

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

Order Instituting Rulemaking to Consider
Distributed Energy Resource Program Cost-
Effectiveness Issues, Data Access and Use, and
Equipment Performance Standards.

Rulemaking 22-11-013
(Filed November 17, 2022)

**CLEAN COALITION COMMENTS ON THE REVISED 2026 AVOIDED COST
CALCULATOR STAFF PROPOSAL**

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June 18, 2026

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I. INTRODUCTION

Pursuant to Rule 6.2 of the Rules of Practice and Procedure of the California Public Utilities Commission (“Commission”) the Clean Coalition respectfully submits these comments in response to the *Administrative Law Judge’s* (“ALJ”) *Ruling Issuing Updated 2026 Avoided Cost Calculator* (“ACC”) *Staff Proposal for Party Input*, issued at the Commission on June 5, 2026. The revised staff proposal includes changes to the unified integrated calculation, changes to the avoided transmission distribution of peak hours, and amending SCE’s avoided transmission methodology to better align with the other two utilities.

Clean Coalition believes that the Commission should require transparency before adopting a uniform DTIM approach for SCE’s avoided transmission value. While methodological consistency across investor-owned utilities (“IOUs”) is reasonable, Southern California Edison (“SCE”) has previously provided project-specific cost and capacity-need data for large transmission projects. Folding those projects into a system-wide Discounted Total Investment Method (“DTIM”) calculation may reduce volatility, but it may also dilute avoided transmission value and further obscure the locational value of DERs that can defer or avoid specific infrastructure investments. The Commission should therefore treat the proposed 2026 ACC transmission methodology as an interim approach, not as a determination that system-average DTIM values are the most accurate or complete way to value avoided transmission

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, demand response, and energy storage — and we establish market mechanisms that realize the full potential of integrating these solutions for optimized economic, environmental, and resilience benefits. The Clean Coalition also collaborates with utilities, municipalities, property owners, and other stakeholders to create near-term deployment opportunities that prove the unparalleled benefits of local renewables and other DER.

III. COMMENTS

A. Consistency in avoided transmission methodology should not come at the expense of accuracy or locational value

Clean Coalition does not oppose Staff’s goal of improving consistency in the calculation of avoided transmission capacity value across the IOUs. However, consistency should not be treated as a substitute for accuracy. Staff proposes to apply the DTIM to SCE, even though SCE has previously provided both system-wide transmission investment data and individual large-project cost and capacity-need data that supported use of a combined DTIM/LNBA approach.

Clean Coalition is concerned that moving to a DTIM-only approach may dilute or obscure the avoided transmission value associated with specific large, capacity-driven transmission projects. Staff explains that large project costs and capacity needs would be folded into the overall system-wide calculation. That approach may reduce volatility, but it may also reduce the accuracy of the resulting avoided transmission value if high-cost, capacity-driven projects are averaged across the entire SCE system or if relevant projects are excluded from the calculation.

At minimum, the Commission should require the 2026 ACC workpapers to clearly identify: (1) which SCE large transmission projects are included in the DTIM calculation, (2) which projects are excluded and why, (3) how capacity need is calculated, and (4) how the resulting DTIM-only value compares to the prior combined DTIM/LNBA value. The Commission should also clarify that adopting a consistent DTIM approach across IOUs does not resolve the underlying limitation that system-average avoided transmission values do not capture the locational value of DERs deployed where they can defer or avoid specific infrastructure investments.

IV. CONCLUSION

The Clean Coalition respectfully submits these comments and requests that the Commission ensure the 2026 ACC avoided transmission methodology produces an accurate and transparent value for DERs. Clean Coalition does not oppose Staff's effort to improve consistency across IOUs, but a uniform DTIM approach for SCE should not be adopted without sufficient transparency regarding the treatment of large, capacity-driven transmission projects and the effect of the change relative to the prior combined DTIM/LNBA methodology.

The Commission should require the 2026 ACC workpapers to identify the SCE large transmission projects included and excluded from the DTIM calculation, explain how capacity need is calculated, and compare the resulting DTIM-only value to the prior combined DTIM/LNBA value. These safeguards are necessary to ensure that methodological consistency does not inadvertently understate avoided transmission value or further obscure the locational value of DERs that can defer or avoid specific infrastructure investments.

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