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)

STATUS UPDATE AND REQUEST TO ACT REGARDING THE PETITION OF PACIFIC GAS AND ELECTRIC COMPANY (U 39 E) TO MODIFY D.12-06-025

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Dated: November 21, 2012

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On July 31 2012, Pacific Gas and Electric Company (PG&E) filed a motion requesting that D.12-06-025, the most recent in the Commission's ongoing series of decisions shaping its resource adequacy program, be modified to make changes to the timeline for the monthly resource adequacy submissions to the Commission required by the Commission's adopted resource adequacy program. This timeline was originally adopted in D.05-10-042 in an earlier rulemaking, R.04-04-003.

PG&E made this request in response to the California Independent System Operator's (CAISO) proposal at the Federal Energy Regulatory Commission (FERC) to modify several provisions of its tariff related to resource adequacy. In particular, as described in PG&E's motion, the CAISO proposed different timelines than those currently in place at the Commission.

On October, 31, 2012, the assigned administrative law judge issued a ruling deferring action on PG&E's petition to modify.

The October 31 ruling states

If and when the FERC approves the CAISO's proposed tariff changes, PG&E may file documentation of such action and seek approval of the Petition, or may modify the Petition to conform to action by the FERC. (October 31, 2012, Ruling, p. 2.)

This status update and request to act is in response to this direction. On September 20,

2012, the CAISO filed its proposed tariff modifications to reflect its new resource adequacy scheduled outage replacement scheme in docket no. ER12-2669.

On November 19, 2012, FERC issued an order conditionally accepting the CAISO's proposed tariff revisions. (141 FERC ¶ 61,135.) FERC's order conditionally accepts the CAISO's revised tariffs for filing, to become effective November 20, 2012. The CAISO is ordered to submit a compliance filing within 30 days, making ordered modifications to its proposal. However, these modifications do not relate to the schedule for resource adequacy submissions proposed by the CAISO, which were accepted by FERC without change.

As described in PG&E's petition, the new CAISO process will require Load Serving Entities (LSEs), including Commission-jurisdictional LSEs, to submit a preliminary resource adequacy plan to the CAISO 45 days before the beginning of each month. (*See*, CAISO September 20, 2012 Filing Letter, p. 12, *and* Attachment B, Revised Tariff section 40.2.1.1(a) in Docket No. ER12-2669.)

Under the existing Commission process each monthly compliance filing is to be submitted on a different day, "the last day of the second month prior to the compliance month (e.g., March 31 for May)." (D.05-10-042, pp. 90-91.)

As PG&E described in its July 31, 2012, petition, PG&E requests that the timing of this Commission submission be changed to 45 days before the beginning of each month, to coincide with the CAISO submittal requirements. All other aspects of the Commission's resource adequacy program would remain unchanged, including the five business day cure period that LSEs have to remedy any deficiencies in their Commission resource adequacy filings after notification from Energy Division staff.

I. CONCLUSION

Because FERC conditionally accepted the CAISO's proposed modifications to its tariff to implement new resource adequacy provisions, including revised submittal dates to the CAISO of various resource adequacy submittals, PG&E respectfully requests the Commission no longer

hold PG&E's July 31. 2012, petition for modification in abeyance. PG&E requests that the Commission act on PG&E's petition at this time, and that D.12-06-025 be modified to adopt the changes to the Commission's monthly resource adequacy timelines described in more detail in PG&E's July 31, 2012, petition and in the body of this pleading. PG&E requests that these changes go into effect immediately upon Commission action, so that the Commission requirements are aligned with the CAISO requirements that went into place on November 20, 2012.

Respectfully Submitted,

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