

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

Order Instituting Rulemaking to Continue
Implementation and Administration of California
Renewables Portfolio Standard Program.

Rulemaking 11-05-005
(Filed May 5, 2011)

**REPLY COMMENTS OF THE CALIFORNIA ASSOCIATION OF SMALL AND
MULTI-JURISDICTIONAL UTILITIES (CASMU) ON ADMINISTRATIVE LAW
JUDGE'S RULING REQUESTING SUPPLEMENTAL COMMENTS ON REPORTING
AND COMPLIANCE REQUIREMENTS FOR THE RENEWABLES PORTFOLIO
STANDARD PROGRAM**

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February 21, 2012

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Pursuant to the February 1, 2012 Administrative Law Judge’s Ruling Requesting Supplemental Comments on Reporting and Compliance Requirements for the Renewables Portfolio Standard Program (ALJ Ruling), the California Association of Small and Multi-Jurisdictional Utilities (CASMU), which includes Bear Valley Electric Service (BVES) (U 913-E), a division of Golden State Water Company, California Pacific Electric Company, LLC (U 933-E)¹ (CalPeco), and PacifiCorp (U 901-E), d.b.a. Pacific Power (PacifiCorp), hereby submits these reply comments addressing issues in other parties’ answers to the questions posed in the ALJ Ruling.

As described in greater detail below, CASMU recommends that the California Public Utilities Commission (Commission or CPUC):

- Reject overly burdensome reporting requirements that are unrelated to the goals of Senate Bill (SB) 2 (1X);
- Reject recommendation to submit RPS reports on a semi-annual basis as unnecessary, overly burdensome, and contrary to the purposes of multi-year compliance periods; and

¹ CalPeco also does business in California as “Liberty Energy-California Pacific Electric Company, LLC.”

- Reject recommendations to reduce or eliminate existing confidentiality protections.

I. Reply Comments

CASMU provides these reply comments addressing specific issues raised in opening comments. The fact that CASMU does not address all comments raised in opening comments should not be construed as CASMU's agreement or consent with such comments.

A. Recommendations for Additional Reporting Requirements Unrelated to the Reporting Provisions of SB 2 (1X) Must be Rejected by the Commission

The California Wind Energy Association (CalWEA) recommends that information be included in RPS reports regarding conditions that may warrant a waiver of enforcement of RPS procurement targets by the Commission, regardless of whether a retail seller will seek an enforcement waiver.² CalWEA's recommended reporting requirements are unnecessary and overly burdensome, and should therefore be rejected by the Commission. The information that CalWEA suggests to be reported will already be provided to the Commission when a retail seller seeks an enforcement waiver.³ As this information will already be provided to the Commission, additional requirements to include such information in RPS reports, particularly requirements that apply to retail sellers that are meeting procurement targets, are redundant and will increase administrative burdens for retail sellers and the Commission.

CalWEA makes additional recommendations for unnecessary reporting requirements by seeking that information that it recommended in the Commission's resource adequacy proceeding regarding three different interconnection options, "full capacity," "energy-only," and "limited operation"⁴ be included in RPS reports. Similarly, CalWEA wants to include detailed

² See Comments of CalWEA on Reporting and Compliance Requirements for the RPS Program, pp. 3-7.

³ See Pub. Util. Code § 399.15(b)(5).

⁴ Comments of CalWEA on Reporting and Compliance Requirements for the RPS Program, pp. 4-5.

curtailment information in RPS reports.⁵ CalWEA’s recommendations to include such information in RPS reports is not supported by SB 2 (1X), is overly burdensome, and is unnecessary. Furthermore, CalWEA’s requested information may not be available to all retail sellers, making the reporting of such information additionally troublesome. As CalWEA’s recommendations for additional reporting requirements do not advance the reporting goals of SB 2 (1X), while significantly increasing the administrative efforts required to complete the RPS report, CalWEA’s recommendations must be rejected. This is particularly true for retail sellers with relatively few California customers as increased reporting requirements and complexities will strain the limited resources available to these smaller retail sellers and increase customer costs.

B. Annual Reporting is Consistent with SB 2 (1X) and Will Provide the Commission with Sufficient Information to Ascertain and Evaluate RPS Procurement and Enforcement

Of the parties submitting opening comments, only the Division of Ratepayer Advocates (DRA) and The Utility Reform Network (TURN) seek to continue the unnecessary and burdensome practice of submitting RPS reports twice a year.⁶ As described by the CASMU utilities in their opening comments, as well as by numerous other parties, semi-annual RPS reporting is overly burdensome and does not advance RPS goals or the goals of SB 2 (1X). Specifically, SB 2 (1X) explicitly calls for “an annual compliance report.”⁷ Additionally, as SB 2 (1X) uses multi-year compliance periods and eliminates annual enforceable compliance targets, a single annual report is all that is needed to show procurement efforts and progress towards

⁵ Comments of CalWEA on Reporting and Compliance Requirements for the RPS Program, pp. 6-7.

⁶ See Opening Comments of TURN on ALJ Ruling Requesting Supplemental Comments on Reporting and Compliance Requirements for the RPS Program, p. 3; Opening Comments of DRA in Response to ALJ Ruling Requesting Supplemental Comments on Reporting and Compliance Requirements for the RPS Program, p. 2.

⁷ Pub. Util. Code § 399.13(a)(3).

meeting RPS procurement targets. Imposing additional reporting requirements will increase administrative burdens unnecessarily at the expense of customers. This result must be avoided. Accordingly, CASMU recommends that the Commission support the recommendations of virtually all parties (with the exception of DRA and TURN) and reject any recommendations for semi-annual RPS reporting.

C. Existing Confidentiality Protections Must be Maintained

TURN makes recommendations that the Commission should modify the existing confidentiality protections.⁸ TURN's recommendations must be rejected. This is neither the time nor the place to examine confidentiality protections. The existing protections were developed after extensive time and effort from the Commission, Energy Division staff, and parties and have been found to provide for adequate transparency, particularly through the use of aggregate information. Any modifications to the existing confidentiality protections must be fully vetted and explored in a separate proceeding. Any other result would distort and disrupt the existing protections designed to safeguard the market and prevent against market manipulation. Any disclosure requirements that are contrary to existing confidentiality protections will result in market gaming, the loss of competitive advantage to retail sellers, and increased costs for customers. This must be avoided. Therefore, the Commission must reject TURN's recommendation and preserve the existing confidentiality protections.

II. Conclusion


CASMU appreciates this opportunity to respond to opening comments. For the reasons described herein, as well as reasons articulated in the opening comments of the CASMU utilities,

⁸ See Opening Comments of TURN on ALJ Ruling Requesting Supplemental Comments on Reporting and Compliance Requirements for the RPS Program, p. 2.

the Commission should adopt reporting and compliance requirements recommended by the CASMU utilities.

Dated: February 21, 2012

Respectfully submitted,



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VERIFICATION

I am the attorney for PacifiCorp and am authorized to make this verification on its behalf and on behalf of Bear Valley Electric Service and California Pacific Electric Company, LLC (collectively the Respondent Corporations). The Respondent Corporations are absent from the County of Sacramento, California, where I have my office, and I make this verification for that reason. The statements in the foregoing document are true of my own knowledge, except as to matters which are therein stated on information and 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 February 21, 2012 at Sacramento, California.



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