

**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 PACIFIC GAS AND ELECTRIC COMPANY (U 39 E) TO MODIFY THE
STANDARDIZED PLANNING ASSUMPTIONS ADOPTED IN THE JUNE 27, 2012
ASSIGNED COMMISSIONER'S RULING**

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Dated: July 31, 2012

Attorneys for
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Pursuant to Rule 11.1 of the California Public Utilities Commission's (Commission) Rules of Practice and Procedure, Pacific Gas and Electric Company (PG&E) files this motion requesting one modification to the standardized planning assumptions adopted in the June 27, 2012, *Assigned Commissioner's Ruling on Standardized Planning Assumptions*.

Specifically, PG&E requests that the adopted standardized planning assumptions be modified to include a sensitivity of 1-in-10 weather that is conducted around the high load scenario. This one change will help to ensure the consideration of an appropriate range, for long-term planning purposes, of possible future demand on the California Independent System Operator (CAISO) grid.

The range of "unmanaged" load in the standardized planning assumptions as currently adopted is too narrow to adequately evaluate the uncertainty associated with the net "managed demand" for system reliability. The requested change is well defined and easy to implement, in that the California Energy Commission (CEC) has also adopted "multipliers" to be used to

develop 1-in-10 forecasts from its adopted 1-in-2 forecasts.¹

If unchanged, the less than 5 percent difference between the high and low unmanaged loads compared to the medium unmanaged load is potentially far short of what should be considered when conducting prudent planning. Evaluating only this narrow, currently adopted range will not provide the Commission with the necessary information to make an informed decision regarding the steps that should be taken at the end of Track 2, scheduled for the end of 2013, to ensure system reliability in the 2021 time-frame.

The specific changes PG&E is proposing to the language of the currently adopted standardized planning assumptions are as follows. Currently, the adopted 2012 Long-Term Procurement Plan standardized planning assumptions state:

- “All scenarios shall use 1-in-2 peak forecasts as the base. Sensitivities of alternative peak conditions such as 1-in-10 weather, should be conducted around the medium load scenario. For local area specific analyses, 1-in-10 peak forecast shall be used as the base.” (Standardized Planning Assumptions Ruling, Attachment, p. 10.)

The medium load scenario is specified in the Ruling, is obtained from the CEC, and reflects 1-in-2 weather assumptions and medium range assumptions about economic and demographic drivers.

PG&E proposes the following modification to this adopted standardized planning assumption. PG&E’s proposed modification is shown in bold type.

- All scenarios shall use 1-in-2 peak forecasts as the base. Sensitivities of alternative peak conditions such as 1-in-10 weather, **should may** be conducted

¹ CEC Form 1.5 for each utility’s Planning Area, located at:
http://www.energy.ca.gov/2012_energy_policy/documents/demand-forecast/mid_case/

around ~~the medium~~ various load scenarios. *At least one sensitivity should consider 1-in-10 weather, and be conducted around the high load scenario.* For local area specific analyses, 1-in-10 peak forecast shall be used as the base.

In sum, PG&E requests that the standardized planning assumptions adopted in the June 27, 2012, Ruling be modified to include at least one sensitivity based on 1-in-10 weather, and be conducted around the high load scenario.

Respectfully Submitted,

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By: _____ /s/
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PACIFIC GAS AND ELECTRIC COMPANY

Dated: July 31, 2012

CERTIFICATE OF SERVICE BY ELECTRONIC MAIL, U.S. MAIL AND COURIER

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 Pacific Gas and Electric Company, Law Department B30A, 77 Beale Street, San Francisco, CA 94105.

I am readily familiar with the business practice of Pacific Gas and Electric Company for collection and processing of correspondence for mailing with the United States Postal Service. In the ordinary course of business, correspondence is deposited with the United States Postal Service the same day it is submitted for mailing.

On the 31st day of July 2012, I served a true copy of:

**MOTION OF PACIFIC GAS AND ELECTRIC COMPANY (U 39 E) TO MODIFY THE
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[XX] By Electronic Mail – serving the enclosed via e-mail transmission to each of the parties listed on the official service list for **R.12-03-014** with an e-mail address.

[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 those parties listed on the official service list for **R.12-03-014** without an e-mail address.

[XX] By courier, delivered to the following individual:

ALJ David M. Gamson
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94105

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 31st day of July 2012, at San Francisco, California.

/s/
MARTIE L. WAY