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)

NOTICE OF EX PARTE COMMUNICATION BY CALIFORNIA ENVIRONMENTAL JUSTICE ALLIANCE

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Pursuant to Article 8 of the California Public Utilities Commission (Commission) Rules of Practice and Procedure, the California Environmental Justice Alliance (CEJA) hereby files this notice of the following oral ex parte communications with Rachel Peterson, interim advisor to Commission Carla Peterman, Sara Kamins, advisor to Commissioner Ferron, and Damon Franz, advisor to Commissioner Peevey. These meetings were requested by the attorneys for CEJA to discuss the Proposed Decision (PD) in the above-referenced proceeding.

On February 1, 2013, from approximately 10:30 to 11:00am, Strela Cervas, the Co-Coordinator of CEJA, and Deborah Behles, Shana Lazerow, and Shanna Foley, attorneys for CEJA, held a meeting at the Commission's offices in San Francisco with Ms. Peterson, interim advisor to Commissioner Peterman. CEJA provided Ms. Petersen with a copy of its Opening and Reply comments on the PD.¹

During the meeting, Ms. Behles discussed the findings of CEJA's experts that there is no need for new resources in Southern California Edison's (SCE's) local area. Ms. Behles further advised that, to the extent the Commission does find a need, procurement must comply with the loading order.

Ms. Cervas stated that SCE should be required to consider environmental justice (EJ) in its RFO process. Ms. Cervas further stated that the Commission could incorporate EJ concerns by relying on existing tools such as the Environmental Justice Screening

¹ Both of these documents are part of the public record in this proceeding.

Methodology (EJSM), which is a peer-reviewed tool developed to identify EJ communities. Ms. Cervas explained that if proposed projects are located in the most heavily impacted communities identified through the EJSM, these projects should be given a lower score in the RFO. Ms. Cervas further stated that the Office of Environmental Health Hazard Assessment (OEHHA) EJ screening tool, called the California Communities Environmental Health Screening Tool ("CalEnviroScreen"), which is currently being considered by the California Environmental Protection Agency to identify EJ communities, could be a potential tool for the Commission to use.

Ms. Lazerow discussed the strong likelihood that new projects developed to meet need identified in the PD would be located in high impact areas in the LA Basin. Ms. Lazerow further discussed the air quality issues in the LA Basin and that CEJA is particularly concerned about the anticipated operating profile of new gas-fired generation, specifically that plants tend to have higher startup and shutdown emissions than when they operate continuously. Ms. Behles also advised that SCE should give weight to renewable projects located in EJ communities.

On February 1, 2013, from approximately 11:00 to 11:20am, Strela Cervas, the Co-Coordinator of CEJA, and Deborah Behles, Shana Lazerow, and Shanna Foley, attorneys for CEJA, held a meeting at the Commission's offices in San Francisco with Sara Kamins, advisor to Commissioner Ferron.

During the meeting, Ms. Behles discussed the findings of CEJA's experts that there is no need for new resources in SCE's local area. Ms. Behles explained that CAISO's modeling is improbable and goes beyond NERC requirements. Further, Ms. Behles reiterated that to the extent the Commission does find need, procurement should comply with the loading order.

Ms. Cervas then summarized CEJA's work advocating for communities who are most heavily impacted by power plant pollution including neighborhoods in the LA

2

Basin, near existing power plants, that suffer from elevated levels of pollution-related diseases such as asthma. In order to prevent further adverse impacts to these communities, Ms. Cervas recommended that SCE should be required to consider EJ in its RFO process. Ms. Cervas explained that the Commission could rely on existing tools such as the EJSM, and that proposed projects located in the most heavily impacted communities identified through the EJSM should be given a lower score in the RFO. Ms. Cervas also stated that OEHHA's CalEnviroScreen, which is currently being considered by the California Environmental Protection Agency to identify EJ communities, would also be a good tool that the Commission could use.

Ms. Behles also stated that SCE should give weight to projects located in EJ communities, consistent with Section 399.13 of the Public Utilities Code. Finally, Ms. Behles expressed support for the PD's storage procurement requirement. Ms. Behles explained that storage plays a critical role in backing up renewables.

On February 1, 2013, from approximately 11:50 to 12:20am, Strela Cervas, Co-Coordinator of CEJA, and Deborah Behles and Shanna Foley, attorneys for CEJA, held a meeting at the Commission's offices in San Francisco with Damon Franz, advisor to Commissioner Peevey. CEJA provided Mr. Franz with a copy of its Opening and Reply comments on the PD.

During the meeting, Ms. Behles summarized the findings of CEJA's experts that there is no need for new resources in SCE's local area. Ms. Behles also explained that CAISO's analysis in this proceeding is improbable and not legally required. Ms. Cervas then described CEJA's work advocating for communities who are most heavily impacted by power plant pollution, including neighborhoods in the LA Basin, near existing power plants, that suffer from elevated levels of pollution-related diseases such as asthma. To prevent further adverse impacts to these communities, Ms. Cervas recommended that SCE should be required to consider EJ in its RFO. Ms. Cervas explained that the

3

Commission could relying on existing tools such as the EJSM, and explained that if a proposed projects is located in a heavily impacted community identified through the EJSM, it would be given a lower score in the RFO. Ms. Cervas also discussed the OEHHA's CalEnviroScreen, which Ms. Cervas stated would be a good alternative tool for the Commission to use.

Ms. Behles also discussed that in procuring new renewable resources, SCE should give greater weight to projects located in EJ communities, consistent with Section 399.13 of the Public Utilities Code. In addition, Ms. Behles expressed support for the PD's storage procurement requirement. Ms. Behles explained how storage is a critical way to backup renewables. She also recommended an advice letter filing to give the public an opportunity to comment on SCE's procurement plan. Finally, she discussed allowing OTC facilities that have complied with Track II of the OTC policy to bid into any RFOs.

February 5, 2013

Respectfully submitted,

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