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

7. Q: Please state your name, position, and business address for the record.
8. A: My name is Ben Schwartz. I am policy manager for the Clean Coalition, a 501(c)(3) non-
9. profit. My business address is 1800 Garden Street, Santa Barbara, CA 93101.

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

13. Q: Please summarize the scope of your rebuttal testimony.
14. A: My testimony responds to opening testimony by parties on the need to update the avoided
15. transmission value, to incorporate the Societal Cost Test (“SCT”) into the ACC to better
16. address non-energy benefits, and to create a Net Billing Tariff-specific (“NBT”) spreadsheet.

17. II. AVOIDED TRANSMISSION SHOULD BE UPDATED AND FULLY
18. INCLUDED IN THE APPROVED 2024 ACC. THE EXISTING STAFF
19. PROPOSAL DOES NOT MEET THE COMMISSION’S MANDATE IN

21. Q: Please respond to statements made by the Protect our Communities Foundation
22. (“PCF”) and Solar Energy Industries Association (“SEIA”) about the need to
23. update the avoided transmission value.
24. A: I strongly concur with SEIA’s and PCF’s reasoning about the importance of fully
25. incorporating an updated avoided transmission value into the 2024 ACC.¹ As

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underscored in direct testimony, knowingly relying on an inaccurate avoided transmission value — which is significantly out of date in the case of Southern California Edison (“SCE”) and San Diego Gas & Electric (“SDG&E”) has the effect of directly undercounting the export compensation for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

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\(^2\) The Commission promotes a full accounting of all costs and benefits associated with a resource/program.

\(^3\) Ibid, at p. 8.
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 spreadsheet for the NBT.
3. A: The Clean Coalition supports a unique spreadsheet that developers can use clearly model project economics, ensuring that the complexity of the ACC does not become an inhibitor of ratepayers deploying solar energy.

7. IV: CONCLUSION
8. The Clean Coalition appreciates the opportunity to submit this rebuttal testimony and urges the creation of an updated avoided transmission value that includes a complete portfolio of transmission projects.