PROPOSED DECISION

Agenda ID# 14623 (Rev. 1)
Item 9 – February 11, 2016

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Develop an Electricity Integrated Resource Planning Framework and to Coordinate and Refine Long-Term Procurement Planning Requirements.	R._____

ORDER INSTITUTING RULEMAKING

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ORDER INSTITUTING RULEMAKING

Summary

We open this rulemaking to continue our efforts to ensure a safe, reliable and cost-effective electricity supply in California. The primary emphasis in this rulemaking will be the implementation of Senate Bill (SB) 350 (Stats. 2015, Ch. 547), which mandates that the Commission adopt a process for integrated resource planning to ensure that load serving entities meet targets to be established by the California Air Resources Board, reflecting the electricity sector's contribution to achieving economy-wide greenhouse gas emissions reductions of 40 percent from 1990 levels by 2030.

This rulemaking will be the Commission's primary venue for implementation of the SB 350 requirements related to integrated resource planning (IRP), contained in Sections 26 and 27 of the bill, and codified as Public Utilities Code Sections 454.51 and 454.52.[1]

These new Legislative requirements represent a logical evolution that builds on our work in previous long-term procurement planning (LTPP) proceedings and evolves and refines the implementation of the decade-long procurement "loading order" policy.

The general issues to be addressed for the 2016 procurement planning cycle are as follows:

(1) Assess the impact of SB 350 on future procurement needs and develop the process and requirements for the IRPs to be filed by load-serving entities (LSEs). This includes bringing together or

[1] All future references to the Code in this document are to the Public Utilities Code, unless otherwise specified.

taking to the next level a number of efforts that have been underway in previous LTPP proceedings or other related resource proceedings, including developing and refining modeling assumptions to assess the need for additional flexible resources to integrate variable renewable energy resources.

(2) Develop or refine procurement rules for non-investor-owned utility (IOU) LSEs now required to develop IRPs who did not previously submit LTPPs, and consider cost allocation and competitiveness issues between IOUs and other LSEs.

(3) To the extent necessary, identify CPUC-jurisdictional needs for new resources to meet local, flexible, or system resource adequacy (RA) requirements and to consider authorization of procurement to meet that need.

(4) To the extent necessary, update, and review individual IOU bundled procurement plans required by § 454.5.

Like previous LTPP proceedings, this proceeding will serve as a sort of umbrella resource planning proceeding designed to be informed by, and also possibly influence, a number of resource-specific proceedings also underway at the Commission. Those proceedings are listed in Section 2, Table 1, below.

Previous LTPPs have historically analyzed the long-term need for new resources, including system, local and flexible capacity, and evaluated the bundled procurement plans and procurement rules applicable to the IOUs: Pacific Gas & Electric Company, Southern California Edison Company, and San Diego Gas & Electric Company.

While we envision that this rulemaking will address these areas, to the extent that they are determined necessary to ensure that safe and reliable operation of the electrical system, we believe it may be premature to assess need and authorize additional procurement in light of the most recent LTPP need analysis and the changing procurement landscape envisioned by SB 350. For

these reasons, this proceeding will focus on the SB 350 requirements, how these requirements will affect future procurement activities, and whether our modeling efforts need to change in support of integrated resource planning efforts.

With this information, this proceeding will then address the scope of the integrated resource plans to be filed with the Commission beginning in 2017.

In this proceeding, we will also consider unresolved issues from Rulemaking 13-12-010, including how to appropriately assess the need for additional flexible capacity. This issue will likely become increasingly important, especially to the extent that the SB 350 mandate for 50 percent renewables is met with variable energy resources.

At this point, we do not see a need to address the need for procurement of system and local reliability resources or to require the IOUs to file revised bundled procurement plans in this two-year cycle, as these issues have been addressed in recent decisions. Nonetheless, we will leave these in scope to address any unexpected issues that arise that could impact the reliability of the grid.

Finally, we will also consider a number of rule and policy issues related to electric utilities' procurement practices. The issues to be addressed primarily arise from SB 350, including cost-sharing mechanisms and, more generally, planning for the procurement of resources that may benefit customers served by more than one load-serving entity.

All resource and procurement planning in this proceeding will be done in the context of SB 350, and will also be informed by previous policy documents

such as the Energy Action Plan (EAP) I and II,[2] the Commission's Loading Order policies which prioritize certain preferred resources,[3] the California Air Resources Board's (CARB's) 2030 Climate Change Scoping Plan, which is currently under development, other state energy policies, such as the Global Warming Solutions Act of 2006 (also known as Assembly Bill (AB) 32 (Nunez, 2006)) greenhouse gas limitations,[4] and once-through-cooling policies.[5]

We will also continue our collaboration with other relevant entities, including the CEC and their Integrated Energy Policy Report, the California Independent System Operator's Transmission Planning Process, and the CARB's Scoping Plan for greenhouse gas emissions reductions under AB 32.

1. Background

This proceeding is the successor to Rulemaking (R.) 13-12-010,[6] 12-03-014,[7] R.10-05-006,[8] R.08-02-007,[9] R.06-02-013,[10] R.04-04-003,[11] and R.01-10-024,[12] and

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[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 Ruling to Integrate and Refine Procurement Policies and Consider Long-Term Procurement Plans*, dated December 19, 2013.

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

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

rulemakings initiated by the Commission to ensure that California's major investor-owned utilities (IOUs)[13] could resume and maintain procurement responsibilities on behalf of their customers.

The long-term procurement plan (LTPP)-related 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,[14] 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.

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

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

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

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

[13] 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).

[14] 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' LTPPs 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 and D.15-10-031, as modified by D.16-01-015, approved, with modifications, the utilities' bundled procurement plans, and extended the IOUs' upfront procurement authority through 2020 and 2024, respectively.

The 2012 LTPP proceeding, R.12-03-014, primarily addressed the overall long-term need for new local reliability resources to address the retirement of once-though cooling plants in Southern California and the premature retirement of the San Onofre Nuclear Generating Station (SONGS). D.13-02-015 authorized SCE to procure between 1400 and 1800 megawatts (MW) of electrical capacity in the West Los Angeles sub-area of the Los Angeles (LA) basin local reliability area to meet local capacity requirements (LCR) and between 215 and 290 MW in the Moorpark sub-area of the Big Creek/Ventura local reliability area. To address the permanent closure of SONGS, D.14-03-004 authorized SCE to procure an additional 500 to 700 MW for the electrical capacity in the West Los Angeles sub-area of the LA basin local reliability area to meet LCRs requirements, and SDG&E to procure 500 to 800 MW.

The 2014 LTPP proceeding, R.13-12-010, currently ongoing, evaluated the need for resources to maintain system and flexible reliability by using stochastic and deterministic models. These modeling results provided information on

trends likely to be seen in the future. However, many parties – including those that performed the modeling – argued that the stochastic models were not yet mature enough to be used for procurement decisions. The resulting ALJ Ruling directed Energy Division staff to work with interested parties to further refine and validate these models.[15]

Energy Division staff invited parties to participate in three working groups, aimed at identifying:

1) Common definitions and standards to use in models;
2) Common outputs that models should generate; and
3) Methods to validate the results generated by the models.

This effort resulted in a draft Staff Proposal and corresponding Workshop in the summer of 2015. Both of these informed the Staff Proposal issued via ALJ Ruling November 16, 2015.

R.13-12-010 is expected to be closed soon, after concluding with two forthcoming items:

1) a decision addressing modeling approaches (in response to parties' comments responding to the November 16, 2015 Staff Proposal and ALJ ruling)
2) an Assigned Commissioner's Ruling conveying Assumptions and Scenarios[16] for use in this proceeding, the California Independent System Operator's (CAISO's) 2016-2017 Transmission Planning Process (TPP), and to assist with independent research efforts.

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[15] ALJ Ruling issued March 25, 2015, available online at: http://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M148/K825/148825409.PDF.

[16] For a complete discussion of the alignment of this process with the processes of other agencies and entities, see http://www.cpuc.ca.gov/General.aspx?id=6617.

On October 7, 2015, Governor Brown signed into law SB 350, the Clean Energy and Pollution Reduction Act of 2015. Among other provisions, Senate Bill (SB) 350 requires the Commission to adopt a process for all LSEs to file integrated resource plans (IRPs), and periodically update them, to ensure that LSEs do the following:

- Meet the greenhouse gas (GHG) emissions reduction targets established by the CARB for the electricity sector and that reflect the electricity sector's percentage in achieving the economy-wide GHG emissions reductions of 40 percent from 1990 levels by 2030;
- Procure at least 50 percent eligible renewable energy resources 2030;
- Double the energy efficiency savings in electricity and natural gas final end uses of retail customers through energy efficiency and conservation by 2030;
- Enhance transportation electrification efforts;
- Enable each electrical corporation to fulfill its obligations to serve its customers at just and reasonable rates;
- Minimize impacts on ratepayers' bills;
- Ensure system and local reliability;
- Strengthen diversity, sustainability, and resilience of the bulk transmission and distribution systems, and local communities;
- Enhance distribution system and demand-side energy management; and
- Minimize localized air pollutants and other GHG emissions, with early priority on disadvantaged communities.

SB 350, Section 13, which adds Section 359.5 to the Public Utilities Code, also expresses the Legislature's preference for the CAISO to become a regional organization, a process that is relevant to this proceeding.

2. Preliminary Scoping Memo

As required by Rule 7.1(d)[17] 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. In response to this rulemaking order, parties will have the opportunity to provide comments on how to address these issues procedurally; identify priority issues to resolve; and whether to separate certain issues into different tracks or phases. After a prehearing conference (PHC), an Assigned Commissioner's Scoping Ruling will be issued laying out the issues and procedural path in greater detail.

As in previous LTPP proceedings, our work in this proceeding will serve as a kind of "umbrella" for our work in a number of other related proceedings, including, but not necessarily limited to, those indicated in Table 1 below.

Table 1. Procurement-Related Proceedings

	Docket	Proceeding Number
1	Greenhouse Gas Proceeding for Electric Utilities	R.11-03-012
2	Greenhouse Gas Proceeding for Gas Utilities	R.14-03-003
3	Greenhouse Gas Outreach Issues	R.13-08-026
4	2014 Long Term Procurement Plan Proceeding	R.13-12-010
5	Resource Adequacy Requirements	R.14-10-010
6	Joint Reliability Plan	R.14-02-001
7	Energy Efficiency	R.13-11-005
8	Demand Response and Advanced Metering	R.13-09-011

[17] "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).)

9	Energy Savings Assistance and California Alternative Rates for Energy Programs	A.14-11-007 A.14-11-009 A.14-11-010 A.14-11-011
10	Low Income Programs and Budgets	A.15-02-001 A.15-02-002 A.15-02-003 A.15-02-013 A.15-02-024 A.15-02-004
11	Distribution Level Interconnection Rules and Regulations	R.11-09-011
12	Evaluation of Integrated Distributed Energy Resource Programs	R.14-10-003
13	Distribution Resources Plan (Rulemaking and Applications)	R.14-08-013 A.15-07-002 A.15-07-003 A.15-07-005 A.15-07-006 A.15-07-007 A.15-07-008
14	California Solar Initiative and Distributed Generation	R.12-11-005
15	Further Development of Renewables Portfolio Standard Program	R.15-02-020
16	Alternative-Fueled Vehicle Programs	R.13-11-007
17	Energy Storage	R.15-03-011
18	Water-Energy Nexus	R.13-12-011
19	Net Energy Metering	R.14-07-002

The general issues to be addressed for the 2016 procurement planning cycle are as follows:

(1) Assess the impact of SB 350 on future procurement needs and develop the process and requirements for the integrated resource plans to be filed by load-serving entities. This includes bringing together or taking to the next level a number of efforts that have been underway in previous LTPP proceedings or other related resource proceedings, including developing and refining

modeling assumptions around the need for additional flexible resources to integrate variable renewable energy resources.

(2) Develop or refine procurement rules for all LSEs now required to develop IRPs who did not previously submit LTPPs, and consider cost allocation and competitiveness issues between IOUs and other LSEs.

(3) To the extent necessary, identify CPUC-jurisdictional needs for new resources to meet local, flexible, or system resource adequacy requirements and consider authorization of procurement to meet that need.

(4) To the extent necessary, update, and review individual IOU bundled procurement plans required by § 454.5.

2.1. SB 350 Integrated Resource Planning Framework

SB 350 mandates that the Commission adopt a process by 2017 for all jurisdictional LSEs to submit IRPs to ensure that the LSEs' planning and procurement efforts are on track to meet, among other provisions, the electricity sector's GHG emissions reductions targets to be established by the California Air Resources Board.

SB 350 also includes requirements for portfolio optimization in IRP, including the following parts of Section 454.51, requiring the Commission to:

(a) Identify a diverse and balanced portfolio of resources needed to ensure a reliable electricity supply that provides optimal integration of renewable energy in a cost-effective manner. The portfolio shall rely upon zero carbon-emitting resources to the maximum extent reasonable and be designed to achieve any statewide greenhouse gas emissions limit pursuant to the California Global Warming Solutions Act of 2006 or any successor legislation.

(b) Direct each electrical corporation to include, as part of its proposed procurement plan, a strategy for procuring best-fit and

> least-cost resources to satisfy the portfolio needs identified by the commission pursuant to subdivision (a).

In its most basic form, an IRP represents an analysis leading to an optimized portfolio of resources to serve an LSE's load that is constrained by certain factors. In this case, the overall constraints will be GHG emissions, reliability, and cost. Additional statutory requirements, such as the 50 percent Renewables Portfolio Standard (RPS) and the requirement for doubling of energy efficiency savings, represent additional constraints that also must be met. Finally, the Commission's overall and ongoing responsibility to ensure safe and reliable electricity service at just and reasonable rates must also be maintained.

Previous LTPP proceedings, though they have focused on long-term planning at least ten years out, have not truly attempted to tackle the comprehensive resource optimization challenge contemplated by this new IRP requirement. Instead, previous LTPPs have taken requirements for certain amounts of particular resources (such as RPS, energy efficiency, demand response, energy storage, etc.) as fixed amounts once the goals or requirements were developed in the individual resource-specific proceedings. Then, the LTPP analysis functioned as a mathematical exercise to determine any residual need to meet system or local capacity requirements, ultimately leading to the authorization of procurement to fill that need.

In early LTPP cycles, most of the residual need was met with conventional resources. In recent LTPPs, more efforts have been directed toward procuring so-called "preferred" or low- or zero-GHG-emitting resources (including energy

efficiency, demand response, renewables, and electricity storage[18]) to meet the residual need identified.

In addition, previous LTPPs have focused primarily on the IOUs and their resource needs, especially for their bundled load, whereas the new IRP requirement explicitly extends to all LSEs who serve load within the IOU service territories, including electric service providers (ESPs) and community choice aggregators (CCAs), as well as the small and multi-jurisdictional utilities (SMJUs).

This proceeding will, ultimately, determine the requirements for the IRPs that must be submitted to the Commission and adopt an IRP framework and process, as required by statute, for all Commission-jurisdictional LSEs.

Towards this end, this proceeding will address a number of critical IRP implementation issues including, but not necessarily limited to the following:

- Whether integrated resource planning will be undertaken on a system-wide basis and/or by individual LSEs;
- Based in part on this determination and to the extent applicable, who will perform the modeling, studies, and analysis to determine procurement and resource needs;
- How the resource authorization and procurement processes will be structured;
- Whether and how the IRP process relates to LSE obligations to comply with the CARB Cap and Trade Regulation;

[18] Though the "loading order" pre-dates the widespread availability of storage, this resource has been authorized to count toward utility requirements for preferred resources in previous LTPP decisions. *See*, for example, D.13-02-015.

- Whether it is necessary to allocate the electricity sector emissions reductions targets established by the CARB to individual LSEs and, if so, how;
- How to handle the accounting of electricity sector responsibilities for greenhouse gas emissions reductions along with the anticipated progress of the electrification of transportation;
- How to measure LSE compliance with IRP requirements and emissions reduction targets and on what timeframe;
- Whether an enforcement regime is necessary, and, if so, how to structure it;
- Required content of the IRPs;
- Frequency and timing for IRP updates; and
- Whether and how to coordinate IRP requirements for Commission-jurisdictional LSEs with the California Energy Commission's (CEC's) similar responsibility to oversee a similar IRP process for publicly-owned utilities.

This list is only preliminary and we intend for the scope of this proceeding to be broad enough to develop a record sufficient to implement an IRP process, timeline, and requirements for all jurisdictional LSEs.

A number of areas of ongoing work in previous LTPP proceedings, as well as other related resource-specific proceedings, will help inform the answers to the above questions. We will seek to coordinate and integrate this work as much as possible with this proceeding, to prepare us for the resource optimization analysis required in the IRP process. This work includes, but is not necessarily limited to, the following topics:

- Modeling approaches needed to support IRP analysis;
- Consistent accounting for GHG emissions profiles of different resources;

- Consistent methodologies for resource valuation and/or selection criteria across multiple resource types, for use in comparisons in all-source or multiple-source procurement;
- Consistent cost-effectiveness analysis of demand-side and distributed energy resources, as well as identification of demand-side resource potential;
- Multiple issues related to grid integration for renewables, including:
  - Refinement of flexible capacity definitions, in coordination with and relying on the Resource Adequacy Rulemaking (R.14-10-010);
  - Refinement of a California-specific integration adder (also may relate to least-cost best-fit analysis listed above);
  - Refinement of capacity values for renewables, including effective load carrying capacity (ELCC) values; and
- Cost containment policy for renewables.

We discuss each of these topics briefly below.

2.1.1. Modeling Approaches

Phase 1 of the 2014 LTPP proceeding, R.13-12-010, considered system reliability needs and, specifically, issues related to grid operational flexibility needs. On March 25, 2015, Administrative Law Judge (ALJ) Gamson issued a ruling discontinuing Phase 1a of R.13-12-010, which was focused on determining if there was a need for a long-term flexible capacity procurement authorization, and devoting Phase 1b to refining the deterministic and stochastic models so that the Commission would have improved tools by which to examine long-term flexible capacity needs in future LTPP proceedings.

The ALJ Ruling found that there was "not sufficient evidence at this time to determine whether or not there is a need for additional flexible or system capacity through 2024" and that "[t]here is both sufficient time and a critical need

to further develop modeling efforts to inform the 2016 LTPP proceeding regarding the need for flexible capacity through 2026."

The previous LTPP proceeding (R.13-12-010) is still open and we expect that a proposed decision addressing comments on the Modeling Methodology Staff Proposal issued November 16, 2015 will be forthcoming. That decision is anticipated to be the final one in R.13-12-010 and will most likely close out that proceeding.

In this new proceeding, to the extent necessary, we will continue the effort to revise and refine our modeling tools so that we can make informed planning and procurement decisions in light of SB 350, taking into consideration the impacts of various procurement alternatives on overall GHG emissions as well as the potential effects on grid reliability and safety. At this time, however, we do not anticipate that the modeling refinements addressed in this new proceeding will lead to procurement decisions in this two-year cycle, absent any unforeseen circumstances that could potentially affect grid reliability.

2.1.2. GHG Emissions Accounting

Currently, the accounting for the GHG emissions reduction benefits of various types of electricity resources may not be consistent across all resource types. As part of CARB's reporting and monitoring associated with AB 32, and the electric sector's contributions to the economy-wide reductions required under that law, Commission staff collect and compile information annually about the contributions of complementary policies to Cap and Trade, such as renewables and energy efficiency resources, for example, as well as other programmatic areas in which the utilities invest.

This issue is also embedded in the modeling approaches discussed in the previous section, though certain GHG emissions reduction benefits associated

with interventions on the customer side of the meter affecting the load forecast may also not be fully captured or captured consistently across resource types.

We expect that an early task of the proceeding will be to take on this coordination and standardization of the accounting and valuation of GHG emissions across resource.

In addition, it may be appropriate to consider use of the social cost of carbon, as distinct from its market price, in resource valuation and portfolio optimization analysis done in this proceeding for long-term planning purposes.

2.1.3. Resource Valuation and/or Selection Methodology

In order to ensure fair and consistent approaches to valuing and selecting resources of different types with different characteristics, in order to achieve optimized portfolios, at least from a planning perspective, the Commission will need to develop or refine a methodology. Ideally, such a methodology would be consistent across all LSEs.

One form of this type of analysis is already in use in the RPS context. The RPS code sections require the Commission to approve a methodology for utility evaluation of bids to deliver required renewable power in a manner that best fits the utility's grid need at the least cost to ratepayers. This is the "least cost best fit" methodology. Reform of this methodology has been an RPS proceeding priority for some time and the topic is being addressed there (in R.15-02-020).

Another associated metric used by the utilities in both their RPS and their general procurement of resources is the "net market value" of the resource, which attempts to capture the value of a particular project both to the ratepayers and to the utility.

To the extent that the IRP process and the previous LTPP work has been moving in the direction of all-source solicitations of all types of resources (including all resources traditionally classified as supply-side, as well as sometimes including resources traditionally classified as demand-side, such as energy efficiency or behind-the-meter solar photovoltaics), the Commission should evaluate an overall approach that is consistent across IOUs, if not all LSEs.

The methodology will first be helpful from a planning perspective, and later may be utilized as a more traditional evaluation protocol for bids in response to solicitations for procurement.

It may make sense to begin work on this topic with a workshop where utilities and others (inside and outside of California) who already have performed these types of analyses recently present information about their current approach, how it works in practice, and its pros and cons. In particular, the large IOUs could present on recent experience with solicitations, including SCE's local capacity request for offers that included an all-source opportunity.

2.1.4. Demand-Side and Distributed Energy Resource Cost-Effectiveness

Similar to the discussion in Section 2.1.3 above, cost-effectiveness methodologies traditionally used to evaluate demand-side resources are in need of updating for consistency across resource types. This work has begun in the Integrated Distributed Energy Resources proceeding (R.14-10-003) and is expected to continue there, but is also highly relevant to the ultimate IRP work to be done in this proceeding. Thus, in this proceeding, we will monitor these developments and may incorporate results into the IRP process when they

become available and to the extent they are necessary for the tasks of this proceeding.

A related issue includes the development of analyses usually referred to as "potential studies" for demand-side resources including demand response and energy efficiency. Typically, these studies are developed bottom-up, based on feasibility from a technical, economic, or market "achievable" (based on past program experience) perspective. This may or may not line up with the more top-down type of analysis contemplated by an IRP, where a resource type may be selected for procurement as long as it meets least-cost best-fit criteria, even if the feasibility of acquiring the resource may be limited.

2.1.5. Grid Integration

One of the better-known challenges associated with meeting the SB 350 goals is the need to integrate variable/intermittent renewable resources on the grid, along with electricity load that is inherently variable, which will likely increasingly include electric vehicle load. This must be done without leading to degradation of reliability, economically unacceptable levels of renewables curtailment, or the need to rely on fossil-fueled resources unnecessarily, leading to environmental problems the law is aiming to mitigate.

Several efforts are already underway to address these questions. In the previous LTPP proceeding, SCE has been working with Commission staff and consultants to develop a California-specific methodology for a grid integration adder to account for the variable costs of renewables integration. This analysis was designed to complement the methodology already adopted covering the fixed costs of integration in the RPS proceeding in D.14-11-042.

This ongoing work will be taken up in this new proceeding as we move toward 50 percent renewables. This also relates to the development of resource valuation and selection methodologies discussed in Section 2.1.3 above.

In addition, the current RPS proceeding (R.15-02-020) released a staff proposal on October 9, 2015 and sought party comment on the use of capacity values specific to long-term planning purposes, as distinct from the shorter-term use in the resource adequacy context. Staff proposed using a slightly modified form of the ELCC methodology current under development in an ongoing way in the resource adequacy proceeding (R.14-10-010). This analysis is relevant to the planning and procurement tasks contemplated in this proceeding as well, and we will need to coordinate the work of this proceeding closely with the issues in the RPS rulemaking.

In addition, on November 25, 2015, Commission staff published a white paper titled "Beyond 33% Renewables: Grid Integration Policy for a Low-Carbon Future."[19] The paper includes a compilation of all of the ongoing efforts in various Commission proceedings aimed at improving grid integration for variable load and renewables, and recommends additional efforts to mitigate the effects of greater percentages of intermittent renewables delivering energy to the grid as we move toward 50 percent renewables by 2030. We will utilize this paper as this proceeding progresses, may host workshops or discussions on various aspects of the paper, as well as inviting comments on the paper's recommendations at a later date in the proceeding.

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[19] *See* http://www.cpuc.ca.gov/uploadedFiles/CPUC_Website/Content/Utilities_and_Industries/Energy/Reports_and_White_Papers/Beyond33PercentRenewables_GridIntegrationPolicy_Final.pdf

2.1.6. Renewables Cost Containment

The RPS-related portions of SB 350 contemplate the development and adoption of a cost containment mechanism for RPS-eligible procurement that includes containing RPS costs "at a level that prevents disproportionate rate impacts." This mandate suggests that a total portfolio cost analysis may be relevant in the development of an RPS cost containment mechanism.

We will need to coordinate with the RPS proceeding to determine what analysis needs to be done in this proceeding, both to aid in the development of the cost containment framework, and eventually to support monitoring procurement results compared with the framework ultimately established by the Commission.

2.2. Procurement Oversight and Rules

This proceeding will also address broad rule and policy issues related to integrated resource plans and procurement plans, focusing specifically on those new issues arising from SB 350. In addition to the IRP requirements, SB 350 includes a number of other issues that we are likely to need to address in this proceeding. SB 350, in the section codified as Section 454.51 of the Public Utilities Code, requires that the Commission do the following[20]:

> (a) Identify a diverse and balanced portfolio of resources needed to ensure a reliable electricity supply that provides optimal integration of renewable energy in a cost-effective manner. The portfolio shall rely upon zero carbon-emitting resources to the maximum extent reasonable and be designed to achieve any statewide greenhouse gas emissions limit pursuant to the California Global Warming Solutions Act of 2006 or any successor legislation.

[20] Parts (a) and (b) of Section 454.51 relate to Section 2.1 on IRP above.

(b) Direct each electrical corporation to include, as part of its proposed procurement plan, a strategy for procuring best-fit and least-cost resources to satisfy the portfolio needs identified by the commission pursuant to subdivision (a).

(c) Ensure that the net costs of any incremental renewable energy integration costs procured by an electrical corporation to satisfy the need identified in subdivision (a) are allocated on a fully nonbypassable basis consistent with the treatment of costs identified in paragraph (2) of subdivision (c) of Section 365.1.

(d) Permit community choice aggregators to submit proposals for satisfying their portion of the renewable integration need identified in subdivision (a). If the commission finds this need is best met through long-term procurement commitments for resources, community choice aggregators shall also be required to make long-term commitments for resources. The commission shall approve proposals pursuant to this subdivision if it finds all of the following:

(1) The resources proposed by a community choice aggregator will provide equivalent integration of renewable energy.

(2) The resources proposed by a community choice aggregator will promote the efficient achievement of state energy policy objectives, including reductions in greenhouse gas emissions.

(3) Bundled customers of an electrical corporation will be indifferent from the approval of the community choice aggregator proposals.

(4) All costs resulting from the nonperformance will be borne by the electrical corporation or customer choice aggregator responsible for them.

Items (a) and (b) above were already covered in the discussion in Section 2.1 above, but items (c) and (d) relate more to cost allocation and competitiveness among electricity providers within a utility's service territory. The Commission will need to address and update its rules associated with these issues for CCAs and ESPs.

In addition, Section 454.5 requires that the Commission ensure that the costs are allocated in a fair and equitable manner to all customers consistent with Section 454.51, that there is no cost-shifting among customers of load-serving entities, and that community choice aggregators may self-provide renewable integration resources consistent with Section 454.51.

Thus, this proceeding will necessarily need to address potential cost-sharing mechanisms and, more generally, planning for the procurement of resources that may benefit customers served by more than one load-serving entity.

2.3. Long-Term System and Local Reliability Resource Plan

In the past, the LTPP proceedings have focused on identifying CPUC-jurisdictional needs for new resources to meet system or local requirements over a long term planning horizon, taking into consideration long-term renewable resource development and the need for replacement infrastructure to allow for the retirement of inefficient and environmentally harmful resources. In Track 1 of the 2012 LTPP (R.12-03-014), the local reliability track of that proceeding, we authorized procurement of new infrastructure for local reliability purposes, in D.13-02-015. In Track 4 of R.12-03-014, we considered additional procurement needs related to the early retirement of SONGS, resulting in D.14-03-004.

Because the Commission has reviewed long-term local reliability needs recently and because SB 350 changes the scope of resources that we will need to procure in the future, there does not appear to be a need to re-assess local and system needs or order additional procurement during the two-year timeframe of this proceeding. Nonetheless, we will include long-term system and local

reliability needs in the scope of this proceeding, and continue to assess those needs on an ongoing basis, but will not schedule any filings or other procedural activities at this time related to near-term procurement. If circumstances change (as they did with the unexpected retirement of SONGS in 2013), it may become necessary to issue a Ruling to allow the Commission to consider any reliability issues that arise.

In addition, as discussed during the December 2, 2015 Workshop on SB 350 which, in part, led to the development of this proceeding, there may be a need for the Commission to evaluate approaches to procurement of certain types of electricity resources that have very long lead times, such as pumped storage or long-line transmission to other states in the West.

2.4. Section 454.5 IOU Bundled Plans

We do not anticipate a need for the IOUs to file updated bundled plans in this two-year procurement cycle. We recently issued D.15-10-031, as recently modified by D.16-01-015, approving revised bundled procurement plans for PG&E, SCE and SDGE&E. Moreover, given the changing procurement landscape due to SB 350 and the requirement for IRPs to be filed by the LSEs in 2017 or 2018 timeframe, it seems premature to require any changes to the IOUs' bundled procurement plans at this time. Nonetheless, we will leave this issue in scope to address any specific issues that arise that could potentially impact grid reliability, costs, or GHG reduction efforts and that require our timely action.

2.5. Issues Not Within the Scope of This Proceeding

We recognize the potential that this 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. At the same time, we recognize that with the passage of SB 350, the lines between these proceedings may become less clear in the future. Nonetheless, we intend that all of these proceedings will move forward separately, and that we may begin to consolidate and combine proceedings only after separately considering the SB 350 procurement implications in this and other proceedings.

Scoping Standard. The scoping standard for this proceeding is defined as follows:

- Any procurement-related issue(s) not already considered in other procurement-related dockets expressly listed in Section 2, Table 1 (or other dockets opened in the future to cover procurement-related issues) 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 IRP/LTPP proceeding goals.

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

3. Interagency Considerations

In D.04-01-050, the Commission established that LTPP proceedings would occur on a biennial basis. This approach is to ensure appropriate coordination with the CEC's IEPR proceeding.[21] We will consider the CEC's most recent IEPR,

[21] D.04-01-050 at 175.

for procurement-related recommendations during this and related rulemakings,[22] and will also take into consideration that SB 350 requires the CEC to establish, by November 1, 2017, annual targets that will achieve a cumulative doubling of statewide energy efficiency savings by 2030.

In addition, SB 350 requires us to design an integrated resource planning process that meets the greenhouse gas reduction targets established by CARB for the electricity sector. Thus, we will also need close collaboration with CARB in this proceeding.

In recent years, we have welcomed 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 both the CEC and CARB to join us in this proceeding by continuing the collaborative approach that the CEC and this Commission have 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 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.

Given the compelling need to collaborate and coordinate across the distinct planning efforts occurring at the CPUC, CEC, CAISO, and CARB, we seek to further integrate and align this proceeding with the CEC's IEPR proceeding, the CAISO's TPP, and the CARB Scoping Plan.

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[22] CEC. Energy *Policies*. *See* http://www.energy.ca.gov/energypolicy/index.html.

Toward that end, and to the extent necessary given the changing procurement landscape, we will coordinate our efforts in this proceeding with the CEC and CAISO to establish common assumptions, scenarios and RPS portfolios for use in coordination with the 2016 IEPR and 2016-17 and 2017-18 TPPs. This is in keeping with the process alignment commitments we have made in previous LTPP proceedings.[23]

These assumptions, scenarios and RPS portfolios will be issued to parties via a Ruling in R.13-12-010, or in this proceeding, in early 2016. Parties to this proceeding will vet these assumptions and scenarios and they may be adopted by an ACR in 2016.

4. Invitation to Comment on Preliminary Scoping Memo

This Order Instituting Rulemaking (OIR) serves as a solicitation for parties to comment on the Preliminary Scoping Memo and issues identified in this document.

In particular, we invite parties to comment on:

- The appropriateness (or lack thereof) of items included in the preliminary scope of this proceeding;
- Whether there are additional items that should be included in the scope of this proceeding; and
- The appropriate prioritization or sequencing of topics and activities that should be handled in this proceeding leading to Commission decision(s).

[23] *See* http://www.cpuc.ca.gov/General.aspx?id=6617.

Comments are due to be filed and served no later than 30 days after issuance of this rulemaking. The Commission will utilize parties' comments and a PHC, to be scheduled, 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 2 on 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 no more than 25 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.[24] As a preliminary matter, we determine that this proceeding is categorized as ratesetting as defined in Rule 1.3(e), and that because significant factual issues may be raised regarding long-term system, flexible, 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 Rulemaking. After considering the comments, the assigned Commissioner will issue a scoping ruling making a final

[24] Rule 7.1(a).

category determination; this final category determination is subject to appeal as specified in Rule 7.6.

6. Initial Schedule

Initially, within 30 days of the adoption of this Order Instituting Rulemaking, we request that parties file comments on the Preliminary Scoping Memo contained herein. Parties may also comment on the discussion held at the December 2, 2015 Commission Workshop to discuss SB 350. A prehearing conference will also be scheduled for shortly after the 30-day period for comments has elapsed.

Preliminary Schedule

Proceeding Milestone	Date
Ruling on Proposed Standardized Planning Assumptions and Scenarios [in R.13-12-010]	1st quarter 2016
Comments/Reply and Party Alternative Proposals on Proposed Standardized Planning Assumptions [in R.13-12-010]	1st quarter 2016
ACR on Joint Assumptions, Scenarios and RPS Portfolios for 2016 LTPP and 2016-17 TPP [in R.13-12-010]	1st quarter 2016
Proposed decision addressing Modeling Approaches [in R.13-12-010]	1st Quarter 2016
Comments due on Preliminary Scoping Memo	30 days after OIR issuance
Pre-Hearing Conference	Early 2nd Quarter 2016
Scoping Ruling	Mid Second Quarter 2016
Workshop on resource selection and valuation methodologies currently utilized	Second Quarter 2016
Workshop on grid integration	Second Quarter 2016

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 creating tracks for organization. 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 multiple other proceedings.

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

All LSEs, including PG&E, SDG&E, and SCE, plus the SMJUs, as well as ESPs and CCAs serving customers, shall be respondents to this proceeding and shall therefore be parties.[25] 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.

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[25] See Attachment A which includes a complete list of respondents and the contact information for their regulatory affairs personnel.

We will provide for service of this order on the service list for all of the proceedings listed in Section 2, Table 1, of this order.

Such service does not confer party status. 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).[26]

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.

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[26] 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.

Party status will be granted to any party to R.13-12-010 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 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 www.cpuc.ca.gov.

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.

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.13-10-010 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 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. Pacific Time 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.13-12-010 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.13-12-010 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.)

O R D E R

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 and to ensure that we comply with Senate Bill 350, Sections 26 and 27, which are codified as Public Utilities Code Sections 454.51 and 454.52.

2. All CPUC-jurisdictional load serving entities, including Pacific Gas and Electric Company, San Diego Gas & Electric Company, Southern California Edison Company, all small and multi-jurisdictional utilities, and all operating community choice aggregators and electric service providers are respondents to this proceeding. The complete list of respondents is contained in Attachment A.

3. This is a successor proceeding to the Commission's procurement rulemaking, Rulemaking 13-12-010, 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 all proceedings listed in Section 2, Table 1, of this order, as replicated below:

	Docket	**Proceeding Number**
1	Greenhouse Gas Proceeding for Electric Utilities	R.11-03-012
2	Greenhouse Gas Proceeding for Gas Utilities	R.14-03-003
3	Greenhouse Gas Outreach Issues	R.13-08-026
4	2014 Long Term Procurement Plan Proceeding	R.13-12-010
5	Resource Adequacy Requirements	R.14-10-010
6	Joint Reliability Plan	R.14-02-001
7	Energy Efficiency	R.13-11-005
8	Demand Response and Advanced Metering	R.13-09-011
9	Energy Savings Assistance and California Alternative Rates for Energy Programs	A.14-11-007 A.14-11-009 A.14-11-010 A.14-11-011
10	Low Income Programs and Budgets	A.15-02-001 A.15-02-002 A.15-02-003 A.15-02-013 A.15-02-024 A.15-02-004
11	Distribution level interconnection rules and regulations	R.11-09-011
12	Integrated Demand Side Resource Programs	R.14-10-003
13	Distribution Resources Plan (Rulemaking and Applications)	R.14-08-013 A.15-07-002 A.15-07-003 A.15-07-005 A.15-07-006 A.15-07-007 A.15-07-008

14	California Solar Initiative and Distributed Generation	R.12-11-005
15	Further Development of Renewables Portfolio Standard Program	R.15-02-020
16	Alternative-Fueled Vehicle Programs	R.13-11-007
17	Energy Storage	R.15-03-011
18	Water-Energy Nexus	R.13-12-011
19	Net Energy Metering	R.14-07-002

5. Respondents, parties, and/or prospective parties may file and serve comments on the preliminary scope of this proceeding outlined in this document by no later than 30 days after the issuance of this order. 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. Comments shall be limited to no more than 25 pages per party.

6. 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.

7. 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.

8. Evidentiary hearings are anticipated.

9. 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.) 13-12-010 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.13-12-010 to issues within the scope of this proceeding may be considered for compensation in this proceeding, if not already compensated.

10. 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 organization of issues into separate tracks of the proceeding.

This order is effective today.

Dated _____, at San Francisco, California.

ATTACHMENT A
LIST OF RESPONDENT LOAD SERVING ENTITIES

	LOAD SERVING ENTITY	Type	ADDRESS LINE 1	ADDR LINE 2	CITY	ST	ZIP	CONTACT EMAIL
1	CleanPowerSF	CCA	525 Golden Gate Avenue		San Francisco	CA	94102	bhale@sfwater.org
2	Lancaster Choice Energy	CCA	44933 Fern Avenue		Lancaster	CA	93534	bboswell@cityoflancasterca.org
3	Marin Clean Energy	CCA	1125 Tamalpais Avenue		San Rafael	CA	94901	sswaroop@mcecleanenergy.org
4	Sonoma Clean Power	CCA	50 Santa Rosa Ave	5th Floor	Santa Rosa	CA	95404	demerson@sonomacleanpower.org
5	Anza Electric Cooperative Inc.	Co-op	58470 US Highway 371		Anza	CA	92539	kevins@anzaelectric.org
6	Plumas-Sierra Electrical Cooperative	Co-op	73233 State Route 70		Portola	CA	96122	bmarshall@psrec.coop
7	Surprise Valley Electrical Corp.	Co-op	516 US HWY 395 E		Alturas	CA	96101	janesvec@frontier.com
8	Valley Electric Association, Inc.	Co-op	800 E. Hwy 372		Pahrump	NV	89048	eschneider@vea.coop
9	3 Phases Renewables, LLC	ESP	1228 E. GRAND AVENUE		EL SEGUNDO	CA	90245	mmazur@3phasesrenewables.com
10	Agera Energy, LLC	ESP	555 PLEASANTVILLE ROAD	S-107	MANOR	NY	10510	customercare@ageraenergy.com
11	Calpine PowerAmerica-CA, LLC	ESP	717 TEXAS AVENUE	SUITE 1000	Houston	TX	77002	jarmenta@calpine.com
12	Commerce Energy, Inc.	ESP	1 Centerpointe Drive	Suite 750	La Palma	CA	90623	igoodman@commerceenergy.com
13	Commercial Energy of California	ESP	7677 OAKPORT STREET	SUITE 525	OAKLAND	CA	94621	patrick.vanbeek@commercialenergy.net
14	Constellation NewEnergy, Inc.	ESP	100 CONSTELLATION WAY	SUITE 600	BALTIMORE	MD	21202	pardeep.gill@constellation.com
15	Direct Energy Business	ESP	7220 AVENIDA ENCINAS	SUITE 120	CARLSBAD	CA	92009	ryan.harwell@directenergy.com
16	Direct Energy Services, LLC	ESP	12 GREENWAY PLAZA	SUITE 250	Houston	TX	77046	ryan.harwell@directenergy.com
17	EDF Industrial Power Services	ESP	4700 W. Sam Houston	Suite 250	Houston	TX	77041	byron.pollard@edftrading.com

	LOAD SERVING ENTITY	Type	ADDRESS LINE 1	ADDR LINE 2	CITY	ST	ZIP	CONTACT EMAIL
	(CA), LLC		Parkway N					
18	EnerCal USA, LLC YEP Energy	ESP	7660 WOODWAY DRIVE	Suite 471A	HOUSTON	TX	77063	kb@yepenergy.com
19	Gexa Energy California, LLC	ESP	20455 STATE HIGHWAY 249	SUITE 200	Houston	TX	77070	aundrea.williams@gexaenergy.com
20	Glacial Energy of California, Inc.	ESP	1755 Locust St		Walnut Creek	CA	94596	Andrew.Luscz@glacialenergy.com
21	Liberty Power Delaware, LLC	ESP	1901 W. Cypress Creek Road	Suite 600	Ft. Lauderdale	FL	33309	tcanty@libertypowercorp.com
22	Liberty Power Holdings, LLC	ESP	1901 W. Cypress Creek Road	Suite 600	Ft. Lauderdale	FL	33309	tcanty@libertypowercorp.com
23	MANSFIELD POWER AND GAS, LLC	ESP	1025 AIRPORT PARKWAY S.W.		GAINESVILLE	GA	30501	smoore@mansfieldpowergas.com
24	Noble Americas Energy Solutions LLC	ESP	401 WEST A STREET	SUITE 500	SAN DIEGO	CA	92101	dwelch@noblesolutions.com
25	PALMCO POWER CA	ESP	1350 60TH STREET		BROOKLYN	NY	11219	compliance@palmcoenergy.com
26	Pilot Power Group, Inc.	ESP	8910 UNIVERSITY CENTER LANE	SUITE 520	SAN DIEGO	CA	92122	tdarton@pilotpowergroup.com
27	Praxair Plainfield, Inc.	ESP	2711 CENTERVILLE ROAD	SUITE 400	WILMINGTON	DE	19808	rick_noger@praxair.com
28	Shell Energy	ESP	4445 EASTGATE MALL	SUITE 100	SAN DIEGO	CA	92121	marcie.milner@shell.com
29	Southern California Telephone & Energy	ESP	27515 ENTERPRISE CIRCLE WEST		TEMECULA	CA	92592	greg.m@socaltelephone.com
30	TENASKA CALIFORNIA ENERGY MARKETING, LLC	ESP	14302 FNB PARKWAY	SUITE 100	Omaha	NE	68154	caldridge@tnsk.com
31	TENASKA POWER SERVICES CO.	ESP	1701 E. LAMAR BLVD.	SUITE 100	Arlington	TX	76006	caldridge@tnsk.com
32	The Regents of the University of California	ESP	1111 FRANKLIN STREET	6TH FLOOR	OAKLAND	CA	94607	Mark.Byron@ucop.edu
33	Tiger Natural Gas, Inc.	ESP	1422 E. 71ST	SUITE J	TULSA	OK	74136	tphillips@tigernaturalgas.com
34	Pacific Gas & Electric Company	IOU	77 BEALE STREET	Room 3120, B30A	SAN FRANCISCO	CA	94105	A1VB@pge.com
35	San Diego Gas & Electric	IOU	101 ASH STREET	HQ-12	SAN DIEGO	CA	92101	amsmith@semprautilities.com

	LOAD SERVING ENTITY	Type	ADDRESS LINE 1	ADDR LINE 2	CITY	ST	ZIP	CONTACT EMAIL
	Company							
36	Southern California Edison Company	IOU	601 Van Ness Ave.	Suite 2030	San Francisco	CA	94102	dawn.anaiscourt@sce.com
37	Bear Valley Electric Service	SMJU	630 E. Foothill Blvd		San Dimas	CA	91773	Nguyen.Quan@gswater.com
38	Liberty Utilities	SMJU	701 National Ave.		Tahoe Vista	CA	96148	ken.wittman@libertyutilities.com
39	PacifiCorp	SMJU	825 NE Multnomah	Suite 2000	Portland	OR	97232	Cathie.Allen@Pacificorp.com

(END OF ATTACHMENT A)