Regulatory Update

September 27, 2019
Major Ongoing Regulatory Proceedings

PCIA/PG&E ERRA
- PCIA Phase II progress
- 2020 ERRA Forecast

Integrated Resources Plan
- Development of Joint IRP
- Procurement Track

Resource Adequacy
- Annual Showing
- Central Buyer settlement
PCIA Phase II

3 working groups to resolve deferred PCIA issues:

- **WG 1:** Brown power, RPS, and RA true-up, forecasting, billing determinants, bill presentation
  - Proposed Decision issued 9/6, comments due 9/26, set for CPUC vote 10/10

- **WG 2:** Prepayment
  - Final report due 12/9/2019

- **WG 3:** Portfolio Optimization and Cost Allocation
  - Discussing allocation proposals for RPS, GHG-free energy, and RA
  - Final report due 1/30/2020
• Proceeding sets PG&E bundled customer generation rates and PCIA rates for 2020
• Joint CCAs protested PG&E’s application on July 5
• Intervenor testimony served Sept 10
• At issue is:
  • Whether PG&E used the correct methodologies and data, particularly in light of changes to the PCIA stemming from CPUC’s 2018 Decision
  • Application of PCIA rate change cap
• Too early to use application to forecast next year’s rates; PG&E’s June filing is largely a placeholder and will be updated more precisely in November 2019
• Decision expected December 2019
Integrated Resources Planning (IRP)

• EBCE and three other CCAs are in the process of hiring a consultant to develop a Joint CCA IRP for the 2019-2020 planning cycle

• Procurement Track: CPUC requiring 2,500 MW of incremental resources to be under contract for 2021-2023
  • Current Proposed Decision requires additional procurement only by entities in southern CA – this could expand to statewide requirement
  • Comments on Proposed Decision due Oct 2; reply comments due Oct 7; set for CPUC vote as early as Oct 24
Resource Adequacy (RA)

• Annual compliance showing is Oct 31, 2019
  • First year that load-serving entities have to show three-year forward compliance
  • First year that some local RA is disaggregated
  • PG&E filed a petition to allow entities who buy total local RA but don’t meet disaggregated targets to be deemed compliant; some have protested
  • EBCE and others are advocating for a system waiver when RA is available but not being sold at commercially reasonable prices

• Central Buyer Settlement
  • Conversations with CPUC Commissioners’ offices underway
  • Proposed Decision expected Q4