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December 8, 2010

Mr. Paul Clanon
Executive Director
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, California 94102

**RE: R.10-05-005. Request for Extension of Time to Comply with D.10-10-032
(Revising Tariff Rules for Small Business Customers)**

Dear Mr. Clanon:

Pursuant to Commission Rules of Practice and Procedure, Rule 16.6, California Pacific Electric Company (CalPECO) and Sierra Pacific Power Company (Sierra) jointly request an extension of time to comply with the requirements of D.10-10-032 for revising tariff rules for small business customers.

Ordering Paragraph no. 1 of D.10-10-32 mandates that California's electric utilities, including Sierra, "revise their tariff rules for non-residential electric customers using less than 40,000 kilowatt hours or a demand of 20 kilowatts or less . . . or non-residential customers meeting the requirements of a micro-business as defined in Government Code Section 14837 (small business customers)" to establish uniform rules for back-billing, refunds and deposit requirements. The revised tariffs must be filed, via a Tier 1 Advice Letter, within 60 days of the effective date of the decision, or December 27, 2010.¹ In addition, D.10-10-032 requires utilities to inform their "non-residential customers subject to back-billing that they may self-certify as a small business customer under Government Code Section 14837."²

CalPECO and Sierra respectfully request an extension of time to comply with these Commission orders for reasons of efficiency and effectiveness. In D.10-10-017, the Commission approved Application 09-10-028, which transferred, to CalPECO, all of Sierra's California-jurisdictional electric distribution facilities, Kings Beach Generating Station and the CPCNs necessary for CalPECO to serve California customers. Pursuant to that decision, CalPECO was

¹ D.10-10-032, pdf, Ordering Paragraph No.2, available at:
http://docs.cpuc.ca.gov/WORD_PDF/FINAL_DECISION/125972.PDF

² D.10-10-032, pdf, Ordering Paragraph No.3.

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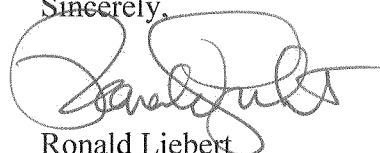
required to file its tariffs 15 days prior to the anticipated closing date of the transfer from Sierra. Based on the expected closing date of January 1, 2011, CalPECo submitted, on November 15 2010, a full and complete tariff book that transferred and adopted Sierra's existing California tariffs.³

Without an extension of time to comply with the tariff revision and customer notification requirements of D.10-10-32, Sierra will be forced to file an Advice Letter to implement the revised tariff rules by December 27, 2010, following which CalPECo will need to file a separate Advice Letter to transfer and adopt Sierra's revised tariff rules. Further, Sierra will have to inform its qualifying non-residential customers about the small business self-certification option, which CalPECo will need to duplicate after the transfer from Sierra is complete. To avoid this duplication and potential customer confusion, CalPECo and Sierra believe it would be more efficient and effective to extend the time for filing the Advice Letter until after the transfer from Sierra to CalPECo is complete, thereby necessitating only one Advice Letter filing (by the new, California-only utility, CalPECo) and communication to qualifying customers about the small business self-certification option coming only once, from their new utility, CalPECo.

CalPECo and Sierra hereby request an extension until March 1, 2011 as the date for CalPECo to file its Tier 1 Advice Letter and to notify qualifying customers of the small business self-certification option. CalPECo and Sierra believe this date is appropriate, considering (1) the expected January 1, 2011 closing date for the transfer from Sierra to CalPECo; (2) the Commission's agreement that that six to eight weeks was a reasonable period of time for utilities to "develop communication practices and to fully implement these new requirements;"⁴ and (3) the expected minimal impact on Sierra's (and after January 1, 2011, CalPECo's) customers.

Thank you for your consideration of this matter. If you have any questions, please contact me at (916) 447-2166.

Sincerely,



Ronald Liebert
Ellison, Schneider & Harris
Attorneys for California Pacific Electric
Company and Sierra Pacific Power
Company

³ CalPECo Advice Letter 1-E.

⁴ D.10-10-032, pdf, p.10.