision 20-07-023, ruled on by the Commission on July 24, 2020. Clean Coalition is a party to the proceeding and thus is eligible for rehearing under 16.1. The Clean Coalition requested a deferral to ready itself for a chance at being heard before the Commission at a later date, which was not considered. D. 20-07-023 does not consider the impact of the substantial contribution the Clean Coalition added to the proceeding, instead choosing to remark only on issues of eligibility. Under Rule 16.1(c), the Clean Coalition argues the following:

- (A) The nature of the Commission’s decision, which only considers the Clean Coalition’s contributions to the renewable energy industry and related consulting along with the lack of “customer status” violates the spirit of §1801.3(b). Said statute is intended to “encourage the effective and efficient participation,” but is being used to exclude the important input many groups provide when put into practice by the Commission.
- (B) California is striving to achieve a clean energy future by 2045, meaning the entire state is moving away from fossil fuel generation and towards renewables. Helping the state achieve that future through the procurement of the most cost-effective and long-lasting renewable resources — especially in disadvantaged communities or low-income communities — is to the benefit of the ratepayers and represents their interests.
- (C) The decision deems the Clean Coalition ineligible on account of its consulting work, when in reality, the increase in consulting is a direct result of the financial hardship caused by large investments into CPUC proceedings without any sort of compensation.
- (D) The Decision to Deny Compensation uses facts issued in a separate proceeding before the Commission approved the Clean Coalition’s NOI in this proceeding, choosing to act contrary to itself after a preliminary ruling.

II. DESCRIPTION OF PARTY

The Clean Coalition is a nonprofit organization whose mission is to accelerate the transition to renewable energy and a modern grid through technical, policy, and project development expertise. The Clean Coalition drives policy innovation to remove barriers to procurement and interconnection of distributed energy resources (“DER”) — such as local renewables, advanced inverters, demand response, and energy storage — and we establish market mechanisms that realize the full potential of integrating these solutions. The Clean Coalition also collaborates with utilities and municipalities to create near-term deployment opportunities that prove the technical and financial viability of local renewables and other DER.

III. ARGUMENT

A. The nature of the Commission’s decision, which only considers the Clean Coalition’s contributions to the renewable energy industry and related consulting along with the lack of “customer status” violates the spirit of § 1801.3(b).

The intent of the Intervenor Compensation program is to ensure that the interests of residential customers are accurately represented in proceedings at the Commission. Public Utilities Code §1801.3(b) states, “The provisions of this article shall be administered in a manner that encourages the effective and efficient participation of all groups that have a stake in the public utility regulation process.” However, the methodology the Commission uses in assessing said participation is not effective nor is it efficient. In practice, it has the unintended effect of limiting the voices that guide the regulatory process, thus overstating the opinion of the Investor Owned Utilities. The average residential customer has no way of knowing about the in-depth proceedings taking place at the Commission and the ways in which those proceedings can affect them or lead to electric bill increases. The barrier of entry to participating at the CPUC is enormous, even more so for a customer that does not already have specific technical expertise or relevant industry experience. For residents of low-income and disadvantaged communities the otherwise enormous barrier is even greater. Thus, organizations like the Clean Coalition are

essential to ensure that the voices of residential customers are heard through the prioritization of local energy needs and resilience, which is all the Clean Coalition has ever done in regulatory proceedings at the Commission. The phrase “CLEAN” in the Clean Coalition name is an acronym, standing for “Clean Local Energy Accessible Now,” that is also reflected in the Clean Coalition’s primary objective, the 25 X 25 Initiative.¹ From 2025 onward, at least 25% of all electricity generated from newly added generation capacity in the United States will be from *local* renewable energy sources, which is enough to provide indefinite renewables-driven backup power for critical loads in grid vulnerable locations such as the Goleta Load Pocket.² To achieve this goal, Clean Coalition work at the CPUC attempts to set the stage with policies that, “reflect the full value of local renewable energy, and programs prove the superiority of local energy systems in terms of *economics, environment, and resilience* — as well as *timeliness*.”³ As a 501c(3) non-profit, Clean Coalition makes no attempt at profit, only working to garner necessary revenue to keep the lights on, the doors open, and staff paid with reasonable salaries. In the era of COVID-19, donations to non-profit organizations are drying up and many non-profits around the country are struggling to stay afloat at all.⁴ That does not make Clean Coalition’s policy work any less of a priority, but it does increase the difficulty to getting and sustaining membership (which is not the focus of the Clean Coalition). Presently, as with the past denial of Intervenor Compensation, it forces Clean Coalition to search for alternate revenue streams to sustain important policy work. The Commission should note that D. 20-07-023 refuses to comment on the significant additions Clean Coalition made to the proceeding, choosing to limit comments to matters of eligibility. This is an error on the part of the Commission; choosing to only comment on the eligibility of the Clean Coalition limits the opportunity for rehearing as well as denies other organizations the chance to determine exactly what a substantive contribution to the proceeding looks like. The Clean Coalition asks that the Commission remark on the importance on the contribution, even in the case that the ruling on eligibility does not change.

While the Commission has made it abundantly clear that it acknowledges the pandemic and is taking every measure to ensure the regulatory process continues in as close to a normal

¹ <https://clean-coalition.org/25-percent-local-renewables-success-stories/>

² <https://clean-coalition.org/community-microgrids/goleta-load-pocket/>

³ <https://clean-coalition.org/mission-vision-values/>

⁴ <https://www.nytimes.com/2020/03/27/business/nonprofits-survival-coronavirus.html?auth=login-email&login=email>

fashion as possible, apparent changes to California’s future have not been reciprocated with changes to the Intervenor Compensation process. The static nature of the Intervenor Compensation program threatens to push aside organizations like the Clean Coalition, whereas the Investor Owned Utilities have absolutely nothing to fear. This diverges from the expressed intention of the legislature and prioritizes the interests of the IOUs over that of the average ratepayer. The Commission should consider that the primary interest of the Investor Owned Utilities is not improving the lives of ratepayers — that is a secondary benefit. The real focus is returning a profit to the shareholders; it is why Southern California Edison is requesting the largest residential rate increase in California history, the year following mass-scale Public Safety Power Shutoffs (PSPS). The real focus is achieving that 7.61% profit margin every year, even with IOU-caused fires, blackouts, and investments in fossil fuel generation. Regardless, there is no discussion at the Commission of penalizing the IOUs for the rolling blackouts that continue or refusing rate recovery. The Clean Coalition and organizations like it help keep the IOUs accountable to the ratepayers and on track to achieve the clean energy future essential for a sustainable California future.

B. Helping the state achieve that future through the procurement of the most cost-effective and long-lasting renewable resources — especially in disadvantaged communities or low-income communities — is to the benefit of the ratepayers and represents their interests.

California has embraced a clean energy future that requires 100% carbon free energy by 2045, setting the entire state on a path that does not involve prolonged fossil fuel generation. One of the main reasons the Commission lists in D. 20-07-023 for denying Intervenor Compensation to the Clean Coalition is that, “We [the Commission] have determined that Clean Coalition’s activities and advocacy target primarily the interests of the entities participating in or entering, renewable energy industry and markets.”⁵ The reasoning behind this statement penalizes the Clean Coalition for what the legislature has determined to be the expressed purpose of the regulatory process at the Commission — promoting renewable energy. D. 18-11-010 iterates that “representation” of customer interests should be, “more narrow than a mere coincidence of interests,” something more akin to single-minded focus. Yet, the focus of the Clean is, and has

⁵ D. 20-07-023 at 5

C. The decision deems the Clean Coalition ineligible on account of its consulting work, when in reality, the increase in consulting is a direct result of the financial hardship caused by large investments into CPUC proceedings without any sort of compensation.

Decision 20-07-023 repeats the earlier Commission mantra that past and present consulting opportunities brands the Clean Coalition ineligible for Intervenor Compensation. The Clean Coalition responds that §1802(h) defines “significant financial hardship,” as a situation where “the economic interest of the individual members of the group or organization is small in comparison to the costs of effective participation in the proceeding.” Policy change has always been the focus of the Clean Coalition; success does not mean economic gain it means that the energy landscape is better set for a distributed energy future capable of providing local resilience. The only potential benefit of success — one that is not guaranteed — is an increased reputation and a path forward to pave California’s clean energy future. Perhaps more importantly, to ensure the actual deployment of complex projects, such as Community Microgrids, stakeholder participation of multiple groups (including companies, residents, utilities, local governments, non-profits and other policy makers) is the only avenue for success. The Clean Coalition is not a competitor, it is a facilitator, exactly what is needed at the Commission to help the state progress.

The CPUC takes conservative steps forward, often relying on pilot programs or studying limited examples through working groups to move regulation forward; without the essential revenue stream of Intervenor Compensation, the Clean Coalition’s policy team has shrunk in size and the organization has had to consider other mechanisms of helping the state progress. Consulting has been a necessary divergence, yet one still targeted at the interests of ratepayers and the facilitation of Community Microgrids. That is not to say that regulatory work is not central to the purpose of the organization, it simply has not been sustainable at previous levels without a sufficient source of revenue that will not disappear after the expiration of the rebuttal presumption.

D. The Decision to Deny Compensation uses facts issued in a separate proceeding before the Commission approved the Clean Coalition’s NOI in this proceeding, choosing to act contrary to itself after a preliminary ruling.

The Clean Coalition filed a NOI in this proceeding within 30 days of the prehearing conference, according to PUC Rules of Practice and Procedure, that was approved by the Commission. This approval came after a decision to deny compensation in the EV proceeding, but the NOI was still approved. This led the Clean Coalition to believe the Commission viewed it as eligible in the current proceeding, regardless of the ruling in the other proceeding. Yet in the final decision denying compensation and subsequent decisions, the Commission continues to rely on evidence to deny compensation despite the presence of the evidence when the initial NOI was approved. This represents a change in position when the same facts were present, allowing the Clean Coalition to expend enormous time and resources to make a substantial contribution to the final decision. And while approving the NOI does not guarantee the Commission will approve compensation, for the Commission to deny the Clean Coalition customer status and refusing to comment on the contribution the organization made sets an unfortunate precedent.

IV. CONCLUSION

For the above reason, Clean Coalition respectfully applies for rehearing in Decision 20-07-023. The facts and the regulatory landscape in California have changed, but the substantial contribution the Clean Coalition made to this proceeding has not. For reference (on the record), after conference with the Docket Office, August 24, 2020 was determined to be the final date for submission of this application.

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