

**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
--	--------------

**COMMENTS OF NOBLE AMERICAS ENERGY SOLUTIONS LLC**

Greg Bass  
Noble Americas Energy Solutions LLC  
401 West "A" Street, Suite 500  
San Diego, CA 92101  
(619) 684-8199  
[gbass@noblesolutions.com](mailto:gbass@noblesolutions.com)

Thomas Corr  
Law Office of Thomas Corr  
618 W. Lewis Street  
San Diego, CA 92013  
(619) 540-5694  
[thomaspcorr@gmail.com](mailto:thomaspcorr@gmail.com)  
Attorney for  
Noble Americas  
Energy Solutions LLC

June 17, 2013

**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
--	--------------

**COMMENTS OF NOBLE AMERICAS ENERGY SOLUTIONS LLC**

In conformance with Rule 14.3 of the Commission’s Rules of Practice and Procedure, Noble Americas Energy Solutions LLC (“Noble Solutions”) hereby submits its Comments on the *Proposed Decision of ALJ Gamson*, (“PD”), issued May 28, 2013.

Ordering Paragraph (“OP”) 6 in the PD requires each Load Serving Entity (“LSE”) to make

a year ahead and month-ahead showing of flexible capacity for each month of the compliance year. Each LSE shall report all its qualified flexible resources in its required annual and monthly Resource Adequacy filings.<sup>1</sup>

There are two ambiguities in this OP that should be clarified in the final

<sup>1</sup> The language in this OP is virtually identical to the language found at 40 P.S.C. 4004 of modifications proposed herein are to the Appendix A language should be included well.

Decision and Order.

Under current practice,<sup>2</sup> LSEs make a year-ahead showing for System RA resources equal to 90% of forecasted load (plus reserves) for the summer months of May through September. Read literally, OP6 appears to require a 2014 year-ahead showing of flexible capacity for “each month” of the forecast year. Noble Solutions is unclear if this is what was intended. Noble Solutions understands flexible capacity resources to be a subset of system resources, to be reported for informational purposes only in 2014. Thus, the 2014 year-ahead showing for flexible capacity resources should follow the same requirements as for the 2013 year-ahead showing for local and system resources: a 12-month showing of local capacity procurement, and a summer-months showing of system capacity procurement. For 2014, the only change would be to identify the flexible capacity available from the units presented in the showings. The PD should be amended to clarify this point.

Another ambiguity arises in the second sentence of OP 6. It is possible, perhaps even likely, that an LSE may procure RA resources— system or local—that qualify as flexible capacity resources in whole or in

<sup>2</sup> The major elements of the Resource Adequacy program were established by D. 05-10-043, D. 06-06-064 and D. 10-12-038. The Energy Division publishes an RA Filing Guide with detailed instructions for complying with the RA requirements. See [http://www.cpuc.ca.gov/PUC/energy/Procurement/RA/ra\\_compliance\\_materials.htm](http://www.cpuc.ca.gov/PUC/energy/Procurement/RA/ra_compliance_materials.htm).

part. The charge that an LSE must “report all its qualified flexible resources” may be overbroad and unintended. Each LSE will have a 2014 flexible capacity resource allocation that will be some fraction of its overall RA obligation. Noble Solutions questions whether there is a purpose to be served in requiring an LSE to report more than its assigned flexible capacity obligation for 2014 and beyond.

The overbroad requirement to report “all qualified flexible capacity” is particularly problematic in light of this language in Appendix A to the PD:

...LSEs are required to show all eligible flexible resources in their RA filings. The Energy Division reserves the right to refer a RA violation to CPSD if an LSE fails to comply with the requirement. [PD, Appendix A, pp. 4-5]

Noble Solutions does not believe that OP 6 was designed to create hidden compliance liabilities for LSEs, especially since the intent of the flexible capacity reporting is to be informational for 2014.

The language of OP 6 contains ambiguities that should be eliminated.

Noble Solutions proposes that OP 6 be modified to read as follows:

**6. For 2014, each CPUC jurisdictional Load Serving Entity (LSE) shall report its qualified flexible resources procurement target in its required annual and monthly Resource Adequacy filings.**

This modest change to the language of OP 6 will resolve the ambiguities

present in the current formulation of that Ordering Paragraph.

DATED: June 17, 2013

Respectfully submitted,

/s/

Thomas Corr  
Law Office of Thomas Corr  
618 W. Lewis Street  
San Diego, CA 92013  
(619) 540-5694  
[thomaspcorr@gmail.com](mailto:thomaspcorr@gmail.com)

Attorney for  
Noble Americas Energy Solutions LLC