

**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
)	(Filed March 22, 2012)
)	

**RESPONSE OF THE IMPERIAL IRRIGATION DISTRICT TO THE
JOINT PETITION FOR MODIFICATION OF DECISION 14-03-004 SEEKING
NOTICE AND COMMENT OF SDG&E'S PROPOSED PROCUREMENT PLANS**

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June 23, 2014

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Pursuant to Rule 16.4(f) of the Rules of Practice and Procedure of the California Public Utilities Commission (“Commission”), and in accordance with the “E-mail Ruling Shortening Time for Responses to June 12, 2014 Petition for Modification,” dated June 17, 2014, the Imperial Irrigation District (“IID”) respectfully submits this Response in support of the Petition for Modification (“Petition”) seeking a formal comment period on San Diego Gas & Electric Company’s (SDG&E”) procurement plan submitted in the above-captioned docket.

On June 12, 2014, the Sierra Club, California Environmental Justice Alliance (“CEJA”) and Vote Solar (“Joint Parties”) submitted a Petition for Modification of Decision 14-03-004 (“Petition”). The Petition seeks to modify the Track 4 Long Term Procurement Plan decision, D.14-03-004, to require formal notice and comment of the proposed procurement plans San Diego Gas and Electric (“SDG&E”) must submit for Energy Division approval under D.14-03-004.¹

Petitioners alleged several infirmities with respect to SDG&E’s procurement plan,

¹ Petition at 1.

including claims that the plan: (1) does not comport with the loading order; (2) the failure the solicit resources, including Preferred Resources as required by D.14-03-004; and (3) concerns that the procurement plan actually crowds out Preferred Resources.²

I. COMMENTS

IID does not generally comment on the procurement plans of electrical corporations. Here, however, SDG&E's plan is part of an interconnected set of policy decisions that affect transmission investment, potential investment in Imperial Valley resources, and reliability in Southern California. The procurement plan therefore has implications beyond SDG&E's customers and broad policy ramifications.

Petitioners note that one transmission project, an Imperial Valley flow control device, has been approved as part of the California Independent System Operator Corporation ("CAISO") Transmission Planning Process ("TPP").³ This flow control device was supported by IID as part of the CAISO Board determinations on the TPP. IID has also proposed a transmission project, the Southwest Transmission Expansion Project ("STEP") that is highly relevant to how resource needs will be met and grid reliability maintained in Southern California. STEP was submitted into the 2013-14 CAISO TPP Request Window, and IID plans to submit the proposal in the ongoing 2014-15 TPP cycle as well. As currently proposed and configured, STEP would be a single- or double-circuit 500kV DC transmission project that would directly interconnect the Imperial Valley/Salton Sea resource hub with the SONGS substation. As evidence of the many variables that may shape procurement and transmission development in Southern California, just today the CAISO issued a Notice of a stakeholder process to consider the variety of system needs

² *Id.* at 2-6.

³ *Id.* at 4.

as part of the TPP, including post-SONGS closure mitigation and the deliverability of renewable resources from the Imperial Valley.⁴ Again, depending on how it is configured and the resource choices made, STEP would have the capability to directly flow up to 2200 MW of preferred resources, free of carbon emissions associated with fossil-fueled plants, directly into the load center to interconnect with existing transmission that will be underutilized due to SONGS closure.

While STEP does not address immediate short-term grid reliability issues, any procurement decisions now that add considerable fossil-fueled resources into utility portfolios have lasting implications on future preferred resource development and transmission decisions. IID just received, indirectly, the SDG&E procurement plan proposal, and notes that the proposed 600 MW contract with Carlsbad Energy Center, LLC for the output of the Carlsbad Energy Center will be for 20 years. This level and duration of commitment surely warrants a careful consideration of all factors, and thus IID supports the Petition for Modification and its modest request for relief for a formal comment on the SDG&E procurement plan.

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II. CONCLUSION

⁴ See “Market Notice: Imperial County Transmission Stakeholder Meeting 7/14/14,” June 23, 2014 (*available at* <http://www.caiso.com/Documents/ImperialCountyTransmissionConsultationStakeholderMeeting71414.htm>).

For the reasons stated above, IID supports the relief requested in the Petition to allow formal comment on the SDG&E procurement plan.

Dated: June 23, 2014

Respectfully submitted,

A handwritten signature in cursive script, reading "C. Anthony Braun".

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