

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE

SAN FRANCISCO, CA 94102-3298

**Sent via email and hard copy**

July 15, 2011

Brian Cherry
Vice President, Regulatory Relations,
Pacific Gas & Electric Company
77 Beale Street, Mail Code B10C
P.O. Box 770000
San Francisco, California 94177

Re: PG&E I.11-06-011-001

Dear Mr. Cherry:

The California Public Utilities Commission's (CPUC) Consumer Protection and Safety Division (CPSD) requests information as described in the attached document.

Please carefully review the specifics of the attached data request, and if you have any questions, do not hesitate to contact me via email [sha@cpuc.ca.gov] or telephone (415-703-2727).

To facilitate the complete review of Pacific Gas & Electric Company's responses, submit the information on or before July 28, 2011 to:

California Public Utilities Commission
Consumer Protection and Safety Division
Attn: Mitchell Shapson, Legal Division
505 Van Ness Avenue, 5nd Floor
San Francisco, CA 94102

If for any reason, you are unable to provide the responses to this data request by July 28, 2011, please email a written explanation —by 4:00 p.m. on July 22, 2011— explaining why you cannot meet the due date and when you can provide the requested information.

Thank you for your cooperation.

Sincerely,
Mitchell Shapson
Staff Attorney
California Public Utilities Commission
415.703.2727 office
SHA@CPUC.CA.GOV

CC: Linda Wood, CPSD Supervisor

DEFINITIONS AND INSTRUCTIONS

Unless the specific request indicates otherwise, the following definitions are applicable to this data request:

- a. In answering each Data Request, Request for Admission, or Interrogatory please reiterate the text of the Data Request, Request for Admission, or Interrogatory to which the respondent is responding.
- b. Please provide responses electronically via e-mail and in hard copy. For data available only in hard copy, please so state on your email response when the hard copy response was sent.
- c. For any response that requires computation and/or calculation, please provide any and all relevant calculations on diskette(s) in Excel format.
- d. If any response refers to specific source document(s), please identify the source documents(s), specify the pages that are referenced and provide copies of the source documents(s).
- e. Provide the name and title of the person(s) who responded to the question(s) and his or her employer. The answering party should use the following language at the end of the responses:

I declare under penalty of perjury under the laws of the State of California that the foregoing answers are true and correct, [followed by a signature line and an indication of the date signed].

DATA REQUEST, REQUEST FOR ADMISSION AND INTERROGATORY

Discovery No: **PG&E I.11-06-011-001**

Please provide the following information:

REQUESTS FOR ADMISSION

Pacific Gas & Electric (PG&E) is requested to admit or deny each of the following as true. Answers to Requests for Admission must be given under oath.

1. PG&E submitted its March, April and July 2010 *Month-Ahead System Resource Adequacy (RA) Compliance Filings*.
2. Some of the contracts listed in the March, April and July 2010 *Month-Ahead System Resource Adequacy (RA) Compliance Filings* were invalid for use to satisfy PG&E's RAR for the specified months.

3. Some of the contracts listed in the March, April and July 2010 *Month-Ahead System Resource Adequacy (RA) Compliance Filings* were valid for use to satisfy PG&E's RAR for the indicated months in amounts less than that which was indicated in the specified months.
4. PGE's supply of electricity capacity (RA) fell short of what was required to meet its system capacity obligation for each of the months as summarized in **Table 1** below.

TABLE 1
March, April, and July 2010 Deficiencies

| Month | RA Obligation | Validated | Deficiency |
|---------------|----------------------|---------------------|-------------------|
| March | 13,930.00 MW | 13,762.28 MW | 167.72 MW |
| April | 14,224.00 MW | 13,965.18 MW | 258.82 MW |
| July | 20,033.00 MW | 19,746.23 MW | 286.77 MW |
| Totals | 48,187.00 MW | 47,473.69 MW | 713.31 MW |

5. PG&E failed to comply with its RA procurement obligations for March, April and July 2010.
6. The Commission established a penalty structure of three (3) times the monthly cost for new capacity at \$40 per kW-year for failure to acquire the capacity needed to meet System RA obligations.
7. The Commission mandated that Load Serving Entities (LSE) make *Month-Ahead System RA Compliance Filings* showing full procurement of their RA requirements.
8. In the *Month-Ahead System RA Compliance Filings*, LSEs were required to show their required capacity remained fully available to the California Independent System Operator (CAISO) during the month specified in the filing.
9. The Commission adopted an LSE-based Resource Adequacy Requirement (RAR) program making each LSE responsible for acquiring the resources needed for its own forecasted load and for ensuring an adequate reserve margin.
10. PG&E is a LSE.

March 2010

11. PG&E had a 13,930 MW RA capacity obligation for March 2010.
12. On January 29, 2010, PG&E submitted its March 2010 *Month-Ahead System RA Compliance Filing* to the Commission (March Filing).
13. In the March Filing, PG&E listed contracts that totaled 13,975 MW RA capacity which exceeded its March RA obligation by 45 MW.
14. Four of the listed contracts in the March Filing were not available for the claimed capacity.

These contracts are listed in Table 3 and include the amount claimed by PG&E and the valid amount.

TABLE 3
March 2010 Capacity Reductions

| Contract | Amount on PG&E March Filing | Valid Amount | Reduction |
|------------------------|--|-------------------------|-------------------|
| SUNSET_2_UNITS | 240.00 MW | 40.00 MW | -200.00 MW |
| HATLOS_6_QFUNTS | 3.74 MW | 2.52 MW | -1.22 MW |
| FLOWD2_2_FPLWND | 2.12 MW | 0.00 MW | -2.12 MW |
| CONTAN_1_UNIT | 25.80 MW | 16.42 MW | <u>-9.38 MW</u> |
| Total Reduction | | | -212.72 MW |

15. The contract listed in the March Filing as SUNSET_2_UNITS was listed as having capacity of 240 MW secured by PG&E.
16. The contract listed in the March Filing SUNSET_2_UNITS had reportable capacity of 40 MW secured by PG&E.
17. The contract listed in the March Filing as HATLOS_6_QFUNTS was listed as having capacity of 3.74 MW secured by PG&E.
18. The contract listed in the March Filing as HATLOS_6_QFUNTS had reportable capacity of 2.52 MW secured by PG&E.
19. The contract listed as in the March Filing as FLOWD_2_FPLWND was listed as having capacity of 2.12 MW secured by PG&E.
20. The contract listed in the March Filing as FLOWD_2_FPLWND had reportable capacity of 0 MW secured by PG&E.
21. The contract listed as in the March Filing as CONTAN_1_UNIT was listed as 25.80 MW of capacity secured by PG&E.
22. The contract listed in the March Filing as CONTAN_1_UNIT had reportable capacity of 16.42 MW secured by PG&E.
23. The actual RA capacity secured by PG&E on January 29, 2010 was 212.72 MW less than what PG&E reported in the March Filing.
24. PG&E's actual secured RA capacity for March was 13,762.28 MW on January 29, 2010.
25. PG&E failed to meet its March 2010 RA obligation of 13,930 MW by 167.72 MW by January 29, 2010.

April 2010

26. PG&E had a 14,224 MW RA capacity obligation for April 2010.
27. On February 26, 2010, PG&E submitted its April 2010 *Month-Ahead System RA Compliance Filing* to the Commission (April Filing).
28. In the April Filing, PG&E listed contracts that totaled 14,651.41 MW RA capacity which exceeded its April RA obligation by 427.41 MW.
29. Five of the listed contracts in the April Filing were not available for the claimed RA capacity. These contracts are listed in Table 3 and include the amount claimed by PG&E and the valid amount.

TABLE 4
April 2010 Capacity Reductions

| Contract | Amount on PG&E's April Filing | Valid Amount | Reduction |
|------------------------|--|---------------------|-------------------|
| GATWAY_2_PL1X2 | 579.00 MW | 0.00 MW | -579.00 MW |
| MALAGA_1_PL1X2 | 96.00 MW | 48.00 MW | -48.00 MW |
| SMPRIP_1_UNIT | 44.28 MW | 0.00 MW | -44.28 MW |
| CONTAN_1_UNIT | 25.80 MW | 16.45 MW | -9.35 MW |
| DOWCHM_1_UNIT S | 5.60 MW | 0.00 MW | <u>-5.60 MW</u> |
| Total Reduction | | | -686.23 MW |

30. The contract listed in the April Filing as GATWAY_2_PL1X2 was listed as having capacity of 579 MW secured by PG&E.
31. The contract listed in the April Filing as GATWAY_2_PL1X2 had reportable capacity of 0 MW secured by PG&E.
32. The contract listed in the April Filing as MALAGA_1_PL1X2 was listed as having capacity of 96 MW secured by PG&E.
33. The contract listed in the April Filing as MALAGA_1_PL1X2 had reportable capacity of 48 MW secured by PG&E.
34. The contract listed in the April Filing as SMPRIIP_1_UNIT was listed as having capacity of 44.28 MW secured by PG&E.
35. The contract listed in the April Filing as SMPRIIP_1_UNIT had reportable capacity of 0 MW secured by PG&E.
36. The contract listed in the April Filing as CONTAN_1_UNIT was listed as having capacity of 25.80 MW secured by PG&E.

37. The contract listed in the April Filing as CONTAN_1_UNIT had reportable capacity of 16.45 MW secured by PG&E.
38. The contract listed in the April Filing as DOWCHM_1_UNITS was listed as having capacity of 5.60 MW secured by PG&E.
39. The contract listed in the April Filing as DOWCHM_1_UNITS had reportable capacity of 0 MW secured by PG&E.
40. The actual RA capacity secured by PG&E on February 26, 2010 was 686.23 MW less than what PG&E reported in the April Filing.
41. PG&E's actual secured RA capacity for April was 13,965.18 MW on February 26, 2010.
42. PG&E failed to meet its April 2010 RA obligation of 14,224 MW by 258.82 MW by February 26, 2010.

July 2010

43. PG&E had a 20,033 MW RA capacity obligation for July 2010.
44. On June 1, 2010, PG&E submitted its July 2010 *Month-Ahead System RA Compliance Filing* to the Commission (July Filing).
45. In the July Filing, PG&E listed contracts that totaled 20,358.83 MW RA capacity, which exceeded its July RA obligation by 325.83 MW.
46. Five of the listed contracts in the July Filing were not available for the claimed RA capacity. These contracts are listed in Table 5 and include the amount claimed by PG&E and the valid amount.

TABLE 5
July 2010 Capacity Reductions

| Contract | Amount on PG&E's July Filing | Valid Amount | Reduction |
|------------------------|---|---------------------|-------------------|
| CONTAN_1_UNIT | 25.80 MW | 16.45 MW | -9.35 MW |
| CWATER_7_UNIT 4 | 245.90 MW | 200.00 MW | -45.90 MW |
| LAPLMA_2_UNIT_ 3 | 231.53 MW | 159.00 MW | -72.53 MW |
| MOSSLD_2_PSP2 | 510.00 MW | 25.00 MW | -485.00 MW |
| PNOCHE_1_PL1X2 | 44.00 MW | 40.00 MW | <u>-4.00 MW</u> |
| Total Reduction | | | -616.78 MW |

47. The contract listed in the July Filing as CONTAN_1_UNIT was listed as having capacity of 25.80 MW secured by PG&E.
48. The contract listed in the July Filing as CONTAN_1_UNIT had reportable capacity of 16.45 MW secured by PG&E.
49. The contract listed in the July Filing as CWATER_7_UNIT 4 was listed as having capacity of 245.90 MW secured by PG&E.
50. The contract listed in the July Filing as CWATER_7_UNIT 4 had reportable capacity of 200.00 MW secured by PG&E.
51. The contract listed in the July Filing as LAPLMA_2_UNIT_3 was listed as having capacity of 231.53 MW secured by PG&E.
52. The contract listed in the July Filing as LAPLMA_2_UNIT_3 had reportable capacity of 159.00 MW secured by PG&E.
53. The contract listed in the July Filing as MOSSLD_2_PSP2 was listed as having capacity of 510.00 MW secured by PG&E.
54. The contract listed in the July Filing as MOSSLD_2_PSP2 had reportable capacity of 25 MW secured by PG&E.
55. The contract listed in the July Filing as PNOCHE_1_PL1X2 was listed as having capacity of 44 MW secured by PG&E.
56. The contract listed in the July Filing as PNOCHE_1_PL1X2 had reportable capacity of 40 MW secured by PG&E.
57. The actual RA capacity secured by PG&E on June 1, 2010 was 616.78 MW less than what PG&E reported in the July Filing.
58. PG&E's actual secured RA capacity for July was 19,746.23 MW on June 1, 2010.
59. PG&E failed to meet its July 2010 RA obligation of 20,033 MW by 286.77 MW by June 1, 2010.

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INTERROGATORY

1. Is your response to each **REQUEST FOR ADMISSION** above an unqualified admission?

If not, for each response that is not an unqualified admission:

- (a) state the number of the request;
- (b) state all facts upon which you base your response;
- (c) state the names, addresses, and telephone numbers of all persons who have knowledge of those facts; and,
- (d) identify all documents and other tangible things that Support your responses and state the name, address, and telephone number of the person who has each document or thing.