

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



**FILED**  
6-09-16  
04:59 PM

Order Instituting Rulemaking to Oversee the )  
Resource Adequacy Program, Consider Program )  
Refinements, and Establish Annual Local and ) R.14-10-010  
Flexible Procurement Obligations for the 2016 and ) (Filed October 16, 2014)  
2017 Compliance Years. )  
\_\_\_\_\_ )

**COMMENTS OF SONOMA CLEAN POWER AUTHORITY,  
THE CITY OF LANCASTER, AND MARIN CLEAN ENERGY  
ON THE PROPOSED DECISION  
OF ADMINISTRATIVE LAW JUDGE DUDNEY**

Steven S. Shupe  
General Counsel  
SONOMA CLEAN POWER  
50 Santa Rosa Avenue, 5th Floor  
Santa Rosa, CA 95402  
Tel: (707) 890-8485  
Email: [sshupe@sonomacleanpower.org](mailto:sshupe@sonomacleanpower.org)

Dan Griffiths  
BRAUN BLAISING McLAUGHLIN & SMITH, P.C.  
915 L Street, Suite 1480  
Sacramento, CA 95814  
Telephone: (916) 326-5812  
E-mail: [griffiths@braunlegal.com](mailto:griffiths@braunlegal.com)

Counsel for the City of Lancaster

Jeremy Waen  
Senior Regulatory Analyst  
MARIN CLEAN ENERGY  
1125 Tamalpais Drive  
San Rafael, CA 94901  
Telephone: (415) 464-6027  
E-Mail: [jwaen@mceCleanEnergy.org](mailto:jwaen@mceCleanEnergy.org)

Dated: June 9, 2016

**TABLE OF CONTENTS**

**I. COMMENTS ON THE PROPOSED DECISION**..... 1

    A. The Commission Should Maintain the Proposed Decision’s Movement of Flexible Resource Adequacy Requirement Allocation Issues to Track 2 of this Proceeding in Order to Ensure Consistency with Decision 15-06-063 ..... 2

    B. The Commission Should Remove Language in the PD on Allocation Issues that May Hinder a Full and Fair Review of Allocation Issues in Track 2 and Departs from Practice in Past Decisions in this Proceeding ..... 3

**TABLE OF AUTHORITIES**

**COMMISSION DECISIONS**

Decision 15-06-063 ..... 2,3  
Decision 14-06-050 ..... 2

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

Order Instituting Rulemaking to Oversee the	)	
Resource Adequacy Program, Consider Program	)	R.14-10-010
Refinements, and Establish Annual Local and	)	(Filed October 16, 2014)
Flexible Procurement Obligations for the 2016 and	)	
2017 Compliance Years.	)	
_____	)	

**COMMENTS OF SONOMA CLEAN POWER AUTHORITY,  
THE CITY OF LANCASTER, AND MARIN CLEAN ENERGY  
ON THE PROPOSED DECISION  
OF ADMINISTRATIVE LAW JUDGE DUDNEY**

Pursuant to the Rule 14.3 of the California Public Utilities Commission’s (“Commission”) Rules of Practice and Procedure, Sonoma Clean Power Authority (“SCP”), the city of Lancaster (“Lancaster”) and Marin Clean Energy (“MCE”) (collectively, “CCA Parties”) hereby provide these comments on the *Proposed Track 1 Decision Adopting Local and Flexible Capacity Obligations for 2017, and Further Refining the Resource Adequacy Program* (“PD”), dated May 20, 2016.

**I. COMMENTS ON THE PROPOSED DECISION**

**A. The Commission Should Maintain the Proposed Decision’s Movement of Flexible Resource Adequacy Requirement Allocation Issues to Track 2 of this Proceeding in Order to Ensure Consistency with Decision 15-06-063**

The CCA Parties support the PD’s movement of Flexible Resource Adequacy Requirement Allocation issues (“Allocation Issues”) to Track 2 in this proceeding, as well as the PD’s encouragement of the review and improvement of party proposals on this issue “at another point in the future.”<sup>1</sup> The PD’s determination to defer Allocation Issues to a Track 2 in this

---

<sup>1</sup> PD at 48-49.

proceeding is consistent with Decision (“D.”) 15-06-063, where the Commission decided to “make no change to the allocation of flex RA,” concluding that, “[i]t would be more appropriate and effective to address the allocation of flexible capacity requirements in conjunction with or following the development of a durable flexible product.”<sup>2</sup> Under the Phase 2 Scoping Memo in this proceeding, the development of a durable flexible product in this proceeding is scoped for Track 2 of Phase 2.<sup>3</sup> Thus, the PD is correct that Allocation Issues are to be addressed “in conjunction with or following”<sup>4</sup> Track 2.

**B. The Commission Should Remove Language in the PD on Allocation Issues that May Hinder a Full and Fair Review of Allocation Issues in Track 2 and Departs from Practice in Past Decisions in this Proceeding**

After deferring Allocation Issues to Track 2, this PD for Track 1 then proceeds with a substantive discussion on party proposals on these Allocation Issues.<sup>5</sup> The CCA Parties are concerned that this discussion would hinder a full and fair review of Allocation Issues in Track 2 of the proceeding. The Commission cannot “remain open”<sup>6</sup> to party proposals and potential improvements to Allocation Issues in Track 2 when it proceeds to weigh the benefits of party proposals on these very issues. An important concern in the comments of the CCA Parties was that there was insufficient time to review and respond to party proposals on these Allocation Issues.<sup>7</sup> The CCA Parties request that the Commission in this PD remained focused on Track 1 issues and allow for a full discussion of Allocation Issues in Track 2 prior to making a determination on any party proposals.

---

<sup>2</sup> D.15-06-063 at 45.

<sup>3</sup> See Phase 2 Scoping Memo at 2-5 (for proceeding track scoping).

<sup>4</sup> D.15-06-063 at 45.

<sup>5</sup> PD at 48-50.

<sup>6</sup> PD at 49.

<sup>7</sup> CCA Parties Reply Comments at 2-4.

Further, the CCA Parties note that the Commission, at other points in this PD, defer discussion on other issues without weighing in on the merits of party proposals.<sup>8</sup> In the following Section (Section 8.2), the PD discusses Effective Flexible Capacity bundling with Net Qualifying Capacity, and concludes with a simple, “We will again defer this issue until Track 2 or a later time.”<sup>9</sup> The PD similarly addresses the Maximum Cumulative Capacity Bucket System, concluding that, “the situation has not materially changed since we deferred this proposal in D.15-06-063, and we must do so again.”<sup>10</sup> Similar short treatment has occurred in past decisions deferring issues in this proceeding, including Cost Allocation Mechanism refinements,<sup>11</sup> Net Qualifying Capacity requirements,<sup>12</sup> and the Demand Response test window.<sup>13</sup> Thus, the CCA Parties respectfully request that the PD not depart from practice in past decisions in this proceeding, and limit substantive discussion on party proposals for Allocation Issues prior to Track 2.

At a minimum, the CCA Parties request that discussion specific to CCA Parties in Section 8.1 of the PD be revised. Presently the PD “reject[s]” the CCA Parties’ arguments on renewables impacts related to the Allocation Issues.<sup>14</sup> Since Allocation Issues are deferred to Track 2, there has not yet been a record developed on which to reject an argument, and the CCA Parties would not want this PD to be wrongly misconstrued. Indeed, the CCA Parties’ statement in reply comments “merely note[d] a few infirmities or concerns with PG&E’s proposal,

---

<sup>8</sup> PD at 45-46, 51.  
<sup>9</sup> PD at 51.  
<sup>10</sup> PD at 45-46.  
<sup>11</sup> D.15-06-063 at 30.  
<sup>12</sup> D.15-06-063 at 62.  
<sup>13</sup> D.14-06-050 at 31-32.  
<sup>14</sup> PD at 49.

warranting further consideration in Track 2,”<sup>15</sup> and was not intended as an argument on Track 2 issues. The Commission should consider replacing the word “reject” with “question,” which would allow the CCA Parties to present arguments or proposals on Allocation Issues in Track 2 without any misconstrued presumption against those arguments.

## II. CONCLUSION

The CCA Parties thank the Commission for the opportunity to provide these comments on the Proposed Decision in this proceeding.

Dated: June 9, 2016

Respectfully submitted,

/s/ Steven S. Shupe

Steven S. Shupe  
General Counsel  
Sonoma Clean Power  
50 Santa Rosa Avenue, 5th Floor  
Santa Rosa, CA 95402  
Tel: (707) 890-8485  
Email: [sshupe@sonomacleanpower.org](mailto:sshupe@sonomacleanpower.org)

/s/ Dan Griffiths

Dan Griffiths  
BRAUN BLAISING McLAUGHLIN & SMITH, P.C.  
915 L Street, Suite 1480  
Sacramento, CA 95814  
Telephone: (916) 326-5812  
E-mail: [griffiths@braunlegal.com](mailto:griffiths@braunlegal.com)  
Counsel for the City of Lancaster

/s/ Jeremy Waen

Jeremy Waen  
Senior Regulatory Analyst  
MARIN CLEAN ENERGY  
1125 Tamalpais Drive  
San Rafael, CA 94901  
Telephone: (415) 464-6027  
E-Mail: [jwaen@mceCleanEnergy.org](mailto:jwaen@mceCleanEnergy.org)

---

<sup>15</sup> CCA Parties Reply Comments at 3.