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)

CITY OF REDONDO BEACH OPPOSITION TO SOUTHERN CALIFORNIA EDISON COMPANY'S MOTION TO STRIKE PORTIONS OF THE TESTIMONY SUBMITTED BY JALEH FIROOZ ON BEHALF OF THE CITY OF REDONDO BEACH

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Attorneys for CITY OF REDONDO BEACH

Dated: September 23, 2013

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I. INTRODUCTION

In the Motion of Southern California Edison Company (U 338-E) to Strike Portions of the Testimony Submitted by Jaleh Firooz on Behalf of the City of Redondo Beach ("Motion to Strike"), Southern California Edison Company ("SCE") seeks to strike portions of the testimony prepared by Ms. Firooz on behalf of the City of Redondo Beach ("Redondo Beach Opening Testimony") on relevance grounds. As explained below, SCE's Motion to Strike is not in keeping with the California Evidence Code or with the California Public Utilities Commission ("Commission") and Administrative Law Judge David M. Gamson's ("ALJ Gamson") framing of issues relevant to Track 4 of this proceeding.

II. ARGUMENT

SCE rightly acknowledges that evidence is relevant if it has "any tendency in reason to prove or disprove any disputed fact that is of consequence to the determination of the action." (Motion to Strike, p. 2 *citing* Evid. Code § 210.) However, evidence is relevant not only when it tends to prove or disprove the precise fact in issue, but also when it tends to establish a fact from

which the existence or nonexistence of the fact in issue can be directly inferred. (*People v. Lint* (1960) 182 Cal.App.2d 402, 415; *Firlotte v. Jessee* (1946) 76 Cal.App.2d 207, 210.) The fact that evidence is upon a collateral issue is not conclusive against its relevancy. (*Firlotte v. Jessee*, *supra*,76 Cal.App.2d at 210.)

Here, The Revised Scoping Ruling and Memo of the Assigned Commissioner and Administrative Law Judge ("Revised Scoping Ruling") provides, in relevant part, "Track 4 will consider the local reliability impacts of a potential long-term outage at the San Onofre Nuclear Power Station (SONGS) generators...." (Revised Scoping Ruling, page 4.) "The Track 4 inquiry can help inform the magnitude of local capacity requirements with and without SONGS." (*Id.*) "There may also be some interaction between any needs identified in the incipient Track 4 of this proceeding and any residual operation flexibility needs identified in Track 2 of this proceeding." (*Id.*)

SCE contends that portions of the City of Redondo Beach Testimony concerning the potential removal of the Redondo Beach substation facilities and the 230 kV lines connecting the Redondo Beach plant to the remainder of the CAISO grid are not within the scope of Track 4. SCE's narrow view of Track 4 does not appear to be shared by the Commission and ALJ Gamson.

In addition to the discussion of Track 4 issues in the Revised Scoping Ruling, at a Prehearing Conference held September 4, 2013, ALJ Gamson listed several issues he would like addressed in the parties' Track 4 testimony. The issues to be addressed include:

- 1. a. How much of the 1400-1800 megawatt authorized procurement for the Los Angeles area from Track 1 should be assumed in Track 4?
 - b. Does it matter which resources are procured or what the mix of resources would be?
- 2. There was a proposed decision issued September 3, 2013 in the energy storage proceeding. Should anything in that proceeding be considered with regard to Track 4 procurement?

- 3. Are there any updates to assumptions which should be considered, other than those already discussed, *i.e.*, the California Independent System Operator's Transmission Planning Process and the California Energy Commission's Demand Forecast?
- 4. What is the appropriate timeline for new resource procurement which may be authorized in Track 4? In other words, do some resources have to come online earlier than others? This may also be a locational question.
- 5. Should there be any contingency plans in case expected levels of certain resources do not materialize in a timely manner?
- 6. Should the Commission consider methods to address potential market power in the SONGS area for gas-fired resources? If so, what?
- 7. For those recommending preferred resources or energy storage to fill any need, please indicate how the attributes of such resources will meet local capacity requirements.

The effect, if any, of the potential removal of the Redondo Beach substation and 230 kV transmission connecting the plant to the remainder of the CAISO grid on Local Capacity Requirements in the Western Los Angeles Basin sub-area, must be considered in addressing several issues raised by ALJ Gamson at the September 4th Preconference Hearing and the larger issues set forth in the Revised Scoping Memo. For example, the City of Redondo Beach asserts that the removal of (i) all generation at the existing Redondo Beach generating station, (ii) the Redondo Beach substation, and (iii) the 230 kV transmission lines connecting the plant to the remainder of the CAISO grid, coupled with the addition of preferred and conventional resources at other locations, is relevant to ALJ Gamson's question of whether it "matter[s] which resources are procured or what the mix of resources would be." Ms. Firooz's testimony indicates that the removal of the Redondo Beach substation and the removal of the 230 kV transmission lines connecting the plant to the remainder of the Redondo Beach substation and the removal of the 230 kV transmission lines connecting indicates that the removal of the Redondo Beach substation and the removal of the 230 kV transmission lines connecting the plant to the remainder of the CAISO grid, will not result in adverse reliability impacts and therefore will not increase Local Capacity Requirements within the Western LA Basin sub-area.

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III. CONCLUSION

For the foregoing reasons, the City of Redondo Beach respectfully requests that the

Commission deny SCE's motion to strike portions of the Ms. Firooz testimony on behalf of the

City of Redondo Beach.

Dated: September 23, 2013 Respectfully Submitted,

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