### BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Modernize the Electric Grid for a High Distributed Energy Resources Future.

Rulemaking 21-06-017 (Filed June 24, 2021)

### REPLY COMMENTS OF RURAL COUNTY REPRESENTATIVES OF CALIFORNIA ON STAFF PROPOSAL FOR THE HIGH DER PROCEEDING

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Dated: June 18, 2024

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### I. Introduction

Pursuant to Rule 6.2 of the California Public Utilities Commission ("Commission" or "CPUC") Rules of Practice and Procedure, the Rural County Representatives of California ("RCRC") submits reply comments to *Administrative Law Judges' Ruling Seeking Comment on the Staff Proposal*, issued on March 13, 2024, and revised on April 5, 2024, pursuant to *Administrative Law Judges' Ruling Memorializing Extension of Time to File Comments and Providing Corrected Staff Proposal*. RCRC is an association of forty rural California counties, and our Board of Directors is comprised of an elected Supervisor from each of our member counties. RCRC was granted party status on October 10, 2023, via an email ruling by Administrative Law Judges Kelly A. Hymes and Manisha Lakhanpal.

#### II. Discussion

RCRC appreciates the Commission's development of the *Staff Proposal to Improve the Distribution Planning and Execution Process* ("Staff Proposal") and our comments, to the extent feasible, retain the organization of the Staff Proposal.

Generally, RCRC supports many of the suggestions included in the Staff Proposal and appreciates the time and effort the endeavor required. Like the Joint Community Choice Aggregators (CCAs), we agree that "the IOUs' existing distribution functions require reform to meet both customers' needs and the State's policy objectives...the status quo is not working for customers, distributed energy resource (DER)

developers, or for non-IOU load-serving entities (LSE)."<sup>1</sup> We agree with Pacific Gas and Electric (PG&E) that the existing forecasting process "does not adequately anticipate load growth and hinders the ability of utilities to proactively meet growing customer needs." We also agree with PG&E's suggestions to improve coordination between the distribution planning and improvement process and the General Rate Case (GRC) and the need to develop a less adversarial process for after-the-fact reasonableness reviews<sup>2</sup>; however, it is vital that funds allocated for distribution improvements in the GRC not be diverted for other purposes, as the Staff Proposal notes took place in 2018 and 2019.<sup>3</sup> While we recognize the necessity of rapidly increasing the pace and scale of wildfire mitigation work in 2018 and 2019 to make up for years of underinvestment in those projects; there has been a long history of GRC-approved funds being reallocated for other purposes to the detriment of the utility's ability to accomplish its core objectives of providing safe, affordable, and reliable power.

RCRC also supports and appreciate the integration of the mandates included in Assembly Bill 50 (Wood, Chapter 317 Statutes of 2023) and Senate Bill 410 (Becker, Chapter 394 Statutes of 2023) into the proposal, as they are also intended to improve utility distribution planning processes.

While many stakeholders focus exclusively on the impact that transportation and building electrification are having on the need for distribution system improvements, it is important to note that the underlying problems and customer frustrations long predate the state's decarbonization efforts. Recent electrification efforts are exacerbating those pre-existing challenges and that there is a considerable backlog in system improvements necessary to merely accommodate community and economic growth in some areas of the state. Given the current capacity constraints and interconnection woes faced by a myriad of customers, we have a long way to go before we risk overbuilding energy infrastructure.

As a general matter, RCRC agrees with many of the observations and comments from the Local Government Sustainable Energy Coalition (LGSEC), including concerns over the bias toward investor-owned utility (IOU) capital expenditures to solve California's climate goals and frustration with a CPUC regulatory process that silos complex issues to the detriment of holistic system reform. RCRC supports LGSEC's recommendation to increase stakeholder visibility into power quality, causes of grid faults, data gaps, and how other resources could increase capacity and reduce energization timelines.<sup>4</sup>

<sup>&</sup>lt;sup>1</sup> Joint Community Choice Aggregators' Opening Comments on Staff Proposal, May 28, 2024, page 2.

<sup>&</sup>lt;sup>2</sup> Pacific Gas and Electric Company (U 39 E) Comments on The Staff Proposal to Improve the Distribution Planning and Execution Process, May 28, 2024, pages 2 and 4.

<sup>&</sup>lt;sup>3</sup> Staff Proposal for the High DER Proceeding (Staff Proposal), page 27.

<sup>&</sup>lt;sup>4</sup> Opening Comments of the Local Government Sustainable Energy Coalition (LGSEC) on Staff Proposal for the High DER Proceeding, May 24, 2024, pages 22-23, 28.

RCRC appreciates Powering America's Commercial Transportation's (PACT's) characterizations of the significant challenges and complexities faced by medium- and heavy-duty fleets. We also disagree with the assumptions that load-shifting these DER options can offset needed grid capacity additions.<sup>5</sup>

While much of the Staff Proposal focuses on solving PG&E's systemic inadequacies, San Diego Gas and Electric (SDG&E) argues it has already addressed many of those challenges through its existing processes. As such, SDG&E is justifiably concerned that some of these changes may be expensive to implement for little relative benefit to its own ratepayers. Regardless, enhanced oversight of utility expenditures and distribution investments will help address the capacity concerns that have grown over the course of many years.

### A. Section 2: Current Distribution Planning and Execution Process (DPEP)

RCRC agrees with the Staff Proposal's observation that the current "distribution planning and execution process is reactive and conservative," historically relying upon customer energization applications to justify distribution investments.<sup>6</sup> RCRC also agrees with the Staff Proposal and other parties that the distribution planning and execution process must become proactive, anticipate new loads, and be able to provide service without the lengthy distribution upgrades that can take up to a decade to operationalize today.<sup>7</sup> The Public Advocates Office cautions against being too proactive in undertaking distribution system improvements in case the expected load growth fails to appear.<sup>8</sup> Some areas are so far behind on distribution capacity upgrades that they are a long way from realizing the Public Advocates Office's fears. Given local government experiences, RCRC strongly supports Southern California Edison's (SCE's) observation that "in an environment with significant, accelerating load growth it is simply a choice between being a little early or a lot late." Investments in distribution system capacity can actually attract developers to particular areas.

RCRC agrees with the Staff Proposal that transportation and electrification have significantly increased electricity usage and often have project delivery timelines that cannot be accommodated by the

<sup>&</sup>lt;sup>5</sup> Opening Comments of Powering America's Commercial Transportation on the Staff Proposal for the High Distributed Energy Resources ("DER") Proceeding, May 28, 2024, page 15.

<sup>&</sup>lt;sup>6</sup> Staff Proposal for the High DER Proceeding (Staff Proposal), page 14.

<sup>&</sup>lt;sup>7</sup> Id.

<sup>&</sup>lt;sup>8</sup> Comments of the Public Advocates Office on Administrative Law Judges' Ruling Seeking Comment on Staff Proposal, May 28, 2024, page 2.

<sup>&</sup>lt;sup>9</sup> Southern California Edison Company's (U 338-E) Opening Comments on Track 1, Phase 1 Staff Proposal, May 28, 2024, page 4.

current infrastructure improvement processes. <sup>10</sup> At the same time, these issues are not solely the result of increased demand for transportation and building electrification and any remedies must be much more broadly focused to address the systemic issues. SCE appropriately frames the issue by noting that these are "long-standing issues that have been exacerbated by the need to electrify the economy". <sup>11</sup> The inability for utility infrastructure to timely support general economic growth and development long pre-dates the state's shift toward electric vehicles and away from natural gas in many parts of the state. While we do not dispute that "the emerging energy demand landscape is significantly different from recent history," <sup>12</sup> we note that the distribution planning and execution process was inadequate to meet even historic needs in many areas. As such, we welcome the CPUC's efforts to improve those processes.

Environmental Defense Fund (EDF) and Natural Resources Defense Council (NRDC) accurately note that "access to sufficient grid capacity is likely to be the limiting factor for many electrifying fleets" and that fleets "incorporate grid capacity as a factor in site selection." This is true not just for vehicle fleets, but for all kinds of economic development. Grid capacity has been one of the major limiting factors for economic development in many rural and unincorporated areas of the state. Grid capacity is always a major factor in site selection: one cannot build any kind of facility without assurances that the grid will be able to reliability supply adequate power to the site.

# B. Section 3: Issues with Current Distribution Planning and Execution and Related Proposals IEPR Data as an Input Into Distribution Planning

RCRC agrees with the Staff Proposal's and Joint CCA's observations that reliance on the Integrated Energy Policy Report (IEPR) forces utilities to rely upon stale data for distribution planning work. <sup>14</sup> PACT correctly notes that it was reasonable to extrapolate data from customer application trends to project near/mid-term distribution system needs; <sup>15</sup> however, that system broke down when utilities failed to coordinate with and integrate data from local governments and economic development officials to ensure those plans incorporates important development plans and projects. SCE makes a valid observation that the current timeframe for preparation and approval of the IEPR hinders the ability to use

<sup>&</sup>lt;sup>10</sup> *Id.*, page 23.

<sup>&</sup>lt;sup>11</sup> *Id.*, page 1.

<sup>&</sup>lt;sup>12</sup> *Id.*, page 24.

<sup>&</sup>lt;sup>13</sup> Opening Comments of Environmental Defense Fund and Natural Resources Defense Council on Staff Proposal to Improve the Distribution Planning and Execution Process, May 28, 2024, page 4.

<sup>&</sup>lt;sup>14</sup> Staff Proposal, page 33; Joint CCAs, pages 5-6.

<sup>&</sup>lt;sup>15</sup> Opening Comments of Powering America's Commercial Transportation on the Staff Proposal for the High Distributed Energy Resources ("DER") Proceeding, May 28, 2024, page 7.

more recent vintages in distribution planning efforts <sup>16</sup> and RCRC supports state efforts to reconcile the timelines between adoption of the IEPR and IOU distribution planning processes.

PG&E supports the Staff Proposals recommendation that IOUs be allowed, but not required, to use bottom-up data. <sup>17</sup> As noted in the next section, RCRC aligns with other stakeholders in requiring the use of known load data in planning efforts, as PG&E's failure to adequately supplement the IEPR forecast has had serious consequences, delayed much needed system improvements, and resulted in tremendous local frustration with PG&E's distribution planning process and ability to support local growth. While RCRC certainly supports the Staff Proposal's suggestion, a more "hands-on" approach may be necessary.

### Reconciling System-Wide IEPR Load Forecasting and Bottom-Up Circuit-Level Forecasting

RCRC agrees with the Staff Proposal's observation that use of the IEPR to produce a load growth cap has not historically aligned with existing energization requests. <sup>18</sup> As has frequently been observed, the IEPR has failed to adequately anticipate energy demands from major economic sectors, which has distorted utility load forecasts. The inclusion of bottom-up, known load data to determine load growth is a crucial step forward. By utilizing more granular and recent data, utilities can enhance the accuracy of their near-term forecasts, leading to better planning and resource allocation. This approach is widely supported by various stakeholders, including the Joint CCAs<sup>19</sup>, who all emphasize the importance of accurate and timely data in distribution planning.

We strongly support efforts to supplement the IEPR with information about known and anticipated loads—particularly those with a high level of confidence—to improve the accuracy of forecasts and reduce the risk of longer-than-necessary energization timelines. In that respect, with agree with EDF and NRDC that known load data "is the most accurate tool for near-term forecasting" and further agree with EDF, NRDC, and PACT that utilities should have an *obligation* to include that information in their planning efforts where it is feasible to do so. <sup>20</sup> Earlier adoption of this common-sense approach would have avoided some of the significant capacity challenges throttling development in some regions of the state.

RCRC agrees that for utilities and customers to fully realize the time-saving benefits of creating a "Pending Loads" category, utilities will need to able to use "Pending Loads" to justify project investments

<sup>&</sup>lt;sup>16</sup> *SCE*, page 5.

<sup>&</sup>lt;sup>17</sup> *PG&E*, page 5.

<sup>&</sup>lt;sup>18</sup> Staff Proposal, page 34.

<sup>&</sup>lt;sup>19</sup> Joint CCAs, page 6.

<sup>&</sup>lt;sup>20</sup> EDF and NRDC, page 6; Powering America's Commercial Transportation, page 8.

in the General Rate Case. <sup>21</sup> As others have noted, this information will be developed through coordination with local government, planners, economic developers, and increased community engagement. We agree with the Staff Proposal's that there is no one method that will perfectly predict where load will show up; however, knowing more about those loads will enable utilities to invest in strategic infrastructure improvement that can help facilitate serving that load once it materializes. "No regrets" investments to increase the capacity of banks and feeders that serve large areas will enable utilities to more nimbly serve to specific customers whose needs are currently unknown. <sup>22</sup>

The Public Advocates Office takes a narrow view of what should constitute "bottom-up" data that can be used to supplement, exceed, or replace the IEPR in the near-term, arguing that only known load data from energization applications can be used for these purposes. The Public Advocates Office would have all other data about anticipated development relegated to IEPR disaggregation. <sup>23</sup> RCRC respectfully disagrees with the Public Advocates Office on this issue and fears that only allowing the use of data derived from energization applications will simply perpetuate the problems that many of PG&E's customers have faced over the last few decades. One of the purposes of AB 50 (Wood) was to provide utilities with more and better information about where development (housing, commercial, industrial, public safety, healthcare) is planned so the utilities can better plan for where capacity will need to be increased. As a corollary, AB 50 also intended for the coordination and information sharing to enable local governments to better align those development plans with where capacity is already available or can be accommodated. Utilities are far behind where they need to be to improve system capacity and align energization timeframes with customer expectations, so they have a lot of catching up to do. Utilities should be able to use information about known and pending loads (including adopted development plans) to inform their distribution plans.

The Public Advocates Office appears to be concerned about over-estimating load growth, noting that the current load growth due to electrification may be temporary and there may be a time in the future where load growth plateaus or decreases.<sup>24</sup> As previously mentioned, many of our communities energization needs weren't being met years before the current rush to electrify vehicles and buildings. Many areas have a long way to go for infrastructure to simply meet current demand unrelated to transportation and building electrification.

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<sup>&</sup>lt;sup>21</sup> *PG*&E, page 11.

<sup>&</sup>lt;sup>22</sup> *PG&E*, page 8.

<sup>&</sup>lt;sup>23</sup> Public Advocates Office, pages 9-15.

<sup>&</sup>lt;sup>24</sup> Public Advocates Office, page 17.

### Mid- and Long-Term Load Disaggregation

RCRC agrees with the Staff Proposal's observations and Tesla<sup>25</sup> that mid- and long-term forecasting is difficult but must be improved and that greater certainty can be gained through local government and community engagement and through proactive outreach.<sup>26</sup> The Staff Proposal also recognizes the risk of overbuilding, building too soon, or building in the wrong places;<sup>27</sup> however, we agree with PG&E that investments to increase capacity of banks and feeders that serve large areas are worthy endeavors that may enable the utility to provide more timely service to individual customers whose needs are not currently known.<sup>28</sup>

RCRC agrees with EDF and NRDC that utilities should incorporate expandability evaluations into new asset deployment plans. As they suggest, utilities should consider designing facilities that can be expanded to accommodate additional transformers and other equipment in the event that load growth increases in the future.<sup>29</sup> This approach will avoid over-building in the short-term while providing a pathway to more quickly increase system capacity when and where needed.

# <u>Impact of Distribution Capacity Upgrades on Customers/Development of Bridging Strategies to Better Accommodate Energization Requests</u>

RCRC agrees with the Staff Proposal that utilities should continue exploring temporary solutions to bridge any gaps between when a customer requests energization and the time that the required distribution upgrade can be completed;<sup>30</sup> however, RCRC believes this should be utilized as a last resort and cannot be a long-term approach to addressing systemic problems. As such, we agree with PG&E's current approach that bridging solutions are pilot projects and low-cost strategies to accommodate individual projects.<sup>31</sup> RCRC is concerned that if these temporary solutions become widespread and long-term solutions, it will increase grid complexity, as Tesla appropriately points out that "flexible interconnection is not a substitute for full energization of the site."<sup>32</sup>

<sup>&</sup>lt;sup>25</sup> Comment of Tesla on March 13 Administrative Law Judges Ruling Seeking Comment on Staff Proposal, May 28, 2024, page 6.

<sup>&</sup>lt;sup>26</sup> Staff Proposal, pages 40-48.

<sup>&</sup>lt;sup>27</sup> *Id.*, page 48.

<sup>&</sup>lt;sup>28</sup> *PG&E*, page 8-10.

<sup>&</sup>lt;sup>29</sup> EDF and NRDC, page 8.

<sup>&</sup>lt;sup>30</sup> Staff Proposal, page 55.

<sup>&</sup>lt;sup>31</sup> *PG&E*, page 14.

<sup>&</sup>lt;sup>32</sup> Tesla, page 7.

### <u>Development of Prioritization Methods Beyond the Current Consideration of Project Need</u> <u>Dates/Improving Project Prioritization when Useful or Necessary</u>

RCRC has serious concerns with the Staff Proposal's suggestion that PG&E always prioritizes competing projects on a first-in first-out basis, especially in the short- to mid-term.<sup>33</sup> RCRC strongly agrees with PG&E that there are many variables that should be considered when prioritizing distribution capacity projects.<sup>34</sup> Projected need date is incredibly important, but other considerations should be taken into consideration, including those related to public safety, reliability, critical services, etc. RCRC fears that focusing solely on "project need date" will restrict utility efforts to increase capacity for other competing projects that may serve an even more compelling purpose, especially in the short term where there is such a tremendous backlog. RCRC appreciates PG&E's approach to prioritizing capacity projects, especially as demand grows. PG&E needs to be able to accurately pinpoint areas of the grid that are most in need of upgrades or enhancement to ensure that resources are allocated efficiently and effectively. By focusing on critical areas first, PG&E's practices aim to prevent potential bottlenecks and reliability issues, which is crucial to meeting future energy needs of customers. This "triage" approach may be particularly useful for PG&E given the sheer backlog of system improvements in its service territory. This approach may not be as useful for SDG&E, whose effective distribution planning process appears to position it closer to meeting the needs of its customers. This would explain SDG&E's reluctance to develop any alternative to a prioritization system based on a project's "need date." 35

RCRC strongly supports the Staff Proposal's direction that PG&E "should ensure that distribution planning has adequate resources, such as employees and/or contractors, to complete all distribution work in a timely manner." We believe this also means those resources approved in a General Rate Case should not be diverted to other purposes.

# <u>Community Engagement: Coordination and Engagement with Local and Tribal Governments, Planning Agencies, ESJ Communities, and Local Developers</u>

RCRC agrees with the Staff Proposal and Tesla<sup>37</sup> that greater engagement with local governments and communities can improve the distribution planning process, avoid unanticipated loads, and reduce

<sup>&</sup>lt;sup>33</sup> Staff Proposal, page 61.

<sup>&</sup>lt;sup>34</sup> *PG&E*, pages 12-13.

<sup>&</sup>lt;sup>35</sup> Opening Comments of San Diego Gas & Electric Company (U 902-E) on Staff Proposal for the High DER Proceeding, May 28, 2024, page 12.

<sup>&</sup>lt;sup>36</sup> Staff Proposal, page 61.

<sup>&</sup>lt;sup>37</sup> Tesla, page 9.

customer frustration. The Staff Proposal appropriately notes that IOUs should not consider local development plans as guaranteed,<sup>38</sup> but they can help indicate where development may occur, the types of development that may occur, and potential energy loads that may materialize in the area over a medium-or long-term planning horizons.

RCRC strongly agrees with the Staff Proposal that IOUs should engage with local planning entities, local governments, and developers in a two-way dialogue as contemplated in AB 50 (Wood) to ensure that utilities are better aware of local development plans and priorities (and so locals can better understand where it may be easier to energize certain types of projects).<sup>39</sup> The Joint CCAs are correct in noting that this type of dialogue, if it includes information about what distribution projects the IOUs will be working on in the near future, will relieve local government and customer frustration and build a better community understanding of the efforts the IOU is making to improve its system.<sup>40</sup> We note that some IOUs already do a fairly good job at this, including SDG&E and SCE.<sup>41</sup> We also appreciate the challenges PG&E faces given the sheer number of jurisdictions in its service territory; however, that cannot be an excuse for chronic failure.

RCRC agrees with the Joint CCAs that IOUs must be required to keep open lines of communications between the utilities and local agencies even outside the period of active outreach.<sup>42</sup> We also agree that this must be more than just a "check the box" exercise and that the results of those community engagement efforts must inform distribution planning efforts.<sup>43</sup>

### Equity Consideration in Distribution Planning

RCRC strongly cautions against requiring static or overly prescriptive equity metrics and considerations, as contemplated in the Staff Proposal.<sup>44</sup> Such an approach fails to account for unique attributes and localized needs that vary greatly between service territories and regions. We appreciate the Staff Proposal's illumination of the fact that distribution system improvements have lagged in the Central Valley compared to other, more-affluent areas of the state. These types of discrepancies should be highlighted and explained; however, we are concerned that an overly prescriptive reaction to include

<sup>&</sup>lt;sup>38</sup> Staff Proposal, page 59.

<sup>39</sup> Id

<sup>&</sup>lt;sup>40</sup> Joint CCAs, page 11.

<sup>&</sup>lt;sup>41</sup> See Southern California Edison's description of their approach in Southern California Edison, page 11.

<sup>&</sup>lt;sup>42</sup> Joint CCAs, page 9.

<sup>&</sup>lt;sup>43</sup> Joint CCAs, page 10.

<sup>44</sup> Staff Proposal, page 62.

amorphous "equity consideration" into prioritization will simply increase confusion and frustration. If the Commission ultimately adopts this recommendation, we agree with SCE's observation that the concept is ambiguous and its suggestion to clarify expectations. We further agree with SCE that the consideration of equity should be focused on improving forecast accuracy so the utility can better implement system improvements.<sup>45</sup>

### Proactive Distribution Planning

RCRC supports the Staff Proposal's emphasis on improved planning and coordination in the distribution planning process. The shift towards proactive planning that anticipates new loads and prepares to serve them without lengthy distribution upgrades is essential to accommodate California's decarbonization goals. By expanding the planning horizon to 10 years and incorporating scenario planning, utilities can better anticipate future demands and prepare accordingly. This forward-looking approach is supported by various stakeholders<sup>46</sup> who emphasize the need for long-term, strategic planning to accommodate the rapid growth in electrification and DER integration.

### Data Transparency

RCRC agrees with the LGSEC regarding Section 3.1.9 of the Staff Proposal. Data transparency must be a core tenant and IOUs should be required to provide open access to information to local governments.<sup>47</sup>

#### Proposed Requirement to Add California Environmental Quality Act Consultation with Utilities

SCE suggests amending the California Environmental Quality Act (CEQA) Guidelines to require project developers to consult with the incumbent electric utility to confirm adequate capacity exists to serve the project's power needs. <sup>48</sup> They explain that CEQA currently requires consultation with water districts to confirm there is adequate water supply to serve the customer. While well intentioned, RCRC strongly opposes this recommendation.

While most of the state's water is provided by public agencies (only 16% of the population is served by PUC regulated water utilities), most of the state receives electricity from the big three IOUs where profit and shareholder value are core parts of the business model (and where customer satisfaction

<sup>&</sup>lt;sup>45</sup> Southern California Edison, page 12.

<sup>&</sup>lt;sup>46</sup> Joint CCAs, page 3; Vehicle-Grid Integration Council (VGIC), page 3; and Vote Solar, pages 2-3.

<sup>&</sup>lt;sup>47</sup> Opening Comments of the Local Government Sustainable Energy Coalition (LGSEC) on Staff Proposal for the High DER Proceeding, May 24, 2024, pages 22-23.

<sup>&</sup>lt;sup>48</sup> Southern California Edison, page 20.

has notably declined over the years). While local agencies and residents have some level of control over the decisions made by water districts, they have no control over CPUC regulated IOUs.

The rationale behind requiring consultation with water districts was to ensure that the project will have access to water in a state with frequent and recurring periods of severe drought. California has a finite and ever-changing quantity of water to meet the state's needs. On the other hand, California has an abundance of clean energy (especially during daylight hours), but an inadequate distribution and storage system to provide power when and where it is needed.

California has chosen to provide giant, monopoly IOUs to serve vast regions of the state with the understanding that they will provide electricity to residents when and where needed, *not* to dictate when and where they will provide service. SCE's proposal would chill industrial, commercial, and residential development in many of those areas of the state in greatest need of housing and economic development (and where there may have been historic underinvestment by the utilities to improve the distribution system to accommodate future growth). Even worse, the proposal would give electrical monopolies virtual veto-authority over local development and land-use decisions.

### Concerns Regarding Distribution Investment Deferral Framework (DIDF) De-prioritization

Most stakeholders appear to support the Staff Proposal's recommendation to refocus the Distribution Investment Deferral Framework (DIDF) process to instead increase transparency in distribution planning and monitoring. RCRC believes the Joint CCAs raise a valid concern about deprioritizing DIDF without a suitable alternative to evaluate and promote non-wire alternatives (NWA).<sup>49</sup> DIDF plays a critical role in promoting cost-effective, (NWAs) that can defer expensive infrastructure investments.

"While transparency may have some inherent value (i.e., stakeholder capacity-building and procedural justice), a core objective of DIDF is to reduce information asymmetry and level the playing field such that non-IOU third parties can compete to meet distribution grid needs, producing benefits for all ratepayers. While that theoretical concept has not translated to many successful and sustainable deferral projects to date, building- and transportation-related load growth, improvements in the IOUs' characterization of grid needs (including many of the reforms described in the Staff Proposal and discussed above), and continuing DIDF reform efforts may lead to more successful NWAs in the future. In particular, as the Joint CCAs and other parties have explained in previous comments, improvements in the IOUs' abilities to forecast load growth projects in the 3- to 5-year range may help the IOUs identify more candidate deferral opportunities." 50

<sup>&</sup>lt;sup>49</sup> Joint CCAs, pages 12-13.

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<sup>&</sup>lt;sup>50</sup> Joint CCAs, pages 12-13.

Retaining and reforming DIDF may contribute to grid efficiency and cost savings. RCRC agrees with the Public Advocates Office that IOUs should report on "how they identify grid needs and solutions, particularly NWAs" as "the potential of NWAs to defer wires solution is well-established." Utilities should work in coordination with other stakeholders, including developers and CCAs, to identify opportunities to facilitate NWA deployment to expedite energization, improve system performance, and/or increase reliability and resiliency.

### C. Section 5: ICA and Data Poral Improvements

RCRC commends the Staff Proposal's interest in improving the accuracy and usability of ICA data and other data portal layers. Enhanced data transparency and usability are vital for stakeholders to make informed decisions regarding DER integration and grid planning. RCRC agrees with the California Solar & Storage Association (CALSSA) that the larger problem to solve is the accuracy of underlying data and calculations of the ICA for projects to connect to the grid.<sup>52</sup>

RCRC concurs with SCE that aligning data portal improvements across utilities will enhance the user experience and data consistency and we support making incremental improvements that protect ratepayers from administrative costs. It is essential that the Commission holds IOUs accountable for providing accurate and timely data to ensure stakeholders can rely on the information provided for their planning needs, potentially including third-party verification.

#### **III.** Conclusion

We appreciate the CPUC's aim to create a more responsive, transparent, and forward-looking distribution planning and execution framework that can better accommodate the evolving energy landscape in California. It is a challenging responsibility to balance the need for timely energization of new loads with the necessity of keeping costs affordable for ratepayers. RCRC appreciates your consideration of our comments and the recommendations contained herein.

Respectfully submitted,

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John Kennedy

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<sup>&</sup>lt;sup>51</sup> Public Advocates Office, page 37.

<sup>&</sup>lt;sup>52</sup> Opening Comments of the California Solar & Storage Association on Staff Proposal for the High DER Proceeding, May 28, 2024, pages 1-2.

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