

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

Order Instituting Rulemaking to Integrate and
Refine Procurement Policies and Consider
Long-Term Procurement Plans

R.10-05-006

**EXPEDITED JOINT REQUEST FOR MODIFICATION TO
CONVERGENCE BIDDING SCHEDULE**

CHARLES R. MIDDLEKAUFF

Pacific Gas and Electric Company
P.O. Box 7442
San Francisco, CA 94120
Telephone: (415) 973-6971
Facsimile: (415) 973-5520
Email: CRMd@pge.com

On Behalf of the Joint Parties:
Pacific Gas and Electric Company, Southern
California Edison Company, San Diego Gas &
Electric Company, The Utility Reform Network,
the Division of Ratepayer Advocates

July 9, 2010

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

Order Instituting Rulemaking to Integrate and Refine Procurement Policies and Consider Long-Term Procurement Plans

R.10-05-006

**EXPEDITED JOINT REQUEST FOR MODIFICATION TO
CONVERGENCE BIDDING SCHEDULE**

Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, The Utility Reform Network and the Division of Ratepayer Advocates (“Joint Parties”) respectfully request that Administrative Law Judge (“ALJ”) Kolakowski modify the schedule regarding convergence bidding that is set forth in her *Administrative Law Judge’s Ruling on Convergence Bidding – Track III* (“ALJ Ruling”) issued July 1, 2010. The Joint Parties greatly appreciate ALJ Kolakowski’s prompt attention to the issue of convergence bidding and her efforts to develop an expedited procedural schedule that will allow the Commission to address convergence bidding issues in a timely manner in this proceeding before the California Independent System Operator (“CAISO”) implements convergence bidding on February 1, 2011. However, the Joint Parties believe that the current procedural schedule does not allow sufficient time for parties to develop their proposals for how the utilities should participate in the CAISO’s convergence bidding market.

The Joint Parties are proposing a revised procedural schedule that will not delay the issuance of a proposed decision. Under the Joint Parties’ proposed schedule, a proposed decision would still be issued in October 2000, consistent with the procedural schedule adopted in the ALJ Ruling. However, the Joint Parties’ proposal will allow more time for parties to

develop an understanding of convergence bidding, ask questions regarding convergence bidding, and, based on this information, develop convergence bidding participation proposals. In addition, after conversations with Commission Staff and other parties in this proceeding, the Joint Parties believe that all parties and Commission Staff would benefit from an initial workshop to describe convergence bidding and address in a more global manner some of the issues that will be involved with the utilities' participation in the convergence bidding market. By developing a more common understanding and framework among all of the parties in this proceeding, all parties will then be better able to analyze convergence bidding proposals.

The Joint Parties' schedule also includes early responses to the questions raised in the ALJ Ruling to provide further information to parties in advance of the filing of the utilities' proposals, and for parties to file reply comments after the initial workshop. Finally, the Joint Parties' proposed schedule includes a second workshop after proposals are filed so that parties can ask more detailed questions before filing comments. The Joint Parties recognize that the schedule in the ALJ Ruling requested initial proposals by next Wednesday, July 14. Therefore, the Joint Parties are filing this expedited request to change the current ALJ Ruling schedule. The Joint Parties propose that the ALJ Ruling be modified to include the following schedule:

DATE	ACTIVITY
July 19, 2010	Parties file initial responses to the 20 questions raised in the ALJ Ruling
July 23, 2010	Workshop providing an overview of convergence bidding
July 30, 2010	Parties file written comments based on the workshop and supplemental responses to the 20 questions raised in the ALJ Ruling
August 16, 2010	Parties file convergence bidding proposals
August 19, 2010	Last day to file requests for evidentiary hearings
August 23, 2010	Hearing on requests for evidentiary hearings (if necessary)

August 23, 2010	Workshop on convergence bidding proposals including a presentation by each party submitting a proposal regarding its proposal
August 30, 2010	Initial comments on proposals
September 6, 2010	Reply comments on proposals
October 2010	Proposed Decision issued

To date, this proceeding has been an enormous undertaking for the Commission, the ALJ, Energy Division and the parties. There have been numerous rounds of comments on a variety of critical issues, as well as workshops and presentations. The Joint Parties appreciate the ALJ's efforts to move convergence bidding issues forward. However, with all of the work that parties have already undertaken in this proceeding, as well as additional comments and filings that are scheduled, additional time is needed to carefully develop and consider convergence bidding proposals. The Joint Parties' proposed schedule allows sufficient time for the utilities to develop their proposals, for parties to develop an understanding generally of convergence bidding and specific proposals, for comments, and for a proposed decision to be issued. The Joint Parties respectfully request that ALJ Kolakowski modify the ALJ Ruling to adopt the schedule proposed above.

Respectfully submitted on behalf of the Joint Parties,

By: _____ /s/ _____
CHARLES R. MIDDLEKAUFF

Pacific Gas and Electric Company
P.O. Box 7442
San Francisco, CA 94120
Telephone: (415) 973-6971
Facsimile: (415) 973-5520
Email: CRMd@pge.com

On Behalf of the Joint Parties:

Pacific Gas and Electric Company, Southern
California Edison Company, San Diego Gas &
Electric Company, The Utility Reform Network, the
Division of Ratepayer Advocates

Dated: July 9, 2010

CERTIFICATE OF SERVICE BY ELECTRONIC MAIL

I, the undersigned, state that I am a citizen of the United States and am employed in the City and County of San Francisco; that I am over the age of eighteen (18) years and not a party to the within cause; and that my business address is Pacific Gas and Electric Company, Law Department B30A, 77 Beale Street, San Francisco, CA 94105.

On the 9th day of July 2010, I caused to be served a true copy of:

**EXPEDITED JOINT REQUEST FOR MODIFICATION TO
CONVERGENCE BIDDING SCHEDULE**

[XX] By Electronic Mail – serving the enclosed via e-mail transmission to each of the parties listed on the official service list for R.10-05-006.

I certify and declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on this 9th day of July 2010 at San Francisco, California.

/s/
Redacted