

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking to Establish
Energization Timelines

Rulemaking 24-01-018

**CLEAN COALITION REPLY COMMENTS ON PROPOSED DECISION
ESTABLISHING TARGET ENERGIZATION TIME PERIODS AND PROCEDURE
FOR CUSTOMERS TO REPORT ENERGIZATION DELAYS**

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September 4, 2024

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I. INTRODUCTION

Pursuant to Rule 14.3 of the Rules of Practice and procedure of the California Public Utilities Commission (“the Commission”), the Clean Coalition respectfully submits these reply comments in response to the *Proposed Decision* (“PD”) *Establishing Target Energization Time Periods and Procedure for Customers to Report Energization Delays*, issued on August 12, 2024, and the *Email Ruling Partially Granting the Joint IOUs’ Request for an Extension of Time to File Reply Comments*, issued on August 26, 2024. The Commission should amend the PD based on the following considerations:

- Numerous parties agree with the Clean Coalition that the Commission must adopt energization target time periods for upstream upgrades in the PD.
- Effective enforcement is required to ensure that the target energization time periods are met.
- The Conclusions of Law section should be amended to clarify exactly how the proposed target time periods comply with AB 50 and SB 410.
- Clean Coalition agrees that transformer upgrades should not be afforded the same target time frame as more substantial upstream capacity grid upgrades.
- The PD should be amended to note that the targets are interim that may be adjusted annually.

II. COMMENTS

A. Numerous parties agree with the Clean Coalition that the Commission must adopt energization target time periods for upstream upgrades in the PD.

As the Clean Coalition wrote in opening comments, SB 410 requires the adoption of energization targets for all types of energizations, including projects requiring upstream grid upgrades. The PD currently fails to meet this standard. Powering America’s Commercial Transportation (“PACT”) agrees with our claim on the legal mandate that the Commission must follow,¹ as does the Interstate Renewable Energy Council (“IREC”) which concludes that, “there

¹ Opening Comments of PACT on PD, at p. 8.

is simply no way to read the statute as allowing a carveout for projects that trigger major upstream capacity upgrades,” meaning that the Commission has no deference on the subject.² The Coalition of Utility Employees (“CUE”) concurs, flatly arguing that the PD is wrong in opening comments, suggesting, “the commission cannot hide behind the claim that upstream projects have various timelines and setting targets is difficult. They should request additional IOU data if needed or set targets specific to different project types and sizes.”³ The lack of data cannot be a reason to decline to act, when the very utilities who failed to provide sufficient and granular data are effectively being rewarded in the PD through the perpetuation of the status quo. Without any clear target in place, the very same project backlogs that were the genesis for the passage of Assembly Bill (“AB”) 50 and Senate Bill (“SB”) 410 could potentially persist even following the passage of legislation directly aimed at addressing the problem. The housing projects, farms, businesses, and farms that require grid upgrades to function could seemingly remain without electricity indefinitely and no clear redress or compliance requirement to point to, stymieing growth and economic progress. Therefore, Clean Coalition urges the Commission to act by amending the PD to include target time periods rather than passing the current PD.

At present, the PD inaccurately relies on party comments to support the choice to adopt timelines over energization target time periods. Environmental Defense Fund & National Resources Defense Council (“EDF/NRDC”) point out that the PD quotes their comments but draws an incorrect conclusion. In opening comments, they correct the erroneous language in the PD, noting that, “in fact, we repeatedly argued throughout prior comments in this proceeding that setting targets for upstream capacity upgrades is critical for the success of this proceeding and demanded by the relevant statutes.”⁴ Likewise, the PD fails to comply with statute ordered in SB 410 because the timelines selected for upstream grid upgrades are based on historical projects which represent the status quo and will not lead to accelerated energizations require to achieve California’s climate and energy goals.⁵ CALSTART notes that the maximum timelines already encompass more than 90% of the existing timelines, arguing, “this is not nearly strict enough as it will not spur the IOUs to increase their energization process enough meet the CARB

² Opening Comments of IREC on PD, at p. 7-8.

³ Opening Comments of CUE on PD, at p. 5-6.

⁴ EDF/NRDC Comments on PD, at p. 8.

⁵ Opening Comments of IREC on PD, at p. 9 and Opening Comments of Silicon Valley Clean Energy on PD, at p. 2.

mandates.”⁶ Of numerous issues addressed by the legislature in passing AB 50 and SB 410, one of the most concerning is the fact that slow upstream grid upgrades risk the ability to electrify in a timely manner. Merely noting what the existing timeframe is for conducting grid upgrades has no impact on the urgency of speeding up the process.

B. Effective enforcement is required to ensure that the target energization time periods are met.

Determining target time periods for energization projects is an important step in the right direction as is ensuring that Energy Division staff is available to oversee customer complaints, but neither step inherently ensures that existing issues will be resolved or that the adopted targets will be met. As the California Solar and Storage Association (“CALSSA”) explains, “this story has already played out in the Rule 21 proceeding. Interconnection timelines were established without financial penalties. PG&E and SCE routinely exceed these interconnection timelines.”⁷ CALSSA, Clean Coalition, IREC, Green Power Institute, and other parties have consistently urged the Commission to implement an enforcement mechanism to ensure that mandated targets are met. These requests have not been met and as of today, the recently implemented Expedited Interconnection Dispute Resolution process has been temporarily discontinued due to a lapse in funding. Just like with Rule 21 interconnection, the setting of target time periods is a good step in theory that will only have a real impact if the utilities are able to comply in reality. Parties are tentative in their support for aspect of the PD due to the lack of an enforcement mechanism. ExteNet’s support is incumbent on the Commission’s ability, “move quickly on enforcement if the IOUs are not substantially meeting these timeframes,”⁸ and Crown Castle Fiber LLC declares, “it is vital that the Commission enhance its processes for enforcing non-compliance... effective enforcement goes hand-in-hand with the Proposed Decision’s expectations.”⁹ While Crown Castle Fiber LLC proposes considering compliance in Phase 2, other parties urge the Commission to adopt penalties. CalCCA argues that there must be penalties for noncompliance, including consequences for failure to abide by targets for upstream capacity upgrades, one there is data to inform the creation of those targets.¹⁰ The Local Government Sustainable Energy

⁶ Opening Comments of CALSTART on PD, at p. 3.

⁷ Opening Comments of CALSSA on PD, a tp. 4-5.

⁸ Opening Comments of ExteNet on PD, at p. 3.

⁹ Opening Comments of Crown Castle Fiber LLC, at p. 6.

¹⁰ Opening Comments of CalCCA on PD, at p. 5.

Coalition (“LGSEC”) also concurs on the need for penalties, though they recommend, “move quickly on enforcement if the IOUs are not substantially meeting these timeframes,” to ensure that a remedy is available that is not completely reliant on utility adjudication.¹¹ Clean Coalition recommends that the PD be amended to include a compliance mechanism such as a monetary penalty, or at the very least a conclusion clarifying that the Commission will adopt such a mechanism as part of Phase 2 of the proceeding.

C. The Conclusions of Law section should be amended to clarify exactly how the proposed target time periods comply with AB 50 and SB 410.

AB 50 and SB 410 were both passed with the intention of ensuring that energizations are carried out at pace that enables California to achieve its ambitious climate and energy goals. The PD does set target time periods, albeit not for projects requiring upstream grid upgrades. However, the link to exactly how the proposed target time periods will more effectively enable the achievement of goals than the status quo is not made clear. As EDF/NRDC explain, “The Proposed Decision (“PD”), however, fails to meet this statutory requirement by including no findings of fact or conclusions of law that demonstrate how the proposed energization targets are consistent with the achievement of these goals, standards, plans, and regulations.”¹² Clean Coalition supports the inclusion of a justification for exactly why the proposed target time periods are consistent with the letter and the spirit of the law in enabling timely electrification.

D. Clean Coalition agrees that transformer upgrades should not be afforded the same target time frame as more substantial upstream capacity grid upgrades.

Crown Castle Fiber LLC notes that a transformer upgrade required to connect a new customer load or increase service is not in the same category as other major upstream capacity grid upgrades and should not take nearly as long to complete. As a result, they suggest, “If the only electrical infrastructure change associated with a customer’s application is a new transformer, this should not qualify as an upstream capacity project, as the categories and definitions established in the Proposed Decision intend to encompass IOU-needed upgrades and not upgrades for specific customer use.”¹³ A transformer upgrade will be the second most common upgrade following main panel upgrades (“MPUs”) as building electrification starts to

¹¹ Opening Comments of LGSEC on PD, at p. 2.

¹² Opening Comments of EDF/NRDC on PD, at p. 2.

¹³ Opening Comments of Crown Castle Fiber LLC, at p. 3-4.

occur at a faster pace. It is essential that the process for carrying out a transformer upgrade is streamlined and can be carried out in a timely manner, especially now that supply chain shortages have been well established, and the utilities are taking additional steps to ensure that a sufficient number of transformers are available to conduct upgrades without any major delays.¹⁴

E. The PD should be amended to note that the targets are interim that may be adjusted annually.

AB 50 requires that a workshop be conducted annually with stakeholders and industry experts to determine modifications, adjustments, process improvements, as well as criteria for determining the definition of a timely energization. As a result, the Commission will have an annual opportunity to potentially shorten energization timelines. We agree with the California Broadband & Video Association that, “the Commission should revise the Proposed Decision (PD) to make it clear that the statewide average and minimum energization targets are only INTERIM...”¹⁵ While they recommend making changes to shorten the timelines in Phase 2, we believe that that may be too short of a timeframe, following the implementation of the new energy targets. At the very least, the Commission should commit to amending the PD to include the requirement for an annual workshop and suggest that target time periods may be amended there or within the normal schedule of the proceeding.

III. CONCLUSION

The Clean Coalition appreciates the opportunity to submit these reply comments. We urge the Commission to amend the PD to adopt target time periods for projects requiring upstream grid upgrades and add an enforcement mechanism to ensure compliance with all targets.

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Dated: September 4, 2024

¹⁴ This issue has been raised in the High DER proceeding (“R. 21-06-017”) in conversations about the Distribution Planning Process.

¹⁵ Opening Comments of the California Broadband & Video Association on PD, at p. 2.