



Marketing, Regulatory and Legislative Subcommittee Meeting

Friday, September 18, 2026
10:00 am

In Person:

Altamont Conference Room
Ava Community Energy
1999 Harrison Street, Suite 2300
Oakland, CA 94612

Or from the following locations:

Albany City Hall, 1000 San Pablo Avenue, Albany CA, 94706
Tracy City Hall - 333 Civic Center Dr, Tracy, CA 95376 in Council Conference Room 2nd floor

Zoom:

<https://avaenergy-org.zoom.us/j/88008124818>

Or join by phone:

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+1 253 205 0468 or +1 253 215 8782 or +1 309 205 3325
Webinar ID: 880 0812 4818

Meetings are accessible to people with disabilities. Individuals who need special assistance or a disability-related modification or accommodation to participate in this meeting, or who have a disability and wish to request an alternative format for the meeting materials, should contact the Clerk of the Board at least 2 working days before the meeting at (510) 906-04914 or cob@avaenergy.org.

If you have anything that you wish to be distributed to the Marketing, Regulatory and Legislative Subcommittee, please email it to the clerk by 5:00 pm the day prior to the meeting.

1. Welcome & Roll Call

2. Public Comment

This item is reserved for persons wishing to address the MRL Subcommittee on any Ava-related matters that are not otherwise on this meeting agenda. Public comments on

matters listed on the agenda shall be heard at the time the matter is called. As with all public comment, members of the public who wish to address the Board are customarily limited to three minutes per speaker. The MRL Chair may increase or decrease the time allotted to each speaker.

- 3. Approval of Minutes from June 12, 2026 (Action Item)**
- 4. 2026 California Legislative Session Review (Informational Item)**
Review of 2026 California legislative efforts – bills supported, bills impacted, interim results (pending gubernatorial action)
- 5. PCIA Regulatory Update (Informational Item)**
Update on the status of regulatory proceedings involving the Power Charge Indifference Adjustment (PCIA)
- 6. Committee Member and Staff Announcements including requests to place items on future Board Agendas**
- 7. Adjourn**

The next Marketing, Regulatory and Legislative Subcommittee meeting will be held on Friday, November 20, 2026 at 10 a.m.

Altamont Conference Room
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Oakland, CA 94612



Draft Minutes
Marketing, Regulatory and Legislative Subcommittee
Meeting

Friday, June 12, 2026
10:00 am

In Person:

Altamont Conference Room
Ava Community Energy
1999 Harrison Street, Suite 2300
Oakland, CA 94612

Zoom:

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If you have anything that you wish to be distributed to the Marketing, Regulatory and Legislative Subcommittee, please email it to the clerk by 5:00 pm the day prior to the meeting.

1. (0:06) Welcome & Roll Call

Present: Directors: Barrientos (Livermore), Nygard (Tracy), and Chair Tregub (Berkeley).

Absent: Directors: Diallo (Lathrop) and Lopez (Albany).

2. (0:30) Public Comment

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limited to three minutes per speaker. The MRL Chair may increase or decrease the time allotted to each speaker.

There were no speakers for public comment.

3. (0:41) Approval of Minutes from April 10, 2026 (Action Item)

Director Nygard (Tracy) motioned to approve the minutes. Barrientos (Livermore) seconded the motion, which passed 3/0/0/0/2.

Yes: Barrientos (Livermore), Nygard (Tracy), and Chair Tregub (Berkeley).

No: None.

Abstain: None.

Recuse: None.

Not Present: Diallo (Lathrop) and Lopez (Albany).

There were no speakers for public comment.

4. (1:36) Power Content Label Overview (Informational Item)

Review of changes to the 2025 Power Content Label template.

Izzy Carson presented Ava's Power Source Disclosure requirements, and the 2025 regulatory change requiring a new "loss adjusted load" column on the Power Content Label. The change accounts for transmission and distribution losses and does not require any changes to Ava's procurement.

Selection of topics discussed by subcommittee members:

- Updates to the Power Content Label (PCL), including new line-loss disclosures and emissions accounting methodologies
- Implications of PCL changes for Ava's 2030 clean-energy mandate and potential future policy updates
- PG&E's role in transmission and distribution efficiency, and Ava's limited ability to directly reduce reported line losses
- Applicability of updated PCL requirements to all California load-serving entities, and use of state standardized line-loss assumptions
- Public communication of PCL changes, including required mailers, website postings, and supplemental educational content
- Anticipated future regulatory changes, including 24/7 emissions accounting, and potential impacts on Ava policies and Board mandates

(23:06) Public Comment – Jim Lutz asked clarification on Ava's overall line-loss percentage, and inquired about what is included in the "emerging technologies" line item in the presentation.

5. (26:11) Legislative Update (Informational Item)

Mid-session California legislative update.

Sam Sadle, Kendall Downie, and Dominic Faria provided a mid-session update on the

2026 legislative session, including key legislative and budget deadlines. They provided the status of Ava's priority bills, AB 1761 on PCIA transparency and SB 138 on RA transactability. They also reviewed Ava's broader legislative positions and bills, discussed emerging legislation addressing large loads and data centers. Lastly, they provided an update on key state budget negotiations involving greenhouse gas reduction funds, EV incentives, transmission funding, and demand-side grid support.

Selection of topics discussed by subcommittee members:

- DSGS budget trailer bills and Ava's involvement in efforts to extend and expand the program
- Ava's requested AB 577 amendments to allow sufficient time for large-load data reporting across PG&E, Ava, providers, and the state
- Ava's discussions with SB 868 sponsors regarding pairing batteries with small-scale/balcony solar installations to accelerate the program process

(47:40) Public Comment – Jim Lutz commended Ava's legislative update for being thorough and providing links to bills. Lutz also asked how Ava determines which bills to take formal positions on versus simply monitor, particularly when bills appear potentially relevant based on their titles.

6. (50:34) Health-e Communities Update (Informational Item)

Update on the results of the Health-e Communities Pilot.

Dan Bertoldi outlined the **Health-e Communities pilot**, highlighting significant indoor air quality improvements, but low participation and implementation challenges. He noted that Ava will not scale the program, but will apply the lessons learned to future building electrification efforts, and redirect the \$8.5 million reserved for expansion to other initiatives.

Selection of topics discussed by subcommittee members:

- Potential partnerships with community-based organizations (CBOs) for energy assessments and customer outreach
- Air quality results, including factors contributing to variations in pollutant readings
- Geographic targeting of the pilot based on asthma rates, air quality, and concentration of income-qualified customers
- Reinvestment of the remaining \$8.5 million into future building electrification programs
- Potential alignment with upcoming Bay Area air district heat pump water heater regulations and related incentive programs
- Ongoing planning with member jurisdictions to identify effective uses of local development funds, and ensure programs address the needs of Ava's broader service territory

(1:15:29) Public Comment – Fangxue Zheng expressed appreciation for Ava's Healthy Communities program and encouraged greater involvement of local community-based organizations (CBOs) in future home electrification programs. They highlighted CBOs' trusted community relationships and ability to provide culturally and linguistically

appropriate outreach, and recommended providing financial support to CBOs to improve program participation.

(1:17:46) Public Comment – Jim Lutz supported greater collaboration with trusted local community organizations to improve outreach and recruitment, citing Peninsula Clean Energy as a potential model. They also asked about Ava's coordination with Alameda County's Equitable Building Decarbonization Program contractor and offered to facilitate a connection for potential collaboration and combined incentives.

(1:19:52) Public Comment – Jessica Tovar emphasized that the program funds were intended to serve low-income communities with high pollution burdens, particularly households with respiratory health concerns. They urged Ava to keep the remaining funds focused on these communities and noted that CalEnviroScreen may not capture all pollution-burdened areas, recommending a broader approach to identifying eligible communities.

7. (1:23:57) Committee Member and Staff Announcements including requests to place items on future Board Agendas

- Howard Chang announced Raïssa's final meeting as Subcommittee clerk and noted she will continue supporting the team remotely in a contract capacity.
- Director Tregub requested a deeper dive into the integration of air district rules, including Rule 9496.
- Director Nygard requested an update on the e-bike incentive program.

8. Adjourned at 11:33pm.

The next Marketing, Regulatory and Legislative Subcommittee meeting will be held on Friday, September 18, 2026 at 10am.

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Minutes written by Raïssa Ngoma.

2026 California Legislative Wrap-Up

Marketing, Regulatory, and Legislative Subcommittee

September 18, 2026



2026 End of Session Legislative Update

CalCCA Sponsored Bills

SB 1138
RA Transactability

AB 1761
*PCIA
Data Transparency*

Ava Support Bills

SB 222
*Heat pump
permitting*

SB 1168
*Data center tariff
study*

SB 913
RA for DERs

AB 1577
*Data center
reporting*

AB 2266
*Standard RA
valuation*

Ava SIA Bills

SB 868
Plug-in solar

AB 1975
Grid utilization

AB 2389
*Solar property tax
exclusion*

CalCCA Sponsored Bills

SB 1138 Padilla – Requires the PUC to permit LSEs to demonstrate compliance with RA requirements by transacting RA obligations on an hourly basis.

- Passed Senate 31-0-9 (May 19), Passed Assembly Energy Committee (June 10)
- Next step: None; not advancing this year



AB 1761 Rogers – Requires the PUC to ensure that all data relied on to determine the PCIA be made available to LSEs and ratepayer advocates.

- Passed Senate 40-0
- Next step: Governor's desk



Support

Heat Pump Water Heater and HVAC Streamlining

SB 222 Wiener — Standardizes and streamlines local permitting for residential heat pump water heaters and heat pump HVAC systems, including by requiring an option for asynchronous inspections and online automated permitting.

Major changes since initial drafting:

- Localities can offer "remote" inspections in lieu of "asynchronous"

Support:



Oppose:



Process:

- Passed Assembly 60-8-11 (Aug 24)
- Next step: Governor's desk

1st Chamber -
Policy

1st Chamber -
Approps

1st Chamber -
Floor

2nd Chamber -
Policy

2nd Chamber -
Approps

2nd Chamber -
Floor

Governor's
Desk

Signed into law

Support

Distributed Energy Resources for Resource Adequacy

SB 913 Becker — When introduced, required the PUC to enhance pathways for aggregated DERs to qualify as RA capacity and to allow LSEs to include those resources in RA compliance and procurement. Also requires coordination with state agencies and the ISO to update market participation frameworks to support aggregated DERs.

Ava proposed amendments – adopted: Allows (but does not require) CCAs to use DERs to meet RA obligations.

Major changes since initial drafting:

- Removes language requiring "reasonable flexibility" to accommodate aggregated DERs in new resource procurement or RA participation rules. Retains language "putting the burden" on DER providers to ensure they can deliver promised DR or supply when called upon.

Support:



Oppose:



Process:

- Passed Assembly 59-3-17 (Aug 25)
- Next Step: Governor's desk

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Approps

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Floor

2nd Chamber -
Policy

2nd Chamber -
Approps

2nd Chamber -
Floor

Governor's
Desk

Signed into law

Support

Data Center Rate Study

SB 1168 McNerney — When introduced, the bill imposed annually set surcharges on electricity and natural gas consumed by data centers (including energy used to generate power for them), required utilities to collect these charges and deposit the revenues into a dedicated fund to help offset wildfire-related costs currently embedded in customer rates.

Major changes since initial drafting:

- Removed all language imposing annual surcharges, instead requires the PUC to assess opportunities for rate structures to ensure data centers pay their fair share and alleviate cost pressures on residential ratepayers.
- *Note: All changes to tariffs and planning consolidated to AB 2383 and SB 886. Data reporting in (Ava supported) AB 1577*

Support:



Oppose:



Process:

- Passed Assembly 78-0-1 (Aug 28)
- Next Step: Governor's desk

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Approps

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Governor's
Desk

Signed into law

Support

Data Center Energy Use Reporting

AB 1577 Bauer-Kahan — Directs the California Energy Commission (CEC) to establish a process for data center owners to submit reports on energy usage, including specified operational metrics. The CEC would then publish aggregated data and incorporate data center load trends into future energy policy reports. Separately, data center owners must submit their expected energy consumption to local agencies for planning and environmental review purposes (while protecting confidential customer information).

Ava proposed amendments – adopted: Align reporting timelines with IOU-to-CCA data flows.

Support:



Oppose:



Process:

- Passed Assembly 59-3-17 (Aug 25)
- Next Step: Governor's desk

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Governor's
Desk

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Support

Consistent reliability methodology

AB 2266 Schultz — When introduced, the bill required the California Public Utilities Commission (CPUC) to consider a process to consolidate specified reporting requirements into a single procurement plan, and (when feasible) consolidate compliance reporting for reliability requirements.

Major changes since initial drafting:

- Narrowed its mandate from aligning broader planning frameworks to ensuring consistent standards for LSE compliance.
- Under the new language CPUC now retains flexibility to use different methodologies for system planning reserve margin and evaluating short-term, mid-term, and long-term reliability needs.

Support:



Oppose:



Process:

- Passed Senate 38-2 (Aug 27)
- Next Step: Governor's desk

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2nd Chamber -
Policy

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Approps

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Floor

Governor's
Desk

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Support if Amended

Portable (or "Plug In") Solar Interconnection Exemption

SB 868 Wiener — Exempts portable solar generation devices from interconnection requirements and prohibits IOUs and POU's from imposing fees or other related requirements. Authorizes utilities to require basic notification of device installation through a simple registration process, as specified.

Ava proposed amendments – not adopted: Require storage pairing and modern inverter standards for plug-in solar while maintaining basic oversight to protect grid reliability and mitigate cost impacts.

Support:



Oppose:



Process:

- Passed Assembly 73-0-6 (Aug 25)
- Next Step: Governor's desk

1st Chamber -
Policy

1st Chamber -
Approps

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2nd Chamber -
Policy

2nd Chamber -
Approps

2nd Chamber -
Floor

Governor's
Desk

Signed into law

Support if Amended

Grid Utilization

AB 1975 Schultz — Requires the PUC to establish a grid utilization metric to measure electrical load as a percentage of system capacity; requires IOUs to publicly report on that metric; sets increasing minimum utilization targets; and establishes performance-based incentives or disincentives, while requiring utilities to propose programs to meet those targets.

Ava proposed amendments – not adopted: Ensure CCAs can participate in and benefit from grid utilization programs while preventing IOU-only implementation.

Support:

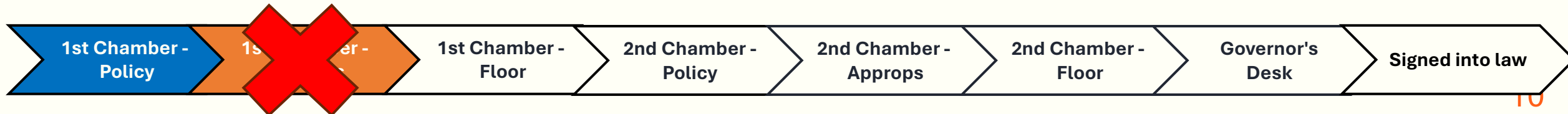


Oppose:



Process:

- Passed Assembly U&E 16-0 (Apr 23)
- Next Step: None, not advancing this year



Support if Amended

Solar Installation Property Tax Exclusion

AB 2389 Irwin — Extends the property tax exclusion for certain customer-sited solar energy systems, including systems up to 2 megawatts and those located on public entity property, through January 2032.

Ava proposed amendments – not adopted: Require new solar systems to include battery storage to qualify for the exemption, while preserving eligibility for existing and resilience-focused projects.

Support:

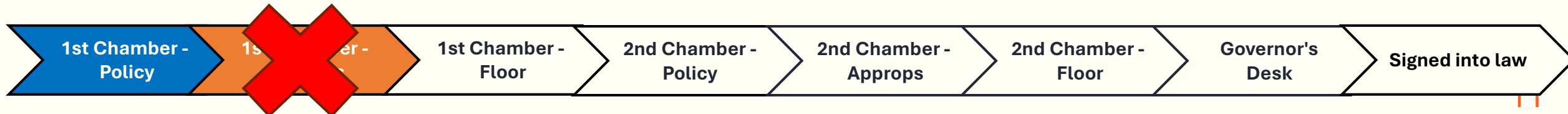


Oppose:



Process:

- Passed Assembly Revenue and Tax Committee 7-0 (Apr 28)
- Next Step: None, not advancing this year



State Budget Update

June Budget Agreement (Law)

New incentives for first-time ZEV buyers
(\$135.5 million)

Transfer ~\$22 million from DEBA to DSGS
(funds DSGS thru 2026)

CalFIRE
(\$1.25 billion from GGRF)

August Budget Trailers (Pending Governor's signature)

Prop 4 Climate Bond funding plan
(\$2.3 billion)

- \$55 million for community resilience centers
- \$20 million for microgrids via DEBA

No change to existing GGRF spending plan

- \$1 billion for high speed rail
- \$1 billion for legislature's discretion
- ~\$2 billion for variety of 'Tier 3' programs

Zero-emission truck and bus incentives
(\$135.5 million)

Transmission Accelerator Revolving Fund
(\$322.5 million)

DSGS - No additional funding beyond 2026

Looking Forward

September 30:

Governor's deadline to sign or veto all bills

November 3:

Election day

December 7:

27/28 legislature sworn in

January 1:

New state statutes take effect

January 4:

New Governor takes office
27/28 legislative session begins in earnest

Considerations for 2027/8:

New Chair for Senate Energy Committee

Senator Ben Allen termed out this year

Expect New Senate Pro Tem

Senator Monique Limon is termed out in 28'

Major Turnover in Makeup of Senate Energy

Sens. Wahab, Allen, Caballero, Grove
not returning in January

Legislative Impact of Administrative Turnover

New Governor takes office and three CPUC
and one CEC commissioners' terms
are coming to an end in 27'

Full Universe of Ava Monitored Bills

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<u>AB 13</u>	Ransom (D)	PUC membership and reporting
<u>AB 34</u>	Patterson (R)	Extends the authority of POUs to count large hydro towards RPS
<u>AB 61</u>	Pacheco (D)	Require PAO to analyze ratepayer impacts of mandated programs
<u>AB 705</u>	Boerner (D)	Creates independent PUC audit office
<u>AB 706</u>	Aguiar-Curry (D)	Fire fuel reduction procurement program
<u>AB 710</u>	Irwin (D)	POU dynamic pricing and advanced metering mandate
<u>AB 942</u>	Calderon (D)	Changes climate credit
<u>AB 1020</u>	Schiavo (D)	Requires IOUs to report taxpayer funding
<u>AB 1156</u>	Wicks (D)	Reforms Williamson Act contract cancellation fees
<u>AB 1577</u>	Bauer-Kahan (D)	Data center monthly reporting
<u>AB 1738</u>	Carillo (D)	Requires local governments to offer remote inspections
<u>AB 1761</u>	Rogers (D)	PCIA data transparency
<u>AB 1787</u>	Schultz (D)	Require IOUs to offer a dynamic tariff if smart meter infrastructure is in place
<u>AB 1813</u>	Ward (D)	Require CEC evaluation of community solar re classification
<u>AB 1975</u>	Schultz (D)	Grid utilization metric

Full Universe of Bills

AB 2111	Papan (D)	Transmission planning alignment with affordability and FERC Order 1920
AB 2175	Garcia (D)	Allows aggregation of multiple meters for NBT
AB 2182	Irwin (D)	Creates IOU run industrial decarbonization program
AB 2234	Papan (D)	CEQA exemptions for some geothermal exploratory projects
AB 2266	Schultz (D)	CPUC to consider RA valuation standardization
AB 2313	Berman (D)	Require gas corporations to offer electrification incentives
AB 2369	Rogers (D)	Enables partial RA, allowing energy-only resources earn RA value
AB 2383	Zbur (D)	Require creation of a large load customer class and rate schedule
AB 2463	Petrie-Norris (D)	Require PUC to adopt standard formula for IOU return on equity
AB 2464	Wicks (D)	Require PUC to study clean firm's role in 2045 goal
AB 2493	Petrie-Norris (D)	Require IOUs to have an interconnection auditor
AB 2516	Petrie-Norris (D)	California Grid Manufacturing Initiative
AB 2518	Sharp-Collins (D)	Requires SDG&E to prioritize and fast-track affordable housing energization
AB 2589	Irwin (D)	Requires PUC to analyze OBBBA and adjust rates to reflect impacts
AB 2612	Schultz (D)	Building standards for plug-in solar systems
AB 2647	Calderon (D)	Requires CEC to evaluate future of nuclear power in California

Full Universe of Bills

<u>AB 2748</u>	Quirk-Silva (D)	Revert EV regulations to 2022 state building code for BMR housing
<u>SB 222</u>	Weiner (D)	Heat pump water heater and HVAC system permitting streamlining
<u>SB 327</u>	McNerney (D)	Prohibits IOUs from using ratepayer funds for advocacy activities related to municipalization
<u>SB 332</u>	Wahab (D)	Study breaking up IOUs
<u>SB 453</u>	Stern (D)	Microgrid incentive program
<u>SB 742</u>	Perez (D)	IOUs to remove unused transmission facilities
<u>SB 842</u>	Stern (D)	Report on firm zero-carbon resources
<u>SB 868</u>	Wiener (D)	Plug-in solar interconnection exemption
<u>SB 886</u>	Padilla (D)	Large load cost shift prevention
<u>SB 887</u>	Padilla (D)	Large load CEQA application
<u>SB 905</u>	Becker (D)	Utility cost, performance, and data sharing reform
<u>SB 913</u>	Becker (D)	Resource Adequacy for aggregated distributed capacity resources
<u>SB 924</u>	Hurtado (D)	PUC to consider affordability when looking at home weatherization
<u>SB 925</u>	McNerney (D)	Requires state strategy and permitting framework to advance fusion

Full Universe of Bills

<u>SB 943</u>	Becker (D)	Industrial billing and NBC/TAC reform
<u>SB 1138</u>	Padilla (D)	RA transactability
<u>SB 1158</u>	Stern (D)	Adds status of utility transmission upgrades and electrical grid infrastructure to Reliability Planning Assessment
<u>SB 1167</u>	Blakespear (D)	Clarifies ebike definition and bans advertising of non-eligible bikes
<u>SB 1168</u>	McNerney (D)	Data center tariff study
<u>SB 1233</u>	Allen (D)	Requires enhanced justification of CPUC findings tied to utility returns
<u>SB 1295</u>	Stern (D)	Requires IOUs to evaluate distributed storage and nonwire alternatives and authorizes them to own distributed storage assets
<u>Budget Trailer</u>	Dept of Finance	Reallocates outstanding funding from the Distributed Energy Backup Assets (DEBA) program to the Demand Side Grid Support (DSGS) program
<u>Budget Trailer</u>	Dept of Finance	Transitions 2026 DSGS participants to the Emergency Load Reduction Program (ELRP) or an equivalent CPUC load reduction program.

Power Charge Indifference Adjustment (PCIA) Regulatory Update

Marketing Regulatory and Legislative Subcommittee
September 18, 2026



Contents

- Power Charge Indifference Adjustment (PCIA) Background
- What is happening with the PCIA at the California Public Utilities Commission (CPUC)?
 - PCIA Rulemaking
 - Track 1
 - Track 2
 - Tracks 3 and 4
 - 2027 Energy Resource Recovery Account (ERRA) Forecast Proceeding



PCIA Background



Why PCIA Matters

- PCIA/bundled rates drive Ava's gross revenue.
- As PCIA goes up, gross revenue generally goes down
- And *vice versa*



PCIA “Elevator Pitch”

- **What is it?** A \$/kWh surcharge (or credit) on customer bills
- **Does it go by other names?** Yes, people also refer to it as a departing load charge and an exit fee. It's actually neither of these things - it's a *non-bypassable charge or credit*.
- **Who pays/receives it?** Everyone (Ava customers *and* bundled [PG&E] customers)
- **What does it cover?** Costs of contracts executed and PG&E-owned powerplants from when Ava customers were still PG&E customers
- **How does it impact CCAs?** The PCIA affects CCAs' ability to compete against IOU generation service, for better or for worse, depending on market conditions.



How does the PCIA calculate “stranded costs?”



*Value calculated using “Market Price Benchmarks” (MPB)



What are Market Price Benchmarks (MPBs)?

- MPBs are used to value unsold portions of the portfolio, which are either:
 - *Retained* for bundled customers
 - *Allocated* to non-bundled customers
- PCIA Ratemaking has two phases: a *forecast* and an *actual*.
 - IOUs present their forecasts in May
 - This is the “best guess” at what rates will be
 - Updated in October with actuals to date

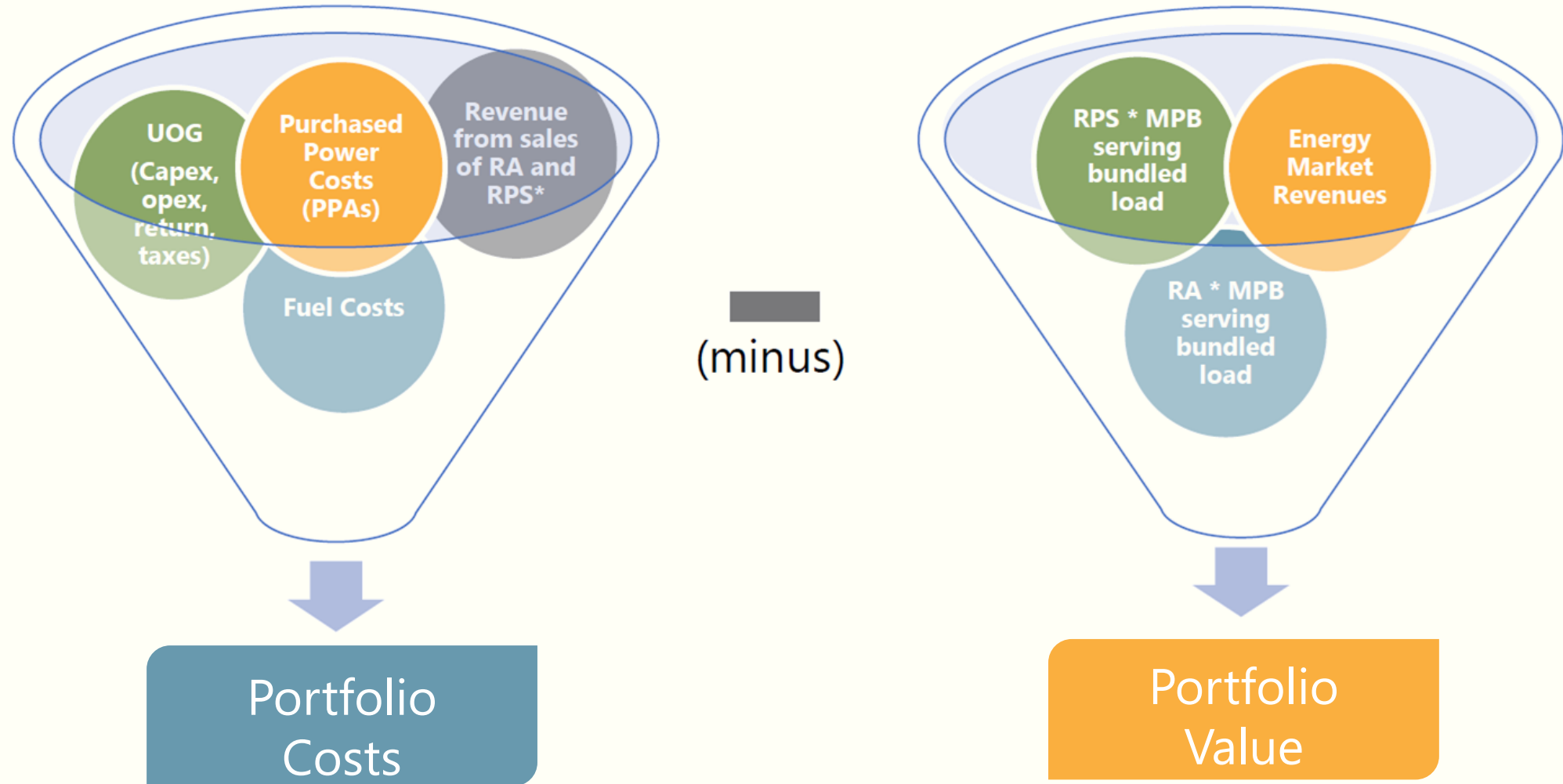
MPB Component	Forecast	Actual
Resource Adequacy (RA)	RA-only transactions	RA-only transactions (updated)
Renewables Portfolio Standard (RPS)	PCC1 Index-Plus*	PCC1 Index-Plus (updated)
Energy	Platts-ICE Forward Curve - Electricity forecast for next year	Actual CAISO Market Revenues**

*Index-plus refers to contracts for the market index price of energy plus a REC bid premium

What did the PCIA resource portfolio earn in the CAISO energy market? **Single largest determinant of PCIA. Volatile: Varies widely YoY based on revenues in energy markets. Highly dependent on weather, load, and hydro conditions



What goes into Portfolio Costs and Value?



UOG = Utility-owned generation



Who pays for what resources?

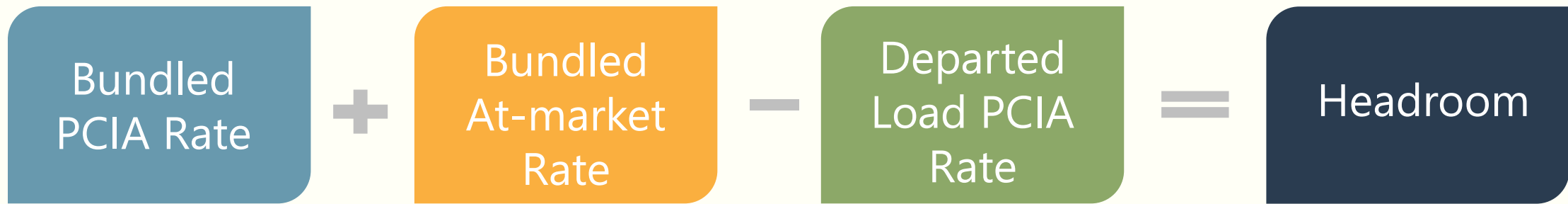
- PCIA rates are differentiated by “vintage”
- Each customer and each procurement commitment (including utility-owned generation (UOG)) is assigned a vintage
- Customer vintage
 - For CCA or Direct Access, generally the year the customer departed the IOU generation service
 - For bundled IOU customers, it’s the current year
 - The vintage year runs **July 1 through June 30**
 - Remain until last resource in that vintage expires
- Resource vintage
 - Date the IOU makes the commitment to a resource (e.g., contract execution, UOG investment)

Example Customer Vintage:

- If a CCA launched in March of 2018, their customers would be in the 2017 vintage.
- If a CCA launched in October of 2018, their customers would be in the 2018 vintage.



PCIA Affects “Headroom”



- Headroom is the *rate* a CCA has to spend on its own procurement while remaining at or below the generation rate of the incumbent IOU.
- Can change due to a variety of factors and varies by vintage



PCIA Proceedings at the California Public Utilities Commission (CPUC)



Rulemaking to Reform the PCIA

R.25-02-005



PCIA OIR Track 1/2026 ERRA Forecast

- Issue
 - Changes methodology for setting the RA MPB
 - Applied retroactively, to benefit of bundled customers and detriment of departed customers
 - Effective in 2026 via the ERRA Forecast, which CalCCA also appealed
- Current Status
 - CalCCA appealed the Track 1 decision to the Court of Appeal, which denied the appeal in June
 - CalCCA took a writ to the Supreme Court in July
 - CalCCA also appealed the ERRA decisions implementing Track 1
 - The Court of Appeal stayed the ERRA appeals pending S.Ct action
- Schedule
 - Supreme Court action on CalCCA's writ expected 10/2



PCIA OIR Track 2

- Issue
 - Valuation of pre-2019 banked renewable energy certificates (RECs)
- Current Status
 - The assigned administrative law judge (ALJ) issued a proposed decision (PD) in August
 - The PD gives zero value to customers who paid for the RECs but later departed for CCA service, when the investor-owned utilities (IOUs) use these RECs for current bundled-customer Renewable Portfolio Standard (RPS) compliance.
- Schedule
 - The CPUC is expected to vote on the PD on September 17, 2026.
 - Applications for rehearing are due to the CPUC within 30 days of a decision



PCIA OIR Tracks 3 and 4

- Issue
 - Reforms to the existing PCIA framework (Track 3A) and broader structural reforms to the indifference framework (Track 3B).
 - Track 4 will address remaining issues after Tracks 3A and 3B conclude
- Current Status
 - Ongoing
 - Trifurcated procedural schedule
- Schedule(s)
 - Track 3A
 - Proposed decision expected end of Q2 2027
 - Final Decision expected Q3 2027
 - Track 3B – schedule to be issued in Q4 2026
 - Track 4 – to begin following conclusion of Tracks 3A and 3B



2027 Energy Resource Recovery Account (ERRA) Forecast Proceeding

A.26-05-007



2027 ERRA Forecast Proceeding Scope

- Issues
 - PG&E 2027 ERRA Forecast sets PG&E generation/PCIA rates for 2027
 - Error in PG&E's Slice-of-Day methodology, which would have excluded nearly 350 MW of RA value from the PCIA and thus increased PCIA rates.
 - CalCCA also recommends that PG&E
 - prioritize use of post-2019 over pre-2019 banked RECs,
 - improve coordination with CCAs on data center load forecasts, and
 - incorporate authorized 2027 GRC increases into PCIA rates to mitigate future rate shocks.



2027 ERRA Forecast Proceeding Schedule

- Proceeding schedule
 - PG&E will file Rebuttal Testimony on September 16, 2026.
 - CPUC to publish Market Price Benchmarks in the first week of October.
 - PG&E will file the October update to rates on Thursday, October 15, 2026
 - Proposed decision – November 2026
 - Final decision – December 17, 2026
 - Preliminary Annual Electric true-up (AET) – November 2026
 - Final AET – end of December 2026
 - New rates effective January 1, 2027

