

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

Rulemaking 12-03-014
(Filed March 22, 2012)

REPLY COMMENTS OF THE UTILITY REFORM NETWORK IN RESPONSE
TO THE ASSIGNED COMMISSIONER RULING
SETTING FORTH STANDARDIZED PLANNING SCENARIOS

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**REPLY COMMENTS OF THE UTILITY REFORM NETWORK IN RESPONSE
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Pursuant to the September 25th Assigned Commissioner Ruling, The Utility Reform Network (TURN) offers the following reply comments on the Long Term Procurement Plan (LTPP) revised scenarios and planning assumptions.

These comments address topics raised by two specific parties' initial comments. First, the California Independent System Operator (CAISO) stated that an "operational bookend scenario needs to be developed as the operational reference case"; the section's heading further suggests this "operational reference case" needs to be "realistic".¹ The CAISO continued by arguing, in essence, that the Commission's projected impacts of future energy efficiency (EE) and demand response (DR) programs should be excluded in estimating need.

As stated in its opening comments, TURN is supportive of the analysis of alternate scenarios - including "high need" scenario(s) - in Track 2.² However, TURN recommends the Commission not afford any such "high need" scenario "more equal" status by giving it a presumptive label such as "operational reference case"; the Commission should recognize instead that its various scenarios help it assess the impacts of assumptions that differ in significant fashion from its Base Scenario.³

¹ CAISO October 5 Comments, page 3.

² TURN October 5 Comments, page 1.

³ For example, the Revised Scenarios attached to the ACR said "The Base Scenario is the 'control' for our analysis, designed to reflect the expected future world with little change from existing procurement policies. The Base serves as the point of reference for the rest of the scenarios" (p. 12).

TURN also commends to the Commission Southern California Edison's (SCE's) discussion in its comments about the process for developing the needs modeling to be performed in Track 2.⁴ In particular, TURN agrees with the last sentence of that section, which said:

“In order to tailor the appropriate methodology for the 2012 LTPP analysis for timely completion with useful results, the Commission should include a discussion of the methodology, the year(s) to be analyzed, and expected output during the next Operating Flexibility Workshop in November 2012.”⁵

TURN also agrees with SCE's suggestion that other parties be allowed “to submit analysis of their own scenarios using their own datasets and not just use the datasets the Commission has proposed”.⁶

TURN has followed the CAISO-led renewable integration modeling efforts for over three years, including the CAISO's efforts to revise its modeling approach for Track 2 of this case pursuant to the Settlement Agreement approved in the 2010 Long-Term Procurement Plan (LTPP).⁷ Though significant effort has been spent on this task, TURN is concerned that completion of this review is lagging and believes the Commission and CAISO should finish their review and propose a methodology quickly. The evident fact that there is no clear methodology for addressing flexible capacity need issues also leads TURN to recommend that other parties be allowed to offer their own analyses to the Commission.

TURN appreciates the opportunity provide these reply comments.

⁴ SCE October 5 Comments, pages 5-6.

⁵ SCE October 5 Comments, page 6.

⁶ *Id.*, page 9.

⁷ Decision 12-04-046.

Respectfully submitted,

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