June 9, 2020

RE: R.17-09-020 – Central Buyer for Resource Adequacy

Dear Commissioner Shiroma,

The California Alliance for Community Energy is a statewide organization that advocates for Community Choice energy programs that benefit communities by prioritizing local clean energy development. We urge the Commission to reject the proposed decision on Resource Adequacy (RA), R.17-09-020, currently on the consent calendar for the June 11 voting meeting.

The proposed decision imperils Community Choice energy program autonomy in procurement, set forth in Community Choice law AB 117. Assigning a central buyer for RA will inhibit local programs from investing in local RA, such as solar and storage, which bring numerous benefits to communities besides meeting RA requirements. This impact of the proposed RA decision will imperil local energy resilience.

It is shocking that the proposed decision named SCE and PG&E as the Central Buyers for Resource Adequacy. Both of those investor-owned utilities have lost significant portions of their load to Community Choice programs. Indeed, PG&E now procures energy for only about 40% of the customers in its territory. Furthermore, PG&E is currently still in Chapter 11 bankruptcy, on probation for 5 felony counts related to the San Bruno disaster and 84 counts of manslaughter arising from its culpability for the Paradise fire.

These two investor-owned utilities also have a history of antagonistic behavior against the competing Community Choice programs in their territory. Appointing them to purchase RA and bill the Community Choice programs for the cost is like appointing the fox to guard the hen house.

We urge you to reject SCE and PG&E as central buyers and instead follow the proposal in Assembly bill, AB 3014 (Muratsuchi), to establish an independent agent as central buyer. Muratsuchi’s bill also establishes the right of Community Choice agencies to first procure RA for customers, and assigns only residual RA to a central buyer. The bill addresses RA issues while preserving local jurisdiction and autonomy.

Our advocacy for local clean energy resource development is powered by a vision of increasing local control, ownership, and energy resiliency, especially for most impacted communities within Community Choice jurisdictions. The proposed decision on RA will make that outcome much harder to achieve.

Sincerely,

Al Weinrub
Coordinator, California Alliance for Community Energy

Copies to: (via email)