

VIA EMAIL: [EDTariffUnit@cpuc.ca.gov](mailto:EDTariffUnit@cpuc.ca.gov)

September 8, 2020

Energy Division, Tariff Unit  
California Public Utilities Commission  
505 Van Ness Ave, 4<sup>th</sup> Floor  
San Francisco, CA 94102

**RE: Protest of Microgrid Resources Coalition to PG&E Advice Letter 5918-E**

Dear Energy Division Tariff Unit,

The Microgrid Resources Coalition (“MRC”) hereby protests Pacific Gas & Electric Company’s (“PG&E”) Advice Letter 5918-E. As set forth below, the Advice Letter fails to comply with D. 20-06-017, General Order 96-B and is a violation of due process.

The MRC respectfully requests that the Commission reject the Advice Letter establishing community microgrid tariffs on the grounds specified in GO 96-B Section 7.2.4 (4) that the relief requested in the Advice Letter is pending before the Commission in a formal proceeding R.19-09-009 and (5) that the relief requested in the Advice Letter is inappropriate for the advice letter process.

**PG&E’s tariff attempts to preempt issues properly before the Commission as required by SB 1339**

SB 1339 requires that the *Commission* develop separate rates and tariffs to facilitate the commercialization of microgrids.<sup>1</sup> Creating a new microgrid tariff that applies to all 3 IOUs is what the Commission should be doing in this proceeding with substantial stakeholder input. Simply allowing one utility to unilaterally create its own microgrid tariff through an Advice Letter with no context is a violation of the statute. The MRC strongly agrees with the Joint CCAs that considering such a major tariff proposal in this manner simply frustrates the purpose of this Rulemaking and will create new barriers to microgrid commercialization.<sup>2</sup>

**PG&E attempting to create a new, major, precedent setting tariff through an Advice Letter is clearly inappropriate given the critical issues it raises**

General Order 96-B, Section 5.1 Matters Appropriate to Advice Letters states, “*The Advice Letter process provides a quick and simplified review of the types of utility requests that are expected neither to be controversial nor to raise important policy questions.*”<sup>3</sup>

The creation of a brand-new tariff for microgrids raises major policy questions. Indeed, it is the entire purpose of SB 1339 and the R. 19-09-009 proceeding. Use of the Advice Letter process to request approval of a new tariff that is the subject of intense public interest is highly inappropriate. The Track 1 order directed

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<sup>1</sup> SB 1339 Sec. 8371(d)

<sup>2</sup> Id.

<sup>3</sup> General Order 96-B, Section 5, pg. 8 and Section 7.4.2 pg. 13

PG&E to work with stakeholders on the CMEP program scope, but the tariff appears to have been developed unilaterally and stakeholders were not consulted about its creation or content. The proposed tariff addresses issues that have only begun to receive general discussion in the Track 2 proceeding and were not even squarely raised in the Track 2 proposals.

The MRC shares the same concerns the Joint CCAs outlined in their Track 2 reply comments about the manner in which PG&E is attempting to create a microgrid tariff in this proceeding under the CMEP.<sup>4</sup> The MRC agrees with the Joint CCAs that “the IOUs must not be allowed to develop an inefficient and fragmented microgrid tariff structure”, as it would impose additional barriers to microgrid commercialization.<sup>5</sup>

The Commission should reject PG&E’s request to approve the CMET. PG&E’s proposal should be considered as part of an overall microgrid tariff development process that the Commission initiates immediately. The MRC and others have previously outlined a proposed framework and schedule for this process in Track 2.<sup>6</sup> A Commission-led microgrid tariff development process is what is required by SB 1339.

## **Conclusion**

California is on a national stage when it comes to enabling policies and regulations for microgrid commercialization. It is not acceptable for the Commission to implement landmark microgrid legislation such as SB 1339 in such a fragmented and haphazard manner. Given California’s issues with power supply, reliability, and resiliency, the Commission needs to take its microgrid commercialization mandate very seriously at this time and implement a standardized tariff that can be widely utilized by customers in all 3 IOU service territories across the state. Furthermore, it does not serve the public interest to permit one utility to create a microgrid tariff on its own, let alone a utility that has caused so many of California’s problems and has a poor history of responsiveness to customer concerns.

The MRC respectfully requests that the Commission reject PG&E’s Advice Letter 5918-E for the reasons stated above.

Respectfully submitted,

/s/ C. Baird Brown

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<sup>4</sup> Joint CCAs Reply Comments, pg. 3-4 “*The Joint CCAs are very concerned by PG&E’s attempt to “sneak through” a general community-scale microgrid tariff in its Community Microgrids Enablement Program (“CMEP”) Advice Letter, AL 5918-E. This is a major tariff proposal that would apply to all community-scale microgrids that are being brought to PG&E under CMEP. Given PG&E’s resources, market position, and the significant investment in CMEP, PG&E’s tariff proposal is likely to be a dominant and precedent-setting tariff for customer-sited and community microgrids in PG&E’s service area.*”

<sup>5</sup> Id.

<sup>6</sup> MRC Reply Comments, pg. 24; Joint CCAs Reply Comments, pg. 3-4; The Climate Center Reply Comments, pg. 6; CESA Reply Comments pg. 6; Other parties reference the need for workshops and/or frameworks for programs and tariffs developed in this proceeding

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Service List: R. 19-09-009