

Docket No.: R. 22-11-013

Exhibit No.: CLC-02

Date: November 20, 2023

Witnesses: Ben Schwartz

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

## Table Of Contents

Section	Page
I.	INTRODUCTION AND SUMMARY .....1
II.	AVOIDED TRANSMISSION SHOULD BE UPDATED AND FULLY INCLUDED IN THE APPROVED 2024 ACC. THE EXISTING STAFF PROPOSAL DOES NOT MEET THE COMMISSION’S MANDATE IN D. 22-05-002.....1-2
III.	THERE SHOULD BE A UNIQUE SPREADHSEET FOR THE NBT.....2
IV.	CONCLUSION.....3

**1. I. INTRODUCTION AND SUMMARY**

2. Pursuant to *Assigned Commissioners Scoping Memo and Ruling*, issued on May 26, 2023,  
3. and *Administrative Law Judges (“ALJ”) Ruling Issuing the 2024 Avoided Cost Calculator*  
4. *Staff Proposal for Party Input*, issued on August 8, 2023, the Clean Coalition submits this  
5. rebuttal testimony in response to direct testimony by parties on the 2024 Avoided Cost  
6. Calculator (“ACC”) Staff Proposal.

7.

**8. Q: Please state your name, position, and business address for the record.**

9. A: My name is Ben Schwartz. I am policy manager for the Clean Coalition, a 501(c)(3) non-  
10. profit. My business address is 1800 Garden Street, Santa Barbara, CA 93101.

11.

**12. Q: Are you the same Ben Schwartz that provided opening testified on behalf of the  
13. Clean Coalition in this proceeding??**

14. A: Yes.

15.

**16. Q: Please summarize the scope of your rebuttal testimony.**

17. A: My testimony responds to opening testimony by parties on the need to update the avoided  
18. transmission value, to incorporate the Societal Cost Test (“SCT”) into the ACC to better  
19. address non-energy benefits, and to create a Net Billing Tariff-specific (“NBT”) spreadsheet.

**1. II. AVOIDED TRANSMISSION SHOULD BE UPDATED AND FULLY  
2. INCLUDED IN THE APPROVED 2024 ACC. THE EXISTING STAFF  
3. PROPOSAL DOES NOT MEET THE COMMISSION’S MANDATE IN  
4. D. 22-05-002.**

**5. Q: Please respond to statements made by the Protect our Communities Foundation  
6. (“PCF”) and Solar Energy Industries Association (“SEIA”) about the need to  
7. update the avoided transmission value.**

8. A: I strongly concur with SEIA’s and PCF’s reasoning about the importance of fully  
9. incorporating an updated avoided transmission value into the 2024 ACC.<sup>1</sup> As

---

<sup>1</sup> “I fundamentally disagree with the Energy Division position that the Commission should continue to use inaccurate avoided transmission and distribution cost calculations.” Direct Testimony of Bill Powers, P.E., at p. 5.

10. underscored in direct testimony, knowingly relying on an inaccurate avoided  
11. transmission value — which is significantly out of date in the case of Southern California  
12. Edison (“SCE”) and San Diego Gas & Electric (“SDG&E”) has the effect of directly  
13. undercounting the export compensation for customers taking service under the Net  
14. Billing Tariff (“NBT”), the new Virtual Net Energy Metering (“VNEM”) program,  
15. energy efficiency programs, and any new programs relying on the ACC (such as a new  
16. Community Solar program). Over the last two years, the Commission has shifted from  
17. relying on the ACC for cost-effectiveness testing purposes to using it as a base for  
18. compensating distributed energy resources (“DER”). Like the removal of the minor  
19. update process, the transition to relying on the ACC for export rates makes the need for  
20. timely and full updates more important than ever. What is most concerning is that the  
21. people who will be impacted due to the lack of action are the ratepayers the Commission  
22. is working to reach the most—those who are low-income and/or live in disadvantaged  
23. communities. By the Commission’s own standard<sup>2</sup>, kicking the can down the road by  
24. waiting to complete a study on avoided transmission until the next update will lead to an  
25. improper valuation of the DER value stack in the Commission’s most important demand-  
26. side customer programs for the next three years. PCF’s usage of the Alberhill project  
27. demonstrates the surprising difference in project costs and the deferral value included in  
28. the ACC, which is but a fraction of the calculated deferral value.<sup>3</sup> The illustrative  
29. example demonstrates the need to verify and update the transmission project data that is  
30. going into the portfolio of projects that makeup the avoided transmission value in the  
31. ACC. PCF also mentions that the Sunrise and SOCRE projects were included in the 2022  
32. ACC Documentation, despite the facts that both projects were completed prior to 2021. If  
33. not which projects are included, these projects certainly raise questions about **when**  
34. projects are included in the portfolio. Irrespective of other changes, the Clean Coalition  
35. concurs with SEIA’s contention that the most recent documentation is from 2022 and will  
36. not be out-of-date; at the very least, an update is needed. Lastly, I wish to note that DER  
37. have the ability to avoid all four of the major drivers of transmission— policy, reliability,  
38. economic, and peak load—meaning all projects should be included, unless there is a

---

<sup>2</sup> The Commission promotes a full accounting of all costs and benefits associated with a resource/program.

<sup>3</sup> Ibid, at p. 8.

39. specific reason otherwise.

**1. III: THERE SHOULD BE A UNIQUE SPREADHSEET FOR THE NBT**

**2. Q: Please respond to the assertion by the IOUs about the need for a unique**

**3. spreadsheet for the NBT.**

**4. A:** The Clean Coalition supports a unique spreadsheet that developers can use clearly model

**5. project economics, ensuring that the complexity of the ACC does not become an inhibitor**

**6. of ratepayers deploying solar energy.**

**7. IV: CONCLUSION**

**8.** The Clean Coalition appreciates the opportunity to submit this rebuttal testimony and urges

**9. the creation of an updated avoided transmission value that includes a complete portfolio of**

**10. transmission projects.**