

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

Order Instituting Investigation on the Commission's Own Motion into the Operations and Practices of Pacific Gas and Electric Company, Notice of Opportunity for Hearing; and Order to Show Cause Why the Commission Should Not Impose Fines and Sanctions For Pacific Gas and Electric Company, March, April and July 2010 Violation of System Resource Adequacy Requirements.

I.11-06-011

(Filed June 9, 2011)

**PACIFIC GAS AND ELECTRIC COMPANY'S RESPONSE
TO THE CONSUMER PROTECTION AND SAFETY
BRANCH'S JULY 15, 2011, DATA REQUEST, REQUEST
FOR ADMISSION AND INTERROGATORY**

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PG&E Data Request No.:	CPSD_001-01		
PG&E File Name:	ResourceAdequacyOII_DR_CPSD_001-Q01-Q59		
Request Date:	July 15, 2011	Requester DR No.:	001
Date Sent:		Requesting Party:	Consumer Protection and Safety Division (CPSD)
PG&E Witness:	Marino Monardi	Requester:	Mitchell Shapson

PRELIMINARY STATEMENT

All of the responses herein are based only upon such information and documents which are presently available to and specifically known to PG&E. PG&E anticipates that further discovery, independent investigations, legal research and analysis may supply additional facts, and meaning to known facts, as well as establish entirely new factual conclusions and legal contentions, all of which may lead to additions to, changes and variations from the responses herein set forth. The following responses are given without prejudice to PG&E's right to produce evidence of any subsequently discovered fact or facts which PG&E may later recall. PG&E accordingly reserves the right to change any and all answers herein as additional facts are ascertained, analyses are made, legal research is completed and contentions are made. The responses contained herein are made in a good faith effort to supply as much information and as much specification of legal contentions as is presently known, but should in no way be to the prejudice of PG&E in relation to further discovery, research or analysis.

Except to the extent expressly admitted below, PG&E denies the following requests for admissions.

RESPONSES TO REQUESTS FOR ADMISSIONS

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.

QUESTION 1

PG&E submitted its March, April and July 2010 Month-Ahead System Resource Adequacy (RA) Compliance Filings.

ANSWER 1

Yes. PG&E is a Load Serving Entity (LSE) and submits various RA reports to the Commission under the Commission RA program. In particular, PG&E submitted the following monthly RA filings in connection with March, April, and July 2010.

- (1) Monthly Resource Adequacy (RA) Filing for Compliance – Month March 2010 (Initial March 2010 RA Filing), submitted on January 29, 2010;
- (2) Corrected v. 02-18-2010 Monthly Resource Adequacy (RA) Filing for Compliance – Month March 2010 (Corrected March 2010 RA Filing), submitted on February 18, 2010;
- (3) Monthly Resource Adequacy (RA) Filing for Compliance – Month April 2010 (Initial April 2010 RA Filing), submitted February 26, 2010;
- (4) Corrected v. 03-24-2010 Monthly Resource Adequacy (RA) Filing for Compliance – Month April 2010 (Corrected April 2010 RA Filing), submitted March 24, 2010;
- (5) Monthly Resource Adequacy (RA) Filing for Compliance – Month July 2010 (Initial July 2010 RA Filing), submitted June 1, 2010;
- (6) Corrected v. 06-16-2010 Monthly Resource Adequacy (RA) Filing for Compliance – Month July 2010 (First Corrected July 2010 RA Filing), submitted June 17, 2010; and
- (6) Corrected v. 06-30-2010 Monthly Resource Adequacy (RA) Filing for Compliance – Month July 2010 (Second Corrected July 2010 RA Filing), submitted June 30, 2010.

As identified by the Energy Division at the time, PG&E made reporting errors in its initial March, April, and July 2010 monthly resource adequacy filings. Notwithstanding these reporting errors, PG&E had sufficient resources to meet its resource adequacy

obligations prior to the required filing date for each of these filings, and used some of these resources to cure the reporting errors that the Energy Division identified. Neither PG&E nor the California Independent System Operator (CAISO) purchased additional resource adequacy resources as a result of the reporting errors in PG&E's filings identified by the Energy Division. PG&E's quarterly transaction reports for the first and second quarters of 2010, which were filed with the Commission attached to Advice 3659-E (first quarter 2010) and Advice 3709-E (second quarter 2010) and which show PG&E's electric procurement activities for the first and second quarters of 2010, demonstrate that PG&E had sufficient resources. These reports demonstrate that no resources procured after the required RA filing date for a month were used to satisfy PG&E's RA obligation for that month.

The following table shows PG&E's available RA capacity as of the required compliance filing date each month, PG&E's RA requirement for each month and the remaining RA surplus.

PG&E TABLE 1			
PG&E's Available RA Capacity			
	March 2010	April 2010	July 2010
Total RA Supply Available (as of required filing date)	14,751 MW	14,481 MW	20,143 MW
PG&E RA Requirement	13,930 MW	14,224 MW	20,033 MW
Remaining RA Surplus	821 MW	257 MW	110 MW

The following table shows PG&E's RA requirement for each month in question, the RA showing PG&E made for the month, as approved by the Energy Division, reflecting a portion of the resources available to PG&E as of required filing date for the month, and the resulting surplus for each month demonstrated in the filings.

PG&E TABLE 2			
PG&E Monthly Resource Adequacy Filings			
	March 2010	April 2010	July 2010
PG&E RA Requirement	13,930 MW	14,224 MW	20,033 MW
Demonstrated RA Capacity	14,012 MW	14,338 MW	20,143 MW
Demonstrated Surplus	82 MW	114 MW	110 MW

PG&E acted in compliance with the Commission RA program. PG&E resolved the reporting errors identified by the Energy Division for each of PG&E's initial monthly resource adequacy filings for March, April, and July of 2010, within 10 days of

notification that the filing contained possible reporting errors, demonstrating that PG&E was in compliance with the Commission resource adequacy program as is indicated by the preceding table.

This is reinforced by a June 27, 2011, CAISO letter, from Beth Ann Burns, CAISO Senior Counsel, to Dede Hapner, PG&E Vice President – FERC and ISO Relations, that states

The ISO has reviewed information and documents related to the resource adequacy (“RA”) validation process it performed of PG&E’s RA quantities for the months of March, April, and July 2010, which are the subject of the CPUC’s investigation in Docket No. I.11-06-011. Our documentation does not show an RA procurement deficiency once all of the discrepancies the ISO noted between PG&E’s RA Plan and the resources’ Supply Plans for these months was cleared.

March 2010 RA Compliance As Demonstrated By PG&E’s March 2010 RA Filings

PG&E’s monthly system RA obligation for March 2010 was 13,930 MW. PG&E’s Initial March 2010 RA Filing showed 13,975 MW of RA capacity. However, reporting errors were identified in PG&E’s Initial March 2010 RA filing, which caused a shortfall of 168 MW.

PG&E was notified of this by the Energy Division on February 12, 2010. In response, PG&E amended its supply plan with the CAISO, and on February 18, 2010, submitted its Corrected March 2010 RA Filing to the CPUC, including additional amounts of RA capacity that had been available to PG&E since the time of the initial filing. The amount of RA capacity in PG&E’s Corrected March 2010 RA Filing was 14,012 MW. The Energy Division’s approval letter for PG&E’s March 2010 RA filing was received by PG&E on February 26, 2010.

Compliance is also indicated in the CAISO’s June 27, 2011, letter from Beth Ann Burns, CAISO Senior Counsel, to Dede Hapner, PG&E Vice President – FERC and ISO Relations, quoted earlier in this response.

April 2010 RA Compliance As Demonstrated By PG&E’s April 2010 RA Filings

PG&E’s monthly system RA obligation for April 2010 was 14,224 MW. PG&E’s Initial April 2010 RA Filing showed 14,651 MW of RA capacity. However, reporting errors were identified in PG&E’s Initial April 2010 RA filing, which caused a shortfall of 259 MW.

PG&E was notified of this by the Energy Division on March 17, 2010. In response, PG&E amended its Supply Plan with the CAISO, and on March 24, 2010, submitted its Corrected April 2010 RA Filing to the CPUC, including additional amounts of RA

capacity that had been available to PG&E since the time of the initial filing. The amount of RA capacity in PG&E's Corrected April 2010 RA Filing was 14,338 MW. The Energy Division's approval letter for PG&E's April 2010 RA filing was received by PG&E on March 25, 2010.

This is also indicated in the CAISO's June 27, 2011, letter from Beth Ann Burns, CAISO Senior Counsel, to Dede Hapner, PG&E Vice President – FERC and ISO Relations, quoted earlier in this response.

July 2010 RA Compliance As Demonstrated By PG&E's July 2010 RA Filings

PG&E's monthly system RA obligation for July 2010 was 20,033 MW. PG&E's Initial July 2010 RA Filing showed 20,359 MW of RA capacity.

PG&E subsequently and independently discovered reporting errors in its Initial July 2010 RA Filing. It corrected the errors it had discovered, amended its Supply Plan with the CAISO, and on June 17, 2010, submitted its First Corrected July 2010 RA Filing to the CPUC including additional amounts of RA capacity that had been available to PG&E since the time of the initial filing. PG&E's First Corrected July 2010 RA Filing showed 20,141 MW of RA capacity.

Subsequently, the Energy Division notified PG&E of the reporting errors in PG&E's Initial July 2010 RA filing on June 24, 2010. However, the shortfall had already been eliminated by PG&E's First Corrected July 2010 RA Filing. PG&E submitted its Second Corrected July 2010 RA Filing to the CPUC on June 30, 2010, that included an additional change to add 2 MW identified by the Energy Division. The amount of RA capacity in PG&E's Second Corrected July 2010 RA Filing was 20,143 MW. The Energy Division's approval letter for PG&E's RA filing for July 2010 was received on June 30, 2010.

This is also indicated in the CAISO's June 27, 2011, letter from Beth Ann Burns, CAISO Senior Counsel, to Dede Hapner, PG&E Vice President – FERC and ISO Relations, quoted earlier in this response.

QUESTION 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.

ANSWER 2

No. The RA capacity for some of the units listed in PG&E's initial monthly RA filings for March, April, and July 2010 was reported incorrectly. Examples include

- i. [Redacted] – By the time of the March 2010 RA filings, this facility no longer provided RA to PG&E.
- ii. [Redacted] – This contract had expired at the time of the April 2010 RA filings and was incorrectly listed as RA capacity.
- iii. [Redacted] Midway-Sunset Cogeneration Company – A new contract providing for output from two out of three of the facility's generating units was incorrectly classified to be in effect in March 2010 because the contract had been executed on December 15, 2009. However the contract was only effective conditional upon receiving CPUC approval, which was still pending at the time of the March 2010 RA filings.

QUESTION 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.

ANSWER 3

No. The RA capacity for some of the units listed in PG&E's initial monthly RA filings for March, April, and July 2010 was reported incorrectly.

QUESTION 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

ANSWER 4

No. Table 1 accurately sets out the amount of PG&E's RA capacity obligations for each of the identified months, as well as the amount of RA capacity confirmed for each of PG&E's initial monthly RA filings for the identified months. As discussed in more detail in answer to question 1, PG&E submitted corrected monthly RA filings for each month demonstrating that PG&E had met its monthly RA capacity obligation for that month, using additional amounts of RA capacity that had been available to PG&E since the time of the initial filing.

QUESTION 5

PG&E failed to comply with its RA procurement obligations for March, April and July 2010.

ANSWER 5

No. PG&E's compliance with its RA procurement obligations for March, April, and July 2010 is described in response to question 1.

QUESTION 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.

ANSWER 6

PG&E objects to this question, as it seeks a legal interpretation of Commission decisions and resolutions. The Commission's decisions and resolutions speak for themselves.

QUESTION 7

The Commission mandated that Load Serving Entities (LSE) make *Month-Ahead System RA Compliance Filings* showing full procurement of their RA requirements.

ANSWER 7

PG&E objects to this question, as it seeks a legal interpretation of Commission decisions and resolutions. The Commission's decisions and resolutions speak for themselves.

QUESTION 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.

ANSWER 8

PG&E objects to this question, as it seeks a legal interpretation of Commission decisions and resolutions. The Commission's decisions and resolutions speak for themselves.

Notwithstanding this objection, an LSE is required to show that RA capacity is available to the CAISO during the specified month, which is accomplished through (1) a comparison of the RA capacity listed on the LSE's monthly RA filing against resources that have been listed with the CAISO as available to provide RA capacity to the LSE

(the availability of a resource to meet the RA obligations of an LSE is indicated in monthly supply plans that are provided to the CAISO by the CAISO Scheduling Coordinator for that resource), and (2) a comparison of the resulting, confirmed RA capacity amount on the LSE's monthly RA filing against the LSE's monthly RA capacity obligation.

QUESTION 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.

ANSWER 9

PG&E objects to this question, as it seeks a legal interpretation of Commission decisions and resolutions. The Commission's decisions and resolutions speak for themselves.

QUESTION 10

PG&E is a LSE.

ANSWER 10

Yes. PG&E is an LSE under the definition of LSE included in the CAISO Tariff.

MARCH 2010

QUESTION 11

PG&E had a 13,930 MW RA capacity obligation for March 2010.

ANSWER 11

Yes, as discussed more fully in the answer to question 1.

QUESTION 12

On January 29, 2010, PG&E submitted its March 2010 *Month-Ahead System RA Compliance Filing* to the Commission (March Filing).

ANSWER 12

No. As discussed more fully in answer to question 1, PG&E submitted its Initial March 2010 RA filing on January 29, 2010.

QUESTION 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.

ANSWER 13

No. As discussed more fully in answer to question 1, PG&E's monthly system RA obligation for March 2010 was 13,930 MW. PG&E's Initial March 2010 RA Filing showed 13,975 MW of RA capacity. However, reporting errors were identified in PG&E's Initial March 2010 RA filing, which caused a shortfall of 168 MW.

PG&E was notified of this by the Energy Division on February 12, 2010. PG&E submitted its Corrected March 2010 RA Filing to the CPUC on February 18, 2010, including additional amounts of RA capacity that had been available to PG&E since the time of the initial filing. The amount of RA capacity in PG&E's Corrected March 2010 RA Filing was 14,012 MW.

QUESTION 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
Redacted	240.00 MW	40.00 MW	-200.00 MW
	3.74 MW	2.52 MW	-1.22 MW
	2.12 MW	0.00 MW	-2.12 MW
	25.80 MW	16.42 MW	-9.38 MW
Total Reduction			-212.72 MW

ANSWER 14

No. Table 3 accurately sets out the amount of RA capacity listed for these units in PG&E's Initial March 2010 RA filing, as well as the amount confirmed for that month for each of these units.

QUESTION 15

The contract listed in the March Filing as was listed as having capacity of 240 MW secured by PG&E.

ANSWER 15

No. PG&E's Initial March 2010 RA filing listed with 240 MW of RA capacity. PG&E's corrected March 2010 RA filing listed with 40 MW of capacity.

QUESTION 16

The contract listed in the March Filing had reportable capacity of 40 MW secured by PG&E.

ANSWER 16

No. PG&E was entitled to list 40 MW of RA capacity in connection with the to meet PG&E's March 2010 RA obligation.

QUESTION 17

The contract listed in the March Filing as was listed as having capacity of 3.74 MW secured by PG&E.

ANSWER 17

No. PG&E's Initial March 2010 RA filing listed with 3.74 MW of RA capacity. PG&E's corrected March 2010 RA filing listed with 2.52 MW of capacity.

QUESTION 18

The contract listed in the March Filing as had reportable capacity of 2.52 MW secured by PG&E.

ANSWER 18

No. PG&E was entitled to list 2.52 MW of RA capacity in connection with the to meet PG&E's March 2010 RA obligation.

QUESTION 19

The contract listed as in the March Filing as [Redacted] was listed as having capacity of 2.12 MW secured by PG&E.

ANSWER 19

No. PG&E's Initial March 2010 RA filing listed [Redacted] with 2.12 MW of RA capacity. PG&E's corrected March 2010 RA filing listed [Redacted] with 0 MW of capacity.

QUESTION 20

The contract listed in the March Filing as [Redacted] had reportable capacity of 0 MW secured by PG&E.

ANSWER 20

No. PG&E was entitled to list 0 MW of RA capacity in connection with the [Redacted] to meet PG&E's March 2010 RA obligation.

QUESTION 21

The contract listed as in the March Filing as [Redacted] was listed as 25.80 MW of capacity secured by PG&E.

ANSWER 21

No. PG&E's Initial March 2010 RA filing listed [Redacted] with 25.80 MW of RA capacity. PG&E's corrected March 2010 RA filing listed [Redacted] with 16.42 MW of capacity.

QUESTION 22

The contract listed in the March Filing as [Redacted] had reportable capacity of 16.42 MW secured by PG&E.

ANSWER 22

No. PG&E was entitled to list 16.42 MW of RA capacity in connection with the [Redacted] to meet PG&E's March 2010 RA obligation.

QUESTION 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.

ANSWER 23

No. As described in the answer to question 1, PG&E had secured RA capacity in excess of the required amount by 821 MW as of January 29, 2010.

QUESTION 24

PG&E's actual secured RA capacity for March was 13,762.28 MW on January 29, 2010.

ANSWER 24

No. As described in the answer to question 1, PG&E had secured RA capacity in the amount of 14,751 MW as of January 29, 2010.

QUESTION 25

PG&E failed to meet its March 2010 RA obligation of 13,930 MW by 167.72 MW by January 29, 2010.

ANSWER 25

No. As discussed more fully in answer to question 1, PG&E's monthly system RA obligation for March 2010 was 13,930 MW. PG&E's Initial March 2010 RA Filing showed 13,975 MW of RA capacity. However, reporting errors were identified in PG&E's Initial March 2010 RA filing, which caused a shortfall of 168 MW.

PG&E was notified of this by the Energy Division on February 12, 2010. PG&E submitted its Corrected March 2010 RA Filing to the CPUC on February 18, 2010, including additional amounts of RA capacity that had been available to PG&E since the time of the initial filing. The amount of RA capacity in PG&E's Corrected March 2010 RA Filing was 14,012 MW. The Energy Division's approval letter for PG&E's March 2010 RA filing was received by PG&E on February 26, 2010.

APRIL 2010

QUESTION 26

PG&E had a 14,224 MW RA capacity obligation for April 2010.

ANSWER 26

Yes, as discussed more fully in the answer to question 1.

QUESTION 27

On February 26, 2010, PG&E submitted its April 2010 *Month-Ahead System RA Compliance Filing* to the Commission (April Filing).

ANSWER 27

No. As discussed more fully in answer to question 1, PG&E submitted its Initial April 2010 RA filing on February 26, 2010.

QUESTION 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.

ANSWER 28

No. As discussed more fully in answer to question 1, PG&E's monthly system RA obligation for April 2010 was 14,224 MW. PG&E's Initial April 2010 RA Filing showed 14,651 MW of RA capacity. However, reporting errors were identified in PG&E's Initial April 2010 RA filing, which caused a shortfall of 259 MW.

PG&E was notified of this by the Energy Division on March 17, 2010. PG&E submitted its Corrected April 2010 RA Filing to the CPUC on March 24, 2010, including additional amounts of RA capacity that had been available to PG&E since the time of the initial filing. The amount of RA capacity in PG&E's Corrected April 2010 RA Filing was 14,338 MW. The Energy Division's approval letter for PG&E's April 2010 RA filing was received by PG&E on March 25, 2010.

QUESTION 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
Redacted	579.00 MW	0.00 MW	-579.00 MW
	96.00 MW	48.00 MW	-48.00 MW
	44.28 MW	0.00 MW	-44.28 MW
	25.80 MW	16.45 MW	-9.35 MW
	5.60 MW	0.00 MW	-5.60 MW
Total Reduction			-686.23 MW

ANSWER 29

No. Table 4 accurately sets out the amount of RA capacity listed for these units in PG&E's Initial April 2010 RA filing, as well as the amount confirmed for that month for each of these units. However, PG&E believes that the resource ID of the unit listed as Redacted was Redacted PG&E did not list a resource with resource ID Redacted in its April 2010 RA filings.

QUESTION 30

The contract listed in the April Filing as Redacted was listed as having capacity of 579 MW secured by PG&E.

ANSWER 30

No. PG&E's Initial April 2010 RA filing listed Redacted with 579 MW of RA capacity. PG&E's corrected April 2010 RA filing listed Redacted with 0 MW of capacity.

QUESTION 31

The contract listed in the April Filing as [Redacted] had reportable capacity of 0 MW secured by PG&E.

ANSWER 31

No. PG&E was entitled to list 0 MW of RA capacity in connection with the [Redacted] to meet PG&E's April 2010 RA obligation.

QUESTION 32

The contract listed in the April Filing as [Redacted] was listed as having capacity of 96 MW secured by PG&E.

ANSWER 32

No. PG&E's Initial April 2010 RA filing listed [Redacted] with 96 MW of RA capacity. PG&E's corrected April 2010 RA filing listed [Redacted] with 48 MW of capacity.

QUESTION 33

The contract listed in the April Filing as [Redacted] had reportable capacity of 48 MW secured by PG&E.

ANSWER 33

No. PG&E was entitled to list 48 MW of RA capacity in connection with the [Redacted] to meet PG&E's April 2010 RA obligation.

QUESTION 34

The contract listed in the April Filing as [Redacted] was listed as having capacity of 44.28 MW secured by PG&E.

ANSWER 34

No. PG&E believes that the resource ID of the unit in question was [Redacted]. PG&E did not list a resource with resource ID [Redacted] in its April 2010 RA filings. PG&E's Initial April 2010 RA filing listed [Redacted] with 44.28 MW of RA capacity. PG&E's corrected April 2010 RA filing listed [Redacted] with 0 MW of capacity.

QUESTION 35

The contract listed in the April Filing as [Redacted] had reportable capacity of 0 MW secured by PG&E.

ANSWER 35

No. PG&E believes that the resource ID of the unit in question was [Redacted]. PG&E did not list a resource with resource ID [Redacted] in its April 2010 RA filings. PG&E was entitled to list 0 MW of RA capacity in connection with the [Redacted] to meet PG&E's April 2010 RA obligation.

QUESTION 36

The contract listed in the April Filing as [Redacted] was listed as having capacity of 25.80 MW secured by PG&E.

ANSWER 36

Yes. PG&E's Initial April 2010 RA filing listed [Redacted] with 25.80 MW of RA capacity. PG&E's corrected April 2010 RA filing listed [Redacted] with 25.80 MW of capacity.

QUESTION 37

The contract listed in the April Filing as [Redacted] had reportable capacity of 16.45 MW secured by PG&E.

ANSWER 37

No. As of the date when PG&E submitted its Corrected April 2010 RA filing, PG&E was entitled to list 25.80 MW of RA capacity in connection with [Redacted] to meet its April 2010 RA obligation, based on an amended supply plan the CAISO Scheduling Coordinator submitted to the CAISO for [Redacted]

QUESTION 38

The contract listed in the April Filing as [Redacted] was listed as having capacity of 5.60 MW secured by PG&E.

ANSWER 38

No. PG&E's Initial April 2010 RA filing listed [Redacted] with 5.60 MW of RA capacity. PG&E's corrected April 2010 RA filing listed [Redacted] with 0 MW of capacity.

QUESTION 39

The contract listed in the April Filing as [Redacted] had reportable capacity of 0 MW secured by PG&E.

ANSWER 39

No. PG&E was entitled to list 0 MW of RA capacity in connection with the [Redacted] to meet PG&E's April 2010 RA obligation.

QUESTION 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.

ANSWER 40

No. As described in the answer to question 1, PG&E had secured RA capacity in excess of the required amount by 257 MW as of February 26, 2010.

QUESTION 41

PG&E's actual secured RA capacity for April was 13,965.18 MW on February 26, 2010.

ANSWER 41

No. As described in the answer to question 1, PG&E had secured RA capacity in the amount of 14,481 MW as of February 26, 2010.

QUESTION 42

PG&E failed to meet its April 2010 RA obligation of 14,224 MW by 258.82 MW by February 26, 2010.

ANSWER 42

No. As discussed more fully in answer to question 1, PG&E's monthly system RA obligation for April 2010 was 14,224 MW. PG&E's Initial April 2010 RA Filing showed 14,651 MW of RA capacity. However, reporting errors were identified in PG&E's Initial April 2010 RA filing. Elimination of the reporting errors left a shortfall of 259 MW.

PG&E was notified of this by the Energy Division on March 17, 2010. PG&E submitted its Corrected April 2010 RA Filing to the CPUC on March 24, 2010, including additional amounts of RA capacity that had been available to PG&E since the time of the initial filing. The amount of RA capacity in PG&E's Corrected April 2010 RA Filing was 14,338 MW. The Energy Division's approval letter for PG&E's April 2010 RA filing was received by PG&E on March 25, 2010.

JULY 2010

QUESTION 43

PG&E had a 20,033 MW RA capacity obligation for July 2010.

ANSWER 43

Yes, as discussed more fully in the answer to question 1.

QUESTION 44

On June 1, 2010, PG&E submitted its July 2010 Month-Ahead System RA Compliance Filing to the Commission (July Filing).

ANSWER 44

No. As discussed more fully in answer to question 1, PG&E submitted its Initial July 2010 RA filing on June 1, 2010.

QUESTION 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.

ANSWER 45

No. As discussed more fully in answer to question 1, PG&E's monthly system RA obligation for July 2010 was 20,033 MW. PG&E's Initial July 2010 RA Filing showed 20,359 MW of RA capacity.

PG&E subsequently and independently discovered reporting errors in its Initial July 2010 RA Filing. It corrected the errors it had discovered and submitted its First Corrected July 2010 RA Filing on June 17, 2010, including additional amounts of RA capacity that had been available to PG&E since the time of the initial filing. PG&E's First Corrected July 2010 RA Filing showed 20,141 MW of RA capacity.

Subsequently, the Energy Division notified PG&E of the reporting errors in PG&E's Initial July 2010 RA filing on June 24, 2010, which caused a shortfall of 286 MW, a shortfall that had already been eliminated by PG&E's First Corrected July 2010 RA Filing. PG&E submitted its Second Corrected July 2010 RA Filing to the CPUC on

June 30, 2010, that included an additional change to add 2 MW identified by the Energy Division. The amount of RA capacity in PG&E's Second Corrected July 2010 RA Filing was 20,143 MW. The Energy Division's approval letter for PG&E's RA filing for July 2010 was received on June 30, 2010.

QUESTION 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
Redacted	25.80 MW	16.45 MW	-9.35 MW
	245.90 MW	200.00 MW	-45.90 MW
	231.53 MW	159.00 MW	-72.53 MW
	510.00 MW	25.00 MW	-485.00 MW
	44.00 MW	40.00 MW	-4.00 MW
Total Reduction			-616.78 MW

ANSWER 46

No. Table 5 accurately sets out the amount of RA capacity listed for these units in PG&E's Initial July 2010 RA filing, as well as the amount confirmed for that month for each of these units.

QUESTION 47

The contract listed in the July Filing as [Redacted] was listed as having capacity of 25.80 MW secured by PG&E.

ANSWER 47

No. PG&E's Initial July 2010 RA filing listed [Redacted] with 25.80 MW of RA capacity. PG&E's First Corrected July 2010 RA Filing listed [Redacted] with 16.45 MW of RA capacity. PG&E's Second Corrected July 2010 RA Filing listed [Redacted] with 16.45 MW of RA capacity.

QUESTION 48

The contract listed in the July Filing as [Redacted] had reportable capacity of 16.45 MW secured by PG&E.

ANSWER 48

No. PG&E was entitled to list 16.45 MW of RA capacity in connection with the [Redacted] to meet PG&E's July 2010 RA obligation.

QUESTION 49

The contract listed in the July Filing as [Redacted] 4 was listed as having capacity of 245.90 MW secured by PG&E.

ANSWER 49

No. PG&E's Initial July 2010 RA filing listed [Redacted] with 245.90 MW of RA capacity. PG&E's First Corrected July 2010 RA Filing listed [Redacted] with 200.00 MW of RA capacity. PG&E's Second Corrected July 2010 RA Filing listed [Redacted] with 200.00 MW of RA capacity.

QUESTION 50

The contract listed in the July Filing as [Redacted] 4 had reportable capacity of 200.00 MW secured by PG&E.

ANSWER 50

No. PG&E was entitled to list 200.00 MW of RA capacity in connection with the [Redacted] 4 to meet PG&E's July 2010 RA obligation.

QUESTION 51

The contract listed in the July Filing as [Redacted] was listed as having capacity of 231.53 MW secured by PG&E.

ANSWER 51

No. PG&E's Initial July 2010 RA filing listed [Redacted] with 231.53 MW of RA capacity. PG&E's First Corrected July 2010 RA Filing listed [Redacted] with 159.00 MW of RA capacity. PG&E's Second Corrected July 2010 RA Filing listed [Redacted] with 159.00 MW of RA capacity.

QUESTION 52

The contract listed in the July Filing as [Redacted] had reportable capacity of 159.00 MW secured by PG&E.

ANSWER 52

No. PG&E was entitled to list 159.00 MW of RA capacity in connection with the [Redacted] to meet PG&E's July 2010 RA obligation.

QUESTION 53

The contract listed in the July Filing as [Redacted] was listed as having capacity of 510.00 MW secured by PG&E.

ANSWER 53

No. PG&E's Initial July 2010 RA filing listed [Redacted] with 510.00 MW of RA capacity. PG&E's First Corrected July 2010 RA Filing listed [Redacted] with 25 MW of RA capacity. PG&E's Second Corrected July 2010 RA Filing listed [Redacted] with 25 MW of RA capacity.

QUESTION 54

The contract listed in the July Filing as [Redacted] had reportable capacity of 25 MW secured by PG&E.

ANSWER 54

No. PG&E was entitled to list 25 MW of RA capacity in connection with the [Redacted] to meet PG&E's July 2010 RA obligation.

QUESTION 55

The contract listed in the July Filing as [Redacted] was listed as having capacity of 44 MW secured by PG&E.

ANSWER 55

No. PG&E's Initial July 2010 RA filing listed [Redacted] with 44 MW of RA capacity. PG&E's First Corrected July 2010 RA Filing listed [Redacted] with 40 MW of RA capacity. PG&E's Second Corrected July 2010 RA Filing listed [Redacted] with 40 MW of RA capacity.

QUESTION 56

The contract listed in the July Filing as [Redacted] had reportable capacity of 40 MW secured by PG&E.

ANSWER 56

No. PG&E was entitled to list 40 MW of RA capacity in connection with the [Redacted] to meet PG&E's July 2010 RA obligation.

QUESTION 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.

ANSWER 57

No. As described in the answer to question 1, PG&E had secured RA capacity in excess of the required amount by 110 MW as of June 1, 2010.

QUESTION 58

PG&E's actual secured RA capacity for July was 19,746.23 MW on June 1, 2010.

ANSWER 58

No. As described in the answer to question 1, PG&E had secured RA capacity in the amount of 20,143 MW as of June 1, 2010.

QUESTION 59

PG&E failed to meet its July 2010 RA obligation of 20,033 MW by 286.77 MW by June 1, 2010.

ANSWER 59

No. As discussed more fully in answer to question 1, PG&E's monthly system RA obligation for July 2010 was 20,033 MW. PG&E's Initial July 2010 RA Filing showed 20,359 MW of RA capacity.

PG&E subsequently and independently discovered reporting errors in its Initial July 2010 RA Filing. It corrected the errors it had discovered and submitted its First Corrected July 2010 RA Filing on June 17, 2010, including additional amounts of RA capacity that had been available to PG&E since the time of the initial filing. PG&E's First Corrected July 2010 RA Filing showed 20,141 MW of RA capacity.

Subsequently, the Energy Division notified PG&E of the reporting errors in PG&E's Initial July 2010 RA filing on June 24, 2010, a shortfall that had already been eliminated by PG&E's First Corrected July 2010 RA Filing. PG&E submitted its Second Corrected July 2010 RA Filing to the CPUC on June 30, 2010, that included an additional change

to add 2 MW identified by the Energy Division. The amount of RA capacity in PG&E's Second Corrected July 2010 RA Filing was 20,143 MW. The Energy Division's approval letter for PG&E's RA filing for July 2010 was received on June 30, 2010.

RESPONSE TO INTERROGATORY

QUESTION 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 the 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.**

ANSWER 1

No. No responses are unqualified admissions.

- (a) The responses to each of questions 1 through 59 is not an unqualified admission.
- (b) As indicated in the Preliminary Statement, the responses are given without prejudice to PG&E's right to produce evidence of any subsequently discovered fact or facts which PG&E may later recall. Further, PG&E objects to the question as vague and overbroad. Notwithstanding this objection, facts presently known to PG&E supporting each answer are set forth in the responses to the questions.
- (c) PG&E objects to the question as vague and overbroad. Notwithstanding this objection, Marino Monardi, PG&E's director of Portfolio Management, has knowledge of the facts set forth in the responses to questions 1 through 59, and is prepared to support these responses through sworn testimony in this proceeding.
- (d) PG&E objects to the question as vague and overbroad. Notwithstanding this objection, Marino Monardi has possession of, or

can obtain possession of, copies of each specific document referred to in PG&E's responses questions 1 through 59.

CHARLES R. MIDDLEKAUFF
MARK R. HUFFMAN

By: _____ /s/
MARK R. HUFFMAN

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E-Mail: MRH2@pge.com

Attorneys for
PACIFIC GAS AND ELECTRIC COMPANY

Dated: August 1, 2011

RE: CPUC OII 11-06-011.

VERIFICATION

I, the undersigned, say:

I am an officer, to wit, Assistant Corporate Secretary of PACIFIC GAS AND ELECTRIC COMPANY, a corporation, and am authorized, pursuant to Code of Civil Procedure Section 446(a), to make this verification for and on behalf of said corporation, and I make this verification for that reason; I have read the foregoing document, RESPONDENT PACIFIC GAS AND ELECTRIC COMPANY'S RESPONSE TO THE CONSUMER PROTECTION AND SAFETY DIVISION'S JULY 15, 2011, DATA REQUEST, REQUEST FOR ADMISSION AND INTERROGATORY, and I am informed and believe the matters therein are true and on that ground I allege that the matters stated therein are true.

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

Executed on August 1 , 2011, at San Francisco, California.

_____/s/_____
EILEEN CHAN,
Assistant Corporate Secretary

CERTIFICATE OF SERVICE

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 77 Beale Street, San Francisco, California 94105

On August 1, 2011, I served a true copy of:

PACIFIC GAS AND ELECTRIC COMPANY'S RESPONSE TO THE CONSUMER PROTECTION AND SAFETY BRANCH'S JULY 15, 2011, DATA REQUEST, REQUEST FOR ADMISSION AND INTERROGATORY

- [XX] By Electronic Mail – serving the enclosed via e-mail transmission to the individual listed below:
- [XX] By U.S. Mail – by placing the enclosed for collection and mailing, in the course of ordinary business practice, with other correspondence of Pacific Gas and Electric Company, enclosed in a sealed envelope, with postage fully prepaid, addressed to the individual listed below:

Mitchell Shapson, Staff Attorney,
California Public Utilities Commission
Room 4107
505 Van Ness Avenue
California, CA 94102
SHA@cpuc.ca.gov

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 1st day of August, 2011, at San Francisco, California.

/s/
MARTIE L. WAY