

**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

**REPLY COMMENTS OF THE LARGE-SCALE SOLAR ASSOCIATION ON TRACK 2
SCENARIOS PROPOSED DECISION**

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December 17, 2012

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I. INTRODUCTION

Pursuant to Rule 14.3 of the California Public Utilities Commission's (the "Commission") Rules of Practice and Procedure, the Large-scale Solar Association ("LSA") submits its reply comments on the Proposed Decision Adopting Long-Term Procurement Plans Track 2 Assumptions and Scenarios of Administrative Law Judge ("ALJ") David Gamson, dated November 20, 2012 ("Proposed Decision" or "PD"). LSA supports the range of scenarios in the Proposed Decision and recommends the Commission adopt the PD with the minor modifications discussed below.

II. DISCUSSION

A. The Commission should adopt the scenarios as set forth in the Proposed Decision.

LSA supports the range of scenarios in the Proposed Decision and is pleased the PD includes the Replicating TPP scenario as a top-tier modeling priority. As LSA indicated in prior comments, the Replicating TPP scenario allows for both the examination of a high managed load case and the development of renewable generation portfolios.¹ This furthers the dual goals of ensuring that the LTPP process examines a meaningful range of scenarios and creating better

¹ Reply Comments of LSA on Standardized Planning Scenarios (October 19, 2012), pp.2-3.

alignment between the Commission and the CAISO Transmission Planning Process. LSA also supports the adoption of the commercial base case in the Base and Replicating TPP scenarios as reasonable assumptions that take into account both existing commercial commitments and transmission plans. While the scenarios and assumptions are still imperfect, LSA urges the Commission to adopt the Proposed Decision (with minor modifications), enabling the LTPP process to move forward.

B. The Commission should correct the import assumptions in the PD.

In opening comments on the PD, both PG&E and CAISO recommend that the Commission revise the import assumption numbers in the PD.² As indicated in prior comments, LSA shares the concerns of both PG&E and CAISO about the accuracy of the import assumptions.³ Based on LSA's review of the most recent scenario tool and reference files, there continue to be discrepancies in the import assumptions. Specifically, LSA is concerned that the import assumption of 13,308 MW does not accurately account for loads of Load Sharing Entities in the CAISO Control Area (Embedded LSE) and their associated existing import capabilities. For example, it appears that the Commission is assuming that Existing Transmission Contracts (ETC) not used by Embedded LSEs will be made available to the IOUs. This is not necessarily the case as CAISO's methodology removes ETC Inside Loads before determining the import capability available for allocation to others.⁴ This approach may result in substantial overlap, which if not accounted for will inflate the import assumptions. In order to address the inaccuracies in the import assumptions, LSA recommends the Commission revise the import assumptions in the PD and preferably adopt PG&E's recommended 10,350 MW based on the California Energy Commission's net interchange estimate or alternatively adopt CAISO's recommended 12,400 MW based on maximum historical data. Should the Commission decline to revise the import assumptions as this time, LSA urges the Commission to revise the PD to allow

² See Comments of CAISO on Proposed Decision Adopting Long-Term Procurement Plans Track 2 Assumptions and Scenarios (December 10, 2012) p. 4 and Comments of PG&E on the Proposed Decision Adopting Long-Term Procurement Plans Track 2 Assumptions and Scenarios (December 10, 2012), p. 1.

³ Comments of the Large-scale Solar Association in Response to the ACR Setting Forth Standardized Planning Scenarios for Comment (October 5, 2012), pp. 2-3.

⁴ See Workpapers for 2012 LTPP Track 2 Proposed Decision, Scenario Tool - v4 (Nov. 20, 2012), "Supply Individual Assumptions" tab which takes data from the maximum imports for 2012 & 2013 from CAISO's "Assigned and Unassigned RA Import Capability on Branch Groups - After Step 6". 13,308 MW is before the CAISO deducts, "Step 3" "Existing Control Import Capability (ETC Inside Loads)" which is 2,341 MW.

assumptions to be clarified and improved as the modeling occurs. This will enable modeling to be based on accurate and updated data, which is in the interest of all parties.

C. The Commission should correct the assumptions in the RPS Portfolios to ensure that they meet 33% RPS beyond 2020.

LSA supports PG&E's request that the Commission correct the RPS assumptions in the RPS Portfolios for 2020 and beyond ensure they reflect the 33% RPS mandate.⁵ LSA previously requested that these assumptions be corrected and reiterates that request here.⁶ As PG&E indicates, the RPS assumptions will be used to feed into multiple analyses, including detailed modeling.⁷ It is critical to the LTPP process that the Commission correct known errors and ensure modeling and analyses are based on the most accurate inputs available. Reliance on incorrect assumptions will lead to skewed and inaccurate results, which may hinder the Commission in planning for and ensuring California meets the 33% RPS mandate. Therefore, LSA urges the Commission to correct the RPS assumptions and make sure they reflect the 33% mandate for all years and in all scenarios beyond 2020.

III. CONCLUSION

LSA appreciates the opportunity to submit these reply comments and with the recommended modifications, supports the Proposed Decision.

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Respectfully submitted,

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⁵ PG&E Comments on the Proposed Decision at p. 2.

⁶ See LSA Comments on Standardized Planning Scenarios, Attachment at p.1.

⁷ PG&E Comments on the Proposed Decision at p. 3.