

**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.13-12-010
(Filed December 19, 2013)

**RESPONSE OF
PACIFIC GAS AND ELECTRIC COMPANY (U 39 E) TO THE MOTION
OF THE INDEPENDENT ENERGY PRODUCERS ASSOCIATION FOR
MODIFICATION OF THE SCOPING MEMO**

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Dated: May 20, 2014

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Pursuant to Rule 11.1(e) of the California Public Utilities Commission's (Commission) Rules of Practice and Procedure, Pacific Gas and Electric Company (PG&E) provides this response to the May 12 motion of the Independent Energy Producers Association (IEP) for modification of the scoping memo (IEP Motion).

In its motion, IEP expresses concern about how the joint reliability plan order instituting rulemaking (JRP OIR, R.14-02-001), specifically the unified long-term reliability planning assessment, will interact with this proceeding.^{1/} As IEP notes, the long-term procurement plan (LTPP) proceedings have historically been the forum to determine the long-term needs for resources needed to maintain overall grid reliability.^{2/}

PG&E agrees with IEP's statement that LTPP proceedings have historically been the forum to determine the long-term needs for resources needed to maintain overall grid reliability.

However, the specific relief requested in IEP's motion should not be granted. IEP's request is too sweeping and misplaced. It is also confusing and inconsistent with the Commission's rules.

^{1/} IEP Motion, p. 2.

^{2/} IEP Motion, p. 2.

The scoping memo for a particular proceeding is not normally the proper vehicle for declarations that could have broad applicability beyond the scope of a particular proceeding. Rule 1.3(f) defines a scoping memo as “an order or ruling describing the issues to be considered *in a proceeding* and the timetable for resolving *the proceeding*, as described in Rule 7.3.” (Emphasis added.) Similarly, Rule 7.3 is clear that scoping memos are intended to set the schedule and issues for a particular proceeding. The Commission’s rules are evident that scoping memos issued by an ALJ or assigned commissioner are intended to address matters pertaining to a particular proceeding and not to make broad policy declarations.

Here, IEP inappropriately requests that the scoping memo declare that the LTPP “will be the sole forum for authorizing any procurement of flexible capacity for the 2014-2024 planning horizon.”^{3/} As PG&E has already indicated, PG&E agrees that the purpose of the JRP OIR should not be to authorize procurement and, for this reason, the pending scoping memo for the JRP OIR should clarify that. But the ALJ and assigned commissioner should not issue, in this proceeding, a “clarification” regarding the interaction of the JRP OIR and this proceeding that, taken literally, could be perceived to declare that the Commission is incapable of authorizing procurement of resources in any other proceeding except this one during the 2014-2024 time horizon.

There is nothing to be gained by such a sweeping declaration in the form of a scoping memo. It would be in apparent conflict with the Commission’s ongoing resource adequacy process, where the Commission sets resource adequacy procurement requirements for Commission-jurisdictional load serving entities on an annual basis. Further, such a statement could potentially cause confusion by suggesting that it hinders the Commission’s ability to address any unforeseen circumstances during the 2014-2024 time period.

In sum, IEP’s motion should be rejected because IEP’s request is overly broad, confusing

^{3/} IEP Motion, p. 2 (emphasis in the original).

and inconsistent with the Commission's rules. Taken literally, it would could be read to forbid the Commission from authorizing procurement of resources in any other proceeding except this one. As PG&E has indicated previously, it would support the inclusion of a statement in the JRP OIR scoping memo that the periodic reliability assessments developed in the JRP OIR should complement the LTPP process, not complicate, duplicate, or replace it. That would address IEP's stated concern that the scope of the JRP OIR, and its interrelationship with this proceeding, is unclear.

Respectfully Submitted,

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