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Bear Valley Electric Service, Inc Comments on 21-OIR-01 Proposed Updates to Power Source Disclosure Regulations

Additional submitted attachment is included below.

October 24, 2023

California Energy Commission
Docket Unit, MS-4
Re: Docket No. 21-OIR-01
715 P Street
Sacramento, CA 95814-5512

Re: Bear Valley Electric Service, Inc. Comments on 21-OIR-01: Proposed Updates to Power Source Disclosure Regulations

Bear Valley Electric Service, Inc. (“BVES”) hereby provides comments on the California Energy Commission’s (“Commission” or “CEC”) Proposed Updates to Power Source Disclosure Regulations to implement Senate Bill (“SB”) 1158. BVES asks that the Commission exercise its authority under Public Utilities Code § 398.6 (1) to exempt load serving entities (“LSEs”) like BVES from hourly data reporting requirements given the significant cost and burden it will place on LSEs.

I. Hourly Reporting Requirements Place Heavy Costs and Burdens on Small LSEs like BVES.

It will be incredibly challenging for BVES to provide hourly delivery data for BVES’ specified procurement. As a small LSE, BVES strives to keep costs low for its limited number of customers while continuing to provide safe and reliable service. BVES maintains a small staff of approximately 45 employees to serve its customers—many of whom hold multiple positions and handle issues across different areas of the company. Requiring BVES to report specified energy sources on an hourly basis may lead to a need to hire additional personnel and/or require additional time from existing employees to comply with new hourly reporting requirements. These additional burdens may negatively impact BVES’ existing employees and the services BVES provides. In addition, it is unclear how, if at all, hourly reporting will benefit BVES’ planning or its customers. Given the unique challenges BVES faces, the Commission should minimize the costs and burdens associated with hourly reporting for small LSEs.

II. The California Energy Commission has Explicit Authority Under SB 1158 to Modify the Hourly Delivery Data Reporting Requirements for Small LSEs Like BVES.

The burdens of hourly reporting were recognized by the Legislature early on in the legislative process. Bill analyses of SB 1158 describe “the complexity and prescriptive requirements of this bill” and note “that the reporting framework is overly complex.” The

Legislature recommended that the Commission should instead “examine the feasibility of the hourly reporting requirement.”¹ To alleviate the burden of hourly reporting, the Legislature set out an alternative reporting option for small LSEs. As described in the June 27, 2022 Assembly Committee on Natural Resources Analysis:

[SB 1158’s] requirements are complex, and may be unwieldy to implement for small LSEs. This bill recognizes the potential burden on small LSEs, not by exempting them, but by authorizing the CEC to modify or adjust the bill’s requirements for any electrical corporation with 60,000 or fewer customer accounts in the state or any retail seller with an annual electrical demand of less than 1,000 gigawatt-hours, if the CEC finds that the costs to comply with the requirements of this section unduly burden the electrical corporation or retail seller.²

The final version of SB 1158 authorizes the Commission to modify hourly reporting requirements for small LSEs. Specifically, Public Utilities Code § 398.6(l) provides that “[t]he Energy Commission may modify or adjust the requirements of this section for any electrical corporation with 60,000 or fewer customer accounts in the state or any retail supplier with an annual electrical demand of less than 1,000 gigawatt-hours, if the Energy Commission finds that the costs to comply with the requirements of this section unduly burden the electrical corporation or retail supplier.”

III. The Commission Should Exempt Small LSEs like BVES From Hourly Reporting Requirements.

As noted in the March 21, 2023 Request for Information (“RFI”), “[i]n developing the rules and procedures required by SB 1158, the CEC will seek to minimize the reporting burden and the cost of reporting that it imposes on retail suppliers.”³ To that end, the Commission should exercise its statutory authority provided under Public Utilities Code Section 398.6(l) and adopt modified reporting requirements for small LSEs like BVES that do not require hourly reporting. Doing so will minimize reporting burdens and costs for small LSEs, which is particularly important for BVES given its limited number of customers and the disproportionate rate impacts they face compared to customers of larger LSEs. For the reasons described above, the Commission should exercise its explicit authority under Public Utilities Code Section 398.6(1) and not require BVES to report deliveries on an hourly basis.

¹ Comment section of the May 23, 2022 Senate Floor Analysis, available at https://leginfo.legislature.ca.gov/faces/billAnalysisClient.xhtml?bill_id=202120220SB1158#.

² Comment 5 of the June 27, 2022 Assembly Committee on Natural Resources Analysis, emphasis in original, available at https://leginfo.legislature.ca.gov/faces/billAnalysisClient.xhtml?bill_id=202120220SB1158#.

³ RFI, p. 2.

IV. If BVES is Required to Provide Hourly Reporting, Simplified Reporting Requirements should be Adopted for Small LSEs like BVES to Minimize Burdens of Hourly Reporting.

At the September 26, 2023 workshop, staff stated that small LSEs like BVES could provide recommendations for hourly reporting as alternatives to the hourly reporting requirements outlined in the Pre-Rulemaking Amendments to the Power Source Disclosure Regulations. For the reasons outlined above, BVES maintains that based on statutory authority and the disproportionate burdens small LSEs will face if required to report on an hourly basis, BVES should be exempted from any hourly reporting requirements under the Power Source Disclosure program. However, if the Commission determines not to follow the explicit statutory authority provided under Public Utilities Code Section 398.6(1) and require that all LSEs report on an hourly basis, regardless of size, then BVES recommends that simplified hourly reporting requirements be adopted for small LSEs like BVES. In this event, BVES further recommends that the Commission convene a separate workshop to solicit additional information from small LSEs as to how best such reporting requirements could function. While BVES does not have any specific recommendations for an alternative hourly reporting methodology at this time, a workshop and additional input and discussion can help develop a simplified process and also account for unique LSE characteristics. Again, while statutory requirements recommend exempting BVES and other small LSEs from hourly reporting altogether, if hourly reporting is required a simplified hourly reporting process should be utilized to minimize burdens on small LSEs and their limited numbers of customers, helping to maintain lower costs.

V. Conclusion.

BVES appreciates the opportunity to provide comments on this proposed update to the PSD program and looks forward to working with the Commission to implement SB 1158. For the reasons outlined above, the Commission should not require BVES to report deliveries on an hourly basis as explicitly authorized by Public Utilities Code Section 398.6(1). Exempting BVES from hourly reporting requirements is not only consistent with statutory requirements, but will minimize reporting burdens and correspondingly disproportionate costs impacts for BVES' limited number of customers.

Respectfully submitted,

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