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. R. 12-03-014 (Filed March 22, 2012)

NOTICE OF EX PARTE COMMUNICATION BY SIERRA CLUB CALIFORNIA

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February 5, 2013

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Pursuant to Article 8 of the California Public Utilities Commission (Commission) Rules of Practice and Procedure, Sierra Club California ("Sierra Club") hereby gives notice of the following oral ex parte communication with Sepideh Khosrowjah, chief of staff and advisor to Commissioner Michel Florio. This ex parte meeting was requested by an attorney representing Sierra Club to discuss the Local Capacity Requirements Proposed Decision ("PD") in the abovecaptioned proceeding.

On January 31, 2013, from approximately 10:00 am to 10:25 am, William Rostov, Staff Attorney and Adenike Adeyeye, Research and Policy Associate from Earthjustice representing Sierra Club held a meeting at the Commission's offices in San Francisco with Sepideh Khosrowjah, chief of staff and advisor to Commissioner Michel Florio. No written materials were used.

Mr. Rostov reiterated Sierra Club's support for 50 MW procurement requirement for energy storage, and the PD's general interpretation of the loading order. However, Mr. Rostov recommended that the Commission eliminate the minimum 1,000 MW gas-only procurement requirement, because it is inconsistent with the loading order; he explained that preferred resources should have the opportunity to meet the LCR need. On the other hand, Mr. Rostov affirmed Sierra Club's support for the 1,500 MW procurement maximum. Sierra Club urged that the PD continue to use Environmentally Sensitive scenario and not base its analysis on the Trajectory scenario as advocated by SCE and CAISO. Mr. Rostov also requested the maximum procurement limit be reduced by 500 MW to account for demand response which was not included in the CAISO modeling. Mr. Rostov urged the Commission to eliminate the PD's requirement for new procurement in the Big Creek/Ventura area, because the need is not there and the decision could be put off to the 2014 LTPP without putting future procurement at risk.

Respectfully submitted,

Dated: February 5, 2013

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