

From: Brown, Carol A.
Sent: 2/27/2014 4:26:14 PM
To: Cherry, Brian K (/O=PG&E/OU=CORPORATE/CN=RECIPIENTS/CN=BKC7)
Cc:
Bcc:
Subject: Re: Oakley - Significant Development

Wow!

From: Cherry, Brian K [mailto:BKC7@pge.com]
Sent: Thursday, February 27, 2014 3:44 PM
To: Lindh, Frank; Brown, Carol A.
Subject: FW: Oakley - Significant Development

Thought you should know about this.....

We wanted to alert you to a significant development that occurred this afternoon regarding Oakley. In the 2014 Long-Term Procurement Plan (LTPP) proceeding, the Assigned Commissioner and ALJ issue an order regarding the assumptions that will be used in the proceeding to determine long-term planning resource needs. The assumptions are typically proposed by Staff and commented on by the parties, and then adopted in an Assigned Commissioner's ruling.

This afternoon, Assigned Commissioner Picker issued an order adopting the 2014 LTPP assumptions (link to the order is below). The assumptions specifically address Oakley and require that Oakley be removed from the 2014 planning assumptions. Below is an excerpt from the Staff Report, which was adopted by the Assigned Commissioner, regarding the reason why Oakley was excluded.

The Oakley power plant project was approved by the CPUC but recently annulled by the California Court of Appeal:
<http://www.courts.ca.gov/opinions/documents/A138701.PDF> Therefore, Oakley will not be assumed as a conventional resource addition. During the second year of the LTPP

cycle, CPUC staff expects to facilitate additional studies with varying additional resource options to determine the best way to fill any need found from studies conducted during the first year of the LTPP cycle. At that time, there may be an opportunity to explore the efficacy of the Oakley power plant in meeting identified needs.

This statement goes much further than simply removing Oakley from the planning assumptions and is certainly something to consider with regard to our motion to reopen.

Link to Assigned Commissioner Order:

<http://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M088/K489/88489746.PDF>

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