**Application A.24-09-014**
**Exhibit No. CLECA-02**

**BEFORE THE PUBLIC UTILITIES COMMISSION**

**OF THE STATE OF CALIFORNIA**

| | |
|---|---|
| **Application of Pacific Gas and Electric Company to Revise Its Electric Marginal Costs, Revenue Allocation, and Rate Design. (U39E)** | **Application 24-09-014**<br><br>**(Filed September 30, 2024)** |

# Responsive Stop Gap Testimony of

**Sam Harper and Coleman Nickum**

**on behalf of**

**California Large Energy Consumers Association**

October 30, 2026

Sam Harper
Coleman Nickum
Harper Advisory LLC
9002 Six Pines Drive
Shenandoah, TX 77380
(214) 463-9423
Sam@harper.energy

Consultants to the California Large Energy Consumers Association



## TABLE OF CONTENTS


I. EXECUTIVE SUMMARY ..... 1

II. INTRODUCTION ..... 3

III. SUMMARY OF RECOMMENDATIONS ..... 6

IV. CLECA MEMBERS' OPERATIONS AND INTERESTS ..... 9

V. BILLING AND PRICE EXPOSURE FOR LARGE COMMERCIAL AND INDUSTRIAL CUSTOMERS ..... 14

A. THE COMMISSION SHOULD ADOPT PG&E'S PROPOSED CREDIT AND CHARGE BILLING FOR HFP 2.0 ..... 14

B. THE COMMISSION SHOULD DIRECT PG&E TO OFFER SCHEDULE B-19 AND B-20 PARTICIPANTS A BILATERAL SUBSCRIPTION SUITED TO THEIR OPERATIONS ..... 16

VI. BIP DUAL PARTICIPATION ..... 26

A. THE COMMISSION SHOULD AUTHORIZE BIP CUSTOMERS TO ENROLL IN HFP 2.0 UNDER A DOUBLE-COMPENSATION RULE ADOPTED IN THIS PROCEEDING ..... 26

VII. DIRECT ACCESS ELIGIBILITY ..... 32

A. DIRECT ACCESS CUSTOMERS ON ELIGIBLE RATE SCHEDULES SHOULD BE ELIGIBLE FOR HFP 2.0 ..... 32

VIII. RECOVERY OF NON-MARGINAL COSTS ..... 35

A. THE COMMISSION SHOULD DIRECT PG&E TO USE EPMC SCALING FOR SCHEDULES B-19 AND B-20 ..... 38

B. IF THE COMMISSION ADOPTS AN RNA, IT SHOULD BE TIME-DIFFERENTIATED FOR SCHEDULES B-19 AND B-20 ..... 40

C. PG&E'S SHOWING DOES NOT SUPPORT DEPARTING FROM THE COMMISSION'S GUIDANCE FOR SCHEDULES B-19 AND B-20 ..... 42

IX. CONCLUSION ..... 44

## I. EXECUTIVE SUMMARY

Pacific Gas and Electric Company (PG&E) proposes to extend its Hourly Flex Pricing (HFP) pilots, which are currently authorized through 2027. Under PG&E's proposal, the current pilots would continue unchanged through 2028, and PG&E would then redesign the pilots as "HFP 2.0" for 2029 through 2031. The California Large Energy Consumers Association (CLECA) supports the extension.[1] CLECA's members are large industrial customers whose competitiveness depends on the cost of electricity, and many operate in industrial sectors that California classifies as emissions-intensive and trade-exposed (EITE).[2] Many CLECA members have provided reliability demand response through PG&E's Base Interruptible Program (BIP) for decades. Large industrial facilities can provide flexible load at scale, and HFP 2.0 will serve as the bridge between the current pilots and PG&E's post-pilot real-time pricing rates. HFP 2.0 should therefore be designed to attract and retain large industrial participation.

As proposed, HFP 2.0 falls short of that goal for large industrial customers in four respects. First, PG&E would eliminate the subscription for all participants. An industrial customer with firm load needed for safety, environmental compliance, and equipment protection would then have to choose between exposing its entire facility to hourly prices and not participating.[3] Second, PG&E supports allowing BIP customers to participate in HFP 2.0 but proposes no rules for doing so. PG&E instead defers the issue to the Enhanced Demand Response Order Instituting

[1] See Section IV.

[2] Under Pub. Util. Code § 748.5, the Commission treats as emissions-intensive and trade-exposed those entities in industrial sectors eligible for industry assistance under the California Air Resources Board's Cap-and-Invest Regulation (formerly the Cap-and-Trade Regulation), which lists eligible sectors by NAICS code. D.14-12-037 at 3-4 (applying the definition adopted in D.12-12-033); D.12-12-033 at 172, Finding of Fact 63; D.12-12-033 at 192, Conclusion of Law 13; Cal. Code Regs., tit. 17, § 95871 & Table 8-1.

[3] See Section IV; Section V.B.

Rulemaking (EDROIR), which has set no date for deciding dual participation and may not act in time for HFP 2.0.[4] Third, PG&E's testimony does not adequately address Direct Access (DA) customers, who today can participate only if their Energy Service Provider (ESP) signs a prescribed agreement with PG&E.[5] Fourth, PG&E proposes to recover non-marginal costs through a flat Revenue Neutral Adder (RNA), diluting the hourly price signal and departing from the Commission's guidance in D.25-08-049.[6] PG&E bases that departure on an analysis of the average residential customer that does not extend to large commercial and industrial schedules.[7]

CLECA's recommendations address each of these issues while supporting the core of PG&E's proposal. CLECA recommends that the Commission take the following actions.

1. **1.** Adopt PG&E's proposed credit and charge billing for HFP 2.0, with more frequent True-Ups where feasible.
2. **2.** Direct PG&E to offer Schedule B-19 and B-20 participants a bilateral subscription under HFP 2.0. If the Commission declines, allow those participants to place flexible load on a separate submeter served under HFP 2.0.
3. **3.** Authorize BIP customers to enroll in HFP 2.0. Adopt in this proceeding a rule that resets a participant's subscription to the participant's firm service level during BIP events, and direct PG&E to implement the rule in its HFP 2.0 tariff.
4. **4.** Limit any advice letter on dual participation to implementing the Commission's decision or conforming HFP 2.0 to a later decision in the EDROIR.

[4] See Section VI.
[5] See Section VII.
[6] See Section VIII.
[7] See Section VIII.C.

**5.** Direct PG&E to offer HFP 2.0 to DA customers on eligible rate schedules through a distribution-only option that does not depend on the customer's ESP.

**6.** Direct PG&E to recover non-marginal costs for Schedules B-19 and B-20 through Equal Percent of Marginal Cost (EPMC) scaling, consistent with D.25-08-049. If the Commission adopts an RNA instead, direct PG&E to apply a time-differentiated RNA to those schedules.

## II. INTRODUCTION

**Q MR. HARPER, PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

**A** Sam Harper. My business address is Harper Advisory LLC, 9002 Six Pines Drive, Shenandoah, TX 77380.

**Q WHAT IS YOUR OCCUPATION?**

**A** I am a consultant in the field of energy markets and policy.

**Q PLEASE DESCRIBE YOUR EDUCATIONAL BACKGROUND AND EXPERIENCE.**

**A** Please see Appendix A to this testimony.

**Q MR. NICKUM, PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

**A** Coleman Nickum. My business address is Harper Advisory LLC, 9002 Six Pines Drive, Shenandoah, TX 77380.

**Q WHAT IS YOUR OCCUPATION?**

**A** I am a regulatory analyst in the field of energy markets and policy.

**Q PLEASE DESCRIBE YOUR EDUCATIONAL BACKGROUND AND EXPERIENCE.**

**A** Please see Appendix B to this testimony.

**Q ON WHOSE BEHALF ARE YOU APPEARING IN THIS PROCEEDING?**

**A** We are appearing on behalf of the California Large Energy Consumers Association (CLECA). CLECA is an organization of large, high load factor industrial customers, many of whom are served by PG&E. CLECA's members are in the cement, steel, industrial gas, medical gas, pipeline transportation, beverage, glass, and minerals processing industries, and share the fact that electricity costs comprise a significant portion of their costs of production.[8]

**Q WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

**A** PG&E served its *Testimony Supporting Stop-Gap Interim RTP Pilots Extension Proposal* (PG&E-6) on June 8, 2026, proposing to extend its Hourly Flex Pricing pilots from 2028 through 2031 and modify the pilot design as HFP 2.0, starting in 2029. PG&E subsequently served errata correcting its testimony on July 31 and September 23, 2026. This testimony responds to PG&E's "Stop-Gap" proposal, as corrected by those errata, pursuant to the Administrative Law Judge's (ALJ) January 7, 2026, Ruling Setting Schedule for the Dynamic Rate Options Track.[9]

[8] CLECA member companies produce goods essential for daily life, including critical infrastructure, oxygen for hospitals, and food distribution. CLECA members represent the steel, cement, industrial and medical gas, beverage, glass, minerals processing, and pipeline transportation industries. Their aggregate electric demand is about 500 Megawatts, which is equivalent to the electricity consumption of approximately 470,000 average California households. CLECA members are large, high load factor, and high voltage industrial electric customers in California for whom the price of electricity is essential to their competitiveness and for whom the reliability of electricity service is critically important. For both reasons, CLECA member companies have participated for decades in the Base Interruptible Program (BIP), providing reliability demand response to the grid in times of need. (For more information, please go to CLECA.org).

[9] *Administrative Law Judge's Ruling Setting Schedule for the Dynamic Rate Options Track*, A.24-09-014, Jan. 7, 2026 (Scheduling Ruling).

On September 30, 2026, the Public Advocates Office (Cal Advocates) served its responsive testimony on PG&E's Stop-Gap proposal (CA-09, CA-10, and CA-11). This testimony also responds to statements and proposals made by Cal Advocates in that testimony.

**Q HOW IS YOUR TESTIMONY ORGANIZED?**

**A** Following this introduction and a summary of our recommendations, Section IV describes CLECA's members, their operations and interests, and the importance of dynamic rates to them. It explains why large industrial customers are well positioned to respond to hourly price signals and how their participation in a properly designed HFP 2.0 could benefit the electric system and other customers. Section IV also evaluates whether PG&E's proposed design changes for HFP 2.0 achieve its stated objectives of improving customer experience and load response, and facilitating further learnings.[10]

Section V addresses billing and price exposure for large commercial and industrial customers under HFP 2.0. The section supports PG&E's move from credit-only to credit and charge billing. It then responds to PG&E's and Cal Advocates' proposal to eliminate the subscription and explains why Schedule B-19 and B-20 participants should have a bilateral subscription suited to their operations.

Section VI addresses dual participation in the Base Interruptible Program (BIP) and HFP 2.0. The section explains why the Commission should allow BIP customers to

[10] Exhibit PG&E-6, PG&E's Testimony Supporting Stop-Gap Interim RTP Pilots Extension Proposal (as corrected Sept. 23, 2026) (PG&E-6) at 2-18:10-11.

participate in HFP 2.0 and adopt dual participation rules in this proceeding, rather than defer the issue to the Enhanced Demand Response Order Instituting Rulemaking (EDROIR) (R.25-09-004)[11] or a future advice letter. The section also proposes a subscription-based mechanism to prevent double compensation for customers participating in HFP 2.0 and BIP.

Section VII addresses why Direct Access (DA) customers on eligible rate schedules should be eligible for HFP 2.0 for their distribution service, an issue PG&E's testimony does not address.

Section VIII addresses recovery of non-marginal costs. It explains why the Commission should direct PG&E to use Equal Percent of Marginal Cost (EPMC) scaling for Schedules B-19 and B-20, consistent with D.25-08-049.[12] It also explains why, if the Commission instead adopts PG&E's proposed Revenue Neutral Adder (RNA), the adder should be time-differentiated for Schedules B-19 and B-20. Finally, it explains why PG&E's analysis, which focuses on residential customers, does not support departing from the Commission's guidance for Schedules B-19 and B-20.

## III. SUMMARY OF RECOMMENDATIONS

**Q PROVIDE A SUMMARY OF YOUR POSITIONS IN THIS TESTIMONY.**

[11] Rulemaking (R.) 25-09-004, Order Instituting Rulemaking to Enhance Demand Response in California (Sept. 29, 2025).

[12] Decision (D.) 25-08-049, Decision Adopting Guidelines for Pacific Gas and Electric Company, Southern California Edison Company, and San Diego Gas & Electric Company on Demand Flexibility Rate Design Proposals, R.22-07-005 (Aug. 28, 2025) (D.25-08-049).

**A** CLECA takes the following positions:

**1. Adopt a Bilateral Subscription for Schedules B-19 and B-20**

- The Commission should direct PG&E to establish bilateral subscriptions for Schedule B-19 and B-20 customers under the HFP 2.0 pilot, reflecting the complexity of their industrial operations. The subscription should be bilaterally negotiated between the customer and PG&E at enrollment, established by month and time-of-use period, and modified only by mutual agreement.
- If the Commission does not adopt a bilateral subscription, it should alternatively allow Schedule B-19 and B-20 customers to place flexible load on a separate submeter served under HFP 2.0, while the remainder of the facility's load remains on the otherwise applicable tariff (OAT).

**2. Credit and Charge Billing**

- The Commission should adopt PG&E's proposed transition from credit-only to credit and charge billing.
- CLECA also supports more frequent true-ups, which PG&E has offered to perform where feasible.[13]

**3. BIP Dual Participation**

- The Commission should authorize BIP customers to enroll in HFP 2.0, adopt in its decision a rule that prevents double compensation for the

[13] PG&E-6 at 2-20:3-19.

same load reduction, and direct PG&E to implement that rule in its HFP 2.0 tariff. The Commission should resolve these issues in this proceeding rather than defer them to the EDROIR or a future advice letter, as PG&E proposes.[14]

- Under the rule CLECA proposes, a participant's bilateral subscription would reset to the participant's firm service level (FSL) during BIP events, and only reductions below the FSL would be settled at the hourly price.

- PG&E should use an advice letter only to implement the dual participation rules the Commission adopts in this proceeding, or to conform HFP 2.0 to a later EDROIR decision on dual participation.

**4. Direct Access Eligibility**

- The Commission should direct PG&E to offer HFP 2.0 to Direct Access customers on eligible rate schedules through a distribution-only option, with the hourly price applying to the distribution component PG&E provides, that does not depend on the customer's ESP participating.

**5. Non-Marginal Cost Recovery**

[14] PG&E-6 at 2-28:20-32 (requesting that dual participation be determined in R.25-09-004 and, if guidance does not come in time for HFP 2.0 implementation, authority to make changes by advice letter).

- Consistent with D.25-08-049,[15] the Commission should direct PG&E to recover non-marginal costs for Schedules B-19 and B-20 by scaling marginal prices using the EPMC method.
    - If the Commission does not adopt EPMC scaling for Schedules B-19 and B-20, the RNA for those schedules should be time-differentiated.

## IV. CLECA MEMBERS' OPERATIONS AND INTERESTS

**Q WHO ARE CLECA MEMBERS?**

**A** CLECA members are large industrial and manufacturing customers with facilities served by PG&E that rely upon safe, reliable, clean, and affordable electricity. CLECA member companies provide goods and services essential to the daily life and well-being of all Californians, including materials for critical infrastructure and medical-grade oxygen for hospitals.

CLECA members are large, high load factor, high voltage customers. For decades, CLECA members have participated in BIP, providing reliability demand response to the grid in times of need. Some members are bundled customers, others are DA customers, and some are served by Community Choice Aggregators (CCAs).

**Q WHAT ARE THE INTERESTS OF CLECA MEMBERS IN THIS CASE?**

[15] D.25-08-049 at 77-79. The Commission agreed with CLECA and other parties that marginal prices in dynamic rates should be scaled using an EPMC scalar to recover non-marginal costs. The Commission found that an EPMC scalar is likely to preserve the relative price differences between time periods more effectively than a revenue neutral adder.

**A** The price of electricity is critically important to CLECA member companies and directly affects the competitiveness of their operations. Most CLECA member operations are highly trade-exposed and compete with facilities in other western states, across the United States, and internationally. Energy costs are a significant factor in these energy-intensive operations' ability to compete and to maintain or expand operations in California. CLECA members therefore have a direct interest in whether HFP 2.0 provides large industrial customers with a workable means to manage electricity costs by responding to hourly price signals.

**Q WHY DOES THE SUCCESS OF HFP 2.0 MATTER TO CLECA MEMBERS?**

**A** CLECA supports expanding dynamic rates because they can advance the objectives the Commission identified in R.22-07-005, including reliability, affordability, and lower emissions, by encouraging customers to shift load to lower-cost hours.[16] Large industrial customers are well positioned to provide that flexibility at scale.

HFP 2.0 is an opportunity to advance and promote dynamic rates in California. Success of HFP 2.0 would help demonstrate that dynamic pricing is a workable tool for shifting load and managing electricity costs. On the other hand, if the design discourages enrollment, retention, or meaningful load shifts, HFP 2.0 could become a counterexample, cited as evidence that customers will not enroll in or respond to dynamic rates, even though the cause was program design. Therefore,

[16] D.25-08-049 at 4.

the program must be designed to attract and retain participation and achieve meaningful load shift.

This design goal informs much of our testimony, which focuses on enabling commercial and industrial customers to participate meaningfully in the pilots and contribute to the pilot's learnings. For these customers, important design considerations include how often charges are settled, the ability to manage how much of their complex industrial sites are exposed to hourly prices, and whether BIP customers can also participate in HFP 2.0. Because large industrial customers make capital and workforce decisions based on multi-year expectations of electricity costs, a sufficiently stable and predictable framework will be important to sustaining participation.

**Q DOES CLECA SUPPORT PG&E'S PROPOSAL TO EXTEND THE HFP PILOTS?**

**A** Yes. CLECA supports extending the HFP pilots through 2031. The current pilots are authorized only through December 31, 2027.[17] PG&E proposes to continue the pilots until real-time pricing (RTP) can be incorporated into its modernized billing system, which remains pending before the Commission in PG&E's Billing Modernization Initiative (BMI) in A.24-10-014.[18] Without an extension, PG&E customers, including the more than 2,300 enrolled customer sites representing

[17] Decision (D.) 24-01-032, Decision to Expand System Reliability Pilots of Pacific Gas and Electric Company and Southern California Edison Company, R.22-07-005 (Jan. 25, 2024) (D.24-01-032) at 2; see also D.24-01-032 at 15 and 75, Conclusion of Law 2 (PG&E Ag Pilot).
[18] PG&E-6 at 1-2:13-20.

nearly 340 megawatts (MW) of load,[19] would lose access to an hourly dynamic rate for an uncertain period. That gap would arise just as the California Energy Commission's (CEC) Load Management Standards (LMS) call for such rates to be made available to all customers.[20]

**Q DO THE PROPOSED HFP 2.0 DESIGNS ACHIEVE PG&E'S STATED PILOT OBJECTIVES FOR LARGE INDUSTRIAL CUSTOMERS?**

**A** Not as proposed. CLECA supports the objectives PG&E identifies for HFP 2.0, namely to "[1] improve customer experience and [2] load response and [3] facilitate further learnings."[21] However, CLECA believes the proposed HFP 2.0 design falls short of achieving each of these objectives for large industrial customers, in the following ways.

1. **Improve customer experience:** A large industrial customer considering HFP 2.0 needs a way to forecast its energy costs and decide how much of its load to expose to hourly prices, given the complexity of its operations. The HFP 1.0 subscription did not meet that need, as its reliance on prior-year usage and monthly rescaling severely limited its usefulness to industrial customers.[22] PG&E proposes to remove the subscription rather than improve it. Without a subscription, an industrial customer must choose between full exposure to dynamic prices and remaining entirely on its OAT. That choice is particularly difficult for an industrial customer with complex operations including both flexible load and firm load needed for safety, environmental compliance, and equipment protection, and for whom energy is a significant operating cost.

   In our experience, large industrial customers in competitive retail markets commonly hedge a portion of their energy needs, with the hedged share depending on their operating characteristics and risk tolerance. A forward-

[19] PG&E-6 at 2-1:19-21; 2-2:1-2. PG&E reports that more than 2,300 customer sites, representing nearly 340 megawatts (MW) of load, were enrolled as of April 30, 2026, with active engagement by both customers and Automated Service Providers (ASPs).
[20] PG&E-6 at 1-2:14-16 (citing Cal. Pub. Res. Code § 25403.5 and Cal. Code Regs., tit. 20, § 1623(d)(2)).
[21] PG&E-6 at 2-18:10-11.
[22] See Section V.B; PG&E-6 at 2-23:19-29, 2-24:1-16.

looking subscription agreed upon by the customer and PG&E would serve a similar purpose by allowing the customer to calibrate its hourly price exposure based on the amount of load that can realistically be shifted.

CLECA agrees that the HFP 1.0 subscription should change and takes no position on whether a subscription is appropriate for residential customers. Removing subscriptions from HFP 2.0 altogether, however, would make the program less attractive to the complex industrial and manufacturing loads whose participation would provide substantial flexibility if the program is appropriately designed.

Customer experience also depends on whether a customer can enroll at all. PG&E-6 does not adequately address how Direct Access customers would participate in HFP 2.0, and under the current pilots, a DA customer can participate only if the customer's ESP signs an agreement with PG&E.[23] DA customers have already chosen to manage their own energy procurement, making them strong candidates for an hourly rate. Their ability to participate should not depend on whether a third party elects to take part in the pilot.

2. **Improve load response:** Customers with demonstrated demand-response capability, namely BIP participants, cannot currently enroll in HFP 1.0. PG&E's testimony and proposal for HFP 2.0 do not remove that exclusion. Instead, PG&E proposes to defer the issue to the EDROIR or, if that proceeding does not provide guidance, to a future advice letter.[24]

The schedules of this proceeding (A.24-09-014) (Dynamic Rate Options track) and the EDROIR do not support deferral. The Dynamic Rate Options track is scheduled to produce a proposed decision by mid-2027,[25] while the EDROIR has not scheduled a decision on dual participation and does not anticipate completing its work until February 2028.[26] That would leave about a year before HFP 2.0 begins in January 2029,[27] and PG&E has indicated that changes to the pilot rates could take a full year to implement.[28] As a result, rules potentially allowing BIP customers to participate in the pilot program may not be in place when HFP 2.0 launches.

[23] Pacific Gas and Electric Company, Agreement for Energy Service Providers Participating in the Hourly Flex Pricing Pilots (form agreement) (ESP Agreement) at 1, attached as External/Other Attachment C-1 in Appendix C. See also Section VII.
[24] PG&E-6 at 2-28:20-32.
[25] Scheduling Ruling at 4.
[26] R.25-09-004, Assigned Commissioner's Scoping Memo and Ruling (Feb. 12, 2026) (EDROIR Scoping Memo) at 2-5.
[27] PG&E-6 at 2-15:8-11.
[28] Scheduling Ruling at 3.

3. **Facilitate further learnings:** PG&E proposes to use HFP results to evaluate how customers respond to HFP prices alone "before introducing a dual participating program like BIP."[29] As dynamic rates mature, however, the pilots will learn more from enrolling meaningful amounts of flexible industrial load than from excluding BIP participants to isolate price response. Enrolling industrial customers that participate in BIP and those that do not will provide a valuable comparative analysis of customer behavior in response to price signals.

   The value of the pilot's learnings also depends on the price signal participants receive. PG&E proposes a flat RNA as the default method for recovering non-marginal costs. A flat adder applies the same charge in every hour, and the Commission found in D.25-08-049 that a flat adder would dilute the cost differential between high- and low-price periods and reduce customers' incentive to shift load.[30] If HFP 2.0 weakens the hourly price signal for large industrial participants, the pilot will provide less useful information about how those customers respond to hourly prices. That information will be important to the design of a permanent post-pilot rate.

CLECA's proposed resolutions to these shortcomings are described further in Sections V through VIII.

## V. BILLING AND PRICE EXPOSURE FOR LARGE COMMERCIAL AND INDUSTRIAL CUSTOMERS

### A. The Commission Should Adopt PG&E's Proposed Credit and Charge Billing for HFP 2.0

**Q HOW ARE HFP PARTICIPANTS BILLED TODAY?**

**A** Participants in the current HFP 1.0 pilot continue to receive and pay their regular PG&E bill under their OAT. PG&E separately calculates what each participant would have paid under the HFP rate through a shadow bill and reports the results in a monthly HFP "Performance Report."[31] After 12 billing cycles, PG&E compares the participant's cumulative HFP charges with its cumulative OAT charges. If the

[29] PG&E Response to Cal Advocates Data Request 038, Q003(b) (July 22, 2026), included in Ex. CA-10, Appendix B2, Attachment 2.
[30] D.25-08-049 at 78; see also Section VIII.
[31] PG&E-6 at 2-11:14-28.

HFP amount is lower, the participant receives a credit. If the HFP amount is higher, the participant does not pay the difference.

PG&E refers to this annual reconciliation as the "True-Up" and describes it as reflecting the "reward only" nature of the current pilots.[32] As a result, an HFP 1.0 participant cannot pay more than it would have paid under its OAT.

**Q WHAT DOES PG&E PROPOSE TO CHANGE FOR HFP 2.0?**

**A** PG&E proposes to move from a credit-only structure to a credit and charge structure, exposing participants "to both the potential reward of saving on HFP as well as the risk of a higher HFP bill."[33] Participants would continue to be billed under their OAT and shadow billed under the HFP rate. At the True-Up, PG&E would apply a credit if the participant's cumulative HFP charges are lower than its cumulative OAT charges and a charge if the HFP charges are higher.[34] PG&E proposes to perform the True-Up every 12 months, "or at a more frequent cadence if deemed feasible."[35]

**Q DOES CLECA SUPPORT THE CHANGE TO CREDIT AND CHARGE BILLING STRUCTURE?**

**A** Yes. A dynamic rate works by giving customers a financial reason to move load away from high-cost hours. Under credit-only billing, that reason is one-sided, where a participant benefits when it responds, but bears no consequence when it does not. Credit and charge billing exposes participants to the full price signal.

[32] PG&E-6 at 2-11:14 to 2-12:5.
[33] PG&E-6 at 2-19:18-21.
[34] PG&E-6 at 2-20:3-12.
[35] PG&E-6 at 2-20:7-8.

Credit and charge billing is also consistent with cost causation. PG&E recovers the cost of HFP credits from other customers through its Distribution Revenue Adjustment Mechanism (DRAM) and Energy Resource Recovery Account (ERRA) balancing accounts.[36] When participants can be charged as well as credited, charges offset credits and reduce the shortfall that other customers fund. Participants whose usage results in higher costs under hourly pricing should bear that cost themselves.

**Q SHOULD THE TRUE-UP OCCUR MORE OFTEN THAN ANNUALLY?**

**A** Where feasible, yes. Under credit and charge billing, a participant whose HFP costs exceed its OAT costs will owe the difference at the True-Up. With an annual True-Up, those charges can accumulate for up to 12 months before they are billed, potentially resulting in a substantial year-end charge and a larger uncollected balance for PG&E. PG&E has already proposed more frequent True-Ups "if deemed feasible."[37] CLECA supports that approach and recommends quarterly or monthly settlement where feasible. CLECA also agrees with Cal Advocates that direct billing on the HFP 2.0 rate, in place of shadow billing, would be the preferable long-term approach because it would eliminate the need for a separate True-Up.[38]

**B. <u>The Commission Should Direct PG&E to Offer Schedule B-19 and B-20 Participants a</u>**

[36] PG&E-6 at 8-2:9-16; PG&E-6 at 2-20:13-19.
[37] PG&E-6 at 2-20:7-8.
[38] A.24-09-014, Public Advocates Office, Opening Testimony on Real Time Pricing Stop Gap Proposals in Pacific Gas and Electric Company's 2023 General Rate Case Phase 2 Application, Chapter 3 – Revenue Requirement and Cost Recovery (CA-11) (Sept. 30, 2026) at 3-23:1-13.

**Bilateral Subscription Suited to Their Operations**

**Q HOW DOES THE SUBSCRIPTION WORK UNDER HFP 1.0?**

**A** HFP 1.0 uses a "two-part" pricing structure.[39] Each participant is assigned a predefined hourly load profile, or subscription, based on its usage on the same dates in the prior year, with separate weekday and weekend profiles. If the customer lacks sufficient usage history, PG&E uses a class-average profile. The subscribed load is charged at the customer's OAT, while only usage above or below the subscription in each hour is charged or credited at the hourly HFP price.[40] The subscription therefore limits the portion of a participant's load exposed to hourly prices.

The subscription is not fixed. After each billing period, PG&E scales the participant's subscription profile up or down by a constant factor across all hours so that total subscribed usage matches the customer's actual monthly usage. The subscription therefore preserves the shape of the customer's prior-year load profile while resizing it each month to reflect current usage. For scaled subscriptions, the incremental or decremental subscription quantity is purchased at the OAT price.[41]

**Q WHAT DOES PG&E PROPOSE FOR THE SUBSCRIPTION MECHANISM UNDER HFP 2.0, AND WHAT IS THE REASONING BEHIND ITS PROPOSAL?**

[39] Daniel G. Hansen & Corey R. Goodrich, CA Energy Consulting, Mid-Term Evaluation of PG&E's Hourly Flex Pricing Pilot (Aug. 3, 2026) (Public Version) (Mid-Term Evaluation) at 7.
[40] Mid-Term Evaluation at 7-8; PG&E-6 at 2-6, Table 2-3, line 6.
[41] Mid-Term Evaluation at 8.

**A** PG&E proposes to eliminate the subscription for all customers when HFP 2.0 begins.[42] Instead, non-marginal costs would be recovered through an RNA, and peak demand charges would be removed because the hourly price already includes the capacity costs those charges are intended to recover. All participant usage would then be settled at hourly prices.[43] PG&E states that it may consider offering an optional subscription after HFP 2.0, but proposes not to offer one during HFP 2.0 so that it can test the RNA in isolation.[44]

PG&E's stated reason for removing the subscription is that customers are largely dissatisfied with it because it adds complexity to the rate "without a commensurate level of benefit."[45] In Chapter 2 of PG&E-6, PG&E explains that subscriptions have been difficult for customers to understand, costly to implement, and, for some customers, limiting to bill savings.[46]

The examples PG&E cites involve subscriptions based on historical usage. In Valley Clean Energy's (VCE) AgFIT pilot and in HFP 1.0, those subscriptions did not work well for customers whose usage changed significantly from one year to the next. PG&E also explains that the monthly rescaling adopted to address that mismatch

[42] PG&E-6 at 3-3, Table 3-1, line 6.
[43] PG&E-6 at 3-4:4-14.
[44] PG&E-6 at 3-3:9 to 3-4:3.
[45] PG&E-6 at 3-3:6-9.
[46] PG&E-6 at 2-20:20-25; PG&E-6 at 2-24:17-34.

"muddles the price signal."[47] In addition, PG&E notes that subscriptions make it more difficult to measure load response.[48]

**Q WHAT IS CAL ADVOCATES' POSITION ON THE SUBSCRIPTION?**

**A** Cal Advocates supports PG&E's proposal to eliminate the subscription.[49] Cal Advocates cites the Mid-Term Evaluation's finding that the HFP 1.0-designed subscription scaling prevents customers from easily understanding the bill implications associated with usage changes.[50] Cal Advocates also relies on the supplemental testimony of Southern California Edison Company (SCE) in SCE's large power dynamic pricing proceeding (SCE-06-A), which describes subscriptions as a relatively complex customer protection mechanism. On that basis, Cal Advocates concludes that "[t]he issue of additional complexity leading to additional costs also applies to PG&E."[51]

**Q DOES CLECA AGREE WITH THE CONCERNS PG&E AND CAL ADVOCATES RAISE ABOUT THE HFP 1.0 SUBSCRIPTION?**

**A** Yes. The HFP 1.0 subscription is hard for customers to understand, costly to administer, and does not work well for customers whose load changes from year to year. Monthly rescaling also obscures the price signal and makes load response

[47] PG&E-6 at 2-22:6-21; PG&E-6 at 2-23:1-29; PG&E-6 at 2-24:1-16.
[48] PG&E-6 at 2-25:1-5.
[49] A.24-09-014, Public Advocates Office, Opening Testimony on Real Time Pricing-Related Stop-Gap Proposals in Pacific Gas and Electric Company's 2023 General Rate Case Phase 2, Chapter 1: Rate Design (CA-09) (Sept. 30, 2026) at 1-17:17-20.
[50] CA-09 at 1-18:13-16 (citing Exhibit CA-13, PG&E HFP Evaluation, August 3, 2026, at 3).
[51] CA-09 at 1-18:16 to 1-19:3.

harder to measure. CLECA agrees that these are significant problems with the current design.

**Q DOES CLECA AGREE THAT THE SUBSCRIPTION SHOULD BE REMOVED FOR ALL CUSTOMERS IN HFP 2.0?**

**A** No. Schedule B-19 and B-20 customers should continue to have a subscription option under HFP 2.0, but not under the current HFP 1.0 design. CLECA takes no position on whether the subscription should be removed for residential and smaller commercial customers. The concerns PG&E identifies arise largely from the way the HFP 1.0 subscription is designed and administered; they are not inherent in offering a subscription to large commercial and industrial customers.

Most of PG&E's concerns, including the counterintuitive effects of monthly rescaling, the cost of maintaining the subscription engine, and distortions for customers with significant year-to-year load variation, stem from two features of the current design: automatically deriving each participant's subscription from historical usage and rescaling it after the fact. These issues are not inherent in the subscription mechanism itself. PG&E's proposal to eliminate the subscription would address those concerns, but eliminating the subscription altogether could make HFP 2.0 unworkable for many large industrial customers that wish to align their exposure to hourly prices with their operating constraints.

A more tailored solution would be to offer a subscription only to those customer types for which a subscription is suitable, as other utilities have done. PG&E explains:

> Some RTP rates offered by other providers in the United States include a subscription, and the RTP pilots in PG&E's service area have also included this feature. However, subscriptions have generally been made available only for larger [commercial and industrial] customers. The two U.S. utilities PG&E is aware of that offer residential RTP, Ameren and ComEd, do not include a subscription feature as part of those offerings.[52]

Limiting the subscription option to Schedule B-19 and B-20 customers would be consistent with that approach and would confine the administrative scope to a defined group of large customers.

**Q WHAT SUBSCRIPTION DESIGN DO YOU RECOMMEND?**

**A** The Commission should direct PG&E to offer Schedule B-19 and B-20 participants a bilateral subscription under HFP 2.0 with the following features:

- **Set by agreement:** The customer and PG&E would agree on the subscription at enrollment.
- **Set by month and time-of-use period:** The subscription would specify usage by month and time-of-use period rather than as an hourly load profile.
- **Forward-looking:** The subscription would reflect historical and forecast usage, operational constraints, and the complexity of facility operations rather than being derived automatically from historical usage. It would not exceed the customer's forecast usage.
- **Matched to customer flexibility:** A customer with less flexibility, including equipment required for safety, environmental compliance, and equipment protection, could subscribe more of its load, while a customer with greater flexibility could subscribe less or elect a zero subscription to take full hourly price exposure.
- **Static:** The subscription would not be rescaled after each billing period and would change only by agreement between the customer and PG&E based upon updated energy use forecasts or operational changes.

[52] PG&E-6 at 2-20:22-27; PG&E-6 at 2-21:1-3.

**Q DOES THIS SUBSCRIPTION DESIGN ADDRESS THE PROBLEMS PG&E IDENTIFIED?**

**A** Yes. Our proposed design responds to the concerns identified by PG&E:

1. **Reliance on historical usage:** The subscription would be set by agreement using forecast as well as historical usage, so it would reflect expected operations rather than automatically reproducing a prior-year load profile. Because PG&E must agree to the subscription level and it cannot exceed forecast usage, the risk of over- or under-subscription is reduced.

2. **Subscription scaling:** The subscription would not be rescaled after the fact. Additional load during low-cost hours would therefore remain exposed to the hourly price. Under HFP 1.0, rescaling pulls that load back into the subscription at the OAT, which PG&E acknowledges "muddles the price signal,"[53] and which the Mid-Term Evaluation identified as a source of customer confusion.[54]

3. **Limited bill savings:** Each participant would choose its own subscription level. A customer seeking greater exposure to hourly prices could subscribe less of its load, or none at all.

4. **Implementation complexity and cost:** The subscription would be offered only to Schedule B-19 and B-20 participants, a defined group of large customers, rather than to every customer in the pilot. It would also be set once at enrollment by month and time-of-use period, rather than calculated as an hourly profile from historical data and rescaled each billing period. This design would avoid much of the functionality of the subscription engine that PG&E identifies as a source of implementation cost.[55]

5. **Measurement and evaluation:** Under this design, the subscription would be fixed in advance and would not adjust with actual usage, so any increase or decrease in load would be settled at the hourly price. Load changes could therefore be evaluated against the HFP price signal. Additionally, a targeted subscription for large industrial customers could also provide useful evidence for the post-pilot rate design.

**Q DOES THIS SUBSCRIPTION DESIGN ADDRESS CAL ADVOCATES' CONCERN THAT SUBSCRIPTIONS ADD COMPLEXITY AND COST?**

[53] PG&E-6 at 2-24:6-15.
[54] Mid-Term Evaluation at 3; Mid-Term Evaluation at 63.
[55] PG&E-6 at 2-24:21-34.

**A** Yes. Cal Advocates draws this concern from SCE's supplemental testimony in SCE's large power dynamic pricing (LPDR) proceeding.[56] That testimony supports offering a subscription to large customers. SCE described subscriptions as relatively complex because they require twelve months of usage data to set each subscription, additional billing system logic, more complex bills, and more customer education. SCE raised those points about its standard dynamic rate, which would apply across SCE's customer classes, including residential and small and medium commercial customers.[57] By contrast, SCE proposed to reserve its LPDR for customers taking service on Schedule TOU-8 at 50 kV or above.[58] For those customers, SCE states that it is "amenable to adopting subscriptions as the customer-protection mechanism only for large customers opting into the proposed LPDR." SCE explains that this approach "would be reasonable because LPDR customers are likely to have a significantly more sophisticated understanding of dynamic rates and the likely impacts of subscriptions," and that it would "use manual billing in order to control implementation costs."[59]

The same reasoning applies to Schedule B-19 and B-20 customers, who are well positioned to evaluate their hourly price exposure and negotiate a fit-for-purpose subscription with PG&E. Targeting the subscription option to these schedules

[56] CA-09 at 1-18:16 to 1-19:3.
[57] A.24-06-014, et al., Testimony of Southern California Edison Company (U-338-E) (SCE-06-A) (May 12, 2026) at 5:5-21; see also SCE-06-A at 4:13-18.
[58] A.24-06-014, Testimony of Southern California Edison Company (U-338-E) in Support of Application for Approval of the Large Power Dynamic Pricing Rate, Exhibit 1 – Opening Testimony (SCE-01) (June 26, 2024) at 5:5-6.
[59] SCE-06-A at 9:15-22.

would also limit administration to a relatively narrow group rather than extending it across all pilot participants.

**Q WHY IS A NEGOTIATED SUBSCRIPTION APPROPRIATE FOR LARGE COMMERCIAL AND INDUSTRIAL CUSTOMERS?**

**A** Large complex industrial facilities operate heterogeneous equipment including continuous processes, batch production lines, heavy motors, environmental controls, and safety systems. Some load is effectively firm because it cannot be shifted in response to hourly prices without affecting critical operations, environmental compliance, equipment protection, product quality, or safety. Other load at the same facility can be flexible. A rate that exposes all usage to hourly prices treats those two types of load the same, which may not reflect how large industrial customers operate. A negotiated subscription addresses this by allowing the customer and PG&E to agree in advance on a subscribed quantity that reflects the customer's firm load.

A negotiated subscription can also account for changes in operations. Maintenance outages, plant expansions, or shifts in market demand can make prior-year usage a poor proxy for a facility's firm load. Setting the subscription by agreement allows the customer to reflect those changes when the subscription is established, subject to PG&E's review.

**Q IS A SUBSCRIPTION FOR LARGE COMMERCIAL AND INDUSTRIAL PARTICIPANTS CONSISTENT WITH COMMISSION GUIDANCE IN DEMAND FLEXIBILITY RATE PROPOSALS?**

**A** Yes. In D.25-08-049, the Commission found it reasonable to give the large utilities "flexibility to design customer-class appropriate protection options" and

identified two-part subscription tariffs, "which may differ in design across different customer classes," as a viable approach.[60] For utilities that offer subscription tariffs, the Commission recommended that "[f]or large customers with predictable hourly electricity usage profiles," the subscription be "static" and "ex-ante," with a usage profile that "is predetermined and may be negotiated between the customer and the utility, possibly for an amount that is less than 100% of historical load."[61]

CLECA's proposal incorporates each of these core features, where the proposed subscription for HFP 2.0 would be static, set in advance, negotiated between the customer and PG&E, and permitted to cover less than the customer's full load.

**Q WHAT DO YOU RECOMMEND IF THE COMMISSION DECLINES TO ADOPT A SUBSCRIPTION FOR SCHEDULE B-19 and B-20 PARTICIPANTS?**

**A** If the Commission does not adopt the proposed subscription mechanism for HFP 2.0, we request that the Commission allow large commercial and industrial participants to place flexible load on a submeter served under HFP 2.0, while the remainder of the facility's load stays on its OAT. This would achieve a similar result by allowing the customer to expose only the portion of load it can reasonably shift to hourly prices. A submeter is a less flexible substitute, however, as it requires electrical work at the facility and fixes the portion of load exposed to hourly prices, which then cannot change by month or time-of-use period to accommodate

[60] D.25-08-049 at 119.
[61] D.25-08-049 at 120-121.

production schedules, seasonality, scheduled outages, or changes in the facility's operations from year to year.

## VI. BIP DUAL PARTICIPATION

### A. The Commission Should Authorize BIP Customers to Enroll in HFP 2.0 Under a Double-Compensation Rule Adopted in This Proceeding

**Q WHAT IS PG&E'S POSITION ON ALLOWING BIP CUSTOMERS TO PARTICIPATE IN HFP 2.0?**

**A** PG&E supports allowing BIP customers to participate in HFP and identifies their current exclusion as a key concern of the current dual participation prohibition. According to PG&E, BIP incentives are more certain than potential HFP savings, so the exclusion discourages large commercial and industrial customers from moving to HFP.[62] PG&E describes BIP as a valuable emergency grid service that provides reliable, predictable load reductions on 15- or 30-minute notice. PG&E concludes that BIP is "complementary to HFP" and that pilot participants should be allowed to dual participate, subject to safeguards against double compensation or double counting.[63]

PG&E does not, however, propose dual participation rules in this proceeding. Although it states that the current dual participation rules should be reassessed, PG&E instead asks that dual participation be addressed in the EDROIR.[64] If the rulemaking does not provide guidance in time for implementing HFP 2.0 or does not fully address dual participation with RTP pilots, PG&E asks for authority to

[62] PG&E-6 at 2-28:11-16.
[63] PG&E-6 at 4-3:22-31.
[64] PG&E-6 at 2-28:4-32.

change the dual participation rules by an advice letter process "to allow RTP pilot participants to extend dual participation to include BIP and [the Emergency Load Reduction Program]."[65]

**Q DO YOU AGREE THAT BIP AND HFP ARE COMPLEMENTARY?**

**A** Yes. HFP and BIP ask different things of customers. HFP allows each customer to decide whether and how much to respond to hourly prices, so voluntary load response will vary with market conditions and facility operations. BIP, by contrast, secures firm, forward-committed load reductions that customers must deliver when PG&E calls an event, with penalties for nonperformance.

The two programs also respond to different grid conditions. HFP 2.0 prices are based on day-ahead prices, while system and local emergencies can arise in real time without being reflected in those prices. SCE made this point in its large power dynamic rate proposal and cited a BIP event in PG&E's service area that was not reflected in day-ahead price signals.[66] PG&E's proposed "Exit Ramp" for HFP 2.0 also reinforces this distinction. When extreme prices trigger the Exit Ramp, HFP 2.0 participants return to their OAT and the hourly price signal disappears.[67] BIP

[65] PG&E-6 at 2-28:20-32; PG&E-6 at 4-4:6-32.

[66] SCE-01 at 29:3-13. SCE explains that a day-ahead dynamic rate "will not eliminate the need for day-of, short notice mandatory, emergency demand response programs like BIP," because system emergencies "can emerge quickly in real time that were not apparent day-ahead." SCE identifies the February 4, 2024 BIP event in PG&E's service territory as an event "that was not reflected in day-ahead price signals or load forecasts." SCE concludes that a customer's flexible load response under its dynamic rate "complements the BIP load response." SCE-01 at 29:11-16.

[67] PG&E-6 at 3-6:4-20. Under PG&E's proposal, HFP 2.0 prices would revert to each customer's OAT for the following day if either of two conditions is met. The first is that the day-ahead energy plus generation capacity prices include seven or more hours in a single day with a combined price of

would continue to provide a dispatchable reliability resource in those extreme conditions. Allowing BIP customers to enroll in HFP 2.0 would therefore add voluntary price-responsive flexibility without diminishing the reliability value of BIP.

**Q WHAT IS CAL ADVOCATES' POSITION ON DUAL PARTICIPATION FOR HFP 2.0?**

**A** Cal Advocates opposes deferring dual participation issues relevant to HFP 2.0 to the EDROIR. Cal Advocates recommends that "[t]he Commission should not permit PG&E to defer dual participation issues relevant to this proceeding."[68] Cal Advocates would instead require PG&E to provide, in this proceeding, a plan for preventing double compensation before BIP customers become eligible, noting that double compensation "is paid for by increasing costs for non-participants."[69] Cal Advocates also opposes using advice letters to develop new double-compensation mechanisms, because advice letters "are primarily meant for providing updates and making changes that the Commission has already approved, not for developing new proposals that could be controversial and raise policy questions."[70]

**Q SHOULD THE COMMISSION DEFER DUAL PARTICIPATION RULES FOR HFP 2.0 TO THE ENHANCED DEMAND RESPONSE RULEMAKING?**

---

$2.00/kWh or higher. The second is that the 24-hour average of those prices is $0.70/kWh or more for three days in a row. All price components would remain at the OAT until neither condition is met.

[68] A.24-09-014, Public Advocates Office, Opening Testimony on Real Time Pricing-Related Stop-Gap Proposals in Pacific Gas and Electric Company's 2023 General Rate Case Phase 2, Chapter 2: Eligibility, Engagement, ME&O, and M&E (CA-10) (Sept. 30, 2026) at 2-2:17-18.

[69] CA-10 at 2-1:13-16; CA-10 at 2-2:18-20; CA-10 at 2-3:1-2.

[70] CA-10 at 2-4:15-18.

**A** No. CLECA agrees with Cal Advocates. PG&E itself acknowledges that the EDROIR may not resolve dual participation on the timeline needed for the pilots and that delay could unnecessarily constrain pilot evolution and customer participation.[71]

The schedules of the two proceedings also support resolving dual participation here. The Dynamic Rate Options track is scheduled to reach a proposed decision within 90 days after briefing concludes in February 2027.[72] By contrast, the EDROIR includes dual participation within its scope but sets no specific date for resolving that issue and anticipates completing the rulemaking by February 2028.[73] The EDROIR schedule has already been extended once, because the Order Instituting Rulemaking originally anticipated completing the proceeding within 24 months of September 2025.[74] Even if the EDROIR concludes on schedule, about a year would remain before HFP 2.0 begins in January 2029,[75] and PG&E has indicated that changes to the pilot rates could "require a full year to implement."[76]

Participants need lead time as well. Before enrolling in both programs, a BIP customer must decide how much load to commit to each, adapt its controls and operating procedures to respond to hourly prices while keeping load available for

[71] PG&E-6 at 4-4:13-16.
[72] Scheduling Ruling at 4.
[73] EDROIR Scoping Memo at 2-5.
[74] R.25-09-004, Order Instituting Rulemaking to Enhance Demand Response in California (Sept. 29, 2025) at 11.
[75] PG&E-6 at 2-15:8-11.
[76] Scheduling Ruling at 3.

BIP events, and plan production around both. A customer cannot make those decisions until the rules are known.

If dual participation rules are delayed beyond this proceeding, BIP customers might not be able to participate for the full HFP 2.0 period, leaving PG&E less opportunity to evaluate how BIP customers respond to hourly prices.

The current prohibition on BIP dual participation was driven largely by timing. When the Commission adopted the prohibition in D.24-01-032, the expanded pilots were scheduled to begin less than five months later. The Commission found that there was insufficient time to develop dual participation rules before launch and stated that the issue could be addressed in a later phase or another proceeding.[77] This proceeding provides that opportunity.

**Q HOW SHOULD DOUBLE COMPENSATION BE ADDRESSED FOR BIP CUSTOMERS ENROLLED IN HFP 2.0?**

**A** Through the subscription recommended in Section V.B. The rule described below provides the plan Cal Advocates calls for.[78] The Commission should adopt the rule in its decision and direct PG&E to incorporate the rule into the HFP 2.0 tariff.

During a BIP event, the participant's subscription would reset to the FSL, the level to which the participant must reduce load under BIP. A reduction down to the FSL would not produce an HFP credit because BIP already compensates that reduction. Only reductions below the FSL, which BIP does not compensate, would

[77] D.24-01-032 at 63.
[78] CA-10 at 2-1:13-16.

be settled at the hourly HFP price. If the participant's load remained above the FSL, the participant would remain subject to BIP nonperformance penalties, and the load above the FSL would be charged at the hourly HFP price.

This rule would provide a clear basis for attributing load reductions between BIP and HFP 2.0 during overlapping events. SCE proposed a similar approach for the LPDR. Under SCE's proposal, the subscription is reduced to the FSL during BIP events so that the dynamic rate does not provide credits for load reductions already compensated through BIP.[79] Cal Advocates supported that approach, finding that SCE's dual participation rules allow complementary demand response participation while "negating the risk of double compensation."[80]

The rule should also be straightforward to administer because PG&E calls BIP events and each participant's FSL is already established under the program.

**Q SHOULD PG&E BE PERMITTED TO REVISE DUAL PARTICIPATION RULES BY ADVICE LETTER?**

**A** Only to implement a Commission decision. PG&E describes the requested advice letters as limited to incremental, implementation-level adjustments. PG&E, however, includes in that category extending dual participation to BIP and potentially refining the formula used to prevent double compensation.[81] Extending eligibility and setting the double-compensation formula are policy

[79] SCE-01 at 29:19-20.
[80] A.24-06-014, et al., Public Advocates Office, Testimony in Response to Application of Southern California Edison Company for Approval of Large Power Dynamic Pricing Rate (CA-01) (Jan. 16, 2026) at 10:16-21.
[81] PG&E-6 at 4-4:23-32.

decisions. CLECA agrees with Cal Advocates that advice letters are primarily meant to implement changes the Commission has already approved, not to develop new proposals that raise policy questions.[82] The Commission should adopt the HFP 2.0 dual participation rules in this proceeding, and PG&E should use an advice letter only to implement those rules, or to conform HFP 2.0 to a later decision in the EDROIR.

## VII. DIRECT ACCESS ELIGIBILITY

### A. Direct Access Customers on Eligible Rate Schedules Should Be Eligible for HFP 2.0

**Q WHAT DOES PG&E PROPOSE REGARDING HFP 2.0 ELIGIBILITY FOR DIRECT ACCESS CUSTOMERS?**

**A** PG&E-6 does not explain how DA customers would participate in HFP 2.0. PG&E proposes HFP 2.0 eligibility by customer class and rate schedule, including Schedules B-19 and B-20, without distinguishing among service providers.[83] When PG&E-6 describes participation by unbundled customers, it refers only to customers of CCAs whose CCA elects to participate.[84] PG&E-5 likewise states that eligibility for unbundled customers currently depends on whether the customer's CCA offers a real-time-pricing generation rate.[85]

**Q HOW DO UNBUNDLED CUSTOMERS PARTICIPATE IN THE CURRENT HFP PILOTS?**

[82] CA-10 at 2-4:13-18 (citing General Order 96-B, Section 5).
[83] PG&E-6 at 2-33, Table 2-7, line 3.
[84] PG&E-6 at 1-5:10-12.
[85] A.24-09-014, Pacific Gas and Electric Company, 2023 General Rate Case Phase II Supplemental Testimony, Exhibit (PG&E-5), Real-Time Pricing Proposal (Oct. 29, 2025) (PG&E-5) at 2-3:15-17.

**A** Through their load-serving entity. Under the implementation plan approved for the current pilots, PG&E credits unbundled participants for savings on the delivery component of the pilot rate, while the customer's load-serving entity is responsible for any credit on the generation component.[86] An unbundled customer is eligible only if its load-serving entity participates in the pilot.[87] Because shadow billing occurs outside PG&E's billing systems, PG&E uses its own bundled generation rate as a proxy for the load-serving entity's generation rate when calculating the customer's shadow bill.[88]

For DA customers, PG&E implements this structure through an agreement with each participating Energy Service Provider (ESP). Under that agreement, the ESP must use PG&E's hourly generation prices and otherwise applicable rates as the basis for the shadow-bill comparison. PG&E pays the distribution credit, while any generation credit is determined between the ESP and its customer.[89] PG&E-6 does not say whether HFP 2.0 would continue this process.

**Q HOW SHOULD DIRECT ACCESS CUSTOMERS PARTICIPATE IN HFP 2.0?**

**A** Through a distribution-only option that does not depend on ESP participation. The Commission should direct PG&E to make HFP 2.0 available to DA customers on

[86] Pacific Gas and Electric Company Advice Letter 7222-E, Implementation Plan for PG&E's Agricultural Pilot and Expanded Pilot 2 (Mar. 25, 2024) (AL 7222-E) at 3, approved as supplemented by Advice Letters 7222-E-A and 7222-E-B, Energy Division Disposition Letter (Sept. 3, 2024) at 1.
[87] AL 7222-E at 3 n.5.
[88] Pacific Gas and Electric Company Advice Letter 7222-E-B, Second Supplemental: PG&E Implementation Plans for PG&E's Agricultural Pilot and Expanded Pilot 2 (July 2, 2024) (AL 7222-E-B) at 2.
[89] ESP Agreement at 2 (definitions of HFP Generation Credit and HFP Distribution Credit), 3 (§ II.A, Out of the Box Solution, and § II.B), and 4 (§ III.A).

eligible rate schedules, with the hourly price applied to the distribution service PG&E provides. PG&E would settle the resulting distribution credits and charges directly with the customer, while the customer's ESP would continue to provide generation at the price set in the customer's existing contract. An ESP that wishes to offer an hourly generation component could still do so through an agreement with PG&E.

This approach builds on tools PG&E already uses. PG&E calculates and pays the distribution credit for bundled and unbundled customers and separates the generation and distribution portions of the True-Up for CCA customers.[90] Any distribution revenue shortfall is recovered through DRAM from PG&E's bundled and unbundled distribution customers.[91] A distribution-only option for DA customers would therefore use an existing rate structure and cost-recovery mechanism.

A distribution-only option is also consistent with Commission guidance. In D.25-08-049, the Commission found it reasonable for bundled and unbundled customers to receive a uniform delivery component in dynamic rates so that all customers face the same incentive to shift load.[92]

Moreover, many large industrial customers in PG&E's territory, including some CLECA members, take DA service. Those customers have the same ability to

[90] PG&E-6 at 5-7:32 to 5-8:5; PG&E-6 at 5-8:11-14.
[91] PG&E-6 at 8-2:9-16; D.24-01-032 at 80, Conclusion of Law 31(b).
[92] D.25-08-049 at 136; D.25-08-049 at 145, Conclusion of Law 33.

respond to hourly distribution prices as bundled and CCA customers on the same rate schedules. The Commission should therefore direct PG&E to expressly include DA eligibility and the distribution-only option in its HFP 2.0 eligibility rules and implementing advice letter.

**Q WOULD A DISTRIBUTION-ONLY OPTION REQUIRE CHANGES TO DIRECT ACCESS RULES OR TO THE ROLE OF ESPs?**

**A** No. CLECA's recommendation would not change who may take DA service or how DA load is allocated. It also would not require an ESP to offer a dynamic generation rate or enter into an agreement with PG&E. Eligibility should not depend on ESP participation because the distribution component is a PG&E service, and PG&E itself plans to offer that component independently of the customer's generation provider.[93]

## VIII. RECOVERY OF NON-MARGINAL COSTS

**Q HOW DOES PG&E PROPOSE TO RECOVER NON-MARGINAL COSTS UNDER HFP 2.0?**

**A** The hourly HFP price is based on marginal cost components including the California Independent System Operator (CAISO) day-ahead energy price and price curves for marginal generation capacity and primary distribution capacity costs.[94] Those components recover only part of the revenue PG&E would otherwise collect under a customer's OAT. The remaining revenue requirement,

[93] PG&E-5 at 2-3:17-21.
[94] PG&E-6 at 3-2, Table 3-1, lines 1-3.

generally referred to as non-marginal costs, must therefore be recovered through another mechanism for the dynamic rate to remain revenue neutral.

Under HFP 1.0, non-marginal costs are recovered through the subscription, which is billed at the OAT. Because PG&E proposes to eliminate the subscription, PG&E would instead recover non-marginal costs through an RNA, a per-kilowatt-hour charge added to the hourly price.[95] The RNA would vary by rate schedule to maintain revenue neutrality, but would vary by time-of-use period only for schedules whose existing time-of-use differentials are wider than marginal cost differentials. PG&E identifies those schedules as typically residential and commercial electric vehicle rates and some agricultural schedules.[96]

**Q WHAT GUIDANCE HAS THE COMMISSION PROVIDED ON RECOVERING NON-MARGINAL COSTS IN DYNAMIC RATES?**

**A** The Commission addressed this issue in D.25-08-049. That decision directed PG&E to serve supplemental testimony on dynamic rates in this proceeding, which PG&E did in PG&E-5. PG&E states that PG&E-6 also responds to the decision.[97]

In D.25-08-049, the Commission found that applying an EPMC scalar to marginal prices to recover non-marginal costs is a long-standing, Commission-approved rate design practice.[98] The Commission noted that it has previously directed the use of full EPMC scalars because they better reflect the cost of service. On that

[95] PG&E-6 at 3-2, Table 3-1, line 4; PG&E-6 at 3-4:4-8.
[96] PG&E-6 at 3-4:8-11.
[97] PG&E-6 at 1-2:6-12; PG&E-6 at 1-7:6-9.
[98] D.25-08-049 at 79 (citing D.17-09-035 at 20).

basis, the Commission found it reasonable to require that marginal prices in demand flexibility import rates be scaled to recover the EPMC-allocated share of each utility's revenue requirement.[99] The Commission also rejected the argument that EPMC scaling of time-dependent marginal prices shifts costs to other customers.[100]

The Commission then gave the utilities two options: an EPMC scalar applied to time-varying marginal prices, or a time-differentiated RNA. The Commission found that the EPMC scalar is likely to preserve the relative price differences between time periods more effectively.[101] The Commission rejected a flat RNA, finding that "applying a flat adder uniformly across all time periods would dilute the cost differential between high and low-price periods, reducing customers' economic incentive to shift load, which would be incompatible with our rate design and [demand flexibility] principles."[102] The Commission also required that a utility selecting a time-differentiated RNA provide a side-by-side comparison of that approach with an EPMC scalar.[103]

**Q WHAT IS PG&E'S POSITION ON THE GUIDANCE IN D.25-08-049?**

**A** PG&E disagrees with the guidance in D.25-08-049. In PG&E's view, non-marginal costs do not vary with the amount or timing of usage, so the most cost-based way to recover non-marginal costs would be a fixed charge or subscription rather than

[99] D.25-08-049 at 79.
[100] D.25-08-049 at 78 (citing D.18-08-013 at 54).
[101] D.25-08-049 at 79; D.25-08-049 at 141-142, Conclusion of Law 19.
[102] D.25-08-049 at 78.
[103] D.25-08-049 at 79-80.

the dynamic rate.[104] PG&E instead proposes a flat RNA. To support that proposal, PG&E modeled the load response of the average residential customer at different degrees of EPMC scaling.[105] PG&E concludes from that modeling that stronger price signals produce diminishing returns, and that EPMC scaling as recommended in D.25-08-049 would shift costs to non-participants.[106]

PG&E states that it is not opposed to a time-differentiated RNA in theory but argues that D.25-08-049 did not explain how the time differentiation should be determined, and that time differentiation would likely be a step in the wrong direction.[107]

PG&E-6 adopts the RNA developed in PG&E-5.[108] As Cal Advocates describes it, the RNA is flat by default and is time-differentiated only where a flat RNA would narrow a participant's time-of-use differentials below those of its OAT. Even then, the RNA is set so that the participant's time-of-use differentials approximately match or exceed the OAT's, rather than to preserve the hourly differences in marginal cost.[109]

## A. The Commission Should Direct PG&E to Use EPMC Scaling for Schedules B-19 and B-20

**Q WHY SHOULD THE COMMISSION DIRECT PG&E TO USE EPMC SCALING FOR SCHEDULES B-19 AND B-20?**

[104] PG&E-5 at 2-30:4-12.
[105] PG&E-5 at 2-32:1-6; PG&E-5 at 2-33:1-10.
[106] PG&E-5 at 2-36:1-3; PG&E-5 at 2-36:23-26; PG&E-5 at 2-38:5-22.
[107] PG&E-5 at 2-37:6-13.
[108] PG&E-6 at 3-4:4-6 and n.2.
[109] CA-09 at 1-10:8 to 1-12:16 (citing PG&E's response to DR Cal Advocates-PG&E-041, Q7a–7b).

**A** EPMC scaling recovers non-marginal costs in a manner that follows cost causation while preserving the hourly price signal HFP 2.0 is intended to send. Non-marginal costs must be recovered regardless of how the dynamic rate is designed. PG&E argues that a fixed charge would be the most cost-based method of recovery, but it does not propose one. Instead, PG&E proposes to recover non-marginal costs through a per-kilowatt-hour RNA.[110] The issue, therefore, is not whether these costs should be recovered, but how they should be allocated across hours.

EPMC scaling allocates non-marginal costs in proportion to marginal costs. Hours with higher marginal costs bear more of the non-marginal costs, while lower-cost hours bear less. The Commission has long approved this approach and, in D.25-08-049, rejected the argument that EPMC scaling of time-dependent marginal prices shifts costs to other customers.[111] Because each component is scaled by the same factor in every hour, EPMC scaling also preserves the relative price differences between hours, which the Commission found an RNA is less likely to do.[112] For large industrial customers, those differences inform decisions about whether to reschedule production, defer a batch process, or shift load into lower-cost hours.

**Q WHY DOES THE RECOVERY METHOD MATTER FOR LARGE INDUSTRIAL CUSTOMERS IN THE LOWEST-COST HOURS?**

[110] PG&E-5 at 2-30:4-12; PG&E-6 at 3-4:6-8.
[111] D.25-08-049 at 78; D.25-08-049 at 79.
[112] D.25-08-049 at 79.

**A** In addition to diluting the relative price difference between high- and low-cost hours, a flat RNA also raises the price in every hour, including the hours with the lowest marginal costs. EPMC scaling adds comparatively little to those hours, because the marginal costs being scaled are low. In our experience, the absolute price during low-cost hours can matter as much as the spread between hours for many large industrial investment decisions. A facility considering whether to electrify process heat, add carbon capture, or expand energy-intensive production in California will evaluate whether electricity during the relevant operating hours is inexpensive enough to compete with natural gas or with production at out-of-state facilities. A flat adder raises the price during those same low-cost hours and can weaken that investment signal.

The Commission recognized this concern in D.25-08-049. It agreed that demand flexibility rates should not inhibit or disincentivize customers from using energy during low-price, low-emission periods by applying a flat or non-time-differentiated RNA.[113] EPMC scaling addresses that concern directly. Recovering non-marginal costs in proportion to marginal costs keeps the low-cost hours low, and those are the hours that new industrial load and electrification depend on. The Commission should therefore apply its guidance in D.25-08-049 and direct PG&E to use EPMC scaling to recover non-marginal costs from Schedule B-19 and B-20 participants in HFP 2.0.

**B. <u>If the Commission Adopts an RNA, It Should Be Time-Differentiated for Schedules B-19</u>**

[113] D.25-08-049 at 78.

**and B-20**

**Q IF THE COMMISSION ADOPTS AN RNA, HOW SHOULD THE RNA APPLY TO SCHEDULES B-19 AND B-20?**

**A** The RNA for Schedules B-19 and B-20 should be time-differentiated. In D.25-08-049, the Commission rejected a flat RNA because a flat adder would dilute the cost differential between high- and low-price periods, and adopted guidance that any RNA be time-differentiated.[114]

PG&E-6 does not make clear which treatment Schedules B-19 and B-20 would receive. PG&E-6 states that the RNA would vary by time-of-use period only for schedules whose time-of-use differences are already wider than marginal costs. PG&E identifies those schedules as typically residential and commercial electric vehicle rates and some agricultural schedules.[115] In PG&E-5, PG&E described the same group as typically business electric vehicle schedules and schedules with a peak demand charge, a description that would include Schedules B-19 and B-20.[116] PG&E-6 then removes peak demand charges from HFP 2.0.[117] PG&E-6 does not explain whether that change would cause B-19 and B-20 participants to receive a flat RNA instead of a time-differentiated RNA.

Cal Advocates' testimony also supports time differentiation for large industrial participants. Cal Advocates concludes that where a flat RNA would narrow a participant's time-of-use differentials below those of the participant's OAT, a

[114] D.25-08-049 at 78; D.25-08-049 at 141-142, Conclusion of Law 19.
[115] PG&E-6 at 3-4:8-11.
[116] PG&E-5 at 2-37:13-16 and n.29.
[117] PG&E-6 at 3-4:12-14.

time-differentiated RNA is the optimal choice.[118] Cal Advocates observes that PG&E applies a time-differentiated RNA to its "Industrial" example participant.[119] Moreover, Cal Advocates' analysis finds that if PG&E used a flat RNA for that example instead, the example's time-of-use differentials would fall below those of the participant's OAT.[120]

Large industrial participants rely on differences between high- and low-cost hours when deciding when to operate, and a flat RNA would narrow those differences and weaken the hourly price signal. The Commission should resolve the ambiguity in PG&E-6 in this proceeding. If the Commission adopts an RNA, the Commission should direct PG&E to apply a time-differentiated RNA to Schedules B-19 and B-20, consistent with D.25-08-049.

## C. PG&E's Showing Does Not Support Departing From the Commission's Guidance for Schedules B-19 and B-20

**Q DOES PG&E'S ANALYSIS SUPPORT DEPARTING FROM THE COMMISSION'S GUIDANCE FOR SCHEDULES B-19 AND B-20?**

**A** No. PG&E's analysis is informative for residential customers, but it does not address Schedules B-19 and B-20. PG&E argues that the Commission issued its guidance without evidence that EPMC scaling would shift costs to non-participants, and that PG&E's analysis now provides that evidence.[121] However, PG&E's load-response model and cost-shift estimates are based on the hourly load

[118] CA-09 at 1-12:5-8.
[119] CA-09 at 1-12:8-10.
[120] CA-09 at 1-12:10-12 and n. 63.
[121] PG&E-5 at 2-38:1-4; PG&E-5 at 2-38:18-22.

profile of the average residential customer, and PG&E presents the cost shift as applying to residential customers.[122] PG&E acknowledges that EPMC scalars would differ from schedule to schedule, especially for distribution, so the residential results cannot simply be carried over to other schedules.[123]

PG&E's only results for a large power customer are for an average B-20 Secondary customer under PG&E's proposed design at different subscription levels. PG&E does not report results for that customer under EPMC scaling.[124] PG&E also does not present results for a time-differentiated RNA. PG&E's conclusion that time differentiation would likely be a step in the wrong direction is drawn from its residential EPMC analysis.[125] D.25-08-049 requires a utility that selects a time-differentiated RNA to provide a side-by-side comparison with an EPMC scalar.[126] PG&E's comparison is limited to residential customers.[127]

The Commission considered the cost-shift concern in D.25-08-049 and rejected it.[128] Because the record does not show that EPMC scaling would shift costs from large power customers to non-participants, the Commission should apply its guidance in D.25-08-049 and direct PG&E to use EPMC scaling for Schedules B-19 and B-20.

[122] PG&E-5 at 2-33:7-10; PG&E-5 at 2-36:23-26.
[123] PG&E-5 at 2-38:24-30.
[124] PG&E-5 at 2-51:3-5 and Table 2-3.
[125] PG&E-5 at 2-37:10-13.
[126] D.25-08-049 at 79-80.
[127] PG&E-5 at 2-39:25-26; PG&E-5 at 2-40:1-5.
[128] D.25-08-049 at 78.

## IX. CONCLUSION

**Q** **WAS THIS MATERIAL PREPARED BY YOU OR UNDER YOUR SUPERVISION?**

**A** Yes, it was.

**Q** **INSOFAR AS THIS MATERIAL IS FACTUAL IN NATURE, DO YOU BELIEVE IT TO BE CORRECT?**

**A** Yes, I do.

**Q** **INSOFAR AS THIS MATERIAL IS IN THE NATURE OF PROFESSIONAL OPINION OR JUDGMENT, DOES IT REPRESENT YOUR BEST PROFESSIONAL OPINION OR JUDGMENT?**

**A** Yes, it does.

**Q** **DO YOU ADOPT THIS TESTIMONY AS YOUR SWORN TESTIMONY IN THIS PROCEEDING?**

**A** Yes.

**Q** **DOES THIS CONCLUDE YOUR TESTIMONY?**

**A** Yes.

## APPENDIX A

## QUALIFICATIONS OF SAM HARPER

**Q PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

**A** Sam Harper. My business address is Harper Advisory LLC, 9002 Six Pines Drive, Shenandoah, TX 77380.

**Q WHAT IS YOUR OCCUPATION AND BY WHOM ARE YOU EMPLOYED?**

**A** I am a consultant in the field of energy markets and policy. I am employed by Harper Advisory LLC.

**Q PLEASE STATE YOUR EDUCATIONAL BACKGROUND AND WORK EXPERIENCE.**

**A** I have extensive experience in energy procurement, utility regulation, ISO/RTO governance, renewable energy development, and demand response. I have direct experience with commercial energy arrangements, demand response, and the stakeholder processes in PJM, MISO, ERCOT, CAISO, IESO, CENACE, and various unorganized markets. In my current role as a consultant, I advise organizations that engage across the energy supply chain, including large energy consumers for whom energy is a significant percentage of their cost of production.

Prior to consulting, I was the Director of Energy of North American operations for Gerdau, a major steel producer with significant energy requirements and active demand response participation. From 2013-2022, I held a variety of positions for Gerdau, which included Regional Energy Manager and Assistant Vice President of Operations for Gerdau's subsidiary load serving entity. My

responsibilities included demand response operations, RTO/ISO stakeholder process, utility regulatory intervention, commercial energy contract negotiations, commodity risk management, and renewable energy development.

I was elected each year from 2016 through 2021 to the Board of Directors of the Electric Reliability Council of Texas (ERCOT). I served on the Human Resources and Governance Committee throughout my tenure, and in 2021 was elected Vice-Chair. I served during the Storm Uri reliability crisis in February 2021 and its aftermath.

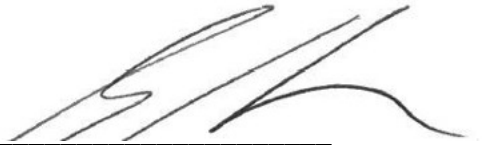
I represented the Commercial and Industrial (C&I) customer sector on the Regional Organization for Western Energy (ROWE) Nominating Committee to select the inaugural Board in 2026. I currently sit on the ERCOT Wholesale Markets Subcommittee. I served on the Advisory Board for the Renewable Development Fund of Minnesota from 2017-2020, ensuring renewable energy grants were executed prudently and consistent with state policy goals.

From 2008-2013, I was employed by ArcelorMittal, a global steel producer, ending as the Sourcing Manager of Electricity for US Operations. During that time, I created and managed a load serving entity and curtailment service provider in the PJM territory.

I earned a Bachelor of Science degree in Business Administration from the University of Illinois at Urbana-Champaign in 2008, graduating with Honors.

**CERTIFICATION**

I, the undersigned, hereby certify, pursuant to Rule 13.7(e) of the Rules of Practice and Procedure of the CPUC, under penalty of perjury under the laws of the State of California, that the foregoing is true and correct to the best of my knowledge, and that this Certification was executed on this 30th day of October, 2026 at Tervuren, Belgium.

By: 

Name: Sam Harper

Title: Consultant to the California Large Energy Consumers Association

## APPENDIX B

## QUALIFICATIONS OF COLEMAN NICKUM

**Q PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

**A** Coleman Nickum. My business address is Harper Advisory LLC, 9002 Six Pines Drive, Shenandoah, TX 77380.

**Q WHAT IS YOUR OCCUPATION AND BY WHOM ARE YOU EMPLOYED?**

**A** I am a regulatory analyst in the field of energy markets and policy. I am employed by Harper Advisory LLC.

**Q PLEASE STATE YOUR EDUCATIONAL BACKGROUND AND WORK EXPERIENCE.**

**A** I have professional experience in electricity market and regulatory analysis and environmental compliance. In my current role at Harper Advisory, which I joined in August 2025, I support advisory work for large energy-intensive industrial customers. My work includes monitoring regulatory and market developments in the Electric Reliability Council of Texas (ERCOT) and CAISO and drafting comments and testimony before state utility commissions and market protocol proceedings on utility rates, transmission planning, resource adequacy, demand response, and large load interconnections.

From January through June 2025, I served as an Energy Policy Fellow at PowerHouse Texas during the 89th Texas Legislative Session. In that role, I conducted policy research and prepared bill analyses on resource adequacy, energy management, and decarbonization legislation for members of the Texas

Energy & Climate Caucus. I also supported Representative Erin Zwiener's office in its work on the House Natural Resources Committee.

From 2021 through 2023, I was employed by the Texas Commission on Environmental Quality (TCEQ) as a Natural Resources Specialist. In that role, I administered compliance reviews for regulated facilities under the agency's Pollution Prevention (P2) Planning Program and coordinated state environmental reviews under the National Environmental Policy Act (NEPA).

I earned a Bachelor of Science degree in Environmental Science from Baylor University in 2021 and a Master of Science degree in Environmental Analysis from Rice University in 2024.

**Q WHAT TESTIMONY ARE YOU SPONSORING IN THIS PROCEEDING?**

**A** I am jointly sponsoring the Responsive Stop Gap Testimony of Sam Harper and Coleman Nickum on behalf of the California Large Energy Consumers Association.

**Q WAS THIS MATERIAL PREPARED BY YOU OR UNDER YOUR SUPERVISION?**

**A** Yes, it was.

**Q INSOFAR AS THIS MATERIAL IS FACTUAL IN NATURE, DO YOU BELIEVE IT TO BE CORRECT?**

**A** Yes, I do.

**Q INSOFAR AS THIS MATERIAL IS IN THE NATURE OF PROFESSIONAL OPINION OR JUDGMENT, DOES IT REPRESENT YOUR BEST PROFESSIONAL OPINION OR JUDGMENT?**

**A** Yes, it does.

**Q DO YOU ADOPT THIS TESTIMONY AS YOUR SWORN TESTIMONY IN THIS PROCEEDING?**

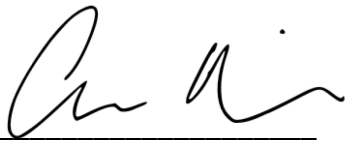
**A** Yes.

**Q DOES THIS CONCLUDE YOUR TESTIMONY?**

**A** Yes.

## CERTIFICATION

I, the undersigned, hereby certify, pursuant to Rule 13.7(e) of the Rules of Practice and Procedure of the CPUC, under penalty of perjury under the laws of the State of California, that the foregoing is true and correct to the best of my knowledge, and that this Certification was executed on this 30th day of October, 2026 at Austin, Texas.

By: 

Name: Coleman Nickum

Title: Regulatory Analyst to the California Large Energy Consumers Association

# APPENDIX C

## PG&E Agreement for Energy Service Providers Participating in the Hourly Flex Pricing Pilots (Form)

# AGREEMENT FOR ENERGY SERVICE PROVIDERSPARTICIPATING IN THE HOURLY FLEX PRICING PILOTS

This Agreement (Agreement) for Energy Service Providers (ESP) for direct access customers to participate in the Hourly Flex Pricing Pilots (HFP Pilots) is entered into by and between Pacific Gas and Electric Company (PG&E), a California corporation, and the named ESP below and shall become effective as of the date of the last dated signature of all the Parties to this Agreement (Effective Date). PG&E and ESP may sometimes be referred to herein individually as a "Party" and collectively as the "Parties".

WHEREAS, the California Public Utilities Commission (CPUC) has authorized PG&E to conduct the HFP Pilots, with day-ahead hourly real-time pricing (RTP) rate elements for generation, distribution, subscription and transactive elements pursuant to the following regulatory approvals: CPUC Decision 24-01-032, PG&E's Advice Letter 7222-E[1], Advice Letter 7222-E-A[2], Advice Letter 7222-E-B[3], Advice Letter 7223-E-A[4] and Advice Letter 7223-E-B[5] for the Expanded Pilots, and PG&E's Advice Letter 7234-E-A[6], and CPUC's Resolutions E-5192, E-5326 and E-5358 for the Vehicle Grid Integration (VGI) Pilots (Regulatory Approvals), (together the "Hourly Flex Pricing Pilots", or "HFP Pilots").[7]

WHEREAS, the CPUC has authorized the participation of unbundled customers, which requires ESP participation to provide the generation RTP rate element for their customers in the HFP Pilots.

WHEREAS, the ESP wishes to enable its customers to participate in the HFP Pilots by providing its customers the RTP generation rate component, shadow billing, and giving its customers an HFP generation credit if the RTP bill, including transactive elements, if any, is lower than the ESP generation costs for its customer, as further described below.

This Agreement has no impact on the existing ESP/PG&E billing arrangement for the ESP under PG&E rate schedule E-ESP, Electric Schedule E-ESP Services To Electric Service Provider.

## Glossary of Terms

**Shadow Bill** – An approach to provide HFP Pilot participants with compensation for any load shift and/or exports by the participant in response to the HFP rate. Participants will continue to pay their current electric bill under the OAT and will also receive a shadow bill, which they will not pay. The shadow bill will illustrate a customer's potential savings and/or revenue for exports under the HFP rate.

**Shadow Bill True-up** – A Shadow Bill reflective of the cumulative HFP charges and credits which typically occurs after a customer is enrolled for 12 months on the HFP Pilot. The customer will receive any accumulated credits (i.e., generation and distribution), at the time of true-up, typically within 12 months. Shadow Bill True-up for solar customers will coincide with their solar true-up period, which may occur before their 12 months enrollment date on the HFP Pilot.

**Otherwise Applicable Tariff (OAT)** on the Shadow Bill – The existing tariff a customer is currently enrolled in. For the purpose of shadow billing under the out of the box (OOTB) solution, PG&E's OAT prices will be used as a proxy, which may be different from the ESP's generation prices for its customers.

**RTP Generation Component** – A day-ahead hourly generation rate equal to the combined marginal energy costs (MEC) and marginal generation capacity costs (MGCC).

---

[1] Approved September 3, 2024.
[2] Approved September 3, 2024.
[3] Approved September 3, 2024.
[4] Approved September 3, 2024.
[5] Approved August 28,2024.
[6] Approved May 3, 2024.
[7] Approved May 5, 2023, and July 11, 2024, respectively.

**HFP Generation Credit** – A dollar amount associated with the generation component of the RTP rate, calculated as the difference between the OAT bill and the Shadow bill over a true up period (typically 12 months from enrollment date, and every anniversary thereafter). PG&E is not responsible for the HFP Generation Credit to ESP customers; it is the ESPs' responsibility to work with its customers to determine whether they will be responsible for paying the HFP Generation Credit to its customers under the HFP Pilots.

**RTP Distribution Component** – A day-ahead hourly distribution rate designed to recover the Primary Distribution Costs, which is dependent on the location of the customer. The RTP Distribution Component utilizes the scarcity pricing concept, with prices dependent on the forecasted load on a representative circuit with similar load characteristics to the customer's circuit.

**HFP Distribution Credit** – A dollar amount associated with the distribution component of the RTP rate, calculated as the difference between the OAT bill and the Shadow bill over a true up period (typically 12 months from enrollment date, and every anniversary thereafter). PG&E is responsible for paying the HFP Distribution Credit to all customers under the HFP Pilots.

**Unbundled Customers** – customers who receive delivery services from PG&E but obtain energy from another supplier. In this agreement, unbundled customers receive energy from an ESP.

**Effective Date** – The date of the last dated signature of all the Parties to this Agreement

**Service Agreement Identification (SAID) Number** - A 10-digit number that identifies a customer's specific arrangement with PG&E. It documents details such as the customer's rate plan, billing days, and metering information.

THEREFORE, in consideration of the mutual undertakings set forth below, the Parties agree as follows:

## I. JOINT OBLIGATIONS

A. Customer Enrollment Requirements. Customers interested in participating in any of the HFP Pilots must submit an HFP Pilot enrollment application on PG&E's website including agreement to be bound by the applicable HFP Pilot participation terms and conditions. PG&E will assess the eligibility of interested customers based on the respective pilot requirements, pursuant to the Regulatory approvals. Specifically, PG&E will conduct a dual participation check for PG&E programs and all supply-side DR programs for Expanded Pilots according to the rules outlined in the AL 7223-E-B[8], and successor advice letters on dual participation; and for the VGI pilots, PG&E will conduct dual participation checks for PG&E programs, all supply-side DR programs, and also confirm an enrollment in the mandated ELRP Subgroup A5 for Phase 2 of the VGI Pilots. PG&E will create a list by SAID Number (Applicant List) to be provided to the ESP for approval as needed, when there are new enrollments or unenrollments for the ESP's customers. PG&E will include all the ESP's customers that have submitted an HFP Pilot enrollment application on the Applicant List and will specify if customers are eligible/ not eligible to participate based on the respective pilot requirements. If customers are not eligible, PG&E will specify the reason for non-approval (Ineligibility Reason). ESP agrees to conduct a dual enrollment check for any event-based load-modifying DR program. The ESP agrees to return to PG&E each Applicant List with an indication of which ESP customers are approved/ not approved with a reason for such non-approval (Rejection Reason) (e.g., ESP customer is participating in a supply-side DER resources or other

[8] Dual Participation in PG&E's Agricultural Pilot and Expanded Pilot 2 AL 7223-E-B has been approved effective August 20th, 2024. https://www.pge.com/tariffs/assets/pdf/adviceletter/ELEC_7223-E-B.pdf

event-based load-modifying programs or pilots operated by the ESP). For all ESP customers, PG&E will complete their HFP Pilot enrollment if eligible and approved by the ESP and communicate the enrollment status to the customer. Similarly, PG&E will communicate the enrollment status to the customer if the customer is ineligible (for HFP Ineligibility Reason or ESP Rejection Reason).

B. Customer Support. All general customer inquiries about HFP Pilot participation, as well as the delivery portion of the RTP pricing will be handled by PG&E. PG&E may hand off ESP-specific customer inquiries to ESP as appropriate. ESP may choose not to rely on PG&E and may take on the responsibility for customer support.

## II. ESP'S OBLIGATIONS

A. HFP Pilots Participation Choice. (Select all that the ESP wants to join) The ESP may participate in one or more of the following HFP Pilots:

☐ Expanded Pilot #1 or Ag Pilot targeting Agriculture Customers

☐ Expanded Pilot #2 targeting Residential, Commercial, Industrial, as well as Small and Medium Business Customers

☐ Phase 2 of the VGI Pilots[9]

Each customer SAID may only enroll and participate in one of the HFP Pilots at a time.

HFP Pilots Participation. The ESP will be participating in the HFP Pilots using PG&E's Out of the Box (OOTB) solution for its RTP generation component.

**OOTB Solution** – ESP agrees to use PG&E's RTP generation prices and PG&E's OAT for the shadow billing purposes of the ESP's unbundled customers. The ESP is eligible to join the HFP Pilots immediately after the Effective Date. PG&E and the ESP will make reasonable efforts to onboard the ESP within 30 calendar days.

B. Customer Credit for the HFP Generation Component:

a. The ESP is responsible for the RTP generation component for its customers and the shadow bill HFP Generation credit for the ESP's customer if the customer's RTP bill generation component is lower than the customer's OAT shadow bill for generation on a 12-month cumulative basis or when applicable.

b. The ESP is also responsible for transactions on the transactive platform for the RTP generation component for the HFP Pilots (if applicable[10]).

c. If the ESP and its customers agree to an HFP Generation Credit, and if ESP's customer shadow bill for RTP generation component is lower than the customer's OAT for the 12-month period or when applicable, the ESP agrees it will provide its customer a HFP Generation Credit as either a bill credit or check.

d. ESP will review the RTP generation component calculation and HFP Generation credit of their customers and will be responsible for determining how it will reconcile any Generation credits with its customers.

[9] V2M Microgrids Pilot is out of scope.
[10] Transactive element is only applicable for Expanded Pilot #1

e. If the shadow bill for RTP generation component for the customer is higher than the OAT shadow bill for generation for the 12-month period or early true-up, the ESP agrees the customer will not be financially responsible for the RTP shadow bill, for purposes of the HFP Pilots.

f. Nothing in this Agreement is intended to interfere with the ESP's right to bill its customer using the ESP's prices for its own customers.

D. Calculation to avoid double compensation. The HFP Pilots are subject to Commission requirements to avoid double compensation for customers that are concurrently enrolled in demand response programs for which dual participation is permitted. For ESP programs, the ESP will be responsible to apply the methodology and perform the calculations as required to avoid double compensation.

## III. PG&E'S OBLIGATIONS

A. Customer Credit for the HFP Distribution Component:

a. PG&E is responsible for the RTP distribution rate component associated with its delivery service to the ESP customers. Additionally, PG&E is responsible for providing the HFP distribution credit on shadow bills to ESP customers if the RTP distribution component of the bill is lower than the distribution component of the customer's OAT, on a 12-month cumulative basis, or when applicable.

b. If ESP's customer shadow bill for RTP distribution component is lower than the customer's OAT shadow bill for distribution for the 12-month period or when applicable, PG&E agrees to provide ESP's customer with a HFP Distribution Credit on the bill.

c. If the shadow bill for RTP distribution component for the ESP customer is higher than the OAT bill for the 12-month period or when applicable, PG&E agrees the ESP customer will not be financially responsible for the RTP shadow bill, for the purpose of the HFP Pilots.

B. Data Access & Reporting:

a. HFP Shadow Bill Credit Report. PG&E will provide a report to ESP on a monthly basis that tracks their customer participation and HFP Pilots performance details, including, but not limited to customer name, SAID, enrollment date, HFP generation and distribution components, subscription, OAT, true-up date, HFP generation and distribution credits.

b. Transactive Data. PG&E will provide transactive data per SAID (applicable for the Expanded Pilot #1 only).

c. Data Access via API. ESP will have the ability to access Hourly Prices and Subscription data programmatically via API. PG&E will provide ESP with instructions on how to use the API and its services, as needed.

C. Customer Billing. PG&E will provide billing-related functions for participating ESPs. PG&E will provide all HFP Pilots participants, including ESP customers, with the HFP shadow bill on a monthly basis. The HFP shadow bill will track the HFP Pilot participant's performance on the HFP rate, both incremental (i.e., reflecting performance during the billing cycle) and cumulative (i.e., reflecting performance since customer's enrollment on the HFP Pilot). The presentation of the customer's incremental and cumulative shadow bill comparison between the HFP rate and the customer's ESP pricing will be communicated to the customer as one total amount, which will not differentiate between the ESP generation savings, if any, and the PG&E distribution savings, if any.

PG&E will be responsible for sending the customer the 12-month cumulative bill comparison which establishes the customer HFP Credit, if any.

D. Calculation to avoid double compensation. The HFP Pilots are subject to Commission requirements to avoid double compensation for customers that are concurrently enrolled in demand response programs for which dual participation is permitted. For PG&E programs, such as the ELRP program, PG&E will be responsible to apply the methodology and perform the calculations as required to avoid double compensation.

E. Customer Specific Information. To ensure compliance with California privacy laws, each participating customer must accept the HFP Pilot customer participation terms and conditions. Pursuant to the HFP Pilot customer participation terms and conditions, which the customer must accept to be eligible to participate in the selected HFP Pilot, the ESP customer consents to PG&E providing to the customer's ESP the customer's identity, usage or meter data and other information involving the customer's participation in the relevant HFP Pilot (Customer Data). The Customer Data will be available to the customer's ESP on a monthly basis in the HFP Shadow Bill Credit Report, unless and until the customer revokes such consent and ceases to participate in the HFP Pilot and all data on the final bill period of the customer's participation has been delivered to the ESP.

## IV. TERM

The term of this Agreement shall commence as of the Effective Date and shall continue in effect until the end of the current HFP Pilots, as indicated below, unless earlier terminated as provided in Section V.

- Expanded Pilot #1: December 31, 2027. Participating customers may receive their last HFP shadow bill and HFP Credit(s) several months later. Per AL 7222, no new enrollments will occur after May 31, 2027, or such later date as may be established if the current HFP pilot is extended pursuant to Commission authorization.
- Expanded Pilot #2: December 31, 2027. Participating customers may receive their last HFP shadow bill and HFP Credits several months later. Per AL 7222, no new enrollments will occur after May 31, 2027, or such later date as may be established if the current HFP pilot is extended pursuant to Commission authorization.
- Phase 2 of the Vehicle to Grid (VGI) Pilots: until the CPUC authorized budget is exhausted. Participating customers may receive their last HFP shadow bill and HFP Credits several months after the pilot ends.

## V. TERMINATION

A. ESP Termination. The ESP may terminate participation in any of the selected HFP pilots with 90 days advance written notice.

B. Termination for Default. Each of the Parties may immediately terminate this Agreement upon written notice to the other Party due to breaches of any material obligation under this Agreement. If the violating Party fails to cure such breach within thirty (30) calendar days after receiving written notice of the breach or such additional time as may be reasonably necessary to cure such breach, provided violating Party informs the other Party of its intention to cure the breach and provides an estimated schedule for curing such breach, and then continues diligently in its efforts to cure such breach. Violating party must notify the other Party upon curing the identified breach.

C. Termination at CPUC Direction. PG&E may terminate this Agreement upon 90 days written notice to ESP if the CPUC orders the termination of an HFP Pilot or this Agreement or upon a different timeline if directed in a CPUC order. PG&E shall confer with the ESP prior to termination to discuss the timing of such termination and any necessary work to conclude the pilot and within the timeframe for termination provided in such order.

D. Effect of Termination. Upon termination of this Agreement, the ESP customers enrolled in the HFP Pilots will be notified of their unenrollment from the pilot at the determined termination date. The customers will receive their final HFP shadow bill reflecting any HFP credits calculated up to the termination date.

## VI. INDEMNIFICATION

A. Mutual Indemnification. To the fullest extent permitted by law, each Party ("Indemnifying Party") shall indemnify, defend and hold harmless the other Party, and its parent company, subsidiaries, affiliates and their respective shareholders, officers, directors, employees, agents, representatives, successors and assigns as applicable (collectively, the "Indemnified Parties"), from and against any and all claims, actions, suits, proceedings, losses, liabilities, penalties, fines, damages, costs or expenses, including without limitation reasonable attorneys' fees and costs, resulting from (a) any breach of the representations, warranties, covenants and obligations of the Indemnifying Party under this Agreement, (b) any act or omission of the Indemnifying Party, whether based upon its negligence, strict liability or otherwise, in connection with the performance of this Agreement, or (c) any third party (including customer) claims of any kind, whether based upon negligence, strict liability or otherwise, arising out of or connected in any way to the Indemnifying Party's performance or nonperformance under this Agreement.

B. Defense of Claim. If any Claim is brought against the Indemnified Parties, the Indemnifying Party shall assume the defense of such Claim, with counsel reasonably acceptable to the Indemnified Parties, unless in the opinion of counsel for the Indemnified Parties a conflict of interest between the Indemnified Parties and the Indemnifying Party may exist with respect to such Claim. If a conflict precludes the Indemnifying Party from assuming the defense, then they shall reimburse the Indemnified Parties on a monthly basis for the Indemnified Parties' reasonable defense costs through separate counsel of the Indemnified Parties' choice. If Indemnifying Party assumes the defense of the Indemnified Parties with acceptable counsel, the Indemnified Parties, at their sole option and expense, may participate in the defense with counsel of their own choice without relieving the Indemnifying Party of any of its obligations hereunder.

C. Survival. Both Parties' obligations in this Section VI shall survive the expiration or termination of this Agreement.

## VII. CONFIDENTIALITY

A. Confidentiality. Neither Party shall disclose any Confidential Information obtained pursuant to this Agreement to any third party, without the express prior written consent of the other Party. Notwithstanding the prior sentence, each Party may share Confidential Information with consultants and billing agents, subject to Non-disclosure Agreement, for the purpose of fulfilling its obligations under this Agreement. As used herein, the term "Confidential Information" means proprietary business, financial and commercial information pertaining to PG&E or ESP (which has been clearly marked as being "CONFIDENTIAL" in writing), customer names and other information related to customers, including energy usage data (Customer Personal Information), Confidential Information shall not include: (a) information known by a Party prior to obtaining the same from the other Party; (b) information in the public domain at the time

of disclosure by the Party; (c) information obtained by a Party from a third party who did not receive the same, directly or indirectly, from the other Party; (d) information approved for release by express prior written consent of an authorized representative of the Party; or (e) any information that ESPs have access to independently from this agreement.

B. Use of Confidential Information. Each Party hereby agrees that it, and its consultants and/or billing agents, shall use the Confidential Information solely for the purpose of the HFP Pilots or where otherwise authorized by law and regulations. Each Party agrees to use at least the same degree of care the Party uses with respect to its own proprietary or confidential information, which in any event shall result in a reasonable standard of care to prevent unauthorized use or disclosure of the Confidential Information.

C. Authorized Disclosure. Notwithstanding any other provisions of this Section, a Party may disclose any of the Confidential Information in the event, but only to the extent, that, the Party is required or authorized to do so by the disclosure requirements of any law, rule, regulation, including requests under the California Public Records Act, or any order, decree, subpoena or ruling or other similar process of any court, governmental agency or regulatory authority. Prior to making or permitting any such disclosure, the Party shall provide the other Party with prompt written notice of any such requirement so that the other Party may seek a protective order or other appropriate remedy.

D. Term. The confidentiality provisions set forth in this Section shall remain in full force and effect with respect to any Confidential Information unless such disclosure is otherwise permitted by law and provided, further, that such confidentiality provisions shall remain in full force and effect with respect to any Customer Personal Information in perpetuity.

E. Remedies. The Parties acknowledge that the Confidential Information is valuable and unique, and that damages would be an inadequate remedy for breach of this Section and the obligations of the Parties are specifically enforceable. Accordingly, the Parties agree that in the event of a breach or threatened breach of this Section, the impacted Party shall be entitled to seek an injunction preventing such breach. Any such relief shall be in addition to, and not in lieu of, monetary damages or any other legal or equitable remedy available.

## VIII. GENERAL TERMS

A. Limitation of Liability. The Parties shall not be liable to each other for any damages caused by actions taken by the other to comply with any order or decision of the CPUC regarding the conduct or implementation of the HFP Pilots. Both PG&E and ESP further agree that each Party shall not be liable to the other Party for any damages to any customer the other caused by, or resulting from (i) any non-compliance with the requirements and responsibilities in the HFP Pilots, this Agreement and associated legal and regulatory requirements, (ii) non-performance of any commitment to the customer or (iii) any acts, omissions or representations made in soliciting customers for services or performing its functions as a load serving entity in the HFP Pilots.

B. Notice. Any formal notice, request, or demand required or permitted under this Agreement shall be given in writing by PG&E and ESP, and shall be either (a) mailed by first-class mail, (b) mailed by registered, certified, (c) mailed by overnight mail, (d) delivered by hand, or (e) e-mailed with confirmation to the other Party as follows or as otherwise expressly agreed to by the Parties in writing:

To ESP:

_____

_____

_____

E-mail: _____

Phone: _____

To PG&E:

Andrew Au
300 Lakeside Dr.
Oakland, CA 94612-3534
E-mail: Andrew.Au@pge.com
Phone: _____

C. Assignment. This Agreement, and the rights and obligations granted and/or obtained by a Party hereunder, shall not be further transferred or assigned by the Party without the prior written consent of the other Party. Any assignment in violation of this Section shall be void.

D. Dispute Resolution and Choice of Law. This Agreement or to the performance of a Party's obligations hereunder shall be reduced to writing and referred to the other Party's designated representative for resolution. The Parties shall be required to meet and confer in an effort to resolve any such dispute. If the Parties are unable to resolve such dispute, except for matters and disputes with respect to which the CPUC is the proper venue for dispute resolution pursuant to applicable law or this Agreement, the state courts located in San Francisco, California shall constitute the sole proper venue for resolution of any matter or dispute hereunder. The Parties submit to the exclusive jurisdiction of such courts with respect to such matters and disputes. Each Party bears their own attorneys' fees and costs associated with any such dispute.

E. Waiver. Any failure or delay by either Party to exercise any right, in whole or part, shall not be construed as a waiver of the right to exercise the same, or any other right.

F. CPUC Jurisdiction. This Agreement shall be subject to all legal and regulatory requirements applicable to HFP Pilots, including, without limitation, orders, changes or modifications as the CPUC may, from time to time, direct.

G. Entire Agreement; Amendments. This Agreement sets forth the entire understanding of the Parties as to the ESP's participation in the HFP Pilots, and supersedes any prior discussions, offerings, representations or understanding (whether written or oral), and shall only be superseded by an instrument in writing executed by both Parties. This Agreement shall not be modified by course of performance, course of conduct or usage of trade.

H. Survival. Notwithstanding the expiration or termination of this Agreement, the Parties shall continue to be bound by the Agreement's provisions which, by their nature, survive completion or termination.

J. Authority. Any individual executing this Agreement represents and warrants hereby that he or she has the requisite authority to enter into this Agreement on behalf of such party and bind the party to the terms and conditions of this Agreement.

K. Severability. If any provision of this Agreement is held invalid by a court with jurisdiction over the Parties, such provision will be deemed to be restated to reflect as nearly as possible the original

intentions of the Parties in accordance with applicable law, and the remainder of this Agreement will remain in full force and effect.

L. Counterparts and Electronic Signatures. This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument. Executed counterparts of this Agreement may be delivered by email in a scanned counterpart portable document format (PDF). On such confirmed delivery, the signatures in the PDF data file shall be deemed to have the same force and effect as if the manually signed counterparts have been delivered to the other party in person. The Parties consent to the use of electronic signatures to execute this Agreement.

M. Headings. The headings contained in this Agreement are solely for the convenience of the Parties and shall not be used or relied upon in any manner in the construction or interpretation of this Agreement.

IN WITNESS WHEREOF, the authorized representatives of PG&E and ESP have executed this Agreement as of the respective date set forth below, made effective as of the Effective Date.

| | | **PACIFIC GAS AND ELECTRIC COMPANY** |
|---|---|---|
| (ESP Name) | | |
| | | |
| (Signature) | | (Signature) |
| | | |
| (Type/Print Name) | | (Type/Print Name) |
| | | |
| (Title) | | (Title) |
| | | |
| (Date) | | (Date) |
| | | |
| (Signature as applicable) | | |
| | | |
| (Type/Print Name) | | |
| | | |
| (Title) | | |
| | | |
| (Date) | | |

Approved as to form.