

**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)

**COMMENTS OF PACIFIC GAS AND ELECTRIC COMPANY (U 39 E) ON  
PROPOSED SCHEDULE CHANGES**

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Pursuant to the schedule established by the assigned Administrative Law Judge (ALJ) at the September 4, 2013, pre-hearing conference, Pacific Gas and Electric Company (PG&E) provides these comments on the potential schedule modifications that have been proposed for Tracks 2 and 4 of the 2012 Long-Term Procurement Plan (LTPP) proceeding.

PG&E supports the schedule modifications proposed by the ALJ during the pre-hearing conference. (Tr. pp. 292 and following.) Under the ALJ's proposal, Track 2 and Track 4 remain on their current schedules. (Tr. p. 294 (Track 2); Tr. pp. 292-93 (Track 4).) The ALJ's proposal contemplates a potential second decision on Track 4, either in the 2012 LTPP or in a future proceeding, based on the information provided to the California Public Utilities Commission (Commission) regarding the outcome of the California Independent System Operator's (CAISO) transmission planning process (TPP). (Tr. p. 293-94.)

As proposed by the ALJ, Track 4 should move forward on its current schedule. At the pre-hearing conference both Southern California Edison Company (SCE) and San Diego Gas & Electric Company (SDG&E) urged the Commission to move forward with Track 4 on the current schedule.

SCE's attorney stated, for example, that:

We're very concerned about keeping the lights on in Southern California. And for that reason, we would like to go forward with our 500-megawatt need request now so that we can get authorization to consolidate it with the Track 1 procurement. (Tr. pp. 288-89.)

SDG&E's attorney supported SCE's concerns, stating:

We do have a request similar to Edison's proposal to move forward with a sort of interim procurement authorization of 500 megawatts, given the timelines that are involved and the need which we deem to be critical. (Tr. p. 289.)

As PG&E indicated at the pre-hearing conference, PG&E shares SCE's and SDG&E's sense of urgency. (Tr. p. 289.) San Onofre Nuclear Generating Station (SONGS) is retired, and significant once-through cooling (OTC) retirements are scheduled in SDG&E's service territory in 2017 and in SCE's service territory in 2020. Time is of the essence. Track 4 should not be delayed.

That said, however, PG&E also supports the Track 4 follow-up proposed by the ALJ. In the follow-up, the SCE and SDG&E Track 4 procurement authorizations developed under the current, unmodified schedule would be re-evaluated later in 2014 in light of the results of the CAISO's TPP. If appropriate, those authorizations would be adjusted in light of the TPP results.

As the Sierra Club attorney suggested at the pre-hearing conference (Tr. pp. 306-08), the Commission should take the results of the TPP into account. Where PG&E parts ways with the Sierra Club is with respect to timing of that consideration. The Sierra Club suggests that no actions be taken in Track 4 for several months. Given the urgency in light of the SONGS retirement and scheduled OTC retirements in southern California, the better approach is the approach proposed by the ALJ, and supported by SCE and SDG&E in their respective Track 4 testimony.

Turning to Track 2, PG&E agrees with what appeared to be the consensus view at the pre-hearing conference that Track 2 should follow Track 4. As discussed above, PG&E supports

