

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

Order Instituting Rulemaking to Integrate and Refine
Procurement Policies and Consider Long-Term
Procurement Plans.

R. 12-03-014
(Filed March 22, 2012)

**MOTION OF SOUTH SAN JOAQUIN IRRIGATION DISTRICT
FOR PARTY STATUS**

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July 18, 2012

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Pursuant to Rules 1.4 and 11.1 of the California Public Utilities Commission's Rules of Practice and Procedure, the South San Joaquin Irrigation District ("SSJID") submits this motion to become a party in this proceeding.

SSJID is a special district formed in May 1909 pursuant to the Wright-Bridgefords Act, the predecessor of the California Water Code, for the purpose of providing a reliable, economic source of irrigation water for the cities of Escalon, Ripon and Manteca, and portions of unincorporated San Joaquin County.¹ SSJID is currently an electric customer of Pacific Gas & Electric (PG&E) and the Modesto Irrigation District, and its service territory includes approximately 38,000 PG&E accounts.

SSJID has filed an application with the San Joaquin Local Agency Formation Commission to expand the scope of the services it provides to include retail electric service within its existing service territory. SSJID intends to do so by acquiring certain existing electric distribution facilities currently used by PG&E to provide service in the area and making additional investments in new infrastructure necessary to upgrade these facilities, increase

¹ Special Districts in California are local units of government established by the residents of an area to provide a service not provided by a county or city. SSJID operates under the direction and control of its Board of Directors, the members of which are elected by, and ultimately answerable to, the voters in the district. SSJID currently provides irrigation services to 3,600 customer accounts within its service area; wholesale treated water to the cities of Tracy, Escalon, Manteca, and Lathrop; raw water to the City of Stockton and the Stockton East Water District; and through its ownership interest in hydroelectric generating facilities, wholesale electric service.

system reliability, improve customer service, and bring down the long-term cost of retail electric service. SSJID decided to take such action only after evaluating the costs and potential benefits of providing electric service, and concluding that expanding the scope of the services it provides could provide significant net benefits to customers within its service territory. SSJID expects these benefits to include:

- a 15% reduction in electric rates;
- improving the local economy;
- improved service quality and reliability;
- local accountability and responsibility for electric resource policies and practices; and
- a means to effectively distribute the economic benefits of SSJID's ownership of certain hydroelectric generating facilities.

In the Scoping Memo and Ruling of the Assigned Commissioner and Administrative Law Judge, the Commission indicated that this proceeding would address how local reliability capacity costs should be allocated among load-serving entities (“LSEs”) in light of the cost allocation mechanism (“CAM”) and whether the CAM should be modified at this time.² SSJID is concerned about the possibility that CAM costs, including local reliability capacity costs, could potentially be assigned to SSJID. Allocation of CAM costs to SSJID would be inappropriate, would have potentially significant anti-competitive effects, could affect reduce SSJID's ability to offer the rate reductions to its customers that are currently planned, and could diminish the local control benefits associated with its municipalization plan.

SSJID thus has a significant interest in this proceeding both as a water agency and ratepayer, and as a competitor of PG&E.

² Scoping Memo and Ruling of the Assigned Commissioner and Administrative Law Judge at 6, R.12-03-014 (May 17, 2012).

Concurrent with filing this motion, SSJID has served its testimony in response to the opening testimonies filed by Southern California Edison (SCE), by San Diego Gas & Electric (SDG&E), and jointly by the Alliance for Retail Energy Markets (AREM), the Direct Access Customer Coalition (DACC), and the Marin Energy Authority (MEA).

SSJID requests that all correspondence, pleadings, notices, orders, rulings and other communications concerning this proceeding be provided to the following:

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WHEREFORE, SSJID respectfully requests that it be granted party status in this proceeding.

Respectfully submitted,

/s/

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**[PROPOSED] ADMINISTRATIVE LAW JUDGE’S RULING ON
MOTION OF SOUTH SAN JOAQUIN IRRIGATION DISTRICT CORPORATION FOR
PARTY STATUS**

On July 18, 2012, the South San Joaquin Irrigation District (“SSJID”) moved for party status in R.12-03-014. SSJID has a direct and significant interest in this proceeding, and SSJID’s intervention will not unduly broaden the issues under consideration in this proceeding.

Therefore, **IT IS RULED** that, good cause appearing,

1. The request of SSJID for party status in R.12-03-014 is granted.
2. SSJID shall serve all parties of record and any other entities designated for service with any pleadings filed by SSJID in this proceeding.

Dated _____, 2012 at San Francisco, California.

Administrative Law Judge