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Witness: Ben Schwartz

**PREPARED SURREBUTTAL TESTIMONY OF BEN
SCHWARTZ ON BEHALF OF THE CLEAN
COALITION**

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1 **I. INTRODUCTION**

2 Pursuant to Commissioner Reynolds’ Scoping Memo and the Administrative Law Judges’
3 (“ALJ”) Amended Schedule and the ALJ’s Ruling Updating Procedural Schedule and
4 Requiring Use of Briefing Outline (issued on April 21), the Clean Coalition submits this
5 surrebuttal testimony in response to allegations made by Southern California Edison
6 (“SCE”) and San Diego Gas & Electric (“SDG&E”) in rebuttal testimony.

1 **II. RESPONSE TO SCE’S REBUTTAL TESTIMONY**

2 SCE made several claims about Clean Coalition’s initial party proposal related to the
3 effectiveness of Feed-In-Tariffs (“FITs”). As indicated in our rebuttal testimony, the Clean
4 Coalition is no longer promoting a FIT as the structure for a successor program to the
5 existing Green Access Programs (“GAP”) and is instead supporting the Coalition for
6 Community Solar Access’ (“CCSA”) Net Value Billing Tariff (“NVBT”). Therefore, while
7 we do not agree with multiple assertions that were made by SCE, this surrebuttal testimony
8 will not address FIT-specific points and will instead address claims made related to
9 Transmission Access Charges (“TAC”) and streamlined interconnection under the
10 Wholesale Distribution Access Tariff (“WDAT”).

11 **Transmission Costs:** SCE makes two rather aggressive broad-brush arguments in response
12 to the Clean Coalition’s suggestion that Community Solar-subscribed energy be exempt
13 from TAC, neither of which actually address the logic behind the points we made. The first
14 statement, “Moreover, the notion that customers served by distributed generation do not
15 rely or depend on the CAISO grid is a fallacy, rejected more than two decades ago by
16 FERC, when promoted by a company the Commission is familiar with – Enron,” is
17 ludicrous as it seems to infer that implementing the Clean Coalition’s proposal for not
18 assessing TAC to Community Solar energy generated on the local distribution grid would
19 lead to an Enron-like situation.¹ Clean Coalition’s party proposal and rebuttal testimony
20 explains that distributed energy reduces the need for energy that originates on the
21 transmission grid and can reduce all four main drivers of future transmission investment
22 (policy, reliability, peak load, and economics). This is not to say that a DER host customer
23 will never use any energy from the transmission grid, it is a statement about how those
24 historical TAC should be assessed to the ratepayers. In fact, Clean Coalition has raised this
25 very issue in stakeholder proceedings before the California Independent System Operator
26 (“CAISO”) in 2016 and 2018, who noted that, “The ISO is willing to revisit the point of
27 measurement issue—for purposes of prospectively allocating the costs of future
28 transmission facilities—if state policy makers and regulatory authorities, after careful
29 consideration of the merits and implementation issues, support retail rate changes that

¹ SCE Rebuttal Testimony, at p. 37.

30 provide a transmission cost credit (i.e., relief from retail rate charges for certain new
31 transmission facilities) to load-serving entities (LSEs) that have procured distributed
32 generation (DG) resources.”² Therefore, SCE is completely incorrect that our proposal
33 would be Enron-like or would cause a cost-shift.³ Importantly, CAISO’s analysis stated that
34 to fully implement the Clean Coalition’s Peak Transmission Energy Downflow (“TED”)⁴
35 proposal, the California Public Utilities Commission (“the Commission”) would also need
36 to be involved to ensure that retail rates are transitioned accordingly.

37 It is also worth noting that the Clean Coalition’s comments reflect the Commission’s
38 intention that the GAP provide ratepayers who are unable to take service under the Net
39 Energy Metering (“NEM”) tariff with a program that can provide commensurate benefits.
40 In two separate cases, the Decision that adopted NEM 2.0 and the Decision that adopted the
41 Net Billing Tariff (“NBT”), the Commission declined to include TAC in the list of
42 nonbypassable charges, meaning that only energy imported from the grid is assessed TAC.
43 Granted, projects interconnected under the WDAT tariff do contribute to the gross load
44 measured by CAISO when allocating TAC, so if the Commission does adopt a NVBT that
45 includes an exemption for TAC on community solar-generated energy, the avoided TAC
46 should be included amongst the program costs and evaluated along with the broader
47 program. However, the concept of avoiding TAC on distribution-generated for a successor
48 GAP is in line with the Commission’s policy under NEM 2.0 and the NBT and is not
49 simply an attempt to skirt the rules or change cost causation principles in any way.

50 SCE’s second assertion is that “Clean Coalition, like CCSA, seemingly has no concept of
51 CAISO’s role in ensuring all retail load is served safely and reliably,”⁵ which is an odd
52 putdown, especially considering that Clean Coalition’s testimony⁶ (and SCE’s Rebuttal
53 Testimony⁷) both note that TAC **address historical costs**, which is different from future
54 cost CAISO will incur to serve load safely and reliably. It is also strange that SCE would
55 make such an insulting claim of the Clean Coalition and CCSA without citing sections in
56 opening testimony where these specific claims were made. Obviously, SCE was unable to
57 cite testimony because neither organization would ever make the claim that DER customers
58 do not benefit in some way from CAISO’s role in ensuring safety and reliability. The Clean
59 Coalition’s arguments simply address the cost-competitiveness of distributed generation
60 compared to transmission-generated energy and the value that distributed generation

² Transmission Access Charge Structure Enhancements: Draft Final Proposal. September 17, 2018, at p. 4
<http://www.caiso.com/Documents/DraftFinalProposal-TransmissionAccessChargeStructureEnhancements.pdf>

³ SCE Rebuttal Testimony at p 37-38

⁴https://www.caiso.com/Documents/BriefingonTransmissionAccessChargeWholesaleBillingDeterminantInitiative-CleanCoalition_Presentation-June2016.pdf

⁵ SCE Rebuttal Testimony at p. 38

⁶ Clean Coalition Testimony at p. 7. “...should not be assessed transmission access charges (“TAC”), which are assessed at the customer meter to collect historical transmission costs.”

⁷ SCE Rebuttal Testimony at p. 38. “...but says nothing about who should pay for the historical transmission costs allocated by the CAISO...”

61 provides in reducing transmission congestion, reducing the need for transmission-generated
62 energy, and reducing transmission line losses.⁸
63 **Interconnection:** SCE claims that the Commission should not make any changes to
64 interconnection, “because stakeholders have not been properly noticed that interconnection
65 processes may be impacted by this proceeding,” and Fast Track interconnection for GAP
66 projects, “would likely impact the ability of LSEs and developers not participating in GAP
67 programs to bring new capacity, largely needed for reliability purposes, online in a timely
68 manner as ordered by this Commission in the IRP.”⁹ Based on the Clean Coalition’s
69 understanding, because interconnection has been an impediment to GAP project
70 deployment in the past, addressing it is one of the several issues that are necessary to ensure
71 that a Successor GAP is successful. Moreover, the last time SCE amended its WDAT tariff
72 in a substantial manner was almost four years ago (in 2019), which was before California
73 experienced significant Public Safety Power Shutoffs (“PSPS”), blackouts in 2020, or the
74 extreme weather events in 2022, all of which have led to increased reliability-related
75 procurements.¹⁰ Streamlined WDAT interconnection is necessary, and the Clean Coalition
76 has provided a list of changes that would be beneficial to **all projects seeking**
77 **interconnection under WDAT** in our rebuttal testimony.¹¹ Improving the Fast Track
78 interconnection process would also be beneficial to all projects as well, not just GAP
79 projects. Moreover, ideally, most, if not all, GAP projects would be sized and eligible for
80 Fast Track interconnection if they are medium-sized projects interconnected via the
81 distribution grid. These projects are benefitting low-medium income customers and with
82 requirements that will mandate paired solar+storage projects, each deployed GAP projects
will contribute reliability benefits.¹²

1 **III. RESPONSE TO SDG&E’S REBUTTAL TESTIMONY**

2 SDG&E criticizes CCSA’s proposals, saying, “The big picture failings of CCSA’s proposal
3 are that it (1) would compensate generators as if they are distributed energy resources
4 (DERs);(2) not require the generation to be sited near, or directly connected to, load (the
5 proposal would permit any customer to subscribe to any qualifying project sited in the
6 utility’s service area); and (3) proposes customer and generator compensation that would
7 shift costs from non-participating customers – many of whom are disadvantaged – to
8 program participants and solar developers. When considered as a whole, CCSA proposal

⁸ Clean Coalition Testimony at p. 7. “In fact, the closer a generation source is located next to where that energy is used, the less infrastructure is needed, and the less expense that is incurred. When this major advantage is priced into the total cost of energy, clean local energy is much more competitive – and actually less expensive in many cases.”

⁹ SCE Rebuttal Testimony at p. 40 and p. 40-41

¹⁰ sce.com/sites/default/files/inline-files/SCE%20WDAT%20QC13%20Presentation.pdf

¹¹ See Attachment A of the Clean Coalition’s Rebuttal Testimony

¹² <https://clean-coalition.org/news/local-solar-is-the-best-solution-for-reducing-peak-transmission-usage-and-electricity-costs-for-ratepayers/>

9 has no net public interest benefits.”¹³ Clean Coalition’s proposed amendments would
10 address all of these concerns, because it would ensure that all NVBT projects are local DER
11 that provide reliability benefits and have subscribers within 5 miles (or in the same
12 distribution area). Therefore, the Commission should not find these arguments to be
13 persuasive and should adopt a NVBT with the Clean Coalition’s proposed modifications.

1 **V. CONCLUSION**

2 The Clean Coalition appreciates the opportunity to submit this surrebuttal testimony and
3 urges the Commission to support a modified version of the CCSA NVBT and address the
4 need for streamlined WDAT interconnection.

¹³ SDG&E Rebuttal Testimony at p. 20-21