

2023 GHG-Free Interim Energy Allocation

Participating Load Serving Entity Information

Table of Contents	Page Number
Background and Overview	
GHG-Free Allocation Background	Slide 4
Overview of SCE's GHG-Free Allocation	Slide 5
Allocation Enrollment Process	
Allocation Process	Slide 7
Allocation Schedule	Slide 8
Overview of DocuSign and How to Enroll	Slide 9 to Slide 11
Process after Enrollment	Slide 12 to Slide 13
Resources	
Additional Information	Slide 15
Frequently Asked Questions (FAQ) & SCE Contact	Slide 16

Background and Overview

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GHG-Free Allocation Background

- In Working Group 3 of R.17-06-026, the Co-Chairs (SCE, Clean Power Alliance (CPA) and Commercial Energy) proposed a portfolio optimization framework that included a GHG-Free Energy allocation component
- This interim solution was put in place until the Commission issues a final decision in Working Group 3 of Phase 2 of the PCIA Order Instituting Ratemaking, which was issued on May 24, 2021 (D.21-05-030).
 - The Decision did not address allocations of GHG-Free attributes.
 - It allowed the IOUs, at their sole discretion, to continue to allocate GHG-Free attributes as provided under Advice Letter 4194-E through December 31, 2023.
- SCE is allocating GHG-Free attributes for 2023, as it believes this is fair and equitable to LSEs whose customers are paying their share of the Cost Responsibility Surcharges (CRS).

Overview of SCE's GHG-Free Allocation

- On May 24, 2021, the Commission issued D.21-05-030 in Rulemaking (R.)17-06-026, the Power Charge Indifference Adjustment Order Instituting Rulemaking (the “PCIA OIR”), authorizing SCE to continue allocating its GHG-Free attributes until December 31, 2023.
- SCE is offering its Standard Offer GHG-Free Allocation for Term Year 2023.
 - For Community Choice Aggregators (CCAs) and Electronic Service Providers (ESPs) in SCE's service area whose customers pay CRS, the 30-day enrollment and election window will begin on November 1, 2022 and end on November 30, 2022.

Allocation Enrollment Process

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Allocation Process

- Eligible LSEs are those whose retail end-use customers pay SCE's Cost Responsibility Surcharges (CRS) (*i.e.*, the Power Charge Indifference Adjustment (PCIA) and/or the Competition Transition Charge (CTC))
- SCE will provide LSEs notice and a 30-calendar day enrollment and election window for the subsequent year's allocation
- The Term Sheet* submitted with Advice Letter 4194-E will govern the interim GHG-Free Energy allocations
- The products available for the interim GHG-Free Energy allocations are i) a nuclear pool of resources and (ii) a hydroelectric pool of resources
 - Eligible LSEs may elect one or both products
- Allocation amounts per product are based on a participating LSEs customers' actual, vintaged annual load shares relative to the sum total of all other actual loads in each vintage year

*Note: The Term Sheet is a Standard Offer and non-negotiable

2022 Enrollment Schedule for LSEs

Event	Milestones
Open Enrollment Begins	November 1, 2022
Open Enrollment Ends – Deadline to Enroll for 2022 Allocations	November 30, 2022
SCE provides forecasted pro rata allocations to LSEs	By December 31, 2022
Allocation Commences	January 1, 2023
Allocation Terminates	December 31, 2023

How to enroll

- SCE is opening enrollment for the entirety of 2023
- Eligible parties who have previously enrolled for 2020, 2021 and/or 2022 will be **required to sign separate term sheet for 2023 allocations**
- Enrollment for 2023 will commence on November 1, 2022, through November 30, 2022
- 2022 forecasts will be made available by December 31, 2022

How to Enroll

- SCE is using DocuSign for participating LSEs to sign Term Sheets
 - Follow the link on the SCE.com website and fill out Attachment B

Attachment B

Agreement Regarding GHG-Free Energy Allocation and Confirmation of Allocation Elections

Utility: Southern California Edison Company (“SCE”)

Participant:

Term Year: 2023

This confirms that Participant elects to receive its customers’ vintaged, pro-rata share of the following Products during the Term Year specified above, pursuant to SCE’s standard offer described in its “Standard Offer Term Sheet of Southern California Edison Company for Allocation of GHG-Free Energy,” submitted with the California Public Utility Commission (“CPUC”) in SCE Advice Letter 4194-E on April 17, 2020 (“SCE’s Standard Offer GHG-Free Allocation”).

Product Allocation Elections (you must check the box to elect the allocation):

Hydroelectric Pool:

Nuclear Pool:

3 Step Process

1. Populate the attachment with LSE name in the Participant field
2. Select either or both products depending on preference
1. Have the attachment executed by an authorized signatory

How to Enroll

Participant:

By: 

Print Name. _____

Title:

Date: 11/XX/2022 _____

- SCE will review Attachment B once the allocation window closes on November 30th
- Within 5 business days of the close of the enrollment period, SCE will notify and confirm enrollment with LSEs
- Access to all enrolled LSEs will be provided to access the 2023 balance of year forecast via SharePoint by December 31, 2022

Post-Enrollment

- SCE will provide each LSE a forecast for aggregate generation from the assets in the accepted allocation pools to allow participants to estimate the quantity of clean energy they will be allocated
 - Annually, SCE will provide a forecast with monthly granularity that will represent total generation from these resources. Participants will have to make their own assessment of the percentage of this generation they will be allocated
 - Quarterly, SCE will provide updated forecast for balance of allocation year
 - Forecasts will be provided via a secured Microsoft SharePoint site to individual participating LSEs, which can be accessed via a URL
- SCE will provide preliminary actual generation data for each month no later than 20 days after the flow month
- All actual generation data, vintage total load and participant load for the flow year will be finalized no later than May 15th of the following year
 - e.g., flow year 2023 actual generation, vintage total load and participant load will be finalized by May 15, 2023
 - Data will be communicated via "Attachment C" of the GHG Term Sheet

Post 2022 Enrollment Period

- Enrollment is on an annual basis and Eligible LSEs who enrolled for previous allocations must re-enroll to receive GHG-Free Energy Allocations in 2023
- SCE is currently offering its Standard Offer GHG-Free Allocation for Term Year 2023
- The allocations for 2023 will begin on January 1, 2023

Resources

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Additional Information

For more information, please visit the SCE GHG-Free Energy Allocation Information page:

<https://www.sce.com/procurement/solicitations/ghg-fea>

Regulatory Background information:

- [AL- 4194-E: Joint Proposal of Southern California Edison Company and Clean Power Alliance for an Interim Mechanism for Voluntary Allocations of Greenhouse Gas-Free Energy](#)
- [Resolution E-5095: Request of Southern California Edison and Clean Power Alliance of Southern California for an Interim Mechanism for Voluntary Allocations of Greenhouse Gas Free Energy.](#)
- [Decision 21-05-030: PHASE 2 DECISION ON POWER CHARGE INDIFFERENCE ADJUSTMENT CAP AND PORTFOLIO OPTIMIZATION](#)

Frequently Asked Questions (FAQ) & SCE Contact

- **SCE has compiled and posted a FAQ document on the GHG-Free Energy Allocation Website visit:**
<https://www.sce.com/procurement/solicitations/ghg-fea>
- **SCE Contact Information:**
- Community Choice Aggregators & Energy Service Providers please contact Dan Miller, Dan.Miller@sce.com for any questions or concerns.

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