## **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)

# COMMENTS OF BEAR VALLEY ELECTRIC SERVICE (U-913 E), A DIVISION OF GOLDEN STATE WATER COMPANY, ON STAFF PROPOSAL ON THE RENEWABLE NET SHORT CALCULATION

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July 18, 2012

Attorneys for Bear Valley Electric Service

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Pursuant to the July 11, 2012 Administrative Law Judge's Ruling (1) Issuing Staff Proposal on the Renewable Net Short Calculation (2) Entering Staff Proposal Into the Record and (3) Setting Date for Comments on Proposal ("ALJ Ruling"), Bear Valley Electric Service (U 913 E) ("BVES"), a division of Golden State Water Company, respectfully submits the following comments on the Staff proposal. As the California Public Utilities Commission ("Commission") has not yet addressed BVES' Motion for Expedited Treatment and Clarification of the Applicability of the Renewables Portfolio Standard Renewable Net Short Calculation Methodology ("Motion"),<sup>1</sup> BVES submits these comments to reiterate its position that BVES' unique characteristics warrant that the Commission should exempt BVES from any obligation to participate further in this portion of the proceeding or to submit any materials or calculations associated with the renewable net short. BVES incorporates its prior Motion by reference, and accordingly does not reemphasize all of the points made in the Motion.

BVES is a small electric utility in the Big Bear recreational area of the San Bernardino Mountains located about 80 miles east of Los Angeles that provides electric distribution service to approximately 21,500 residential customers in a resort community with a mix of

<sup>&</sup>lt;sup>1</sup> BVES' Motion, submitted on July 6, 2012, is available at <u>http://docs.cpuc.ca.gov/efile/MOTION/170208.pdf</u>

approximately 40% full-time and 60% part-time residents. Its service area also includes about 1,400 commercial, industrial and public-authority customers, including two ski resorts. BVES' service territory is connected to the California Independent System Operator ("CAISO") via Southern California Edison Company's ("SCE's") system. As described more fully in its Motion, BVES differs significantly from California's large investor-owned utilities ("IOUs"), as recognized by the Commission and the Legislature. Furthermore, as noted in the ALJ Ruling, BVES was exempted from submitting a net short calculation in its 2012 RPS Procurement Plan.<sup>2</sup>

As discussed in greater detail in its Motion, based on its unique characteristics BVES requests that the Commission clarify that BVES is exempt from any requirements or obligations associated with the calculation of the renewable net short. BVES' unique characteristics include:

- its ability to use 100% unbundled RECs to meet its RPS procurement requirements;<sup>3</sup>
- its limited customer base, limited resources and the associated disproportionately burdensome task of complying with RPS renewable net short calculation requirements when compared to California's large IOUs; and
- the Commission's determination that BVES does not need to include a net short calculation in its RPS Procurement Plan.<sup>4</sup>

<sup>&</sup>lt;sup>2</sup> ALJ Ruling, p. 2, FN 2; see also ALJ Ruling, Attachment 1, Energy Division Staff Proposal, p. 2, FN 5.

<sup>&</sup>lt;sup>3</sup> See Pub. Util. Code § 399.18(b). See also D.11-12-052, Ordering Paragraph 16.

<sup>&</sup>lt;sup>4</sup> The April 5, 2012 Assigned Commissioner's Ruling Identifying Issues and Schedule of Review for 2012 Renewables Portfolio Standard Procurement Plans Pursuant to Public Utilities Code Sections 399.11 et seq. and Requesting Comments on new Proposals ("Assigned Commissioner's Ruling") found that BVES' RPS procurement plan "should be tailored to the limited customer base and the limited resources of a small utility" and that BVES' RPS procurement plan is "not required to provide the quantitative information described by section 6.5", including the renewable net short calculation. (Assigned Commissioner's Ruling, p. 7; *see also* ALJ Ruling, p. 2, FN 2; ALJ Ruling, Attachment 1, Energy Division Staff Proposal, p. 2, FN 5.)

BVES asks that the Commission make this determination as expeditiously as possible so that BVES need not apply additional time and resources at the expense of its ratepayers by further participating in this aspect of the proceeding.

Dated: July 18, 2012

Respectfully submitted,

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#### VERIFICATION

I am the attorney for Bear Valley Electric Service ("BVES"), a division of Golden State Water Company, and am authorized to make this verification on its behalf. BVES is 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 forgoing is true and correct.

Executed on July 18, 2012 at Sacramento, California.

Jedestinh J. Filson

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