

**DOCKETED**

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## Electric Rates

The CPUC must approve\* all rates that each electric utility charges its customers. Once a utility's revenue requirement has been determined, a utility must propose what rate will be charged to customers in order to recover the [revenue requirement](#). Rates are set in formal CPUC proceedings called ratemaking proceedings. The following types of regulatory proceedings address rates and rate design:

[General Rate Case \(GRC\) Phase II](#) proceedings review and approve the ways that costs are allocated to different customer classes and how those costs are collected from those classes. GRC Phase II proceedings follow [GRC Phase I](#) proceedings and occur on a three year cycle for the three large utilities.

Rate Design Window proceedings are shorter proceedings in between GRC Phase II cycles which address rate design issues.

[Residential Rate Reform](#) is a proceeding which began in 2012 to address the rate structure for residential customers and implement Assembly Bill 327 (Perea, 2013). In 2015, the Commission issued a decision (D.15-07-001) providing specific steps for the major investor owned utilities (IOUs) to reform the residential rate structure with an envisioned end-state of default time-of-use rates for residential customers in 2019.

## Other Rate Proceedings

- [Time of Use Order Instituting Rulemaking](#)
- [Energy Disconnections and Reconnections Rulemaking](#)

## Special Tariffs

- [Green Tariff/Shared Renewables Program \(GTSR\)](#)
- Economic Development Rate (EDR)
- [Net Energy Metering \(NEM\)](#)
- Zero Emission Vehicle Programs

## Reports and White Papers

- Actions to Limit Utility Costs and Rates - Annual Report to the Governor and Legislature 2016
  - [2016](#) | [2017](#) | [2018](#) | [2019](#) | [2020](#) | [2021](#) | [2022](#)
- [2021 Electric and Gas Costs Utility Reports](#)
- [2020 Electric and Gas Costs Utility Reports](#)
- [2019 Electric and Gas Costs Utility Reports](#)
- [2018 Electric and Gas Costs Utility Reports](#)
- [2017 Electric and Gas Costs Utility Reports](#)
- [2016 Electric and Gas Costs Utility Reports](#)

## Rates Q&A

\*Public Utilities Code section § 451 requires that the CPUC determine whether a utility's proposed rates, services, and charges are just and reasonable. \*

Customer classes are the broad rate groups used to allocate costs for rate design. In California the main rate classes are residential, commercial/industrial, agricultural and street lighting.

Rates are ideally based on cost causation. Rates for each class of customer are proportionate to the costs of serving that class of customer. For larger non-residential customers, rates may be based on a customer's demand in kilowatts (kW), as well as energy usage in kilowatt-hours (kWh).

The definition of a customer or rate class is included in a utility's tariff book.