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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking on the Commission's own motion to determine the impact on public benefits associated with the expiration of ratepayer charges pursuant to Public Utilities Code Section 399.8.

Rulemaking 11-10-003
(Filed October 06, 2011)

**PHASE 1 SCOPING MEMO AND RULING OF ASSIGNED COMMISSIONER
AND ADMINISTRATIVE LAW JUDGE**

This ruling determines this proceeding's scope, schedule, and need for hearing in accordance with Rule 7.3 of the Commission's Rules of Practice and Procedure (Rules).¹

Background

The Order Instituting Rulemaking (OIR) summarized the procedural and substantive background of this proceeding. The OIR also discussed potential issues to be addressed in this proceeding and included a preliminary scoping memo. The OIR then provided for the filing of initial comments and reply comments on the proposed scope, detailed questions, schedule, and other procedural issues included in Sections 3, 4, and 5 of the OIR. Initial comments

¹ Rule 7.3 requires the assigned Commissioner to determine the scope and schedule of a proceeding.

were filed on October 20, 2011. Replies were filed on October 25, 2011. A prehearing conference (PHC) was held on October 27, 2011.

Scope of the Proceeding

The preliminary scoping memo in the OIR proposed to handle this proceeding in two phases. We affirm this schedule. Funding for renewables and Research Development & Demonstration (RD&D) programs currently funded under Pub. Util. Code § 399.8 programs is set to expire on January 1, 2012. The first phase of this proceeding will address the appropriate funding levels for these types of renewables and RD&D programs after January 1, 2012. Phase 1 will also address how those funds, if any, should continue to be collected from Investor Owned Utility ratepayers and for how long. In addition, Phase 1 will begin to identify programmatic objectives and details about how future funds should be used.

Assuming the Commission's decision in Phase 1 determines that some level of funding should continue to support renewables and RD&D programs and goals, Phase 2 of the proceeding will address more detailed program design, oversight, and administrative questions related to how the funding will be allocated and by whom. The specific scope of Phase 2 will be determined in a subsequent scoping memo.

Categorizations and Need for Evidentiary Hearings

This Ruling confirms the preliminary determination in Rulemaking (R.) 11-10-003 that this proceeding is ratesetting, as defined by Rule 1.3(e), as no party objected to this categorization in comments or at the prehearing conference. This determination is subject to appeal as specified in Rule 7.6.

This Ruling confirms the preliminary determination in R.11-10-003 that issues in Phase 1 of this proceeding may be resolved through workshops and

filed comments. No party requested evidentiary hearings. Therefore, scheduling evidentiary hearings will not be necessary in Phase 1. The Administrative Law Judge (ALJ) and assigned Commissioner will determine if evidentiary hearings are necessary in Phase 2 of this proceeding.

Procedural Schedule

The schedule below is adopted, subject to modification by the assigned Commissioner or ALJ.

Phase 1 Schedule

Oct. 6, 2011	OIR issued by Commission
Oct. 20, 2011	Initial comments on OIR filed with Commission
Oct. 25, 2011	Reply Comments on OIR filed with Commission
Oct. 27, 2011	Prehearing Conference/Workshop
Nov. 15, 2011	Phase 1 Proposed Decision issued by ALJ
Dec. 15, 2011	Phase 1 Proposed Decision on Commission Agenda
Jan. 2012	Phase 2 begins

In any event, we anticipate that Phase 1 will conclude within 18 months of the issuance of this Scoping Memo, pursuant to Pub. Util. Code § 1701.5

Presiding Officer

The assigned ALJ is David M. Gamson, who will act as the presiding officer in this proceeding. Michael R. Peevey is the assigned Commissioner.

Ex Parte Communications

In accordance with Rule 8.2, *ex parte* communications in this ratesetting proceeding are allowed subject to the reporting requirements in Rule 8.3 and the restrictions in Rule 8.2.

IT IS RULED that:

1. Evidentiary hearings are not needed for Phase 1.
2. The scope of Phase 1 of this proceeding is as stated above.

3. The schedule for Phase 1 of this proceeding is as stated above.
4. David M. Gamson shall be the presiding officer in this proceeding.

Dated November 8, 2011, at San Francisco, California.

/s/ MICHAEL R. PEEVEY

Michael R. Peevey
Assigned Commissioner

/s/ DAVID M. GAMSON

David M. Gamson
Administrative Law Judge