

**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'S COMMENT ON TRACK 4 SCHEDULING ISSUES

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Dated: September 10, 2013

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I. INTRODUCTION

At a Prehearing Conference held September 4, 2013 (the Prehearing Conference), Administrative Law Judge David M. Gamson (ALJ Gamson), presiding, invited the parties to submit written comments concerning scheduling issues in Track 4 of this proceeding. The City of Redondo Beach (the City) submits this comment in response to ALJ Gamson's invitation.

II. DISCUSSION

A. The City Generally Supports CAISO's Proposed Holistic Approach to the Track 4 Schedule

The City generally supports the California Independent System Operator's (CAISO) proposal for a "holistic" decision in Track 4, which would consider the results of CAISO's 2013-2014 Transmission Plan. To the extent possible, it makes sense to reach conclusions on the various transmission alternatives under consideration that may affect Local Capacity Requirements (LCRs) in the respective LCR areas. As noted at the Prehearing Conference, CAISO's demonstrated sensitivity to reliability issues and the emphasis it has placed, up to this point, on moving this proceeding forward weigh heavily in favor of following CASIO's

recommendation for a holistic approach to the decision in Track 4.

Indeed, given the substantial resources involved in the various transmission proposals—in the multiple billions of dollars—the Track 4 decision should consider the economic tradeoffs between (i) reducing LCRs through new transmission and (ii) equivalent amounts of dependable capacity that can be provided by preferred resources. Thus, the California Public Utilities Commission (Commission) may wish to consider CAISO’s 2014-2015 Transmission Plan before finalizing its decision in Track 4.

B. The City Opposes Any Interim Increase to the Procurement Authorizations Granted in Track 1

It is the City’s position that, until CAISO’s 2014-2015 Transmission Plan and related testimony are available, the Commission should refrain from making any decision, interim or otherwise, on San Diego Gas and Electric’s (SDG&E) and Southern California Edison’s (Edison) requests for additional procurement authorization in Track 1. Such an expansion of the carefully considered procurement authorizations, even if interim, has broad-reaching effects and should be given due consideration, including the Track 4 LCR results. The procurement authorization decision should examine CAISO’s 2014-2015 transmission study results or, at a minimum, the 2013-2014 results because, as Senior Counsel for CAISO noted in her email of September 5, 2013 setting forth “ISO proposals regarding Track 2 and Track 4 in the LTPP,” there is a “very distinct possibility that transmission alternatives could change the need for local resources in the study.”

C. The City Supports CAISO’s Proposal for the Track 2 Schedule

The City supports CAISO’s proposal to schedule Track 2, the System Needs Track, such that any Track 4 decisions can inform CAISO’s flexibility studies in Track 2. It seems logical to determine the amount of dependable capacity needed within the respective LCR areas before deciding how much, if any, of such dependable capacity must be dispatchable.

III. CONCLUSION

For the reasons set forth above, the City respectfully recommends that the Commission:

- (1) defer its final decision in Track 4 until 2015 or, at a minimum, adopt CAISO's proposed holistic approach that would consider the results of CAISO's 2013-2014 Transmission Plan;
- (2) refrain from making a decision on SDG&E's and Edison's requests for additional procurement authorization until after a final decision is reached in Track 4; and
- (3) continue the Track 2 schedule such that the flexibility needs studies in Track 2 can incorporate any Track 4 decision.

Dated: September 10, 2013

Respectfully Submitted,

 /s/
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