

Decision _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Integrate
and Refine Procurement Policies and
Consider Long-Term Procurement Plans.

Rulemaking _____

ORDER INSTITUTING RULEMAKING**1. Summary**

We open this rulemaking to continue our efforts to ensure a safe, reliable and cost-effective electricity supply in California through integration and refinement of a comprehensive set of procurement policies, practices and procedures underlying long-term procurement plans. This is the forum in which we shall consider the Commission's electric resource procurement policies and programs, and how to implement them.

In this proceeding, we shall consider unresolved issues from Rulemaking (R.) 12-03-014, including issues related to the overall long-term need for new system and local reliability resources.¹ These resource plans will allow the Commission to comprehensively consider the impacts of state energy policies

¹ We define "system" as pertaining to the loads and resources in each investor-owned utilities' (IOUs') service area. "Service area" generally corresponds to the IOUs' respective distribution service territories, inclusive of bundled, direct access, and community choice aggregator loads, but exclusive of embedded publicly-owned utility loads. To distinguish filings related to system reliability needs from bundled Assembly Bill (AB) 57 procurement plans, we will refer to these as "resource plans."

on the need for new resources. Based on these system resource plans, we shall consider updates to the utilities' bundled procurement plans.

We shall also consider a number of rule and policy issues related to electric utilities' procurement practices. These issues include those that remain unresolved from R.12-03-014, and other emerging procurement policy topics.

All resource and procurement planning in this proceeding will be done in the context of the Energy Action Plan II (EAP II),² the Commission's Loading Order policies which prioritize certain preferred resources,³ and other state energy policies, such as AB 32 greenhouse gas,⁴ once-through-cooling policies,⁵ and AB 327.

2. Background

This long-term procurement proceeding (LTPP) is the successor to Rulemaking (R.) 12-03-014,⁶ R.10-05-006,⁷ R.08-02-007,⁸

² EAP I was issued jointly on May 8, 2003, by the Commission, the California Energy Commission (CEC) and the California Consumer Power and Conservation Financing Authority. EAP I was updated with the adoption of EAP II, as a joint policy plan of the California Public Utilities Commission and the CEC, in October 2005.

³ As articulated in EAP I and II, preferred resources include energy efficiency, demand response, and distributed generation including combined heat and power.

⁴ Stats. 2006, Chapter 488.

⁵ Statewide Water Quality Control Policy on the Use of Coastal and Estuarine Waters Used for Power Plant Cooling.

⁶ *Order Instituting Rulemaking to Integrate and Refine Procurement Policies and Consider Long-Term Procurement Plan*, dated March 22, 2012.

⁷ *Order Instituting Rulemaking to Establish Policies and Cost Recovery Mechanisms for Generation Procurement and Renewable Resource Development*, dated May 6, 2010.

⁸ *Order Instituting Rulemaking to Integrate and Refine Procurement Policies Underlying Long-Term Procurement Plans*, dated February 14, 2008.

R.06-02-013,⁹ R.04-04-003,¹⁰ and R.01-10-024,¹¹ and rulemakings initiated by the Commission to ensure that California's major investor-owned utilities (IOUs)¹² could resume and maintain procurement responsibilities on behalf of their customers.

The LTPP proceedings generally operate on a two-year cycle evaluating the need for new resources to meet system and local area reliability needs. Also as part of the LTPP, the IOUs are responsible for submitting procurement plans that project their resource needs for bundled customers, and their action plans for meeting those needs, over a ten-year horizon. Pursuant to Assembly Bill (AB) 57,¹³ codified as Public Utilities Code Section 454.5, the Commission establishes up-front standards for the IOUs' procurement activities and cost recovery by reviewing and approving procurement plans. This obviates the need for the Commission to conduct after-the-fact reasonableness reviews for the resulting utility procurement transactions that are in compliance with the upfront standards established in the approved procurement plans.

⁹ *Order Instituting Rulemaking to Integrate Procurement Policies and Consider Long-Term Procurement Plans*, dated February 16, 2006.

¹⁰ *Order Instituting Rulemaking to Promote Policy and Program Coordination and Integration in Electric Utility Resource Planning*, dated April 1, 2004.

¹¹ *Order Instituting Rulemaking to Establish Policies and Cost Recovery Mechanisms for Generation Procurement and Renewable Resource Development*, dated October 29, 2001.

¹² Unless otherwise specified, IOUs shall refer to Pacific Gas and Electric Company (PG&E), San Diego Gas & Electric Company (SDG&E), and Southern California Edison Company (SCE).

¹³ AB 57 (Stats. 2002, ch. 850, Sec 3, effective September 24, 2002), added Pub. Util. Code § 454.5., enabling utilities to resume procurement of electric resources.

In Decision (D.) 04-01-050, the Commission established that each load serving entity (LSE) has an obligation to acquire sufficient reserves for its customer loads, endorsed a hybrid market structure, and extended utilities' procurement authority into 2005. In D.04-12-048, the Commission approved the IOUs' long-term procurement plans and gave the IOUs procurement authority for short-, medium-, and long-term contracts for the planning period 2005 through 2014. D.07-12-052 approved, with modifications and compliance filings, the LTPPs for PG&E, SDG&E, and SCE for 2007-2016. D.12-01-033 approved, with modifications, the utilities' bundled procurement plans, and extended the IOUs' upfront procurement authority through 2020.

An important component of the Commission's LTPP efforts is the connection between reliability and safety. When electric power fails: traffic controls either cease to operate or operate at reduced levels leading to an increase in automobile accidents; persons dependent on electric medical devices are placed at risk; food may be inadequately refrigerated leading to increased incidence of food-borne illness; and communication systems may cease to operate. To the extent reasonable, the LTPP attempts to improve safety through increased reliability and other actions directly related to the procurement of electric resources. The LTPP should also be the forum to ensure that the utilities are making procurement decisions that are consistent with otherwise applicable safety standards.

The most recent LTPP proceeding, R.12-03-014, divided the 2012 proceeding into four tracks.

Track 1 considered issues related to the overall long-term need for new local reliability resources to meet long-term local capacity requirements (LCRs) through 2022. Such long-term LCRs are expected to result from the retirement of

thousands of megawatts (MW) from current once-through cooling (OTC) generators to comply with State Water Quality Control Board regulations. Other changes in supply and demand over time will also impact long-term LCRs.

In Track 1, D.13-02-015 authorized SCE to procure between 1400 and 1800 MW of electrical capacity in the West Los Angeles sub-area of the Los Angeles (LA) basin local reliability area to meet LCRs requirements by 2021. For the defined portion of the LA basin local area, at least 1000 MW, but no more than 1200 MW, of this capacity was to be procured from conventional gas-fired resources. At least 50 MW was to be procured from energy storage resources. At least 150 MW of capacity was to be procured through preferred resources consistent with the Loading Order in the EAPs. SCE was also authorized to procure up to an additional 600 MW of capacity from preferred resources and/or energy storage resources. In addition, SCE was required to continue to obtain resources which can be used in these local reliability areas through processes defined in energy efficiency, demand response, renewables portfolio standard, energy storage and other relevant dockets. SCE was also authorized to procure between 215 and 290 MW in the Moorpark sub-area of the Big Creek/Ventura local reliability area.

Track 2 of R.12-03-014 considered procurement of system reliability resources for the three major electric IOUs. D.12-12-010 adopted final Standardized Planning Assumptions and Scenarios for Track 2. These assumptions were used for forecasting system reliability needs for California's electricity grid. Based on these forecasts, future decisions will determine specific procurement system and bundled need authorizations or requirements for California IOUs. The Commission formally requested that the California Independent System Operator (CAISO) use the Standardized Planning

Assumptions and Scenarios to conduct operational flexibility modeling, which were expected to be filed at the Commission in Track 2 of R.12-03-014. Staff held workshops related to Track 2 to review models and modeling results prepared by both SCE and CAISO related to the need for the authorization to procure new resources to satisfy the need for flexibility in the system. Modelling results on flexibility have not been formally considered by the Commission because the CAISO stated at a September PHC that it was not prepared to submit testimony on the topic. Therefore, a Ruling issued on September 16, 2013 deferred Track 2 to this new Rulemaking, stating “[b]efore Track 4 was initiated, it was anticipated that Track 2 would be informed by the Track 1 local capacity requirements decision. With the addition of Track 4, it makes sense to also consider local capacity procurement authorized in Track 4 in determining system flexibility needs.” As Track 4 is still pending (as discussed below), the Ruling anticipated system reliability issues related to flexibility would be considered in this new Rulemaking.

Track 3 of R.12-03-014 considered a number of rule and policy issues related to IOUs’ procurement practices. A proposed decision is pending in that Track and is expected soon.

A revised Scoping Memo dated March 21, 2013 in R.12-03-014 initiated Track 4 in that proceeding to consider additional resource needs related to the long-term outage (and subsequent permanent closure in June 2013) of the San Onofre Nuclear Generation Station. Evidentiary hearings were completed on November 1, 2013. A proposed decision is expected in the first quarter of 2014.

On November 14, 2013, the Commission adopted a plan to continue inter-organizational cooperation with the CAISO for future resource and reliability planning. The Joint Reliability Plan, adopted as an item by the

California Public Utilities Commission (CPUC) at a meeting, sets out a joint work plan that adopts guiding principles and commits the CPUC and CAISO to consider three inter-related initiatives on a proposed timeline. These three initiatives include multi-year resource adequacy requirements, development of a unified planning assessment, and development of a market based replacement to the CAISO's existing backstop procurement tariff. These issues are expected to be addressed in a new procurement proceeding opened in the near future.

3. Preliminary Scoping Memo

As required by Rule 7.1(d)¹⁴ of the Commission's Rules of Practice and Procedure (Rules), this Order includes a preliminary scoping memo. In this Preliminary Scoping Memo, we describe the issues to be considered in this proceeding and the timetable for resolving the proceeding. Subsequently, parties will have the opportunity to provide prehearing conference (PHC) statements on how to procedurally address these issues; identify priority issues to resolve; and whether to separate certain issues into different tracks or phases. After the PHC, an Assigned Commissioner's Scoping Ruling will be issued to lay out the issues and procedural path in more detail.

3.1. Procurement Planning Proceeding Issues

The general issues for the 2014 procurement planning cycle are as follows:

- (1) Identify CPUC-jurisdictional needs for new resources to meet local or system resource adequacy (RA), operational flexibility, or other requirements and to consider authorization of IOU

¹⁴ "An order instituting rulemaking shall preliminarily determine the category and need for hearing, and shall attach a preliminary scoping memo. The preliminary determination is not appealable, but shall be confirmed or changes by assigned Commissioner's ruling [ACR] pursuant to Rule 7.3, and such ruling as to category is subject to appeal under Rule 7.6." (Rule 7.1(d).)

procurement to meet that need. This includes issues related to long-term renewable planning and need for replacement generation infrastructure to eliminate reliance on power plants using OTC.

- (2) Update, and review individual IOU bundled procurement plans consistent with § 454.5.
- (3) Develop or refine procurement rules that were not resolved in R.12-03-014, and consider other emerging procurement topics not expressly covered in other rulemakings.

The 2014 LTPP cycle will be closely coordinated with the Commission's expected new rulemaking to cover the Joint Reliability Plan.

3.2. Interagency Consideration

In D.04-01-050, the Commission established that LTPPs would occur on a biennial basis. This approach is to ensure appropriate coordination with the California Energy Commission's (CEC) Integrated Energy Policy Report (IEPR) proceeding.¹⁵ We will consider the CEC's most recent IEPR, for procurement-related recommendations during this and related rulemakings.¹⁶

In recent years, we have encouraged the active participation of the CEC in our rulemaking endeavors on the decision-making side, rather than as a party to the proceeding. We invite the CEC to join us in this proceeding by continuing the collaborative approach that both agencies pursued in the development of procurement policy since R.05-12-013.

In addition, the Commission has worked cooperatively with the CAISO on matters that directly impact long-term procurement, including operational

¹⁵ D.04-01-050 at 175.

¹⁶ CEC. *Energy Policies*. See <http://www.energy.ca.gov/energypolicy/index.html>

flexibility modeling, transmission planning and wholesale market issues. We welcome and invite the CAISO's participation as a party to this proceeding to provide data and analysis to develop the record of this proceeding. Other state agencies actively involved in energy policymaking may also be interested in this proceeding, and we welcome their participation.

Given the compelling need to collaborate and coordinate across the distinct planning efforts occurring at the CPUC, CEC and CAISO, we seek to further integrate and align this proceeding with the CEC's IEPR proceeding and the CAISO's Transmission Planning Process (TPP).

Toward that end, we have coordinated our efforts in this proceeding with the CEC and CAISO to establish common assumptions, scenarios and RPS portfolios for use in the 2014 LTPP and 2014-15 TPP processes. These assumptions, scenarios and RPS portfolios were issued to parties via a Ruling in R.12-03-014 in December 2013. Parties to this proceeding will vet these assumptions and scenarios, which will be adopted by an assigned Commissioner Ruling in early 2014.

Further, to facilitate coordination with the IEPR and TPP planning processes, the local area and system planning process (which were Tracks 1 and 2, respectively, in R.12-03-014) will be split into two phases each spanning approximately one year. In 2014, Phase 1 will determine overall needs (currently system, local, and flexibility), but not how those needs would be filled. In the early part of 2015, we expect the CAISO will authorize transmission and transmission-related infrastructure projects through its TPP process, which could potentially offset some of the needs determined in Phase 1 of the LTPP. Next, the Commission in Phase 2 of this proceeding will authorize specific resources

(generation, demand-side programs, etc.) near the end of 2015 to fill any remaining needs.

This restructured LTPP framework should effectively facilitate the incorporation of CEC IEPR data in the assumptions and scenarios used in the LTPP and TPP. We anticipate that this framework will continue in future LTPP proceedings.

3.3. Long-Term System and Local Reliability Resource Plan

The purpose of the system resource plan is to identify CPUC-jurisdictional needs for new resources to meet system or local RA over a long term planning horizon, including issues related to long-term renewable resource development, and need for replacement infrastructure to allow for the retirement of inefficient and environmentally harmful resources. In addition to maintaining an adequate reserve margin, we anticipate that the electricity system needs to: 1) integrate renewable and other preferred resources; 2) support OTC policy implementation; 3) maintain local reliability; 4) respond to variations in load; and 5) meet GHG goals. These needs will be the primary drivers for any need for new resources identified in this proceeding. Furthermore, we may address or reassess assumptions from other proceedings to determine future need.¹⁷

Finally, because the long-term planning studies conducted in this proceeding will affect utilities' future procurement activities, we will have information on which to base policy choices applicable to all jurisdictional LSEs. We will look to develop scenarios that explore a range of potential policy futures,

including renewable portfolio standard (RPS) implementation, variations of load, distributed generation, nuclear retirement, transmission options and resource strategies to develop higher levels of preferred resources. The nature and extent of the scenarios that are covered in this proceeding will be addressed in a later ruling.¹⁸

3.4. Procurement Oversight and Rules

This proceeding will also address broad rule and policy issues related to procurement plans. Specially, we intend to consider issues that were not resolved in Track 3 of R.12-03-014, and other emerging procurement topics. The issues include, but may not be limited to, the following:

1. **Safety Considerations** – As safety is a top priority for the CPUC, we may consider revising procurement rules to better reflect this commitment to public safety and health. We may request procurement authorization requests to include information related to safety standards and considerations.
2. **Procurement Rules to Comply with SB 695 on the Cost Allocation Methodology** – Senate Bill (SB) 695¹⁹ codified aspects of the cost allocation rules established in D.06-07-029 and D.07-09-044. D.11-05-005 narrowly reconciled differences between SB 695 and our prior procurement rules. This proceeding will consider any necessary modifications to fully implement the RA provision of SB 695.

¹⁷ We will not consider new energy efficiency (EE) goals in this proceeding. However, we may review the EE planning assumptions adopted in other proceedings for procurement purposes.

¹⁸ This may also include the common assumptions that parties will use in specific scenarios.

¹⁹ SB 695 (Stats. 2009, ch. 337, effective October 11, 2009).

- 3. Procurement Rules to Encourage Competitive Solicitations -**
We may consider adoption of new rules to encourage competition in resource solicitations, for bilateral contracts and Request for Offer (RFO) solicitations. As needed, we may vet for consideration procurement rules on all-source solicitations to encourage head-to-head competition across resource types in response to a singular solicitation.
- 4. Combined Heat and Power (CHP) Targets -** The CHP Settlement, as set forth in D.10-12-035, directed the CPUC to review IOU progress toward the settlement's dual CHP targets of 3,000 MW CHP capacity by 2015 and 4.8 million metric tons of Greenhouse Gas (GHG) emissions reductions by 2020. In this proceeding, we may choose to consider, based on the IOUs' progress toward their respective goals, an additional CHP MW target, CHP RFOs, and/or revised GHG targets for 2015-2020, per D.10-12-035.
- 5. Regulatory Process for Procurement of Contracts of Greater than five years -** Under current rules, contracts with existing facilities for greater than five years require an Application for processing regulatory approval. In this proceeding, we may choose to consider, whether a more simplified regulatory approval process could be used for contracts greater than five years.
- 6. GHG Procurement Policy -** Consider any GHG product procurement policies to facilitate the implementation of California Air Resources Board's cap-and-trade program.
- 7. Other Procurement Rule Changes -** Parties should be prepared to discuss other potential rule changes at the PHC, including OTC power procurement policies, timelines associated with IOUs' transaction of RA products, nuclear fuel procurement policy, or refinements to the Procurement Review Group process.

We invite parties to comment in their PHC statements on the timing of resolution of policies and rules.

3.5. IOU Section 454.5 Bundled Plans

This proceeding will consider individual IOU procurement plans pursuant to § 454.5. Each IOU shall file proposed updates to its individual bundled plan consistent with guidance to be provided in the Scoping Memo and any related rulings or decisions.

We anticipate that the IOUs shall file their updated bundled plans in 2014. We expect these IOU bundled filings to reflect changes subsequent to D.12-01-033. Evidentiary hearings are anticipated for this portion of the proceeding.

3.6. Issues Not Within the Scope of This Proceeding

We recognize the potential that the LTPP proceeding, as the umbrella proceeding may attract “forum-shopping” proposals from parties that have had their ideas rejected, or have yet to be considered, in other proceedings. As in the predecessor proceeding, the Commission finds it necessary to adopt a scoping standard for this proceeding, in order to highlight what constitutes an issue that is legitimately in the scope in this proceeding.

LTPP Scoping Standard. The LTPP scoping standard is defined as follows:

- Any procurement-related issue(s) not already considered in other procurement-related dockets expressly listed in Table 1 (or some other docket opened in the future to cover procurement related issues) below may be considered, subject to the following conditions. The issue(s) must:
 - (1) Materially impact procurement policies, practices and/or procedures;
 - (2) Be narrowly defined; and
 - (3) Demonstrate consistency with one or more of the LTPP proceeding goals.

Therefore, issues that do not meet this standard *are not* in the scope of this proceeding.

Table 1 - Procurement-Related Dockets

Docket	Proceeding Number(s)
1. Emissions Performance Standard and Greenhouse Gas	R.11-03-012, A.13-08-002
2. Energy Efficiency	R.13-11-005
3. Demand Response and Advanced Metering	R.13-09-011
4. Dynamic Pricing	A.09-02-022, R.13-09-011
5. Renewable Portfolio Standard	R.11-05-005
6. Avoided Cost and Qualifying Facility Pricing	R.08-06-024
7. California Solar Initiative and Distributed Generation	R.12-11-005
8. Transmission and Renewable Energy Transmission	
9. Community Choice Aggregation	R.03-10-003
10. Resource Adequacy Requirements	R.11-10-023
11. Energy Storage	Applications pursuant to D.13-10-040
12. Smart Grid	R.08-12-009
13. Electric Vehicles	R.13-11-007
14. San Diego Gas and Electric Company's request for approval of Long-term Power Purchase Tolling Agreements	A.11-05-023
15. Southern California Edison General Rate Case	A.13-11-003
16. Joint Reliability Plan	New Rulemaking

4. Invitation to Comment on Preliminary Scoping Memo and Schedule

This Order Instituting Rulemaking (OIR) serves as a solicitation for parties to comment on the Preliminary Scoping Memo. Comments are due on February 3, 2014. The Commission will utilize parties' comments and the PHC as a basis to identify areas that need clarification, and may consider the addition of specific issues or questions related to the items described in Section 5 to the scope of this proceeding, pursuant to the guidance set forth herein. We direct parties to limit their comments to the specific issues set forth in this OIR, as well as to

objections to the preliminary determinations below. Comments are limited to 10 pages per party.

5. Category of Proceeding and Need for Hearing

The Commission's Rules of Practice and Procedure require that an OIR preliminarily determine the category of the proceeding and the need for hearing.²⁰ As a preliminary matter, we determine that this proceeding is ratesetting as defined in Rule 1.3(e), and that because significant factual issues may be raised regarding the IOUs' bundled procurement plans and in determining long-term system and local capacity requirements, that evidentiary hearings may be necessary during one or more portions of the proceeding. However, as with earlier procurement proceedings, certain issues may lend themselves to resolution through a combination of workshops and formal comments without hearing.

Any person who objects to the preliminary categorization of this rulemaking as "ratesetting" or to the preliminary hearing determination shall state their objections in the comments on the Preliminary Scoping Memo. After considering the comments, the assigned Commissioner will issue a scoping ruling making a final category determination; this final category determination is subject to appeal as specified in Rule 7.6.

6. Schedule

A PHC is set for February 25, 2014 at 10:00 a.m. in the Commission Courtroom, State Office Building, 505 Van Ness Avenue, San Francisco, California. At the PHC, the parties should be prepared to discuss the issues

²⁰ Rule 7.1(a).

addressed in this order, as well as any procurement-related policy proposals not ruled out of scope in this OIR. In lieu of PHC statements, we request that parties file comments on the Preliminary Scoping Memo contained herein.

Preliminary Schedule

Proceeding Milestone	Date
Ruling on Proposed Standardized Planning Assumptions	4 th quarter 2013
Comments/Reply and Party Alternative Proposals on Proposed Standardized Planning Assumptions	January 2014
ACR on Joint Assumptions, Scenarios and RPS Portfolios for 2014 LTPP and 2014-15 TPP	1 st quarter 2014
Comments due on Preliminary Scoping Memo	February 3, 2014
PHC	February 25, 2014
Scoping Ruling	April 2014
IOUs file Bundled Procurement Plans	Per Scoping Ruling

Each of the issue areas outlined in the Preliminary Scoping Memo will likely require different types and degrees of public participation. Therefore, we delegate further definition of procedure and schedule for each issue area to the assigned Commissioner and ALJ as determined in the Scoping Memo or later ruling. We leave open the possibility that issue areas may be decided upon individually in interim decisions, if necessary. In addition, we authorize the assigned Commissioner and ALJ to organize issues within the proceeding, including moving issues between tracks. The assigned Commissioner or ALJ has the authority to make changes to the above schedule.

This proceeding will conform to the statutory case management deadline for ratesetting matters set forth in § 1701.5. In particular, it is our intention to resolve all relevant issues within 24 months of the date of the assigned Commissioner's Scoping Memo for each track. In using the authority granted

in § 1701.5(b) to set a time longer than 18 months, we consider the number and complexity of the tasks and the need to coordinate with other proceedings.

7. Becoming a Party: Joining and Using the Service List

PG&E, SDG&E, and SCE shall be respondents to this proceeding and shall therefore be parties. Within 15 days of mailing of this rulemaking, each respondent shall inform the Commission's Process Office of the contact information for a single representative, although other representatives and persons affiliated with the respondents may be placed on the Information Only service list.

We will provide for service of this order on the service list for R.12-03-014, the predecessor LTPP proceeding, as well as R.11-03-012 (GHG Auction Revenue), R.11-05-005 (RPS), R.11-10-023 (RA), R.09-11-014 (EE), R.07-01-041 (Demand Response), R.10-05-004 (California Solar Initiative), R.10-12-007 (Energy Storage), and R.08-03-009/I.08-03-010 (Renewable Transmission). Such service does not confer party status in this proceeding upon any person or entity, and does not result in that person or entity being placed on the service list for this proceeding. If you want to participate in the rulemaking or simply to monitor it, follow the procedures set forth below. To ensure you receive all documents, send your request within 30 days after the OIR is published. The Commission's Process Office will publish the official service list at the Commission's website (www.cpuc.ca.gov), and will update the list as necessary.

7.1. During the First 30 Days

Within 30 days of the service of this OIR, any person may be added to the official service list by sending a request to the Process Office. You may use e-mail

(Process_Office@cpuc.ca.gov) or letter (Process Office, California Public Utilities Commission, 505 Van Ness Avenue, San Francisco, CA 94102). Include the following information:

- Docket Number of this Rulemaking;
- Name (and party represented, if applicable);
- Postal Address;
- Telephone Number;
- E-mail Address; and
- Desired Status (Party, State Service, or Information Only).²¹

If the OIR names you as respondent, you are already a party, but you or your representative must still ask to be added to the official service list.

Party status will be granted to any party to R. 12-03-014 upon receipt of the above information.

7.2. After the First 30 Days

If you want to become a party after the first 30 days, you may do so by filing and serving timely comments in the rulemaking (Rule 1.4(a)(2)), or by making an oral motion at the PHC (Rule 1.4(a)(3)), or by filing a motion (Rule 1.4(a)(4)). If you file a motion, you must also comply with Rule 1.4(b). These rules are in the Commission's Rules of Practice and Procedure, which you can read at the Commission's website.

If you want to be added to the official service list as a non-party (that is, as State Service or Information Only), follow the instructions in Section 7.1 above.

²¹ If you want to file comments or otherwise actively participate, choose "Party" status. If you do not want to actively participate but want to follow events and filings as they occur, choose "State Service" status if you are an employee of the State of California; otherwise, choose "Information Only" status.

7.3. Updating Information

Once you are on the official service list, you must ensure that the information you have provided is up-to-date. To change your postal address, telephone number, e-mail address, or the name of your representative, send the change to the Process Office by letter or e-mail, and send a copy to everyone on the official service list.

7.4. Serving and Filing Documents

We anticipate that the Process Office will not publish the official service list before the first filing deadline in this Rulemaking. Until the official service list is published, the official service list for R.12-03-014 shall be used as the temporary official service list.

When you serve a document, use the official service list published at the Commission's website as of the date of service. You must comply with Rules 1.9 and 1.10 when you serve a document to be filed with the Commission's Docket Office. If you are a party to this Rulemaking, you must serve by e-mail any person (whether Party, State Service, or Information only) on the official service list who has provided an e-mail address.

The Commission encourages electronic filing and e-mail service in this Rulemaking. You may find information about electronic filing at <http://www.cpuc.ca.gov/PUC/efiling>.

E-mail service is governed by Rule 1.10. The subject line for e-mail communications should include the proceeding number, and where the filing is related to a specific track, the track number for the filing. In addition, the party sending the e-mail should briefly describe the attached communication, for example, *Brief*. If you use e-mail service, you must also provide a paper copy to the assigned Commissioner and ALJ. The electronic copy should be in Microsoft

Word or Excel formats to the extent possible. The paper copy should be double-sided. E-mail service of documents must occur no later than 5:00 p.m. on the date that service is scheduled to occur.

If you have questions about the Commission's filing and service procedures, contact the Docket Office.

8. Public Advisor

Any person or entity interested in participating in this rulemaking who is unfamiliar with the Commission's procedures should contact the Commission's Public Advisor in San Francisco at (415) 703-2074 or (866) 849-8390 or e-mail public.advisor@cpuc.ca.gov; or in Los Angeles at (213) 576-7055 or (866) 849-8391, or e-mail public.advisor.la@cpuc.ca.gov. The TTY number is (866) 836-7825.

9. Intervenor Compensation

Any party that expects to claim intervenor compensation for its participation in this rulemaking shall file its notice of intent (NOI) to claim intervenor compensation no later than 30 days after the PHC. Parties who were previously found eligible to request compensation in R.12-03-014 shall remain eligible in this proceeding and do not need to file an NOI within 30 days, provided there are no material changes in their by-laws or financial status. Contributions made during the pendency of R.12-03-014 to issues within the scope of this proceeding may be considered for compensation in this proceeding, if not already compensated.

10. Ex Parte Communications

Communications with decision makers and advisors in this rulemaking are subject to the rules on *ex parte* communications set forth in Article 8 of the Rules of Practice and Procedure. (See Rule 8.4(b), Rule 8.2(c), Rule 8.3 and 8.5.)

IT IS ORDERED that:

1. The Commission institutes this rulemaking on its own motion to continue its efforts to ensure a safe, reliable, and cost-effective electricity supply in California through integration and refinement of a comprehensive set of procurement policies and review of long-term procurement plans.
2. Pacific Gas and Electric Company, San Diego Gas & Electric Company, Southern California Edison Company are respondents to this proceeding.
3. This is a successor proceeding to the Commission's procurement rulemaking, Rulemaking 12-03-014, with respect to long-term procurement plans and the record developed in that proceeding is fully available for consideration in this proceeding.
4. The Executive Director shall cause this Order Instituting Rulemaking to be served on the respondents listed in Ordering Paragraph 2 above, and on the service lists for Rulemaking (R.) 11-03-012 (Greenhouse Gas Auction Revenue), R.11-05-005 (Renewables Portfolio Standard), R.11-10-023 (Resource Adequacy), R.09-11-014 (Energy Efficiency), R.07-01-041 (Demand Response), R.10-05-004 (California Solar Initiative), R.10-12-007 (Energy Storage), and R.08-03-009/Investigation 08-03-010 (Renewable Transmission).
5. A prehearing conference is scheduled for February 25, 2014 at 10:00 a.m. in the Commission Courtroom, State Office Building located at 505 Van Ness Avenue, San Francisco, California. A service list will be established at that time.

6. Pacific Gas and Electric Company, San Diego Gas & Electric Company, and Southern California Edison Company shall, and other parties may, file and serve comments on the Preliminary Scoping Memo and Schedule by February 3, 2014. Pursuant to Rule 6.2 of the Commission's Rules of Practice and Procedure, parties shall include in their comments any objections regarding the category, need for hearing, issues to be considered, or schedule.

7. Any person or representative of an entity interested in participating in or monitoring this proceeding that does not make an appearance at the prehearing conference shall follow the process for doing so set forth herein.

8. The category of this rulemaking is preliminarily determined to be ratesetting, and is subject to the *ex parte* communication rules stated in Article 8 of the Rules of Practice and Procedure.

9. Evidentiary hearings are anticipated.

10. Any party that expects to claim intervenor compensation for its participation in this rulemaking shall file its notice of intent to claim intervenor compensation no later than 30 days after the prehearing conference. Parties who were previously found eligible to request compensation in Rulemaking (R.) 12-03-014 shall remain eligible in this proceeding and do not need to file a notice of intent within 30 days, provided there are no material changes in their by-laws or financial status. Contributions made during the pendency of R.12-03-014 to issues within the scope of this proceeding may be considered for compensation in this proceeding, if not already compensated.

11. The assigned Commissioner or Administrative Law Judge may make any revisions to the scheduling and filing determinations made herein as necessary to facilitate the efficient management of the proceeding, including reorganization of issues between the separate tracks of the proceeding.

This order is effective today.

Dated _____, at San Francisco, California.