

**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)

**COMMENTS OF THE ALLIANCE FOR RETAIL ENERGY MARKETS  
ON PROPOSED DECISION**

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CONSULTANT TO THE  
**ALLIANCE FOR RETAIL ENERGY MARKETS**

February 4, 2013

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In accordance with the Rule 14.3 of the Rules of Practice and Procedure of the California Public Utilities Commission (“CPUC”), the Alliance for Retail Energy Markets<sup>1</sup> submits these comments on the Proposed Decision (“PD”), *Decision Approving July 31, 2012 Petition For Modification of Decision 12-06-025*, issued by Administrative Law Judge David M. Gamson on January 14, 2013.

**I. BACKGROUND**

The PD approves a Petition for Modification (“Petition”) submitted by Pacific Gas and Electric Company (“PG&E”) of Decision (“D.”) 12-06-025 to adjust the CPUC’s Resource Adequacy (“RA”) monthly compliance schedule to conform to the schedule now in use at the California Independent System Operator (“CAISO”). The CAISO’s new monthly compliance schedule was approved by the Federal Energy Regulatory Commission (“FERC”) on November 19, 2012 in Docket Number ER12-2669-000. The CAISO implemented the new compliance schedule in late 2012. The schedule requires load-serving entities (“LSEs”) to submit monthly

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<sup>1</sup> The Alliance for Retail Energy Markets is a California non -profit mutual benefit corporation formed by electric service providers that are active in the California’s direct access market. This filing represents the position of AREM, but not necessarily that of a particular member or any affiliates of its members with respect to the issues addressed herein.

RA showings to the CAISO 45 days before the RA compliance month. However, the RA compliance schedule currently in effect at the CPUC requires LSEs to submit their monthly RA showings to the CPUC 30 days before the RA compliance month. The PD would conform the CPUC's compliance schedule to match the CAISO's.

## II. COMMENTS

AREM does not oppose the PD, but respectfully requests several clarifications. PG&E's Petition only requested modifications to the dates for submission of monthly RA filings, but did not specifically seek any modifications to other elements of the overall RA compliance timeline, including the time frames in which LSEs (i) must submit their load data to the California Energy Commission ("CEC"), (ii) receive in return from the CEC their final validated monthly load forecast data and any adjustments for load migration, and (iii) receive from the Energy Division Staff notification of their applicable RA capacity credits.<sup>2</sup> The PD does appear to modify the monthly submission date for load forecasts to correspond with the new monthly RA filing schedule.<sup>3</sup> However, the PD does not directly address the timeline for receipt of the RA credits from the Energy Division or the monthly load forecast and load migration data from the CEC.

In its 2013 RA Filing Guide, Energy Division anticipated that the CPUC might decide to conform to the CAISO's schedule and noted that the RA credits would be adjusted to accommodate the new schedule:

In the event that the RA compliance due date is moved back to 45 days before the start of the month, the CAM and RMR allocations will likewise move back, to maintain coordination.<sup>4</sup>

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<sup>2</sup> See, for example, *Response of the Alliance for Retail Energy Markets to the Supplement to Pacific Gas and Electric Company's Petition to Modify Decision 12 -06-025*, R.11-10-023, November 30, 2012, pp. 3-4.

<sup>3</sup> See PD, Attachment A.

<sup>4</sup> *2013 Filing Guide for System and Local Resource Adequacy (RA) Compliance Filings*, Section 2, p. 1.

AReM respectfully requests that the PD be modified to direct the Energy Division to make this scheduling change. The later RA credits are received in the monthly compliance process, LSEs will over-procure, thereby creating regulatory inefficiencies with subsequent higher costs for customers.

In addition, if the CEC adjusts load forecasts or load migration numbers, the megawatts of RA that must be procured by LSEs will be affected. AReM assumes that, because the date for submission of load forecasts is modified, the receipt of the validated load forecast or load migration adjustments from the CEC will also be modified accordingly. AReM requests that the PD be modified to clarify this point.

Finally, the PD notes that LSEs may file changes to their load forecasts, at the discretion of the CEC staff, up to 25 days before the compliance due date.<sup>5</sup> AReM presumes that this option for LSEs to adjust their load forecasts after the deadline for submission will continue under the new compliance schedule. AReM therefore requests that this option be reiterated in the PD and included in the New Adopted 2013 RA Calendar provided in Attachment A.

### **III. CONCLUSION**

AReM does not oppose the PD, but requests that it be modified as described above to ensure that all elements of the RA compliance process timeline are adjusted in tandem with the revised compliance deadline.

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<sup>5</sup> PD, p. 4.

Respectfully submitted,

A handwritten signature in black ink that reads "Sue Mara". The signature is fluid and cursive, with the first letters of "Sue" and "Mara" being capitalized and prominent.

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