



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

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Application of San Diego Gas & Electric )  
Company (U 902-E) for Approval of: (i) Contract )  
Administration, Least-Cost Dispatch and Power )  
Procurement Activities in 2015, (ii) Costs Related )  
to those Activities Recorded to the Energy )  
Resource Recovery Account and Transition Cost )  
Balancing Account in 2015 and (iii) Costs )  
Recorded in Related Regulatory Accounts in )  
2015 )

A.16-06-002  
(Filed June 1, 2016)

**SOUTHERN CALIFORNIA EDISON COMPANY'S (U 338-E)**  
**MOTION FOR PARTY STATUS**

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Dated: **August 05, 2016**

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Pursuant to Rule 1.4(a)(4) of the California Public Utilities Commission’s (Commission) Rules of Practice and Procedure, Southern California Edison Company (SCE) respectfully submits this Motion for Party Status. SCE seeks party status because many of the issues decided in one utility’s ERRA proceeding are often precedential for all practical purposes for the other utilities. The Commission should ensure consistency in the adjudication of all three utilities’ ERRA filings. The very subject in controversy here is also at issue in SCE’s pending 2015 ERRA Review proceeding (where no Scoping Memo has yet issued), and in Pacific Gas & Electric Company’s (PG&E) pending 2015 ERRA Review proceeding (where PG&E has moved to amend the Scoping Memo).<sup>1</sup>

Here, SCE is concerned about the discussion during the July 28, 2016, Pre-Hearing Conference, and subsequent written correspondence between parties on the service list including the Office of Ratepayer Advocates (ORA), San Diego Gas & Electric Company (SDG&E), and

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<sup>1</sup> On July 21, 2016, the assigned Administrative Law Judge granted SCE’s nearly-identical Motion for Party Status in PG&E’s proceeding (A.16-02-019).

Administrative Law Judge Wildgrube. The correspondence relates to the parties' views about the appropriate scope of this proceeding. In email correspondence dated August 3, 2016, ORA argues that the Scoping Memo should include certain GHG-related issues, including for the purposes of:

- “Verif[y]ing] that SDG&E’s procurement of compliance instruments are within its Direct Compliance Obligation Limit, as reflected in the Greenhouse Procurement Plan of its Commission’s approved BPP.”
- “Ensure[] that SDG&E has administrated its GHG program prudently in a cost-efficient manner.”

SCE is concerned that, if ORA’s arguments are accepted, the Scoping Memo could be written in such a way to incorrectly conclude that reasonableness -- or “cost-efficiency” -- reviews of pre-approved, AB 57-related procurement costs are permissible in ERRA. They are not. California Public Utilities Code §454.5 unambiguously states that “a procurement plan approved by the commission shall ... [e]liminate the need for after-the-fact reviews of an electrical corporation’s actions in compliance with an approved procurement plan, including resulting electricity procurement contracts, practices, and related expenses.”

With respect to what is appropriate for an ERRA Review proceeding like the instant one, SCE’s Commission-approved 2014 Bundled Procurement Plan (BPP) states:

In the ERRA Review proceeding, the Commission conducts the following reviews: (1) a compliance review to determine if the utility’s daily energy dispatch decisions and related short-term procurement activities (*i.e.*, daily and hourly spot market transactions) were consistent with the least cost dispatch principles set forth in Standard of Conduct No. 4; (2) **an accounting review to determine if the utility accurately recorded the procurement expenses that are eligible to be recovered through the ERRA balancing account**; and (3) a reasonableness review to determine if the utility reasonably administered its QF

and non-QF contracts, and if the operation of its UOG, including maintenance outages, was reasonable.<sup>2</sup>

An after-the-fact reasonableness review is prohibited by statute<sup>3</sup> and Commission precedent.<sup>4</sup>

SCE respectfully requests the Assigned Commissioner and Administrative Law Judge grant this Motion for Party Status. If granted, SCE intends to participate in the proceeding by submitting legal briefing, as well as potentially conducting discovery and serving written testimony. SCE's participation in this proceeding will not expand the scope of issues in this proceeding nor delay the procedural schedule.

Respectfully submitted,

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<sup>2</sup> SCE 2014 BPP at p. 74 (emphasis added). SCE's 2014 BPP was submitted for Commission approval in Advice 2249-E-B (filed January 20, 2016), and approved by the Commission on February 16, 2016.

<sup>3</sup> See California Public Utilities Code §454.5(d).

<sup>4</sup> See, e.g., D.16-05-003 at p. 3.