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

Order Instituting Rulemaking to Oversee the Resource Adequacy Program, Consider Program Refinements, and Establish Annual Local Procurement Obligations

R.11-10-023 (Filed October 20, 2011)

# PETITION OF PACIFIC GAS AND ELECTRIC COMPANY (U 39 E) TO MODIFY D.12-06-025

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Dated: July 31, 2012

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Pursuant to Rule 16.4 of the California Public Utilities Commission's (Commission) Rules of Practice and Procedure, Pacific Gas and Electric Company (PG&E) files this petition to modify D.12-06-025.

Specifically, PG&E requests that D.12-06-025, the most recent in the ongoing series of decisions shaping the Commission's resource adequacy program, be modified to make changes to the timeline for the monthly resource adequacy submissions that Commission-jurisdictional load serving entities (LSEs) are required to make to the Commission. This timeline was originally adopted in D.05-10-042 in an earlier resource adequacy rulemaking, R.04-04-003.

Resource adequacy submissions are required both at this Commission and at the California Independent System Operator (CAISO). The changes PG&E is proposing will synchronize the Commission's timeline with the upcoming changes in the CAISO timeline. The changes in the CAISO timeline were recently approved by the CAISO board in response to the Commission's decision to eliminate, beginning in program year 2013, the Commission's scheduled outage replacement rule.

#### I. BACKGROUND

In D.11-06-022 the Commission ended the rule in its resource adequacy program that had required Commission-jurisdictional LSEs to replace resource adequacy resources while they were on scheduled outages. The replacement rule is eliminated beginning with the 2013

program year. (D.11-06-022, Ordering Paragraph 7, pp. 72-73.)

The Commission encouraged the CAISO to work with affected stakeholders to develop the necessary procedures and tools to operate without the replacement rule. (D.11-06-022, pp. 31-32.)

In response, the CAISO initiated its "Replacement Requirement for Scheduled Generation Outages" stakeholder process. On July 12, 2012, it presented the results of that stakeholder process to the CAISO board for its approval, which the board granted. The CAISO will propose modifications to the its tariff to the Federal Energy Regulatory Commission (FERC) to implement the changes approved by the CAISO board.

The new CAISO process will require LSEs, including Commission-jurisdictional LSEs, to submit a preliminary resource adequacy plan to the CAISO 45 days before the beginning of each month. This will be followed by a final resource adequacy plan 10 days before the beginning of the month. Between these two times a process of plan validation and resource replacement takes place. The CAISO has not outlined the process to be used in validating the resource adequacy plans nor the specific requirements for when a resource adequacy unit on planned outage must be replaced.

Under the existing Commission process, Commission-jurisdictional LSEs submit their monthly resource adequacy plans to the Commission approximately 30 days prior to the beginning of the month. While this timing is in sync with the CAISO requirements under the current CAISO process, it will not be in sync with the future CAISO process, anticipated to be adopted by FERC and in effect for the January 2013 resource adequacy plan submissions.

#### II. REQUEST FOR MODIFICATION

In order to synchronize the Commission and CAISO monthly resource adequacy timelines, PG&E requests that D.12-06-025 be modified to adopt a changed timeline for monthly resource adequacy submissions. Under D.05-10-042 each monthly compliance filing is to be submitted on "the last day of the second month prior to the compliance month (e.g., March 31 for

May)" (section 8.5, page 90).

PG&E requests that the timing of this submission be changed to 45 days before the beginning of each month, to coincide with the anticipated CAISO filing requirements. All other aspects of the RA program would remain unchanged, including the five business day cure period that LSEs have to remedy any deficiencies in their resource adequacy filing after notification from Energy Division staff.

#### III. CONCLUSION

PG&E respectfully requests that D.12-06-025 be modified to change the date for Commission-jurisdictional LSEs to submit monthly resource adequacy reports to 45 days before the beginning of the compliance month, to coincide with anticipated CAISO requirements. PG&E requests that this change begin with program year 2013, again to coincide with anticipated CAISO requirements.

Respectfully Submitted,

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Dated: July 31, 2012 PACIFIC GAS AND ELECTRIC COMPANY

#### 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:

### PETITION OF PACIFIC GAS AND ELECTRIC COMPANY (U 39 E) TO MODIFY D.12-06-025

[XX] By Electronic Mail – serving the enclosed via e-mail transmission to each of the parties listed on the official service list for **R.11-10-023** 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.11-10-023** 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 |  |