

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

Order Instituting Rulemaking to Continue)	
Implementation and Administration of California)	R.11-05-005
Renewables Portfolio Standard Program.)	
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**CALIFORNIA MUNICIPAL UTILITIES ASSOCIATION
COMMENTS TO SECTION 399.20 RULING DATED JUNE 27, 2011**

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July 21, 2011

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In accordance with the *Administrative Law Judge’s Ruling Setting Forth Implementation Proposal for SB 32 and SB 2 1X Amendments to Section 399.20* (“ALJ Ruling”), dated June 27, 2011, the California Municipal Utilities Association (“CMUA”) respectfully submits these comments on behalf of its members.

I. INTRODUCTION

The ALJ Ruling requested that parties respond to 28 questions relating to the implementation of SB 32 and the SB 2 (1X) amendments to California Public Utilities Code section 399.20.¹ As CMUA discussed in its Opening Comments, the Commission does not have jurisdiction over publicly owned electric utilities (“POUs”). Nonetheless, CMUA intends to provide comprehensive comments on matters to be addressed later in this proceeding, such as the procurement content categories. With respect to the ALJ Ruling, CMUA provides comments addressing the two sections of the ALJ Ruling that specifically raise POU issues. These are sections 4.2 and 4.7 of the ALJ Ruling.

¹ All subsequent references to sections refer to the California Public Utilities Code.

II. COMMENTS ON THE ALJ RULING

In Section 4.2, regarding the calculation of the proportionate share of the 750 MW program cap, the ALJ Ruling asks the following question:

18) Explain the drawbacks and benefits to relying on the existing methodology for calculation of proportionate share. Does the statute require a recalculation of proportionate share based on the addition of publicly owned utilities? Would the Commission's calculation of proportionate share for local publicly owned utilities be restricted by any jurisdictional limitations?²

The Commission does not have the jurisdiction to calculate a proportionate share of the 750 MW cap for POUs, and is restricted by law from doing so.³ Subsection 387.6(e) provides the only calculation to determine the proportionate share applicable to POUs, and it does not provide the Commission with authority to determine that share.⁴ The Commission's jurisdiction is limited to the calculation of the proportionate share of the 750 MW program cap for investor owned utilities ("IOUs").

In Section 4.7, the ALJ Ruling states that "It is reasonable to anticipate that certain issues to be resolved in implementing SB 32 and SB 2 1X for investor owned utilities may benefit from coordination with local publicly owned electric utilities."⁵ The ALJ Ruling goes on to request that parties:

23) Identify any issues and explain why coordination would be helpful. Identify any potential matters that the Commission may address relative to § 399.20 that may impact the implementation of § 387.6. One issue already identified in March 2011 briefs is the calculation of proportionate share of the 750 MW program cap.⁶

² ALJ Ruling at 14.

³ See Cal. Pub. Util. Code § 387.6(e).

⁴ *Id.*

⁵ ALJ Ruling at 17.

⁶ *Id.*

CMUA believes that the feed-in tariff programs of the IOUs may provide informative examples for the governing boards of POUs. However, the feed-in tariff requirements applicable to POUs are clearly spelled out in section 387.6. Therefore, CMUA believes that there is very limited, if any, need for coordination with the IOUs in this portion of the RPS proceeding. Additionally, the Commission lacks any authority regarding the POUs' proportionate share calculation.

III. CONCLUSION

As discussed above, the Commission has jurisdiction to calculate the proportionate share of the 750 MW program cap for IOUs, but not for POUs. CMUA believes that the feed-in tariff issue provides a very limited opportunity for coordination between IOUs and POUs. However, CMUA will review the initial comments of the parties in this proceeding and will evaluate any proposed benefits of coordination identified by other parties. CMUA appreciates the opportunity to provide these comments to the Commission in this proceeding.

Dated: July 21, 2011

Respectfully submitted,



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VERIFICATION

I am an officer of the California Municipal Utilities Association, and am authorized to make this verification on its behalf. The statements in the foregoing document are true of my own knowledge, except as to matters which are therein stated on information or belief, and as to those matters I believe them to be true.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on July 21, 2011 at Sacramento, California.



Dave Modisette
Executive Director
California Municipal Utilities Association