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April 22, 2003

Via Electronic Mail

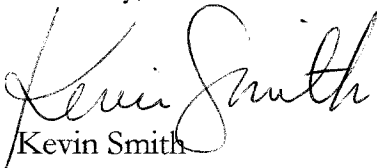
Docket Clerk
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102

Re: Docket No. R.02-11-039

Dear Docket Clerk:

Enclosed for filing are the original and seven copies of the **Comments of the California Municipal Utilities Association on the Draft Proposed Resolution and General Duty Standards** in the above referenced proceeding.

Sincerely,



Kevin Smith

Counsel for the California Municipal Utilities Association

Enclosure

cc: Members, California Electricity Generation Facilities Standards Committee
All Parties of Record
Commissioner Carl W. Wood
Administrative Law Judge John E. Thorson
Administrative Law Judge Burton W. Mattson

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Rulemaking to implement the provisions of
Public Utilities Code § 761.3 enacted by
Chapter 19 of the 2001-02 Second
Extraordinary Legislative Session.

Rulemaking 02-11-039

**COMMENTS OF THE
CALIFORNIA MUNICIPAL UTILITIES ASSOCIATION
ON THE DRAFT PROPOSED RESOLUTION AND GENERAL DUTY
STANDARDS IN DOCKET R.02-11-039**

Gerald Jordan
Executive Director
California Municipal Utilities Association

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In accordance with the letter issued by Assigned Commissioner Wood, dated April 16, 2003, and pursuant to the Rules of Practice and Procedures of the Public Utilities Commission of the State of California (“Commission”), the California Municipal Utilities Association (“CMUA”)¹ files these comments on the Draft Proposed Resolution (“Draft PR”) and Draft General Duty Standards (“Draft GDS”) in the above captioned proceeding.

I. INTRODUCTION

CMUA supports the collaborative effort that led to the Draft PR and the Draft GDS, and applauds the work of the assigned Commissioner, Administrative Law Judges (“ALJs”), and Commission staff. CMUA also appreciates the opportunity to provide input into the development of the Draft PR and the Draft GDS. CMUA substantively agrees with the language contained in the Draft GDS. We further offer some language, by way of clarification, to conform the Draft PR to the Draft GDS.

¹ CMUA is an association representing California’s public power systems, which includes 26 electric distribution utilities and three joint powers agencies serving approximately 30 percent of the electric load in California.

CMUA's involvement in this proceeding stems from our desire to work with the Commission to develop standards consistent with the directives of Senate Bill X2 39.² CMUA members have a long practice of looking to the standards developed by the Commission to guide standard development by their own local governing boards. With particular application to generator maintenance, any standards adopted by this Commission may also be adopted by the California Independent System Operator ("CAISO") as part of its Tariff, and thus may ultimately be applied to a broader set of generators than those specifically covered by SB X2 39.

II. SUGGESTED CLARIFICATION

As noted above, CMUA appreciates the work expended by the Commission in attempting to isolate and work through the numerous technically and legally complex issues in this proceeding. CMUA acknowledges the fact that the Commission has noted in its proposed GDS (Attachment A to the draft PR) that the standards specifically prescribed by SB X2 39, and later codified in sections 761.3(d) and 761.3(h) of the California Public Utilities Code, do not apply to, among others, "[f]acilities owned by a local publicly owned electric utility as defined in subdivision (d) of Section 9604³."⁴ Although this is reflected in GDS Attachment A--which is incorporated by reference in the draft PR--CMUA still believes it is important that these exceptions be clearly noted in the

² Chapter 19, Statutes of 2001-2001 Second Extraordinary Session.

³ Cal. Pub. Util. Code § 9604(d): "Local publicly owned electric utility" as used in this division means a municipality or municipal corporation operating as a "public utility" furnishing electric service as provided in Section 10001, a municipal utility district furnishing electric service formed pursuant to Division 6 (commencing with Section 11501), a public utility district furnishing electric services formed pursuant to the Public Utility District Act set forth in Division 7 (commencing with Section 15501), an irrigation district furnishing electric services formed pursuant to the Irrigation District Law set forth in Division 11 (commencing with Section 20500) of the Water Code, or a joint powers authority that includes one or more of these agencies and that owns generation or transmission facilities, or furnishes electric services over its own or its member's electric distribution system.

⁴ Cal. Pub. Util. Code § 761.3(h)(1).

resolution as well. CMUA has therefore attached a version of the Draft PR (“CMUA Attachment A”) with proposed modifications and respectfully requests their incorporation into the final version of the resolution for the purpose of clarification.

III. CONCLUSION

CMUA supports the Draft GDS and simply submits these proposed changes to the Draft PR to conform the two documents and provide additional clarification. Therefore, CMUA respectfully requests that the Commission amend its Draft PR consistent with “CMUA Attachment A” to this filing.

Dated: April 22, 2003

Respectfully submitted,



Gerald Jordan
Executive Director
California Municipal Utilities Association

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CMUA ATTACHMENT A
(Proposed Changes Bold & Underlined)

WHEREAS the People of the State of California and the California legislature have found, declared, and enacted the following in Senate Bill No. X2 39 (2001-2002 2nd Extraordinary Session):

- (a) Electric generating facilities and powerplants in California are essential facilities for maintaining and protecting the public health and safety of California residents and businesses.
- (b) It is in the public interest to ensure that electric generating facilities and powerplants located in California are effectively and appropriately maintained and efficiently operated.
- (c) Owners and operators of electric generating facilities and powerplants provide a critical and essential good to the California public.
- (d) To protect the public health and safety, and to ensure electrical service reliability and adequacy, the California legislature established the California Electricity Generation Facilities Standards Committee (Committee) to develop and adopt standards for the maintenance and operation of facilities for the generation of electric energy owned by an electrical corporation or located in California, **except those specifically exempted in Public Utilities Code Section 761.3(d) and 761.3(h).**

And, WHEREAS the Committee desires to adopt General Duty Standards in addition to, and which supplement, the specific Standards that the Committee is now developing or has adopted.

THEREFORE, THE CALIFORNIA GENERATION FACILITIES

STANDARDS COMMITTEE (COMMITTEE) HEREBY RESOLVES THAT:

1. The Committee adopts the General Duty Standards stated in Attachment A hereto.

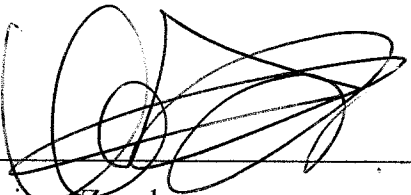
2. The General Duty Standards establish the general duties of facilities for the generation of electric energy owned by an electrical corporation or located in California, **except those specifically exempted in Public Utilities Code Section 761.3(d) and 761.3(h),** and are in addition to, and supplement, the more specific Standards that the Committee has adopted or may subsequently adopt.
3. Committee staff shall file the adopted General Duty Standards on behalf of the Committee with the California Public Utilities Commission.
4. This Resolution is effective today.

(END OF CMUA ATTACHMENT A)

CERTIFICATE OF SERVICE

I certify that I have served by electronic mail to the parties to which an electronic mail address has been provided, this day served a true copy of the original attached document entitled **Comments of the California Municipal Utilities Association on the Draft Proposed Resolution and General Duty Standards** on all parties of record in this proceeding or their attorneys of record.

Dated: April 22, 2003, at Sacramento, California.



Monique Zavalza