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October 15, 2012

Mr. Edward F. Randolph
Director, Energy Division
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102

**Re: Request for Extension of Time to Submit Year-Ahead Resource Adequacy
Compliance Filings**

Dear Director Randolph:

I am writing to you on behalf of the member electric service providers (“ESPs”) of the Alliance for Retail Energy Markets (“AReM”) who submit regular Resource Adequacy (“RA”) compliance filings to the Energy Division.¹ We respectfully request that you extend the deadline for submitting 2013 Year-Ahead RA compliance filings from October 31, 2012 to November 14, 2012. We believe that the Commission has delegated to Energy Division the ability to make such an adjustment to the RA schedule.²

A two week extension for submitting the Year-Ahead RA compliance filings is appropriate because of the recent receipt of capacity allocation numbers and the delay in finalizing the year-ahead reporting templates. Significant changes initially proposed in the RA reporting templates circulated in August were subsequently removed in the final templates. Final versions of the reporting templates were distributed to the RA service list (R.11-10-023) on October 8, 2012 to correct calculation issues that impacted procurement obligations. Moreover, load serving entities (“LSEs”) recently received updated local capacity allocations that have caused some ESPs to have too much supply of high-cost local area capacity. Those entities would like additional time to better

¹ AReM is a California mutual benefit corporation formed by ESPs that are active in California’s direct access market. The positions taken in this filing represent the views of AReM but not necessarily those of individual members or affiliates of its members with respect to the issues addressed herein. AReM members are Constellation NewEnergy, Inc., Noble Solutions, and Direct Energy Business, Inc. All three are ESPs registered with the Commission.

² See, e.g., D.11-06-022, FoF #2 and CoL#3.

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balance their portfolios and minimize, if possible, the surplus capacity positions they now have because of the additional allocations recently received.

The Commission's policy with respect to the RA program is to provide all the data associated with procurement obligations to be settled well ahead of the submission date. The recent corrections to the reporting templates and subsequent changes in capacity allocations to reporting entities have created unexpected difficulties in finalizing RA procurement positions and avoiding the over-procurement of expensive local capacity. A two week extension of the filing deadline would assist LSEs in refining their capacity procurement positions consistent with the goal of securing lower cost local area capacity for customers.

Accordingly, AReM respectfully requests a two week extension of the deadline to submit Year-Ahead RA compliance filings to November 14, 2012.

Respectfully submitted,



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*Attorneys for the Alliance for Retail Energy
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cc: Service List R.11-10-023
Paul Clanon, Executive Director