

DOCKETED

Docket Number:	16-OIR-05
Project Title:	Power Source Disclosure - AB 1110 Implementation Rulemaking
TN #:	231079
Document Title:	PGE Comments on AB 1110 Express Terms
Description:	N/A
Filer:	System
Organization:	PG&E
Submitter Role:	Public
Submission Date:	12/10/2019 3:24:58 PM
Docketed Date:	12/10/2019

*Comment Received From: PG&E
Submitted On: 12/10/2019
Docket Number: 16-OIR-05*

PGE Comments on AB 1110 Express Terms

Additional submitted attachment is included below.



Jessica M Melton
Representative
State Agency Relations

1415 L Street, Suite 280
Sacramento, CA 95814
O: (916) 386-5712
M: (916) 386-5720
Jessica.Melton@pge.com

December 10, 2019

POSTED ELECTRONICALLY TO DOCKET 16-OIR-05

California Energy Commission
Dockets Office, MS-4
Docket No. 16-OIR-05
1516 Ninth Street
Sacramento, CA 95814-5512

Re: Pacific Gas and Electric Company Comments on the Express Terms Modification of Regulations Governing the Power Source Disclosure Program

Pacific Gas and Electric Company (PG&E) appreciates the opportunity to provide comments to the California Energy Commission (CEC) on the Express Terms modifying the Power Source Disclosure Program released on November 25, 2019. PG&E's commitment to providing safe, reliable and clean energy also includes providing customers with accurate information regarding the power we supply. To this end, PG&E is disappointed by the CEC's decision to postpone implementation until 2021, contrary to the requirements of AB 1110. Further, the CEC has not addressed the issues raised by PG&E and others outlining where the accuracy of the data provided in the Power Content Label (PCL) is undermined.

The draft regulations still fall short of providing Californians accurate and reliable information regarding their sources of electricity. However, these draft regulations still represent a significant improvement from the status quo and any further delays in implementation would not be in the interest of the state. For this reason, PG&E requests the CEC revise the Express Terms to avoid delaying implementation to 2021 but otherwise approve the Express Terms as drafted at the December 11 Business Meeting. The CEC should then open a second phase of the rulemaking to continue working towards AB 1110's goal of providing "accurate, reliable, and simple to understand information on the sources of energy, and the associated emissions of greenhouse gases, that are used to provide electric services."

PG&E offers the following comments:

I. The 2019 Power Content Label should use the Updated Regulations as Required by AB 1110

AB 1110 requires that "[b]eginning June 1, 2020, retail suppliers shall be required to report data on greenhouse gas emissions intensity associated with retail sales occurring after December 31, 2018." Contrary to this explicit requirement, the proposed Express Terms delay this requirement to retail sales occurring on or after January 1, 2020.

If the CEC does not correct the Express Terms to go into effect starting with the 2019 PCL, LSEs (including PG&E) will still be required to comply with AB 1110. Public Utilities Code Section 398.4(a) requires that “every retail supplier that makes an offering to sell electricity that is consumed in California shall disclose its electricity sources and the associated greenhouse gases emissions intensity for the previous calendar year.” Specifically, 398.4(k) requires that “[b]eginning June 1, 2020, **retail suppliers shall be required** to report data on greenhouse gas emissions intensity associated with retail sales occurring after December 31, 2018.”

A retail supplier’s obligation is not excused if the Energy Commission fails to meet its own statutory obligation to implement the new regulations by January 1, 2018. Without a compliance pathway provided by the CEC, PG&E and other LSEs may need to report this information voluntarily to comply with the statutory requirements. It would be far simpler and fairer to fix this legal error.

II. The CEC should Adopt the Express Terms as Soon as Possible and Commit to Future Improvements

After making the correction above, the CEC should adopt the Express Terms as written at its December 11 business meeting. California electricity users deserve to have improved information regarding the sources and emissions content of their electric supply as soon as possible. While PG&E and other stakeholders have strong disagreements with the state of the Express Terms on the table, the updated PCL will still be a significant improvement from the status quo. Since it appears the CEC may believe they cannot adopt reporting requirements (PG&E strongly disagrees), adoption now would be preferable to further delays pushing the effective date to the 2021 procurement year.

PG&E has previously identified issues with the proposed implementation terms that the CEC has not meaningfully addressed. As a result, the total GHG emissions shown by all LSE’s PCLs will not sum to the total GHG emissions of California’s electric sector. Some of the remaining issues that cause this disconnect include:

- The portion of Cost Allocation Mechanism (CAM) resource emissions and energy attributable to unbundled customers is not accounted for on any PCL
- Emissions associated with transmission and distribution losses are not accounted for on any PCL.
- Annual GHG accounting methodology does not reflect the actual operations of the grid and is misaligned with the CPUC GHG planning process

The CEC should commit to opening a second phase of the proceeding after adopting the current Express Terms to address these sources of error.

III. Conclusion

AB 1110 requires that the Power Content Label provide "accurate, reliable, and simple-to-understand information on the sources of energy that are used to provide electric services" to California consumers. PG&E continues to support the goals of AB 1110 and appreciates the opportunity to work with the CEC and all interested stakeholders to achieve these legislative requirements.

PG&E appreciates the opportunity to provide these comments and looks forward to continued involvement in achieving the goals of AB 1110. Please feel free to reach out with any questions.

Sincerely,

Jessica M Melton