

October 4, 2012 L. Jan Reid

**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)

**RESPONSE OF L. JAN REID TO PG&E'S TRACK 3 MOTION**

October 4, 2012

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## **I. Introduction**

Pursuant to Rule 11.1 of the Commission's Rules of Practice and Procedures (Rules), I submit this response to Pacific Gas and Electric Company's (PG&E's) motion (Motion) to "Move the Track 3 Multi-Year Procurement Requirement Issue to the Resource Adequacy Proceeding, and to Defer Remaining Track 3 Issues" in the Long Term Procurement Plan (LTPP) proceeding.

PG&E's motion was served on September 20, 2012 and responses are due on October 5, 2012. I will file and serve this pleading on Thursday, October 4, 2012, intending that it be timely filed.

I recommend that the Commission reject PG&E's motion to move multi-year procurement into the Resource Adequacy (RA, R.11-10-023) proceeding for the reasons given in Section IV. I have no position on the other portions of PG&E's motion.

## **II. Summary and Recommendations**

I have relied on state law and past Commission rulings in developing recommendations concerning PG&E's motion. I recommend the following:<sup>1</sup>

1. The Commission should reject PG&E's motion to move multi-year procurement into the RA proceeding. (pp. 2-3)

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<sup>1</sup> Citations for these recommendations and proposed findings are given in parentheses at the end of each recommendation and finding.

### III. Proposed Findings

My recommendations are based on the following proposed findings:

1. Moving multi-year procurement into the RA proceeding will not increase administrative efficiency as claimed by PG&E. (pp. 2-3)
2. There are currently a total of 83 parties in the LTPP proceeding compared to 58 parties in the RA proceeding, a difference of 25 parties ( $83 - 58 = 25$ ). If the Commission accepts PG&E's recommendation, at least 25 parties might have to file motions to intervene in R.11.10-023. Additionally, parties who seek intervenor compensation who are not currently parties in R.11-10-023 will have to file Notices of Intent to Claim Intervenor Compensation as well as motions for the Commission to accept late filed NOIs in R.11-10-023. (pp. 2-3)

### IV. Multi-Year Procurement

PG&E requests that both multi-year procurement and operating flexibility be moved to the resource adequacy (RA) proceeding. PG&E argues that "The consolidated approach will increase administrative efficiency, both for the Commission and for the interested parties." (Motion, p. 3)

I disagree. First, multi-year procurement properly belongs in the LTPP, which is the Commission's major procurement proceeding. Secondly, moving these issues into the RA proceeding will not increase administrative efficiency. In fact, it will be burdensome for the LTPP parties who are not currently part of the RA proceeding. There are currently a total of 83 parties in the LTPP proceeding, compared to 58 parties in the RA proceeding, a difference of 25 parties ( $83 - 58 = 25$ ). Thus, at least 25 parties might have to file motions to intervene in R.11.10-023.

Additionally, parties who seek intervenor compensation who are not currently parties in R.11-10-023 will have to file NOIs in R.11-10-023 as well as motions for the Commission to accept late filed NOIs in R.11-10-023.<sup>2</sup> The Commission will have to process these pleadings and the Administrative Law Judge will have to issue rulings for all of these motions and NOIs. Thus, PG&E's motion is not administratively efficient for either the Commission or the parties as claimed by PG&E.

**V. Conclusion**

For the reasons given herein, the Commission should reject PG&E's motion to move multi-year procurement from the LTPP into the RA proceeding.

\* \* \*

Dated October 4, 2012, at Santa Cruz, California.

/s/ \_\_\_\_\_  
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<sup>2</sup> Intervenors were required to file NOIs within 30 days of the Commission's Order Instituting Rulemaking (OIR) which established R.11-10-023. (See R.11-10-023 OIR, p. 11, Section 8) The OIR was issued on October 27, 2011. Thus, NOIs were due on November 26, 2011.