### 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)

# MOTION OF THE CALIFORNIA WIND ENERGY ASSOCIATION, THE LARGE SCALE SOLAR ASSOCIATION AND THE SOLAR ENERGY INDUSTRIES ASSOCIATION TO EXPAND THE SCOPE OF TRACK 4

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June 14, 2013

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### I. INTRODUCTION

Pursuant to Rule 11.1 of the Rules of Practice and Procedure ("Rule") of the California Public Utilities Commission ("Commission"), the California Wind Energy Association ("CalWEA"), the Large-scale Solar Association ("LSA"), and the Solar Energy Industries Association ("SEIA") (collectively, the "Joint Renewables Parties") hereby moves the Commission to modify the scope of Track 4 of this proceeding to enable consideration of a more comprehensive approach to the retirement of the San Onofre Nuclear Generating Station (SONGS).<sup>1</sup>

#### II. DISCUSSION

The Commission issued a Revised Scoping Ruling in this proceeding on May 21, 2013 which (among other things) added a Track 4 to the scope of this proceeding for the purpose of considering the local reliability impacts of a potential (now certain) long-term outage at SONGS. As noted by the Commission, the California Independent System Operator ("CAISO") is developing a study to assess both the interim (2018) and long-term (2022) local reliability needs

<sup>&</sup>lt;sup>1</sup> Concurrently with the filing of this motion, CalWEA and SEIA are each simultaneously filing a Motion For Party Status in accordance with Rule 11.1(b). LSA is already a party to this proceeding.

in the Los Angeles Basin local area and San Diego sub-area resulting from an extended SONGS outage.<sup>2</sup> The Track 4 inquiry was put in place by the Commission to help inform the magnitude of local capacity requirements with and without SONGS.<sup>3</sup>

On June 12, 2013, the Independent Energy Producers Association ("IEP") submitted its own motion to modify the scope and schedule of Track 4 of this proceeding. The Joint Renewable Parties supports IEP's motion and agrees that, given Southern California Edison's announced retirement of SONGS, the Commission should (1) accelerate the schedule for Track 4 as much as reasonably possible, and (2) modify the scope of Track 4 to include identification of the precise resource needs resulting from the retirement of the facility and authorization to procure the needed resources.

IEP's request, however, does not include any analysis of the impacts of SONGS' closure on the state's greenhouse-gas-reduction goals, and how the Commission's "Loading Order" policy can be best combined with the need for local reliability resources. Therefore, the Joint Renewable Parties submits this motion requesting that the Commission further expand and modify the scope for Track 4 to include consideration of the impact on the state's greenhouse-gas-reduction goals of the loss of a facility which has served some 20 percent of Southern California Edison's electricity load without emitting greenhouse gases or other emissions. Such consideration would occur in parallel with the Air Resources Board's ("ARB") planned 2013 AB 32 Scoping Plan update, which will "define ARB's climate change priorities for the next five years and lay the groundwork to reach post-2020 goals set forth in Executive Orders S-3-05 and B-16-2012."

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<sup>&</sup>lt;sup>2</sup> See May 21, 2013, Revised Scoping Ruling in this docket, at 4.

<sup>&</sup>lt;sup>3</sup> See id.

<sup>&</sup>lt;sup>4</sup> See http://www.arb.ca.gov/cc/scopingplan/scopingplan.htm.

As IEP points out, when the Track 4 analyses have been completed and evaluated, the Commission will know what the post-SONGS resource needs are in terms of size, timing, operational characteristics (*i.e.*, flexibility), and location. The Joint Renewable Parties agrees with IEP that a vigorous competition to provide the needed products among all types of resources, demand and supply, will help ensure that local-reliability needs are fulfilled in the most cost-effective way. Such a competition could accomplish Loading Order goals. However, that competition also needs to take place within the context of achieving defined goals relating to local air quality and statewide greenhouse-gas emissions. Considering at once how these goals – local reliability and minimization of emissions – can be achieved will produce further efficiencies and optimize procurement, which will lower total costs to consumers.

Moreover, while the need for system-wide flexible resources will not be finalized until at least mid-2014, according to the schedule under a pending CPUC Proposed Decision in the Resource Adequacy docket (R. 11-10-023), Track 4 of this proceeding can consider whether any non-preferred gas-fired resources that are acquired to address local reliability should also bring flexible attributes. This will further optimize procurement by reducing the future need for flexible resources.

#### III. CONCLUSION

For the foregoing reasons, the Joint Renewable Parties supports the motion of IEP to accelerate and modify the scope of Track 4, and requests the further modification of the scope of Track 4 to include, as part of analyzing the impacts of SONGS's closure, consideration of the

impacts on local emissions, on Loading Order goals, and on statewide greenhouse-gas reduction targets.

Dated: June 14, 2013 Respectfully submitted,

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