

**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

**CITY OF REDONDO BEACH'S OPPOSITION TO MOTION OF SOUTHERN
CALIFORNIA EDISON COMPANY TO STRIKE PORTIONS OF THE OPENING
BRIEF OF CITY OF REDONDO BEACH ON TRACK 4**

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I. INTRODUCTION

Southern California Edison's ("SCE") motion to strike ("Motion to Strike") portions of the opening brief ("Opening Brief") filed by the City of Redondo Beach ("City") lacks merit and should be denied in its entirety.¹ As addressed in detail below, each of the specific portions of the City's Opening Brief referenced in the Motion to Strike are supported in the administrative record. Additionally, a number of the specific portions are policy arguments and assertions that are both supported in the record and not properly subject to the purported basis of SCE's Motion to Strike. For these reasons alone, the Motion to Strike should be denied.

Furthermore, regarding the statements in relation to the study-work performed by the City, SCE addressed the study-work in its rebuttal testimony and offered pointed criticism of it. The City has a due process right to address these arguments. Simply put, it would be inequitable to allow SCE to substantively argue that the City's study work is invalid by addressing the content of the study work, and then turn around and use a Motion to Strike to prevent the City from having any ability to address those arguments. In fact, due process forbids such a result.

Finally, the references to the study-work that are the subject of the Motion to Strike only confirm the original study-work submitted by the City. Thus, the City's proposal is still well-supported by facts in evidence, regardless of the Motion to Strike, as indicated in the City's

¹ The City submits this opposition brief pursuant to Public Utilities Commission Rules of Practice and Procedure, Rule 11.1.

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opening testimony. Because, however, what SCE's motion seeks to strike from the Opening Brief is supported by the record, the Motion to Strike is without merit.

The issues raised by the City in its Opening Brief should be addressed on their merits. The City's proposal is reasonable, is supported by the facts in the administrative record, and does the best job of any of the Track 4 proposals of striking the necessary balance between preserving grid reliability and the various legal and policy requirements the California Public Utilities Commission ("Commission") must consider in making its long term procurement plan ("LTTP") Track 4 determination. For these reasons and other reasons stated herein, the Motion to Strike should be denied in its entirety.

II. THE PORTIONS OF THE CITY'S OPENING BRIEF REFERENCED IN THE MOTION TO STRIKE ARE WELL-SUPPORTED BY THE EVIDENTIARY RECORD

The portions of the City's opening brief that are the subject of the Motion to Strike are well-supported in the administrative record in these proceedings. Because the Motion to Strike is predicated on the argument that such portions of the Opening Brief are not supported in the administrative record, the entire Motion to Strike lacks merit and should be denied.

The first claim in the Motion to Strike is that there is no support in the record for the City's use of a load forecast:²

"For example, on pages 9-12, the City describes 'the components of the City's power flow analysis.' For the first time in this proceeding, the City claims that the City used a load forecast 'about 2.5% higher than the CEC forecast to assure that the required 2.5% reactive margin under the N-1-1 contingency condition is available.' (The City's Opening Brief, p. 9). Nothing on the record shows that the City increased their load by 2.5%."

SCE's is incorrect. The City did not need to show it increased its load because the load it used was the same as CAISO'd case, which was already set 2.5% above the CEC forecast. The

² See Motion to Strike, p. 2 (quoting Opening Brief, p. 9).

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City's prior amended testimony and study not subject to SCE's prior motion to strike³ utilized the same 2.5-percent-higher starting point power flow cases utilized by CAISO. The City has repeatedly pointed to the conservative assumptions used by CAISO including the use of 2.5% higher than the load CEC's one-year-in-ten peak load forecast in order to comply with applicable reliability standards concerning voltage performance⁴ in prior testimony in the administrative record.⁵ The City's testimony and attached reports that are included in the administrative record clearly state that the City's analysis uses the same conservative assumptions as CAISO, including the 2.5% higher load forecast.⁶

Next, the Motion to Strike states, ". . . in describing the location of preferred resources, the City claimed that they applied additional CHP proportionally to load at six substations. (*Id.*, at p. 10). This description is not found anywhere on the record."⁷ This statement is also incorrect. The City's amended opening testimony and the attached report—which is part of the record—describes how the City modeled distributed resources such as distributed generation ("DG"), combined heat and power (CHP), and load reductions such as energy efficiency ("EE") and demand response ("DR").⁸

³ The citations herein are to the Amended Opening Testimony of Jaleh Firooz Submitted on Behalf of the City of Redondo Beach, which were amended following the ALJ's order granting SCE's motion to strike of October 22, 2013.

⁴ *See, e.g.*, Track 4 Rebuttal Testimony of Robert Sparks on Behalf of CAISO, pp. 3-4, 11.

⁵ *See* Amended Opening Testimony of Jaleh Firooz Submitted on Behalf of the City of Redondo Beach, pp. 9-10 ("Two separate 2022 power flow cases were obtained from the CAISO secure website to perform the power flow analysis used for the instant study. For my LCR analysis I used the 2022 'starting point' power flow case developed by the CAISO for its 2012-2013 plan. (2022 CI nosongs starting 2pt5).") Thus, even the name of the power flow case indicates the use of the 2.5 % higher load level: "2022 CI nosongs starting 2pt5."

⁶ *See* Amended Opening Testimony of Jaleh Firooz on Behalf of the City of Redondo Beach, attached study report, p. 15 ("As was mentioned, it is not the purpose of this paper to take issue with the conditions that the CAISO assumes for purposes of establishing LCRs. However, it needs to be understood that the combination of numerous conservative assumptions produces an overly-conservative result; the margin of reliability resulting from the CAISO's analysis is larger than may be apparent at first glance. Nevertheless, except for energy efficiency, demand response, non-CHP distributed generation and CHP, this paper has accepted all the CAISO's load, contingency, and generating resource assumptions.")

⁷ *See* Motion to Strike, p. 2.

⁸ *See* Amended Opening Testimony of Jaleh Firooz on Behalf of the City of Redondo Beach, attached study report, p. 7 ("The power flow analysis shows that the specific locations of load reduction and distributed generation within the Western LA Basin sub-area are important in determining how effective these options are in satisfying the Western LA Basin sub-area LCRs. For purposes of this analysis, the

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Following this, the Motion to Strike seeks to strike the City's statement in the Opening Brief that "[t]he City's solution also meets the area need as determined by the CAISO's stringent load forecast and reliability requirements."⁹ The City's statement is supported in the administrative record. As stated above, the City has mentioned numerous times in its testimony that it has used CAISO's stringent load forecast and reliability requirements (2.5% above the CEC load forecast and N-1-1 without the use of load drop).¹⁰

SCE next argues that the City's statement that "[t]he City's proposal is the only proposed solution that addresses both issues" should be stricken from the Opening Brief. The City's statement is merely an argument; such an opinion-based assertion is not properly subject to SCE's Motion to Strike. Furthermore, the City's testimony demonstrates that the City's proposed solution meets the LCRs for the Western LA Basin LCR sub-area, the SONGS LCR study area, and San Diego LCR area (although the City's solution for the San Diego LCR area is not optimized. Note that the "SONGS area" is the San Diego area plus the LA area).¹¹

Importantly, it is not sufficient to just meet the requirements of the larger "SONGS area." The LCRs for the separate San Diego LCR area and the Western LA basin LCR sub-area must also be met. Unlike any of the other parties, who studied the SONGS area and San Diego LCR area (*i.e.*, the same N-1-1 contingency sets both the SONGS and San Diego area LCRs, but a different N-1-1 sets the LA LCR), the City simply studied both contingencies, meaning the Opening Brief's statements are both accurate and supported in the record.

The Motion to Strike then seeks to strike the Opening Brief's statement that "[t]he City used the same load forecast used by CAISO in its March 20, 2013 CAISO Board-approved 2012 -2013 transmission plan. This load forecast is about 2.5% higher than the CEC forecast to assure

load reductions and distributed generation additions were distributed across the Western LA Basin sub-area, generally in proportion to load levels at each load bus. ") See also, *Id.*, p. 19 ("The iterative power flow analysis showed that distributing load reductions (EE and DR) and resources (DG and CHP) across the Western LA Basin sub-area in proportion to load at the various load buses...")

⁹ See Motion to Strike, p. 2.

¹⁰ See Opening Testimony of Jaleh Firooz on Behalf of the City of Redondo Beach, p. 5 and attached study report, p. 6.

¹¹ See Amended Opening Testimony of Jaleh Firooz on Behalf of the City of Redondo Beach, p. 13.

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that the required 2.5% reactive margin under the N-1-1 contingency condition is available.”¹² As stated above, again, these facts are plainly supported in the record in items submitted both by the City and by CAISO.

Following this, the Motion to Strike seeks to strike the Opening Brief's statement that “[t]he case, with the above described generation additions, was examined under the various scenarios and contingencies described below to assure system reliability is maintained under the most severe N-1-1 contingency condition.”¹³ Again, the various scenarios and contingencies referenced in the Opening Brief are mentioned throughout the City's opening testimony, which describe the iterative process, the scenarios evaluated, and the contingency categories studied.¹⁴

The Motion to Strike then seeks to strike the words “[a]dditional CHP was applied proportionately to load at substations shown below: LITEHIPE, ELLIS, LCIENEGA, EL NIDO, LA FRESA, HINSON.”¹⁵ The City did, however, describe in the record how the CHP was modeled.¹⁶ The list of substations was provided in response to SCE's complaint in their rebuttal testimony that the location of the preferred resources modeled by the City is not known. In fact, the specific locations of the preferred resources were previously provided to SCE, in the form of the City's power flow case, in response to an SCE data request.¹⁷ Accordingly, the assertion that the above statement is not supported in the record is completely without merit.

The Motion to Strike then seeks to strike the statement “[s]everal dozen power flow runs...” though “the conclusion can also be reached logically” on page 11 of the Opening Brief.¹⁸ Yet again, the Motion to Strike seeks to strike materials that the City referenced and supported in its opening testimony and in the report attached to that opening testimony.¹⁹ The “depth of the study” that the City performed is apparent from the City's testimony and attached

¹² See Motion to Strike, p. 2 (quoting Opening Brief, p. 9).

¹³ See Motion to Strike, pp. 2-3 (quoting Opening Brief, p. 10).

¹⁴ See Amended Opening Testimony of Jaleh Firooz on Behalf of the City of Redondo Beach, p. 11.

¹⁵ See Motion to Strike, p. 3 (quoting Opening Brief, p. 10).

¹⁶ See Amended Opening Testimony of Jaleh Firooz on Behalf of the City of Redondo Beach, attached study report, pp. 7 and 19.

¹⁷ See City of Redondo Beach Response to Fourth Set of Data Requests From Southern California Edison.

¹⁸ See Motion to Strike, p. 3 (quoting Opening Brief, p. 11).

¹⁹ See Amended Opening Testimony of Jaleh Firooz on Behalf of the City of Redondo Beach, pp. 10-11 and attached study report, p. 19.

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reports. Furthermore, the City's description of the contingencies it evaluated is substantively no different than the descriptions provided by the other parties in this proceeding, including CAISO, SCE and SDG&E. Indeed, no party has described the details of their respective power flow analysis, including the specifics as to how each party identified the worst-case contingency that establishes LCR. For example, no party has enumerated in its testimony the exact number of contingencies evaluated, the name of each contingency evaluated, or the specific generation dispatch assumptions used in the power flow analysis. Thus, rather than address the City's proposal on its merits, SCE attempts to strike statements in the City's Opening Brief based on the failure to provide information SCE itself did not provide for its own study. SCE should not be heard to complain about the City not doing things it was also unwilling to do.

Following this, the Motion to Strike seeks to strike the City's statement that "CAISO's 2012-2013 transmission plan results confirm the validity of the City's analysis."²⁰ Again, this is an observation that should be subject to SCE's Motion to Strike because the City's analysis is based on its initial study, which is in the record. Nevertheless, the City had previously stated repeatedly that it used CAISO's 2012-2013 no-SONGS starting-point power flow case and CAISO's LCR numbers and recommendations (generation addition in the San Diego and LA areas).²¹ The locations of generation additions assumed by CAISO in its LCR studies are similar to the City's proposed locations. Thus, the City's assumptions are well-supported in the record, and no basis exists to strike them. Similarly, the Motion to Strike then seeks to strike the following statement from the Opening Brief: "[a]lthough the City's report focused on how to best meet the need in LA..."²² This is again an assertion that simply describes the City's initial study. It is therefore supported in the record, rendering the Motion to Strike invalid as to it.

The Motion to Strike then attacks the Opening Brief for stating, "[t]o the contrary, there are numerous wind, solar, hydro and biogas resources in the San Diego area that count towards the San Diego area LCR." This is a simple fact that is general information available the public,

²⁰ See Motion to Strike, p. 3 (quoting Opening Brief, p. 12).

²¹ See Amended Opening Testimony of Jaleh Firooz on Behalf of the City of Redondo Beach, pp. 10-11 and 13.

²² See Motion to Strike, p. 3 (quoting Opening Brief, p. 13).

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is not the subject of any real factual dispute, and was put forth to directly address an incorrect factual statement.²³

The Motion to Strike then seeks to strike the following statement from the Opening Brief:

“As demonstrated above, however, the City’s study included several dozens of different power flow analyses, involving different resource assumptions, different contingencies, and even different transmission configurations. The City examined many more contingencies besides the worst-case contingencies identified by the SCE, CAISO and SDG&E. The City found the same contingencies identified by SCE, CAISO and SDG&E to be the most limiting contingency event for purposes of establishing local capacity needs.”²⁴

Once the City had determined the worst contingency and the associated LCR, it then concentrated on finding the best solution. Had the City found a worst-case contingency different than the one SCE and CAISO found, the City would have taken the time to describe how it reached a different conclusion. But, since the City’s conclusion is supported by the CAISO and other utilities, the City concentrated its testimony on describing the resource mix and location that meets the requirements determined for the worst-case contingency rather than the number of different contingencies it ran to reach its conclusion.

As stated above, the City’s opening testimony and the attached report address the iterative power flow analysis performed.²⁵ The same documents also state the fact that many different contingencies were studied, specifically, NERC Category A (all lines in-service), Category B (one line out) and Category C (two lines out) conditions in the La Fresa substation

²³ See, e.g., pp. 21-22 of CAISO’s August 20, 2012 “2013 Local Capacity Technical Analysis, Addendum to the Final Report and Study Results, Absence of San Onofre Nuclear Generating Station (SONGS),” where the Kumeyaay wind generator and other renewable resources are listed as providing Net Qualifying Capacity (NQC) in the San Diego LCR area.

²⁴ See Motion to Strike, p. 3 (quoting Opening Brief, p. 16).

²⁵ See Amended Opening Testimony of Jaleh Firooz on Behalf of the City of Redondo Beach, pp.10-11, attached study report, p. 19.

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area were tested, and no overload was observed for the any of the outages studied.²⁶ As stated above, the “depth of study” the City performed is self-evident from the City’s study, and SCE should not be heard to complain about information SCE did not provide in its testimony regarding its own studies. Moreover, to say the above statement in the Opening Brief lacks support in the evidentiary record is simply untrue.

The Motion to Strike then states then seeks to strike the following statement from the Opening Brief:

“Additionally, based on an SCE response to a City data request, the City understands that SCE has not performed any analysis nor provided any evidence that shows the Redondo Beach generating station and 230 kV lines connecting the plant to the remainder of the transmission grid are needed to meet the Western LA basin sub-area LCRs, the ‘SONGS area’ LCRs or the San Diego area LCR. So SCE failed to establish that it would be ‘wrong to conclude from this study that the Redondo Beach Generating Station and 230 kV lines connecting the plant to the transmission system are not needed to meet the LCR need in the LA Basin.’”²⁷

This statement is simply an assertion by the City that is supported by the report attached to the City’s opening testimony, and that SCE has failed to provided any evidence to counter the result of the City’s analysis. SCE may dislike it but the statement is not properly the subject of a Motion to Strike for lack of support in the evidentiary record. As set out herein, the statements find more than ample support in the record, particularly in the City’s opening testimony, as amended.

The Motion to Strike then seeks to the strike the statement that, “[i]n addition, a completely different controlled load-drop scheme could be implemented to mitigate the N-1-1 contingency condition which establishes the LCRs for the Western LA basin sub-area (outage of the 230 kV Serrano-Lewis #1 line followed by outage of the Serrano-Village Park #2 line).

²⁶ See Amended Opening Testimony of Jaleh Firooz on Behalf of the City of Redondo Beach, attached study report, p. 20.

²⁷ See Motion to Strike, p. 3 (quoting Opening Brief, p. 16).

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Logically, the affected loads would be located in the LA basin area, not in the San Diego area.” Load drop, however, is addressed in many locations throughout the City’s opening testimony.²⁸

Finally, the Motion to Strike seeks to strike the statement that, “[a]s an initial matter, Ms. Firooz considered a number of different contingency conditions, as set forth above...”²⁹ As stated above, the different contingency conditions the City considered were well-established in the City’s amended opening testimony. Based on all the foregoing, all of the above-listed statements in the City’s Opening Brief subject to Motion to Strike are supported in the administrative record, as indicated. Accordingly, the Motion to Strike lacks merit and should be denied in its entirety.

III. THE CITY HAS A DUE PROCESS RIGHT TO ADDRESS ARGUMENTS RAISED BY SCE IN THEIR REBUTTAL TESTIMONY

In their rebuttal testimony, SCE states, “[e]ven after augmenting their original study with further analysis, Redondo Beach’s study is simplistic and incomplete.”³⁰ SCE goes on to address the City’s study work in detail, and offers a number of criticisms of it.³¹ Regardless of the merits of these claims, it would violate due process and basic fairness to deny the City the opportunity to address SCE’s unfounded, disingenuous arguments.

The exercise of quasi-judicial power in administrative proceedings requires that an administrative agency comply with fundamental due process requirements.³² At a minimum, a due process requires a fair procedure that allows that a party be provided a reasonable opportunity to be heard on issues raised by their opposition.³³ Any administrative proceeding that insists on only considering one side’s arguments is invalid,³⁴ and any decision reached without providing both sides an opportunity to be heard on a crucial issue may be struck down as

²⁸ See, e.g., Amended Opening Testimony of Jaleh Firooz on Behalf of the City of Redondo Beach, pp. 8, 9, 14.

²⁹ See Motion to Strike, p. 3 (quoting Opening Brief, p. 20).

³⁰ Track 4 Rebuttal Testimony Errata of Southern California Edison Company, p. 42.

³¹ Track 4 Rebuttal Testimony Errata of Southern California Edison Company, pp. 42-45.

³² *Horn v. County of Ventura*, 24 Cal.3d 605, 612 (1979).

³³ *Kaiser Foundation Hospitals v. Sacramento County Superior Court*, 128 Cal.App.4th 85, 103 (2005).

³⁴ *Id.*

