



Contact: Cheryl Cox, DRA Policy Advisor - (415) 703-2495 - cxc@cpuc.ca.gov

PROCEEDING NO: A.09-09-021

FILED
12-08-10
04:59 PM

PG&E's Petition for Modification of D.10-07-045 Regarding the Oakley Power Plant

DRA Position: The Commission should approve the Proposed Decision (PD) which rejects PG&E's PFM. The Alternate Proposed Decision (APD) is fraught with errors and PG&E has no need for Oakley in 2016.

The APD Commits Numerous Legal Errors

- Breaches the Mariposa Settlement, which limits the number of MWs that PG&E can pursue from their 2008 LTRFO solicitation.
- Reverses D.10-07-045 that vested the right of private parties in the GWF Tracey and Los Esteros proceeding.
- Modifies the 2007 LTPP Decision procurement authority without notice and opportunity to be heard, as required by Section 1708 of the PUC Code.
- Authorizes excess procurement which is outside the previously-determined scope of A.09-09-021.
- Violates the process the Commission ordered in D.10-07-045 that the Oakley project could be reconsidered (e.g., via an application, if an approved project fails, etc.).

The APD Commits Numerous Technical Errors

- The changed facts of PG&E's PFM are not material, the changed facts provide the "option" to delay the Oakley project but does not require the project to be delayed.
- Ignores that PG&E currently has a 40% reserve margin (not including 2,333 MW of approved new capacity: Colusa, Russell City, Mariposa, Marsh Landing, GWF Tracey, Los Esteros).
- Gives unfair preference to a utility-owned project in PG&E's 2008 Long Term Request for Offers.
- The period of the 2007 LTPP Decision is 2007-2016, not 2006-2015.
- Double-counts the year 2016 need from the 2007 LTPP (137 MW of erroneous need), which could be compounded to expand to SCE (665 MW) and SDG&E (111 MW) requesting same treatment.
- Confuses bundled contractual need and new physical infrastructure need.
- Uses expiration dates of "existing" Midway Sunset (129 MW) and Calpine Peakers (177 MW) contracts to justify additional LTPP need for "new generation."