

# Energy Roadmap: May 2007 Update

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## I. RATE CASES AND COST OF SERVICE PROCEEDINGS

### A. SCE General Rate Case – Phase II

Proceeding No.	Commissioner	Admin. Law Judges (ALJ)	Counsel	Energy Division Staff
A.05-05-023	Bohn	DeBerry		Robles, Ghadessi

#### What it Does

1. Establishes marginal costs, revenue allocation, and rate design to determine the distribution and generation components of SCE's rates.
2. Phase II issues include:
  - a) Establishing method by which marginal generation, distribution, and customer costs for each rate group are determined.
  - b) Identifying delivery-related marginal costs at different voltage levels for allocation of design demand costs, by rate group.
  - c) Determining how Equal Percent of Marginal Cost (EPMC) factors are developed for revenue allocation.
  - d) Determining whether to use EPMC or another methodology in allocating distribution and generation costs.
  - e) Determining the total revenue allocated to any one rate group, considering a "cap" or maximum increase
  - f) Determining the appropriate rate design for California Alternative Rates for Energy (CARE) rates.
  - g) Likewise, determining rate design for non-CARE and medical baseline rate tiers.
  - h) For non-residential rate design, establishing lighting, traffic control, large power, agricultural and pumping, and Stand-by rates.
  - i) Establishing rate design for interruptible customers.
  - j) Tariff change proposals.

#### Next Steps

- **Commission to address Western Manufactured Housing Community Association's (WMA) Petition for Modification in D.06-06-067. A draft decision is currently being reviewed for inclusion on the May 24 Commission meeting agenda.**

#### Proceeding Overview

Date	Actions Taken	Comments
February 13, 2007	WMA replies to SCE's response to Petition for Modification.	Further comments replying to response to Petition for Modification.
January 8, 2007	SCE responds to WMA's Petition for Modification.	SCE cites discussion and conclusion why settlement agreement is appropriate and in all parties' best interests.
December 8, 2006	WMA issues Petition for Modification of D.06-06-067	Requests rehearing to address settlement agreement which sets master-meter (Schedule DMS-2) discount at \$.171 per-space per-day.
Oct 19, 2006	Commission issues Resolution addressing AL 2019-E.	Resolution E-4023 modifies SCE's request by approving rates effective August 1, and establishing the RDRMA, but defers the residential rate increase to January 1, 2007.
July 27, 2006	SCE issues advice letter in compliance with D.06-06-067.	Advice Letter 2019-E requests implementation of rates effective August 1, and requests implementation of a Residential Deferred Revenue Memorandum Account (RDRMA), to track the undercollection of deferred residential revenue, so that SCE can

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		defer implementation of residential rates until November 4, due to markedly increased residential bills resulting from several days of hot weather.
July 20, 2006	D.06-07-030 was adopted in R.02-01-011.	This decision resolved existing cost responsibility surcharge issues. SCE issued AL 2019-E to implement rates. This advice letter is pending approval.
June 29, 2006	Decision Issued	D.06-06-067 approved rates effective no later than October 1, 2006, to include updated or existing cost responsibility surcharges in Rulemaking (R.)02-01-011 depending on whether a decision in the rulemaking is issued by September 21, 2006.
June 16, 2006	Proposed Decision issued	The PD incorporates revenue allocation and rate design resulting from increases approved in this GRC, and the ERRA and DWR rate cases. The PD also includes ordering paragraphs to coordinate the results of a decision anticipated in the cost responsibility surcharge Rulemaking 02-01-011, to effect one combined rate change effective October 1, 2006.
Apr 20, 2006	Settlement hearing held.	Reasonableness of settlement established in hearing; expedited schedule of events adopted, with no parties submitting comments or reply comments. Pending decision, rates may be effective July 15, 2006.
Apr 7, 2006	Parties reach written settlement agreement.	All parties active in this proceeding signed written agreement to resolve remaining issues regarding marginal costs, revenue allocation, and rate design.
Feb 23	Parties reach settlement in principle on revenue allocation	Parties will continue discussions in an effort to reach settlement on rate design.
Feb 3, 2006	SCE issues Comparison of Parties' Positions	After extensive settlement discussions, SCE circulates update of parties' positions delineating 1) specific proposals, 2) list of parties in agreement, and 3) list of alternate proposals for Marginal Cost, Revenue Allocation, and Rate Design issues.
Jan 17, 2006	A coordinated "Comparison of Parties' Positions" due February 3, is allowed to replace Statements of Contested Facts, due January 27.	Due to parties' continuing efforts to reach settlement, ALJ DeBerry rules that a comparison exhibit, showing all parties' positions, is allowed to replace Statements of Contested Facts.
Nov 14, 2005	Settlement Discussions begin	Discussions begin amongst all parties including DRA.
Sep 6, 2005	Updated Exhibits filed	An update of exhibits filed with May 20 Phase II application.
Aug 15, 2005	Scoping Memo and Ruling of Assigned Commissioner issued	Specifies Phase II issues and schedule of proceeding dates.
July 20, 2005	Prehearing Conference	ALJ DeBerry heard parties' statements in preparation for issuing scoping memo for proposed proceeding schedule.
May 20, 2005	Phase II GRC application	Exhibits include: Application, Policy Proposals, Marginal Cost and Sales Forecast Proposals, Revenue Allocation Proposals, Rate Design Proposals, Proposed Rate Schedule Changes, and Witness Qualifications.

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## B. PG&E 2007 General Rate Case – Phase I

Proceeding No.	Commissioner	Admin. Law Judges (ALJ)	Counsel	Energy Division Staff
A.05-12-002	Bohn	Kenney/Econome	None	Lafrenz/Strain

### What it Does

- Phase I sets the revenue requirement (RR) for distribution and generation capital and operating costs for test year 2007, and attrition years 2008, and 2009.
- Phase II sets rate design and cost allocation. This is done by a separate application.
- On January 31, 2006, PG&E filed an updated 2007 test year General Rate Case results of operations calculations for changes in rates effective on January 2006. PG&E is seeking a rate increase of \$532 million (11.3%) over its adopted 2006 RR of \$4.714 billion.
- PG&E requests the following total base RR of \$5.246 billion, to be effective January 1, 2007:
  - Gas Distribution \$1.099 billion (\$72 million (7.0%) increase over adopted 2006 RR of \$1.027 billion)
  - Electric Distribution \$3.055 billion (\$407 million (15.4%) increase over adopted 2006 RR of \$2.648 billion)
  - Electric Generation \$1.092 billion (\$53 million (5.1%) increase over adopted 2006 RR of \$1.039 billion)
- The following are some of the requests PG&E included in its 2007 GRC:
  - Seeks approval to close the front counters at all 84 of PG&E's local offices.
  - Requests approval to increase its late-payment fee to 1% per month of unpaid energy-related charges, to increase its "restoration for non-payment" fee to \$55, and to increase its "non-sufficient funds" fee to \$11.50.
  - Seeks authorization to convert the one-way balancing account currently in place for costs associated with vegetation management into a two-way balancing account.
  - Request authorization to transfer the balances in the Electric and Gas Credit Facilities Fees Tracking Accounts and the Community Choice Aggregation Implementation Cost Balancing Account to the appropriate electric and/or gas revenue balancing accounts for recovery from customers.
  - Proposes a new performance incentive mechanism (PIM) and a request for pension funding that was not included in its NOI.

### Next Steps

- Phase II, A.06-03-005. This proceeding is closed by D.07-03-044.

### Proceeding Overview

Date	Actions Taken	Comments
Mar 15, 2007	Commission issues D.07-03-044.	This proceeding is closed.
Mar 5, 2007	Opening Comments on the PD and Alternate Decision are filed.	
Mar 2, 2007	Final Oral Arguments are held before the Commission.	
Feb 13, 2007	ALJ's Proposed Decision (PD) and Commissioner Bohn's Alternate Decision are released for comments.	ALJ's PD adopts 2007 base revenue requirement of \$4.884 billion that is \$42.635 million less than the Settlement Agreement. Commissioner Bohn's Alternate Decision adopts the Settlement Agreement without modifications. Opening Comments are due March 5, 2007, and Replies are due 5 days thereafter.
November 6, 2006	PG&E submits request to extend procedural schedule.	Mandatory settlement conference was held on November 1. Parties agreed to seek extension to accommodate ongoing discussions.

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		ALJ approved request.
Oct 5, 2006	Comments filed on Settlement Agreement	
Sept 20, 2006	Request for evidentiary hearings filed	
Sept 20, 2006	Requests for oral arguments filed	
Sept 20, 2006	Opening brief filed	Combined opening briefs regarding GRC issues and opposition to the settlement filed
Aug 21, 2006	PG&E and DRA Settlement Agreement filed.	
Aug 16, 2006	Settlement Conference	PG&E arranged for parties to participate in a settlement conference.
Aug 11, 2006	Motion filed.	PG&E requests an order making new revenue requirements for gas and electric service effective January 1, 2007.
Aug 7, 2006	Ruling issued.	Adopts a revised procedural schedule for the remainder of Phase 1.
July 24, 2006	Ruling issued.	Defers by one week the schedule for opening briefs, reply briefs, and the draft decision.
July 14, 2006	Comparison exhibit filed.	
July 7, 2006	Evidentiary hearings end.	
June 15, 2006	Commission issues D.06-06-014	Decision adopts an uncontested settlement agreement that authorizes PG&E to recover contributions of its employee pension plan during 2006-2009.
May 31 – July 7, 2006	Evidentiary Hearings begin	
May 31, 2006	Ruling issued	Removes from this proceeding all issues regarding PG&E's late payment fee
May 30, 2006	Ruling issued	Grants motion of PG&E and Parties to defer local office issues to January 2007
May 16, 2006	Proposed Decision	Opinion authorizing PG&E to recover contributions to its employee pension plan pursuant to an uncontested settlement agreement by PG&E, DRA, and CCUE. Comments are due June 5, 2006; reply comments - 5 days after comments are filed.
May 16, 2006	Motion filed	Motion of PG&E, CCUE, CFBF, DIRA, DRA, and TURN to defer local office issues to January 2007
Apr. 28, 2006	Intervenor testimony served	
Apr. 14, 2006	DRA testimony served	DRA recommends that the Commission authorize \$4.695 billion in 2007 GRC base rates for PG&E, compared to PG&E's request for \$5.246 billion. DRA recommends increasing PG&E's Electric Distribution RR by \$136 million; increasing PG&E's Electric Generation by \$118 million; and decreasing PG&E's Gas Distribution by \$37 million from its authorized 2006 rates.
Mar. 9, 2006	Ruling issued	Consolidates A.05-12-021, A.05-12-002, and I.06-03-003, for the limited purpose of considering the settlement agreement concerning pension funding issues for 2006-2009
Mar. 8, 2006	Motion filed	Motion of PG&E, DRA, and CCUE to adopt Settlement of Pension Contribution issue
Mar. 7, 2006	PG&E filed Exhibit (PG&E – 16)	PG&E filed errata to its 2007 GRC application. PG&E states that to the extent that these corrections require changes to the input data or formulas in the revenue requirement (RO) model, it will incorporate the necessary changes when it submits the Comparison Exhibit on July 14, 2006
Feb. 21, 2006	Ruling issued	Sets public participation hearings
Feb. 3, 2006	Scoping Ruling issued	Confirms that this is a ratesetting proceeding and establishes the procedural schedule
Jan. 17-19, 23, 2006	Prehearing Conference Statements Filed	Statements filed by PG&E, DRA, and intervenors
Jan,12, 2006	Reply to Protests filed by PG&E	

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Jan. 5, 2006	Protests filed	DRA, Merced Irrigation District, Modesto Irrigation District, and South San Joaquin Irrigation District filed protests to the application.
Dec. 21, 2005	Ruling issued	Sets a Prehearing conference on January 23, 2006
Dec. 2, 2005	2007 GRC Application filed	
Oct 3, 2005	Notice of Intent is filed	
Aug. 1, 2005	PG&E files Notice of Intention to file its 2007 General Rate Case application.	PG&E will file its 2007 GRC application for authority, among other things to increase rates and charges for electric and gas service effective on January 1, 2007.

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## C. PG&E 2007 General Rate Case – Phase II

Proceeding No.	Commissioner	Admin. Law Judges (ALJ)	Counsel	Energy Division Staff
A.06-03-005	Chong	Fukutome		Robles

### What it Does

- Establishes marginal costs, revenue allocation, and rate design to determine the distribution, public purpose program, and generation components of PG&E's rates. This proceeding will also consider proposed changes to the agricultural class definition.
- Phase II issues include:
  - Establishing method by which marginal generation, distribution, and customer costs for each rate group are determined.
  - Identifying delivery-related marginal costs at different voltage levels for allocation of design demand costs, by rate group.
  - Determining how Equal Percent of Marginal Cost (EPMC) factors are developed for revenue allocation.
  - Determining whether to use EPMC or another methodology in allocating distribution and generation costs.
  - Determining the total revenue allocated to any one rate group, considering a "cap" or maximum increase
  - Determining the appropriate rate design for California Alternative Rates for Energy (CARE) rates.
  - Likewise, determining rate design for non-CARE and medical baseline rate tiers.
  - For non-residential rate design, establishing lighting, traffic control, large power, agricultural and pumping, and Stand-by rates.
  - Establishing rate design for interruptible customers.
  - Tariff change proposals

### Next Steps

- Parties to file motion for adoption of remaining rate design settlements (if any) April 27, 2007.
- Parties to submit rebuttal testimony on non-settled issues (if any) May 11, 2007.
- Evidentiary hearing on rate design settlements and/or non-settled issues (if needed) May 21 and May 29, 2007.

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<i>Proceeding Overview</i>		
<b>Date</b>	<b>Actions Taken</b>	<b>Comments</b>
April 17, 2007	Evidentiary hearing held.	The hearing focused on the settlement agreements on marginal cost, revenue allocation, and rate design issues.
March 22, 2007	ALJ issues ruling revising the procedural schedule.	Revised schedule is as shown above under "Next Steps". Proposed and Final Decision dates are subject to time required to consider any issues resulting from settlements, testimony, and hearings.
March 16, 2007	PG&E submitted Motion of the Settling Parties for Residential, Streetlight, and Medium and Large Light and Power rate design settlement agreements.	Settlement negotiations with parties representing the Agricultural and Small Light and Power rate classes continue.
February 9, 2007	PG&E submitted Motion of the Settling Parties for Adoption of the Settlement Agreement on Marginal Cost and Revenue Allocation Issues.	All parties agree on marginal cost and revenue allocation issues; rate design settlement discussions to follow.
January 5, 2007	PG&E notified Commission that parties have reached settlement in principle on all marginal cost and revenue allocation issues, requests procedural schedule extension.	ALJ in process of ruling on this. Next Steps as shown above are only applicable if the rate case is litigated.
December 22, 2006	PG& served generation marginal cost update.	Update due to increase in forward market prices.
November 30, 2006	Interim Opinion Adopting Agricultural Definition Settlement issued, D.06-11-030.	ALJ grants motion of all parties (as shown below) to adopt the March 2, 2006 agricultural definition.
October 27, 2006	Parties issue Phase 2 testimony.	Parties include: AECA, BOMA, CLECA, DFBF, CLFP, CC-SLA, CMTA & ICP, CAC & EPUC, DACC, FEA, PV Now & CSEIA, TURN, Vote Solar, and WMA.
Sept 20, 2006	Evidentiary Hearings held in agricultural definition settlement.	All parties include PG&E, California Farm Bureau Federation (CFBF), Agricultural Energy Consumers Association (AECA) and the California Rice Millers, with all present. PG&E conducted direct testimony; ALJ also questioned witness.
Aug 8, 2006	PG&E issues motion with settling parties to adopt an agricultural settlement.	The settlement addresses agricultural definition issues, and if adopted would render unnecessary intervenor testimony, due August 25, and rebuttal testimony, due September 8, 2006.
July 10, 2006	ALJ Ruling extends procedural schedule for the Agricultural definition	Agricultural definition procedural schedule extended as described above under "Next Steps".
May 25, 2006	Assigned Commissioner's Ruling and Scoping Memo issued	ALJ Fukutome issued the Scoping Memo to determine scope, schedule, category, need for hearings, and other procedural matters. The memo includes a schedule for determining the agricultural definition issue in addition to addressing marginal cost, revenue allocation, and rate design issues. The agricultural definition issue will be addressed first.
May 3, 2006	Prehearing conference held	ALJ Fukutome heard parties' statements in preparation for issuing scoping memo for proposed proceeding schedule. Proceeding issues include critical peak pricing, and separate track for considering the agricultural definition.
April 14, 2006	Ruling issued setting a prehearing conference	ALJ Fukutome issued a ruling setting a prehearing conference for May 3, with pre-conference statements submitted by April 25. The prehearing conference will address proceeding schedule, category, need for evidentiary hearings, and discovery issues.
March 2, 2006	Phase II GRC application	Exhibits include Application, Executive Summary, Marginal Cost, Revenue Allocation, and Rate Design.

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## ***D. SDG&E GRC Phase II, Electric: Updates Marginal Costs, Cost Allocation, and Rate Designs***

Proceeding No.	Commissioner	Admin. Law Judge (ALJ)	Counsel	Energy Division Staff
A.07-01-047	Bohn	Wong		Premo/Benjamin

### What it Does

SDG&E proposes electric marginal costs, revenue allocation and rate designs to implement its GRC Phase 1 revenue requirement changes to be effective January 1, 2008. If the GRC adopted revenue requirement change is \$99 million, system average rates will change 3.3% and residential rates will increase 8%.

Proposals include residential rate reform to gradually reduce Tier 1 and 2 subsidies in proportion to DWR contract purchase commitments through 2016. Dynamic pricing proposals are linked to SDG&E's Advanced Metering Infrastructure deployment plan. Critical Peak Pricing event triggers and Measurement and Evaluation activities of dynamic pricing tariffs are addressed.

### Next Steps

- SDG&E to serve supplemental testimony on additional issues, May 11, 2007.
- DRA to serve testimony on scope of issues, July 6, 2007.
- All other parties to serve testimony, August 10, 2007.
- Public Participation hearings, September 5 and 6, 2007.
- All parties to serve rebuttal testimony September 10, 2007.
- Telephone Prehearing Conference (PHC) to discuss scheduling of witnesses and other hearing-related issues, September 14, 2007.
- Evidentiary hearings, September 24 – 28 in San Diego, October 1 – 5 and October 9 – 12 in San Francisco.

### Proceeding Overview

Date	Actions Taken	Comments
April 11, 2007	ALJ issues Scoping Memo.	Issues will not be bifurcated (e.g. dynamic pricing vs. marginal cost, revenue allocation, and rate design). Events and associated dates are as shown above under "Next Steps".
March 9, 2007	PHC held.	SDG&E, AREM, BOMA of San Diego and California, the City of San Diego, UCAN all filed PHC statements.
Feb 8, 2007	Ruling issued on Motion.	Motion for protective order for confidential information granted.
Jan 31, 2007	Application filed, Motion for protective order filed.	

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## E. SDG&E and SoCalGas 2008 General Rate Case – Phase I

Proceeding No.	Commissioner	Admin. Law Judge (ALJ)	Counsel	Energy Division Staff
A.06-12-009 & A.06-12-010	Bohn	Long	none	Strain/Gatti

### What it Does

**Summary:** Phase I sets the revenue requirement (RR) for distribution and generation capital and operating costs for test year 2008 and the attrition years. San Diego Gas and Electric Company (SDG&E) is requesting a rate increase of \$263 million (to 2006 authorized levels) for electric distribution (\$207 million), gas distribution (\$42 million), and electric generation (\$13 million). Southern California Gas Company (SoCalGas) is requesting a rate increase of \$184 million (to 2006 authorized levels) for gas storage, transmission, and distribution.

#### Potential Phase I major issues:

1. Pension & Benefits expense increases – SDG&E is requesting \$64 million and SoCalGas \$20 million
2. Shared services expense increases of \$41.8 million
3. The Department of Transportation has issued new regulations governing gas pipeline safety for transmission and distribution. SoCalGas is requesting an increase of \$25 million in O&M expenses for pipeline integrity in 2008 and SDG&E is requesting an increase of \$7 million. In addition, SoCalGas is requesting \$150 million increase in capital expenditures for 2006-2008 for pipeline integrity and SDG&E is requesting an increase of \$2 million
4. Proposes a Post Test Year (PTY) ratemaking mechanism that adjusts the electric and gas authorized revenue requirements (RR) in post test years by applying separate formulas to the Operation and Maintenance (O&M) related and capital related RR
5. Requests a six year GRC cycle (application requests five attrition years from 2009 – 2013)
6. Proposes the continuance of performance indicators for system reliability, employee safety, and customer satisfaction

### Next Steps

1. June 4, 2007 – SDG&E and SoCalGas revised testimony filed
2. June 22, 2007 – Intervenors serve testimony
3. July 6, 2007 – Parties serve rebuttal
4. July 20, 2007 – Mandatory settlement conference
5. July 27, 2007 – Case management statement and settlement conference reports filed
6. July 30 – August 3, 2007 - Evidentiary Hearings begin in San Diego, CA
7. August 6 – 17, 2007 – Evidentiary Hearings continue in San Francisco, CA

### Proceeding Overview

Date	Actions Taken	Comments
May 22, 2007	Ruling issued	Administrative Law Judge issued ruling requiring further testimony and altering the proceeding schedule
April 16, 2007	Motion filed	SDG&E and SoCalGas filed a motion to establish Memorandum Accounts to ensure that the utilities' 2008 revenue requirements are recovered over a full year.
Mar 13, 2007	Ruling issued	Public Participation Hearings scheduled for May 2007
Feb 27, 2007	Scoping Ruling issued	Sets issues and schedule of proceedings
Jan 9 – 16,	Protests filed	Protests are filed by Disability Rights Advocates, The Utility

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2007		reform Network, Pest Control Operators of California, Division of Ratepayers Advocates, and Southern California Generation Coalition
Jan. 2, 2007	Ruling issued	Grants consolidation of proceedings and a motion for protective order
Dec 8, 2006	SDG&E and SoCalGas filed GRC applications	Request authority to update its gas and electric RR and base rates effective January 1, 2009
Dec 8, 2006	Motion filed by SDG&E and SoCalGas	Motion filed to consolidate filers' GRC applications

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## II. OTHER RATEMAKING PROCEEDINGS

### A. DWR Bond Charge

Proceeding No.	Commissioners	Admin. Law Judge (ALJ)	Counsel	Energy Division Staff
R.06-07-010	Peevey	Allen	Perlstein	Roscow

#### What it Does

Sets annual bond charge for payment of debt service on DWR bonds.

#### Next Steps

- DWR's 2007 bond charge will be reflected on IOU tariffs effective January 1, 2007.

#### Proceeding Overview

Date	Actions Taken	Comments
Dec 14, 2006	The Commission adopted D.06-12-035	Adopts the 2007 DWR bond charge of \$.00469 per kWh
Oct 30, 2006	DWR submitted final 2007 Determination of Revenue Requirement	In its updated final determination of its 2007 revenue requirement DWR seeks \$818million to cover its bond-related costs, via a DWR bond charge of \$.00469 per kWh
Aug 2, 2006	DWR submitted 2007 Determination	DWR seeks \$831million to cover its bond-related costs, via a DWR bond charge of \$.00464 per kWh
Jul 20, 2006	CPUC issues Rulemaking R.06-07-010	This Rulemaking replaces A.00-11-038
Dec 1, 2005	The Commission adopted D.05-12-010	Adopts the 2006 DWR bond charge of \$.00485 per kWh
Aug 3, 2005	DWR submitted 2006 Determination	DWR sought \$919 million to cover its bond-related costs
Apr 7, 2005	The Commission adopted D.05-04-025.	The 2005 DWR bond charge is \$.00459 per kWh. This reflected a \$75 million downward revision to DWR's bond-related revenue requirement.

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## B. DWR Revenue Requirement

Proceeding No.	Commissioners	Admin. Law Judge (ALJ)	Counsel	Energy Division Staff
R.06-07-010	Peevey	Allen	Perlstein	Roscow

### What it Does

1. Sets annual power-related revenue requirement, allocates it between the three utilities, and establishes utility-specific power charges for DWR power.
2. Trues-up prior year allocations.

### Next Steps

- DWR's 2007 power charges are reflected on IOU tariffs effective January 1, 2007.

### Proceeding Overview

Date	Actions Taken	Comments
Dec 14, 2006	The Commission adopted D.06-12-035	Allocates DWR's 2007 power cost revenue requirement among IOUs, and sets IOU power charges for 2007.
Oct 30, 2006	DWR submitted final 2007 Determination of Revenue Requirement	In its updated final determination of its 2007 revenue requirement DWR seeks \$4.19 billion from ratepayers to cover its power-related costs in 2007, via a DWR power charge of approx 8.6 cents per kWh
Nov 9, 2006	The Commission adopted D.06-11-003	Allocates benefits and costs of Williams gas contract according to the percentages adopted in Decision 05-06-060.
Aug 9, 2006	PHC to discuss procedure and scheduling.	No issues were raised regarding the DWR power cost estimates.
Aug 2, 2006	DWR submitted 2007 Determination	DWR seeks \$4.3 billion from ratepayers to cover its power-related costs in 2007, via a DWR power charge of approx 8.9 cents per kWh
Jul 20, 2006	CPUC issues Rulemaking R.06-07-010	This Rulemaking replaces A.00-11-038
Dec 1, 2005	The Commission adopted D.05-12-010	Allocates DWR's 2006 power cost revenue requirement among IOUs, and sets IOU power charges for 2006.  The allocation of benefits of the Williams gas contract was deferred to a yet-to-be-issued Commission decision.
Oct 27, 2005	DWR supplemented and updated its August 3 <sup>rd</sup> Determination	DWR's power-related revenue requirement increased \$418 million, mainly due to higher forecast gas costs, to a total of \$4.546 billion
Aug 3, 2005	DWR submitted its 2006 Determination of Revenue Requirement	DWR sought \$4.128 billion to cover its power-related costs
Jun 30, 2005	The Commission adopted D.05-06-060	This decision grants, in part, a petition to modify D.04-12-014, the Commission's previous order adopting a "permanent" methodology for the allocation of DWR's contract costs, replacing it with the methodology in the instant order.  The adopted methodology is considered effective as of Jan 1, 2004. Under the adopted method, the "variable" costs of each DWR contract will be directly assigned to the IOU that physically manages that contract. The "fixed" costs of the DWR revenue requirement are allocated to each IOU as follows: PG&E (42.2%), SCE (47.5%) and SDG&E (10.3%).

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Apr 7, 2005	The Commission adopted D.05-04-025.	Adopts DWR's revised revenue requirement, a \$166 million reduction. IOUs filed implementing advice letters by April 21 <sup>st</sup> , with rate changes effective no later than June 1, 2005.
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## C. SoCalGas Native Gas Access

Proceeding No.	Commissioner	Admin. Law Judge (ALJ)	Counsel	Energy Division Staff
A.04-08-018	Peevey	Wong	None	Effross

### What it Does

- In A.04-08-018 SoCalGas requests that the Commission establish and approve standardized terms and conditions under which gas produced by California gas producers will be granted access to SoCalGas' natural gas operating system. To that end, SoCalGas wants CPUC to approve a standard access Interconnect and Operational Balancing Agreement (IOBA) tariff.
- SoCalGas filed this application in order to comply with a Joint Stipulation in its A.04-01-034 native gas proceeding. The Joint Stipulation was entered into on July 13, 2004 among SoCalGas and the Joint Parties. (The Joint Parties are comprised of the Indicated Producers, California Independent Petroleum Association and the Western States Petroleum Association.) In the Joint Stipulation, SoCalGas agreed that it would file an application "to address gas quality monitoring protocols and off-shore and on-shore California producer access terms and conditions."
- The other parties are concerned about ensuring nondiscriminatory access to SoCalGas's system.

### Next Steps

- Potential settlement agreement forthcoming.

### Proceeding Overview

Date	Actions Taken	Comments
Apr 12, 2007	Ruling by ALJ Wong	Extends by 60 days the deadline for resolving this proceeding.
Oct 27, 2006	Ex Parte filed by Indicated Producers.	On October 23, 2006, Evelyn Kahl, counsel to the Indicated Producers (IP) (Aera Energy LLC, Chevron U.S.A. Inc., and Occidental of Elk Hills, Inc.), met with Belinda Gatti, advisor to Cmmr. Geoffrey Brown, in San Francisco. Written materials (attached to the notice) were used. Kahl urged the adoption of the IP's proposed default agreement based on the Resolution G-3181 model. In addition, Ms. Kahl highlighted the two most contentious issues in the case involving the protocols for determining gas quality compliance and producer balancing arrangements
Apr 26, 2006	Reply briefs filed	Exxon Mobil, SoCalGas, SCGC
Apr 7, 2006	Opening briefs filed	Exxon Mobil, SoCalGas, SCGC, CIPA/Indicated Producers/WSPA, DRA/PELEO/PUC
March 6-10	Evidentiary hearings conducted	

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Feb 14, 2006	Ex Parte filed by Indicated Producers.	On February 9, 2006, Evelyn Kahl, counsel to the Indicated Producers (IP), met in San Francisco with Belinda Gatti, advisor to Commissioner Brown. Kahl advised the Commission that the IP and WSPA are very interested in gaining greater certainty in the relationship between SoCalGas and interstate producers. Kahl indicated that IP/WSPA have proposed a standardized agreement. Kahl observed that SoCalGas is in a strong monopoly position in this relationship.
Nov 2, 2005	Ruling: ALJ Wong revises the procedural schedule.	<ul style="list-style-type: none"> <li>• Utility to serve updated testimony: January 10, 2006</li> <li>• Prepared testimony by all other parties to be served: January 31, 2006</li> <li>• Prepared rebuttal testimony by all parties to be served.: February 21, 2006</li> <li>• Evidentiary hearings: March 6-10, 2006. Start time on March 6, 2006 at 10:00 a.m.</li> </ul>
Oct 31, 2005	Comments on ALJ Ruling dated 10/25/05 filed by CIPA, ExxonMobil, Indicated Producers, CNGPA, WSPA	
Oct 31, 2005	Comments on revised procedural schedule filed by ORA/PELEO/PUC, SCGC	
Oct 25, 2005	ALJ Wong issued ruling.	Revises the evidentiary hearing dates. Sets evidentiary hearing for February 21-24, 2006. Comments on the procedural schedule/Responses to the ruling are due by October 31, 2005.
Aug 30, 2005	Scoping Memo and Ruling of Assigned Commissioner and Administrative Law Judge	Evidentiary hearings to be held daily Dec. 8-14, 2005. The following issues will be addressed: What should be the terms and conditions of access to SoCalGas' transmission system for California natural gas producers? Should the Commission approve the standard access agreement that SoCalGas has proposed in its application? Should all of the existing California access agreements with SoCalGas be replaced with a standard access agreement as they expire or are terminated under their existing terms? Should the standard access agreement replace ExxonMobil's existing agreement with SoCalGas regarding supplies of gas from Pacific Offshore Pipeline Company (POPCO) entering SoCalGasGas' system?
Aug 17, 2005	Prehearing conference is held.	
June 27, 2005	Ruling noticing prehearing conference	ALJ Wong issues ruling noticing prehearing conference for August 17, 2005, at 10:00 a.m. ALJ Wong states that it will be more efficient to wait until the prehearing conference is held before deciding whether to grant SocCalGas's motion.
June 3, 2005	Status report issued by SoCalGas and joint parties.	The parties reported that they were still engaged in discussions and recommended that a prehearing conference be scheduled in August 2005.
May 25, 2005	ExxonMobil and SoCalGas respond, asking the Commission to reject SCGC's motion.	
May 10, 2005	Southern California Generation Coalition filed a Motion to Suspend Consideration of SoCalGas's application.	SCGC's reasoning was that the issues covered by A.04-08-018 are currently under consideration in both R.04-01-025 (Gas OIR) and SoCalGas Advice Letter 3413-A.
Dec 9, 2004	Status report issued by SoCalGas and joint	

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	parties.	
Oct 29, 2004	Status report issued by SoCalGas and joint parties.	
Sep 30, 2005	SoCalGas files response to protests.	SoCalGas' response also stated that SoCalGas and the joint parties had entered into discussions concerning the issues in this proceeding.
Sep 20, 2004	Protests filed by by ExxonMobil Gas & Power Marketing Company (ExxonMobil), Office of Ratepayer Advocates (ORA), and the Southern California Generation Coalition (SCGC). Joint protest filed by the Indicated Producers, California Independent Petroleum Association, and Western States Petroleum Association (joint parties).	The protest of the joint parties stated that SoCalGas and the joint parties had entered into discussions concerning the issues in this proceeding.
Aug 16, 2004	<ul style="list-style-type: none"> <li>• SoCalGas files application</li> </ul>	

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## *D. PG&E, SCE, SDG&E and SCG Applications for Approval of 2006-2008 Energy Efficiency Programs*

Proceeding No.	Commissioner	Admin. Law Judge (ALJ)	Counsel	Energy Division Staff
A.05-06-004, A.05-06-011, A.05-06-015, and A.05-06-016	Grueneich	Gottstein	Hong	Tapawan-Conway

### What it Does

This consolidated proceeding will determine whether the funding levels and overall portfolio plans submitted by the utilities are reasonable and consistent with the energy efficiency policy rules adopted in D.05-04-051 in R.01-08-028.

### Next Steps

- Consideration of TURN/DRA application for rehearing of D.06-12-013, which closed this proceeding.

### Proceeding Overview

Date	Actions Taken	Comments
Jan 16, 2007	TURN/DRA filed application for rehearing of D.06-12-013	TURN /DRA seek clarification whether savings from thermal energy storage will count towards SCE's portfolio goals and incentive award.
Dec 14, 2006	The Commission issued D.06-12-013.	This decision approves SCE's petition but reduces the requested budget to \$14 million to reflect two years program operation and reduced administrative costs.
Nov 14, 2006	The ALJ issued a proposed decision.	The ALJ's proposed decision approves Southern California Edison Company's Petition for Modification of D.05-09-043, with modifications.
Sept 19, 2006		DRA/TURN filed response to SCE's response to the ALJ Ruling and correction to the calculation error in DRA/TURN joint response to SCE's petition.
Sept 1, 2006		SCE filed response to ALJ 8/21/06 ALJ ruling.
Aug 21, 2006	The ALJ issued a ruling.	This ruling seeks further information on SCE's petition.
Aug 7, 2006		SCE filed response to DRA/TURN comments.
July 26, 2006		DRA/TURN filed Response to SCE's Petition
June 26, 2006		SCE filed Petition for Modification of D.05-09-043 to implement an EE program partnership in the City of Palm Desert (Palm Desert Demo Project)
June 1, 2006	Energy Division issued a disposition on PG&E's advice letter compliance filing.	The disposition confirms the effective date of May 17, 2006 for PG&E's advice letter compliance filing.
Apr 28, 2006	Energy Division issued dispositions on SDG&E's and SCG's advice letter compliance filings.	The dispositions confirm the effective date of March 3, 2006 for SDG&E's and SCG's advice letter compliance filings.
Apr 18, 2006	Energy Division issued a disposition on SCE's advice letter compliance filing.	The disposition confirms effective date of February 5, 2006 for SCE's advice letter compliance filing.
Feb 17, 2006	PG&E filed an advice letter compliance filing for its 2006-2008 energy	In this compliance filing, PG&E only addressed the third-party program component of its portfolio, including additional details on

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	efficiency programs as required by D.05-01-055. PG&E also filed a Motion to Bifurcate its compliance filing.	its mass market programs. PG&E anticipates to file the local government partnership programs in April 2006.
Feb 1, 2006	SDG&E and SCG filed advice letter compliance filings for their 2006-2008 energy efficiency programs as required by D.05-01-055.	
Jan 6, 2006	SCE filed an advice letter compliance filing for its 2006-2008 energy efficiency programs as required by D.05-01-055.	
Nov 18, 2005	The Commission adopted D.05-11-011	The decision approves EM&V funding for the 2006-2008 program cycle and addresses related issues.
Oct 19, 2005	ALJ issued draft decision on EM&V funding for 2006-2008 program cycle	
Sept 22, 2005	Commission adopted D.05-09-043	The decision approves funding levels for the utilities energy efficiency portfolio plans for 2006-2008-Phase 1 issues
Sept 7, 2005	Joint Staff and utilities submitted proposed EM&V plans and budgets for 2006-2008 program cycle	
Aug 30, 2005	The ALJ issued a ruling	The ruling solicits comments on Joint Staff and utilities' proposed EM&V plans and budgets for 2006-2008 program cycle to be posted on September 7, 2005
Aug 17, 2005	The ALJ issued draft decision (DD) on the utilities' program plans and budgets for 2006-2008 program cycle	Comments on the DD are due on September 6, 2005 and reply comments due on September 12, 2005
July 15, 2005	Utilities filed CMS, PG&E filed additional program details	
July 6-8, 12-13, 2005	CMS meetings held	Utilities, the PRG members and other intervenors discussed and attempted to resolve issues raised in the PRG assessments, the TMW report, and C&S filings; CMS will present status of these issues
July 8, 2005	Energy Division and CEC (Joint Staff) submits comments on C&S savings estimates to the parties	
July 1, 2005	Utilities submitted supplemental filing	Regarding methodology for estimating savings from Codes and Standards (C&S) program
June 30, 2005	Parties filed opening comments on the utilities' applications	
June 30, 2005	Assigned Commissioner issued ruling and scoping memo	Phase I decision will focus on the utility portfolio/program plans and funding levels, Phase II decision will address EM&V plans and funding. Compliance phase will begin after competitive solicitations and could be via Commission decision or resolution.
June 22, 2005	ALJ held Pre-Hearing Conference	The ALJ directed the utilities, the PRGs, and those parties that filed opening comments to develop a Case Management Statement (CMS), and set forth timeline for various filings.
June 8, 2005	PG&E filed supplemental filing	Submits PG&E's PRG assessment with attached consultant (TecMarket Works) report on the utilities' program plans as of mid-May.
June 1, 2005	Utilities submitted applications	Attached to SCE/SCG and SDG&E's applications are their respective Peer Review Group's (PRG) assessments.

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## E. SoCalGas Long-Term Gas Transportation Agreement Application

Proceeding No.	Commissioner	Admin. Law Judge (ALJ)	Counsel	Energy Division Staff
A.05-10-010	Peevey	Barnett		Effross

### What it Does

SoCalGas applies for approval of a long-term gas transportation agreement entered into by Guardian Industries Corp, and SoCalGas on 8/12/05. Guardian produces glass in Kingsburg, CA. It has historically used oil as fuel, and is considering switching to gas. Guardian has also stated that it will relocate its facility, and the attendant jobs, out of state, unless it receives favorable rate treatment to lower its costs of operation. SoCalGas and Guardian propose an agreement whereby SoCalGas will deliver gas on a firm basis, subject to an escalating ceiling and floor rate, and offer a five year discount to the Public Purpose Program Surcharge. This would effectively provide a discount to Guardian.

### Next Steps

- Hearings.

### Proceeding Overview

Date	Actions Taken	Comments
Feb 27, 2007	Ruling by ALJ Barnett	This grants Southern California Edison Company's motion for leave to file confidential materials under seal, namely customer-specific economic development rate information.
Feb 23, 2007	Ruling by ALJ Barnett	This is regarding motion of Pacific Gas and Electric Company for leave to file confidential material(s) under seal, namely Appendix I and II to its 2006 Report on Economic Development Rate applications.
Feb 14, 2007	Compliance filing by PG&E	2006 Report on Economic Development Rate Applicants [Redacted Version] in compliance with Ordering Paragraph 2 of Decision 05-09-018
Feb 14, 2007	PG&E files Motion to File Confidential Information Under Seal	Appendix I and II to Pacific Gas and Electric Company's 2006 Report on Economic Development Rate Applicants
Feb 14, 2007	SCE files Motion to File Confidential Information Under Seal	Customer-Specific Economic Development Rate Information
Feb 14, 2007	Compliance filing by SCE	Report in compliance with Decision 05-09-018
Oct 23, 2006	Ex parte filed by SDG&E/SoCalGas	On October 20, 2006, Marzia Zafar, CPUC Relations Manager for Southern California Gas Company (SoCalGas) and San Diego Gas & Electric Company, met with Robert Lane, advisor to Cmmr. Bohn, in San Francisco, outside the Commission offices. Zafar urged the Commission to adopt SoCalGas' proposal to create a separate customer class which would consist of a lower public purpose program surcharge. Zafar explained that creating a separate customer class does not run afoul of Section 890, but rather is clearly within the Commission's discretion under that statutory provision.
Oct 19, 2006	Ex parte filed by DRA/RASHID/PUC	Dana Appling, Director of the Division of Ratepayer Advocates (DRA), met with Cmmr. Peevey in San Francisco. Also present were Rami Kahlon, advisor to Cmmr. Peevey, Harvey Y. Morris, Assistant General Counsel, Regina DeAngelis and Rashid Rashid,

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		attorneys for DRA, Nina Suetake, attorney for The Utilities Reform Network, Enrique Gallardo, attorney for Latino Issues Forum, and Alexis Wodtke, attorney for the Consumer Federation of California. Written materials (attached to the notice) were used. The parties expressed their concern over discounting the PPP surcharge and stated that the Commission does not have legal authority to discount the Public Purpose Program (PPP) Surcharge. The parties warned that if the Commission discounts or creates a separate discounted class for companies that threaten to leave the state, it would set precedent to provide discounts to other consumers that threaten to leave the state, which would lead to substantial decreases in PPP funding.
Oct 18, 2006	Ex parte filed by DRA/RASHID/PUC	LATE FILED. On October 12, 2006, Dana Appling, Director of the Division of Ratepayer Advocates (DRA), met with Belinda Gatti, advisor to Cmmr. Brown, in San Francisco. Also present were Peter Hanson, advisor to Cmmr. Brown, Harvey Y. Morris, Assistant General Counsel, Regina DeAngelis and Rashid A. Rashid, attorneys for DRA, and Nina Suetake, attorney for The Utility Reform Network (TURN). Copies of TURN and DRA's comments were used. DRA and TURN explained that the Commission does not have legal authority to discount the Public Purpose Program (PPP) Surcharge. DRA and TURN warned that if the Commission discounts Guardian's PPP surcharge based on its threat to leave the state, it would set precedent for the Commission to provide discounts to other industrial gas consumers that threaten to leave the state, which would lead to substantial decreases in PPP funding.
Aug 4, 2006	Ruling of ALJ Barnett	Granting the Motion by DRA and TURN to File as Confidential Attachment 1 of the Joint Initial Comments.
Aug 1, 2006	Merced Irrigation District, Modesto Irrigation District comments	In Response to Ruling of ALJ Robert Barnett regarding Order Granting Limited Rehearing of Decision 05-09-018 regarding the Floor Price for EDR.
Aug 1, 2006	Southern California Edison Company comments	in Response to Ruling of ALJ regarding Order Granting Limited Rehearing of Decision 05-09-018 regarding the Floor Price for EDR.
Aug 1, 2006	Comments of Aglet Consumer Alliance, California Citizens For Health Freedom, Consumer Federation Of California, Disability Rights Advocates, DRA, Environmental Center of San Luis Obispo, Greenlining Institute, Latino Issues Forum, National Consumer Law Center, TURN, Utility Consumer Action Network	joint; initial; in response to the ALJ's ruling regarding discounting nonbypassable surcharges.
Aug 1, 2006	Pacific Gas and Electric Company comments	opening; on the ALJ's ruling [of June 26, 2006] requesting comments.
Aug 1, 2006	Southern California Gas Company comments	concerning Discounting of the Gas Public Purpose Program Surcharge.
Aug 1, 2006	Pacific Gas and Electric Company comments	in response to the June 22, 2006 Ruling regarding order granting limited rehearing of D05-09-018 regarding the floor price for EDR.
Aug 1, 2006	California Manufacturers and Technology Association comments	Opening (per ALJ Barnett 6/26/06 Ruling.)
Aug 1, 2006	DRA/TURN motion	to file as confidential Attachment 1 of the Joint Initial Comments (Attachment 1 of Joint Initial Comments Attached Hereto [under

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		seal]).
July 25, 2006	ALJ Vieth ruling	Consolidating Discount Issues for Decision and Establishing New Service List for Filing Reply Comment and Other documents concerning Discount Issues. Comments due on 08/01/06 and Reply Comments due on 08/22/06 shall be filed in these Consolidated dockets.
June 26, 2006	Ruling by ALJ Barnett	Requests comments regarding whether the Commission has authority to discount the gas PPPS. Opening comments are due August 1, with reply comments due August 22, 2006.
April 6, 2006	Ex parte filed by SDG&E/SoCalGas	On April 5, Marzia Zafar, CPUC Relations Manager for Southern California Gas Company and San Diego Gas & Electric Company, had a telephone conversation with Belinda Gatti, advisor to Cmmr. Brown, and also sent an email (attached to the notice) to Theresa Cho, advisor to Cmmr. Grueneich. Copies of the email were also sent to Belinda Gatti, advisor to Cmmr. Brown, Robert Lane, advisor to Cmmr. Bohn, and Richard Myers of the Energy Division. During her conversation with Belinda Gatti, Zafar stated that the Division of Ratepayer Advocates' assertion that the Commission has never discounted the Public Purpose Program surcharge is incorrect. Zafar urged the Commission to adopt ALJ Barnett's proposed decision as drafted.
Mar. 30, 2006	Ex parte filed by DRA/RASHID/PUC	On March 27, 2006, Dana Appling, Director of the Division of Ratepayer Advocates (DRA), met with Theresa Cho, advisor to Cmmr. Grueneich, in San Francisco. Also present were Harvey Y. Morris, Assistant General Counsel, and Rashid A. Rashid, Attorney for DRA. Copies of documents filed in this proceeding were used. DRA requested that the Commission propose an alternate decision to ALJ Barnett's draft decision (DD). DRA explained that the Commission does not have legal authority to discount the public purpose program (PPP) surcharge as the DD proposes. DRA warned that if the Commission discounts Guardian's PPP surcharge based on its threat to leave the state, it would set precedent for the Commission to provide discounts to other industrial gas consumers that threaten to leave the state, which would lead to substantial decreases in PPP funding.
Mar. 20, 2006	Reply comments filed	SoCalGas
Mar. 14, 2006	Comments filed	SoCalGas, TURN, DRA/RASHID/PUC
Feb. 22, 2006	ALJ Barnett releases Draft Decision	<p>IT IS ORDERED that:</p> <ol style="list-style-type: none"> <li>1. The long-term gas transportation agreement between Southern California Gas Company and Guardian Industries Corp. as proposed is reasonable and is approved.</li> <li>2. No hearings were necessary for this proceeding.</li> <li>3. Application A.05-10-010 is closed.</li> </ol>
Jan 2, 2006	Reply briefs filed by SoCalGas, TURN, DRA	
Dec 13, 2005	Opening briefs filed by SoCalGas, TURN, ORA	
Nov 15, 2005	SoCalGas files <i>ex parte</i>	On October 10, 2005, Marzia Zafar, CPUC Regulatory Relations Manager for Southern California Gas Company (SoCalGas), met with Belinda Gatti, advisor to Cmmr. Brown, in San Francisco. Also present were Peter Hanson, advisor to Cmmr. Brown, Lad

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		Lorenz, Vice President of Regulatory Affairs for SoCalGas, and Marty Bergman and Ray Siada of Guardian Glass. Parties urged the Commission to expedite this proceeding in order for Guardian Glass to make its decision whether to stay in California or to relocate to another state. Guardian Glass representatives explained that although the SoCalGas transportation rate is competitive with other States, the surcharge levied on that rate is not competitive. Zafar explained that the legislature enacted the Public Purpose Program surcharge and left the allocation of it to the Commission, and that a discount is appropriate in order to keep this customer and its three hundred jobs in California.
Oct 31, 2005	Prehearing Conference at CPUC	
Oct 28, 2005	TURN files protest.	Questions the engineering of a discount through reducing Public Purpose Program Surcharge.
Oct 27, 2005	ORA files protest.	Questions the engineering of a discount through reducing Public Purpose Program Surcharge.
Oct 7, 2005	SoCalGas files motion for Authority to Submit and Maintain Confidential Information under Seal and for Protective Order	Confidential Materials Attached and Filed Under Seal, namely, the Unredacted Attachment 1 and the Unredacted Testimonies of witnesses Joe Velasquez and Allison F. Smith to the Application filed concurrently herewith.
Oct 7, 2005	SoCalGas files motion for Order Shortening Time to Respond to Application.	
Oct 7, 2005	SoCalGas files application.	

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## F. Southern California Gas Company Application for Approval of a Long-Term Gas Transportation Agreement

proceeding No.	Commissioner	Admin. Law Judge (ALJ)	Counsel	Energy Division Staff
A.06-07-028	Grueneich	Thomas		Alfton

### What it Does

**Summary:** This proceeding addresses the Southern California Gas Company Application for approval of a long-term gas transportation agreement entered into between Taft Production Company and SoCalGas on June 12, 2006.

### Next Steps

**None. This proceeding is closed.**

### Proceeding Overview

Date	Actions Taken	Comments
May 3, 2007	Proceeding Concluded	Commission issued D. 07-05-027 granting Application without conditions contained in PD.
Feb 20, 2007	Comments on Proposed Decision filed	SoCalGas filed comments on PD objecting to conditions.
Feb 9, 2007	Proposed Decision Issued	PD approves application with conditions (1) that any discount to the ITCS must be borne by utility shareholders and (2) SoCalGas shall not recover any revenue shortfall in rates.
Nov 9, 2006	SoCalGas data response submitted	SoCalGas submitted data response to ALJ request of October 26, 2006
Oct 26, 2006	Prehearing Conference Held	Parties indicated they had completed discovery. SoCalGas was asked to submit a data response to new ALJ questions. It was determined that hearings will not be necessary.
Aug 28, 2006	Protests to Application Due	No protests were filed
July 27, 2006	Southern California Gas Company filed an Application for approval of a long-term transportation agreement.	Applicant requests the approval of the contract entered into between SoCalGas and Taft Production on June 12, 2006 because (1) the threat of bypass of SoCalGas' system by an Alternative Provider's existing pipeline is imminent; (2) SoCalGas obtained a reasonable rate given the alternative service offered by the Alternative Provider, and (3) the long-term contract will result in an additional contribution to margin that would not otherwise occur with approval of the contract.

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## G. Annual Earnings Assessment Proceeding

Proceeding No.	Commissioner	Admin. Law Judge (ALJ)	Counsel	Energy Division Staff
A.05-05-001 A.05-05-003 A.05-05-004 A.05-05-005	Peevey	Ebke		Tapawan-Conway (EE) Sarvate (LIEE)

### What it Does

In D.05-10-041, the Commission adopted a settlement agreement to close out all previous AEAP's. This is the first post-settlement Annual Earnings Assessment Proceeding to be opened. In this proceeding, PG&E, SDG&E, SCG, and SCE submit annual reports on their 2004 EE and LIEE programs, as well as required Measurement and Verification studies, and incremental cost for Demand Response Programs.

### Next Steps

- The ALJ typically holds a PHC to consolidate the applications and scope out the proceeding.

### Proceeding Overview

Date	Actions Taken	Comments
May 26, 2005	Resolution ALJ 176-3153	Sets the above referenced applications as ratesetting and determines there is no need for hearing.

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## H. PG&E Long-Term Core Gas Hedging Program

Proceeding No.	Commissioner	Admin. Law Judge (ALJ)	Counsel	Energy Division Staff
A.06-05-007	Peevey	Malcolm		Cadenasso

### What it Does

1. PG&E requests authority to hedge winter core gas demand outside of its incentive mechanism on a multi-year basis.
2. Costs and benefits of the hedging program would be assigned to PG&E's core customers.

### Next Steps

- New procedural schedule concerning the filing of intervenor testimony, rebuttal testimony, and hearings is forthcoming.

### Proceeding Overview

Date	Actions Taken	Comments
Nov 29, 2006	Parties propose new procedural schedule.	Proposed procedural schedule pending ALJ approval.
Nov 17, 2006	ALJ ruling.	Evidentiary hearing scheduled for Dec 4-8, 2006 cancelled. Parties informed ALJ that a possible settlement may be reached.
Aug 30, 2006	Scoping memo issued.	Issues to be considered in the proceeding are: 1) ratepayer benefits of hedging; 2) appropriate proportion of core gas demand to hedge; 3) should hedging be done within PG&E's incentive mechanism; 4) types of suitable financial hedging instruments.
Aug 15 2006	PHC held.	
June 5-9, 2006	Protests filed.	DRA requests that the Commission delay processing the application until the Commission addresses PG&E's pending hedging request for the 2006-07 winter. Coral recommends that the Commission open an OIR to investigate the use of fixed price contracts and other physical products for hedging.
May 5, 2006	PG&E files application.	PG&E seeks approval to hedge winter core gas demand outside of its core procurement incentive mechanism (CPIM). The utility argues that its CPIM is not appropriate for a large scale hedging program because of its short term focus. Hedging would be done on a multi-year basis. DRA and TURN would consult with PG&E annually on the specifics of the hedging plan which would be submitted via an advice letter. The hedging program would begin with the 2007-08 winter.

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## I. OMNIBUS Application of Southern California Gas Company, San Diego Gas & Electric Company, and Southern California Edison Company

Proceeding No.	Commissioner	Admin. Law Judge (ALJ)	Counsel	Energy Division Staff
A.06-08-026	Peevey	Pulsifer		Alfton / Loewen

### What it Does

This Application requests Commission approval for changes to natural gas operations and service offerings of SoCalGas and SDG&E as detailed in the Continental Forge Settlement and the Edison Settlement. In addition, Applicants request closure of the Border Price Spike Investigation I.02-11-040, the Sempra-specific investigation of the activities of Sempra Energy affiliates, I.03-02-033, and a determination that the SoCalGas GCIM and SDG&E Gas Procurement PBR rewards issued in D.03-08-065, D.03-08-064, D.04-02-060, D.05-04-003 and Resolution G-3341 are no longer subject to refund or adjustment as determined in the Border Price OII proceeding.

### Next Steps

**April 30, 2007 – Telephonic PHC to be held**

**May 3 – May 17, 2007 – Evidentiary hearings scheduled**

### Proceeding Overview

Date	Actions Taken	Comments
April 17, 2007	Concurrent Rebuttal Testimony filed	Rebuttal testimony filed by SoCalGas, SDG&E, Edison; DRA, TURN, and SCGC.
March 22, 2007	Intervenor Testimony Filed	Intervenor testimony filed by Coral Energy Resources, DRA, City of Long Beach Gas and Oil Dept, and SCGC.
Jan 19, 2007	Applicant Supplemental Testimony	Applicant filed Supplemental Testimony.
Dec 21, 2006	Assigned Commissioner's Ruling Providing Scoping Memo and Adopting Procedural Schedule Issued	Proceeding is categorized as ratesetting. The scope of proceeding is determined to involve the review of the 16 proposed structural changes arising from the Continental Forge settlement and the 18 proposed operational and service changes arising from the Edison May 30, 2006 settlement agreement with the Sempra utilities. The schedule established: January 19, 2007 Applicant's Supplemental Testimony; March 5, 2007, Intervenor Testimony; March 26, 2007, Concurrent Rebuttal Testimony (all parties), and revised by ALJ Ruling on January 2, 2007, notification of witness scheduling constraints and cross examination estimates to ALJ by April 23, 2007. A telephonic PHC will be held at 10:00 am on April 30, 2007 if necessary, and evidentiary hearings shall start at 9:30 am on May 3, 2007 continuing through May 17, 2007.
Nov 28, 2006	Prehearing Conference Held	Applicants' and parties proposed proceeding schedules were discussed. SoCalGas/SDG&E were directed to post non confidential data requests and responses on its website.
Nov 14, 2006	Proposed decision issued in I.02-11-040, I.03-02-033 and A. 06-08-026	PD grants applicants' proposals in A.06-08-026 that I. 02-11-040 and I. 03-02-033 be closed with prejudice and that the conditions on GCIM and PBR shareholder awards related to I.02-11-040 be removed. PD states that applicants' proposed changes in gas operations and service offerings on a prospective basis will be

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		addressed on their merits in A.06-08-026.
Nov 2, 2006	Joint Reply of SoCalGas, SDG&E and SoCalEdison to protests to application.	Applicants stated disagreement with new proposals offered in the protests and with parties proposed schedules. Applicants stated that hearings would be necessary.
Oct 23, 2006	Protests to Application were filed	Protests to Application were filed by Southern California Generation Coalition (SCGC), Coral Energy Resources, BHP Billiton LNG International (BHP), Indicated Producers, and Division of Ratepayer Advocates (DRA).
Oct 18, 2006	Workshop Held	A workshop was held in Los Angeles. Applicants' witnesses were available to answer questions raised by parties requiring clarification of the Application.
Sept. 8, 2006	ALJ Ruling Issued	An ALJ Ruling was issued denying the Joint Motion for an order shortening time to file protests
Sept. 5, 2006	Responses in Opposition to the Joint Motion for an order shortening time to file protests	Responses in opposition to the joint motion for an order shortening time to file protests were filed by Division of Ratepayer Advocates, BHP Billiton LNG International, Inc., Southern California Generation Coalition, and Coral Energy Resources, L.P.
Aug. 28, 2006	Applicants filed a Joint Motion for an order shortening time to respond to motion on protests	Applicants moved that the Commission provide that any response to the Motion on Protests be reduced from 15 days to 5 days.
Aug. 28, 2006	Applicants filed a joint motion for an order shortening time to file protests	Applicants requested that the Commission reduce the time for filing responses or protests to September 11 to accommodate their proposed procedural schedule.
Aug. 28, 2006	Application of Southern California Gas Company, San Diego Gas & Electric Company, and Southern California Edison Company for approval of changes to natural gas operations and service offerings	Applicants propose changes to SoCalGas' and SDG&E's Operations and Service Offerings as agreed to in two recent settlements: the Continental Forge Settlement entered into on January 4, 2006 between Sempra Energy, SoCalGas, SDG&E, and other Sempra Energy affiliates and the Continental Forge plaintiffs, and the Edison Settlement entered into on May 30, 2006 between SoCalGas, SDG&E, Sempra Energy, and certain other Sempra Energy affiliates and Edison and Edison International.

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# Energy Roadmap: May 2007 Update

## *J. PG&E Recovery of Weather-related Costs in the Catastrophic Event Memorandum Account (CEMA)*

Proceeding No.	Commissioner	Admin. Law Judge (ALJ)	Counsel	Energy Division Staff
A.06-11-005	Bohn	Long	Moldavsky	Premo

### What it Does

PG&E seeks to recover incremental costs related to the 2005-2006 New Year's storms and the July 2006 Heat Storm recorded in the Catastrophic Event Memorandum Account (CEMA).

### Next Steps

- **First of two mandatory settlement conferences on or before June 29, 2007.**
- **DRA testimony due July 6, and other intervenors' testimony due July 13, 2007.**
- **Hearings scheduled for August 20-24, 2007.**
- **Projected submission date is September 21, 2007.**

Date	Actions Taken	Comments
Feb 9, 2007	Reply briefs filed.	Briefs were filed by DRA, TURN, and SCE.
Feb 5, 2007	Scoping Memo and Ruling issued.	Issues: Are the two separately eligible for CEMA recovery; did PG&E exercise reasonable care to minimize all costs; did PG&E adequately control the work of its contractors; and do the requests comply with CPUC CEMA requirements?
Jan 31, 2007	PG&E files brief.	PG&E brief supplements its filings with analysis and documentation asserting the heat storm event was a <b>government-declared disaster</b> .
Jan 4, 2007	Pre-hearing conference held.	PG&E application filings marked as exhibits.
Dec 1, 2006	Ruling	PG&E was directed to supplement its filing with documentation supporting the assertion that these events were government declared disasters.
Nov 13, 2006	PG&E files Application	PG&E seeks recovery of \$44.58 million in electric distribution and generation revenue requirements to be amortized from 2005-2010. An immediate rate increase is not proposed.

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# Energy Roadmap: May 2007 Update

## K. Proposed Increase in Rates for SoCalGas and SDG&E

Proceeding No.	Commissioner	Admin. Law Judge (ALJ)	Counsel	Energy Division Staff
A.06-12-009 (SDG&E) A.06-12-010 (SoCalGas)	Bohn	Long		Strain/Lafrenz

### What it Does

These applications request increases in the base rates charged by SoCalGas and SDG&E. Under these proposals, rates for gas charged by SoCalGas would increase a system average 10.4%, while rates for electricity charged by SDG&E would increase an average 6.3%, and rates for gas charged by SDG&E would increase an average 16.1%. Residential gas rates for SDG&E would increase 18.3%. These rate increases exclude that portion of the rate devoted to the purchase of gas.

### Next Steps

- Set a date for a Pre-Hearing Conference.

### Proceeding Overview

Date	Actions Taken	Comments
Dec 8, 2006	Applications are filed.	

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# Energy Roadmap: May 2007 Update

## L. PG&E, SCE, SDG&E and SCG Applications for Approval of Water-Embedded Energy Savings Pilot Programs

Proceeding No.	Commissioner	Admin. Law Judge (ALJ)	Counsel	Energy Division Staff
A.07-01-024, A.07-01-026, A.07-01-029, A.07-01-030	Grueneich	Weissman	Hong	Tapawan-Conway, Haramati

### What it Does

This consolidated proceeding will consider the utilities' proposed pilot energy efficiency programs intended to capture the embedded energy savings associated with water conservation using \$10 million of ratepayer funding in addition to the currently authorized budgets for the utilities' 2006-2008 energy efficiency program portfolios. The pilots are proposed to begin in July 2007.

### Next Steps

Workshops to provide training on California's water system and specific issues raised on the utilities' proposed pilot programs.

### Proceeding Overview

Date	Actions Taken	Comments
Feb 20, 2007	DRA and TURN filed protests on the utilities' applications.	
Feb 16, 2007	Assigned Commissioner and ALJ issued ruling.	The ruling sets schedule for workshops regarding the utilities' applications in response to parties' comments and PHC discussion.
Jan 30, 2007	ALJ held prehearing conference.	
Jan 16, 2007	Utilities submitted applications.	Applications are in response to October 16, 2006, Assigned Commissioner Ruling issued in R.06-04-010.

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# Energy Roadmap: May 2007 Update

## *M. Southern California Edison Application to Update and Revise the Direct Access (DA) and Other Service Fees*

Proceeding No.	Commissioner	Admin. Law Judge (ALJ)	Counsel	Energy Division Staff
A.07-01-045	Peevey	Smith		Auriemma

### What it Does

This proceeding is to address the application of Southern California Edison Company (SCE) for authorization to update and revise the Direct Access and Other Service Fees in Schedules ESP-DSF, CC-DSF, and ESP-NDSF.

### Next Steps

- Non-utility opening testimony due June 22, 2007.
- Rebuttal testimony due July 16, 2007.

### Proceeding Overview

Date	Actions Taken	Comments
Mar 29, 2007	Prehearing conference held.	
Mar 1, 2007	Parties submitted responses to the application.	
Jan 26, 2007	SCE filed an application requesting authorization to update and revise the Direct Access (DA) and other service fees.	<p>SCE's proposal:</p> <ul style="list-style-type: none"> <li>○ Modifies Schedules ESP-DSF (Electric Service Provider – Discretionary Service Fees), CC-DSF (Customer Choice – DSF), and ESP-NDSF (ESP – Nondiscretionary Service Fees) to: <ol style="list-style-type: none"> <li>1. Increase 11 of the existing Service Fees;</li> <li>2. Reduce 20 of the existing Service Fees;</li> <li>3. Add 47 new Service Fees;</li> <li>4. Remove 38 existing Service Fees; and</li> <li>5. Change 5 existing Service Fees to a time and materials basis.</li> </ol> </li> <li>○ Eliminate the discretionary/non-discretionary designation of fees, because SCE is proposing that all Service Fees receive cost-of-service regulatory treatment.</li> </ul>

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## ***N. APPLICATION OF SOUTHERN CALIFORNIA GAS COMPANY FOR APPROVAL OF A LONG-TERM TRANSPORTATION SERVICE AGREEMENT WITH US GYPSUM COMPANY***

Proceeding No.	Commissioner	Admin. Law Judge (ALJ)	Counsel	Energy Division Staff
A.06-12-023	Bohn	Lakritz		Alfton

### What it Does

This Application requests Commission approval for approval of a long-term transportation service agreement with U.S. Gypsum which allows for set asides at specific receipt points after the issuance of D.06-12-031 and not disclosed by SoCalGas in the FAR proceeding, Phase 2, A.04-12-004.

### Next Steps

Proposed Decision to be issued

### Proceeding Overview

Date	Actions Taken	Comments
Apr 10, 2007	Reply Briefs Filed	Reply Briefs Issued by SoCalGas, U.S. Gypsum, DRA, Coral Energy, and SCGC.
Mar 27, 2007	Opening Briefs Filed	Opening Briefs issued by SoCalGas, U.S. Gypsum, DRA, Coral Energy, and SCGC
Feb 27, 2007	PHC Held	ALJ set briefing dates for "threshold issue" (1) of whether D.06-12-031 authorizes a Step 1 set-aside for holders of long-term firm transportation contracts not in effect at the date of the decision and (2) the criteria that should be applied in approving USG's long-term contract
Jan 25, 2007	Protests to Application Filed	Protest to the Application filed by SCGC, Coral Energy and DRA

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# Energy Roadmap: May 2007 Update

## ***O. APPLICATION OF SAN DIEGO GAS & ELECTRIC COMPANY AND SOUTHERN CALIFORNIA GAS COMPANY FOR AUTHORIZATION TO SUPPORT RELIABLE DELIVERIES AT OTAY MESA***

Proceeding No.	Commissioner	Admin. Law Judge (ALJ)	Counsel	Energy Division Staff
A.06-10-034	Peevey	Brown		Alfton

### What it Does

This Application requests Commission approval for authorization to contract for up to 50 mmcf/d of interstate and foreign pipeline capacity deliverable to Otay Mesa or functionally equivalent contractual guarantees of physical delivery of supplies to increase system capacity and reliability to serve customer demand in San Diego and Riverside Counties.

### Next Steps

Proposed Decision to be issued

### *Proceeding Overview*

Date	Actions Taken	Comments
Mar 8, 2007	Motion of SDG&E and SoCalGas	Motion filed for a determination that no hearing is needed.
Mar 2, 2007	A Joint Recommendation was filed	A Joint Recommendation to resolve all issues raised at the PHC was signed by SDG&E, SoCalGas, SCGC, Coral, DRA, TURN, and SCE.
Feb 2, 23, Mar 1, 2007	Parties conferred by telephone to discuss questions raised in PHC	Parties sought to settle issues raise at PHC in telephonic conferences.
Jan 30, 2007	PHC held	Intervenors were not opposed to the SDG&E/SoCalGas proposal, but expressed concerns with particular aspects of the application. Parties agreed to meet to try to settle the issues without hearings.
Dec 14, 2006	Joint Reply by SDG&E and SoCalGas to Protests to Application	
Dec 4, 2006	Protests to Application Filed	Protests to Application filed by SCGC and Coral.

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# Energy Roadmap: May 2007 Update

## III. MAJOR RULEMAKING PROCEEDINGS

### A. Long-Term Procurement Plan (LTPP) Rulemaking

Proceeding No.	Commissioner	Admin. Law Judges (ALJ)	Counsel	Energy Division Staff
R.06-02-013	Peevey	Brown	Stoddard/Levine	Sterkel, Deal

#### What it Does

##### Summary:

The LTPP Rulemaking provides a biennial review of the IOUs' procurement review process, established pursuant to AB57. The IOUs submit long-term procurement plans that serve as the basis for utility procurement and comprehensively integrate all Commission decisions from all procurement related proceedings. Consequently, this proceeding provides a forum to review the need for additional policies to support new generation and long-term contracts in California, including consideration of transitional and/or permanent mechanisms (e.g., cost allocation and benefit sharing, or some other alternative) which can ensure construction of and investment in new generation in a timely fashion.

##### Major Issues:

- **Track 1:** On May 11, parties submitted a proposed Joint Settlement Agreement on the Energy Auction component of the Cost Allocation Mechanism Adopted in D.06-07-029, which directed the IOUs to conduct periodic auctions for the energy rights to all resources acquired pursuant to the new mechanism, and to file with the Commission the details of this auction process.
- **Track 2:** The IOUs have submitted 2006 Long-Term Procurement Plans (LTPPs), covering 2007 through 2016, for Commission review and approval, in accordance with the requirements of Pub. Util. Code § 454.5. The filings consist of two volumes: (1) a stand-alone 2006 long-term procurement plan covering procurement practices and the resource plan for the next 10 years based on existing Commission policies; and (2) a discussion of the IOU's comments on selected policies and procedures for implementing procurement plans that the Commission has identified are going to be reviewed during the 2006 proceeding cycle.
- **Track 3:** The methodology for assigning and calculating non-bypassable charges for departing load has been carved out of Track 2 and will be addressed in a separate track by a separate ALJ (Fukutome).

#### Next Steps

- **Track 1:** Review and consideration of Energy Auction Proposal.
- **Track 2:** Filing of Briefs and Reply Briefs for LTPP plans July and August, 2007, respectively).
- **Track 3:** Pre-Hearing Conference on NBCs scheduled for July 12, 2007.

#### Proceeding Overview

Date	Actions Taken	Comments
August 6, 2007	Track 2: Concurrent Reply Briefs	
July 16, 2007	Track 2: Concurrent Opening Briefs	
July 12, 2007	Track 3: Pre-Hearing Conference	

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June 4- 15, 2007	<b>Track 2: Evidentiary Hearings on planning reserve margins and forecasting of need</b>	
May 24, 2007	<b>Track 2: ED sponsored Repowering / AB 1576 Workshop</b>	<b>A Work Group was identified to evaluate an AB 1576 certification process.</b>
May 21-23, 2007	<b>Track 2: ED sponsored Procurement Processes Workshop</b>	<b>Work Groups were identified to evaluate transparency, PRG participation, and the development of an LTPP Rulebook</b>
Apr 24, 2007	LTPP Workshop and Status Conference	
Apr 9, 2007	Reply testimony due.	
Mar 2, 2007	Intervenor Testimony Due	
Feb 6, 2007	Second Mediation Meeting for Track 1: Energy Auction	
Feb 2, 2007	IOU Supplemental Testimony due.	
Jan 17, 2007	ALJ Ruling on Time Extension and Revised Schedule	Ruling extended timeframe for submitting testimony, suspended comment schedule for Energy Auction Proposals, granted SCE's request to collapse the 50/50 cost sharing track into Track 2 and allowed IOUs to file supplemental testimony.
Jan 10, 2007	First Mediation Meeting for Track 1: Energy Auction	
Jan 5, 2007	SCE filed Notice of Non-settlement on 50/50 issue	Notice requested ALJ Brown to collapse the issue into Track 2 of this proceeding.
Dec 21, 2006	LTPP SCE Workshop	
Dec 20, 2006	LTPP PG&E Workshop	
Dec 19, 2006	LTPP SDG&E Workshop	
Dec 18, 2006	Energy Auction Workshop #2	
Dec 12, 2006	New or Revised Energy Auction Proposals filed	
Dec 11, 2006	IOUs filed LTPPs	LTPPs filed by 3 IOUs.
Nov 29, 2006	AB 1576 Implementation Proposals Filed	Mirant and LS Power filed implementation proposals on AB1576.
Nov 17, 2006	ACR Adjusted Schedule	Allowed for subsequent energy auction proposals, future workshops,
Nov 1, 2006	Energy Auction Workshop held	Considered IOU proposal
Oct 30, 2006	ACR Adjusted Schedule	Delayed filing of LTPPs until Dec. 11 <sup>th</sup> and allowed for AB1576 implementation proposals.
Oct 20, 2006	Energy Auction Proposals filed	Proposal jointly filed by 3 IOUs
Oct 12, 2006	Pre-Hearing Conference & Energy Division Workshop	IOUs presented preliminary previews of their 2006 LTPPs during workshop.
Sept 25, 2006	Scoping Memo, Phase 2 Issued	Established goals of proceeding, tracks of proceeding, provided schedule, provided LTPP plan filing guidance.
Aug 15, 2006	ACR Issued on heat storm issues	ACR Issued addressing Electric Reliability Needs in Southern California for Summer 2007, ordered SCE, PG&E, and SDG&E to take certain actions with respect to summer 2007.
July 20, 2006	Decision adopted.	D.06-07-029 adopted a cost and benefit allocation for new generation contracts.
June 20, 2006	Draft Decision Issued.	Draft Decision issued on Phase 1 issues related to cost allocation for new generation contracts.
April 21, 2006	Reply Comments filed.	
April 10, 2006	Comments filed on policies to support new generation.	
Mar 14, 2006	Workshop held.	
Mar 7, 2006	Proposals due.	Parties to submit proposals on need for additional policies to support new generation.
Feb 23, 2006	ACR Issued	Ruling issued setting PHC, providing additional details on OIR's request for proposals on 3/2/06.

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Feb 16, 2006	OIR Opened.	R.06-02-013 adopted by Commission.
Dec 14, 2005	Workshop	Energy Division hosted a workshop to discuss the upcoming, new long-term procurement proceeding.

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## B. Resource Adequacy (RA) Rulemaking

Proceeding No.	Commissioner	Admin. Law Judges (ALJ)	Counsel	Energy Division Staff
R.05-12-013	Peevey	Wetzell	Dorman	Brooks, Console

### What it Does

#### Phase 1 Issues

1. Consideration of a Local Capacity Requirement (LCR), including the CAISO's LCR study.
2. Establishment of a Local Resource Adequacy Requirement (Local RAR) program, in addition to the System RAR requirement established pursuant to D.05-10-042.
3. Review of system RAR program implementation issues, compliance issues, tradeable capacity products, and other issues deferred by D. 05-10-042.

#### Phase 2 Issues

1. Consideration of multi-year RAR requirements, Capacity Markets, RAR program requirements for small and multi-jurisdictional utilities.

### Next Steps

- Phase 2 – Track 1 Issues: 2008 RA program implementation, need for a zonal requirement. Workshops 2/8, 2/20, 2/21, 3/8, CAISO LCR report issued 3/9, Comments 4/6. Decision Track 1 Issues expected by June 2007.
- Phase 2 – Track 2 Issues: Capacity market design, multi-year RAR. Proposal filed 3/16, pre-workshop comments 5/18, workshops August, Staff report on workshops Sept. Decision on Track 2 issues expected by January 2008.
- Phase 2 – Track 3 Issues: RA program for Small and Multi-jurisdictional LSEs. Proposals 3/30, workshop 4/25, Staff report 7/6, Comments 8/24. Decision on Track 3 issues expected by January 2008.

### Proceeding Overview

Date	Actions Taken	Comments
Jan 26, 2007	Track 1 proposals filed	
Dec 22, 2006	Scoping memo for Phase 2 issued.	Memo identifies tracks, schedule, and key issues to be decided in Phase 2.
Sept. 15, 2006	Post-PHC Comments	Comments on schedule filed.
Aug. 29, 2006	Pre-Hearing Conference	

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Aug. 18, 2006	ALJ Ruling on Phase 2 Issues released	A ruling detailing the topics under consideration for Phase 2 was released. The topics will be discussed at the PHC and parties will have a chance to file comments on priorities and procedural suggestions after the PHC.
Aug. 10, 2006	Energy Division released 2007 RA Filing Guide	Energy Division staff released to parties the 2007 filing guide and templates for use in Resource Adequacy compliance.
July 20, 2006	Decision adopted on Phase 1B	D.06-06-031 adopted a revised definition of a tradable resource adequacy capacity product and resolved other outstanding implementation issues related to the resource adequacy program.
June 29, 2006	Decision adopted on Phase 1A	D.06-06-064 adopted a local resource adequacy requirement and program for 2007.
May 3, 2006	Reply comments on LCR filed	
Apr 28, 2006	Comments on LCR Report and Reply comments on RA issues filed	
Apr 28, 2006	CAISO issued Errata to LCR Report	
Apr 26, 2006	CAISO meeting on LCR	
Apr 21, 2006	CAISO issued LCR report	
Apr 21, 2006	Comments on RA issues and Staff Report filed	
Apr 10, 2006	Energy Division Report issued	Energy division Report on RA issues
Mar 27, 2006	Workshop on Tradable Capacity Product	Energy division held a workshop to discuss regulatory barriers to a tradable capacity product.
Mar 15, 2006	Workshop on Local RAR and LCR	Workshop on procedural issues and new RA information
Mar 13, 2006	Post-Workshop Comments filed.	
Mar 1, 2006	Scoping Memo Issued.	
Feb 16, 2006	First RAR Filings.	All load-serving entities filed their first system RAR compliance filings via advice letter.
Feb 7-8, 2006	Workshop held to discuss Local RAR and LCR.	Energy Division held 2 day workshop to discuss CAISO's LCR Study and Local RAR proposals filed
Feb 2, 2006	PHC Held	
Jan 24, 2006	Local RAR Proposals filed	Parties were ordered by D.05-10-042 to file proposals on Local RAR.
Jan 13, 2006	PHC Statements filed	
Dec 15, 2006	OIR Opened.	R.05-12-013 opened by the Commission

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## C. Procurement Rulemaking

Proceeding No.	Commissioner	Admin. Law Judges (ALJ)	Counsel	Energy Division Staff
R.04-04-003	Peevey	Wetzell, Brown, Gottstein	Levine, Stoddard, Dorman	Sterkel, McCartney, Deal, Brooks

### What it Does

1. Reviews and approves utility energy procurement plans.
2. Establishes policies and cost recovery mechanisms for energy procurement.
3. Ensures that the utilities maintain an adequate reserve margin.
4. Implements a long-term resource adequacy and planning process.

### Next Steps

- Proceeding may be closed in near future.
- Draft PD on QF/Avoided Costs issues is underway, and it may be issued for public review and comment in January, 2007.

### Proceeding Overview

Date	Actions Taken	Comments
Nov 14, 2006	PD issued on Resource Adequacy PTM issues.	PTM decision addresses numerous issues contained in PTMs on D.04-10-042.
July 20, 2006	Decision adopted.	Decision approved PG&E and IEP settlement related to qualifying facilities.
June 21, 2006	Draft Decision issued.	Draft Decision issued on issues related to PG&E and IEP settlement related to qualifying facilities.
Feb 16, 2006	D.06-02-032 established a load-based cap on GHG emissions.	
Dec 15, 2005	D.05-12-021 considered reallocation of DWR contracts.	
Dec 12, 2005	D.05-12-022 considered PTM requests on D.04-12-048.	Grants in part, and denies in part, petitions to modify D04-12-048.
Dec 1, 2005	D.05-12-019 adopted regarding Qfs.	Continues the interim relief as provided in D04-01-050 for Qualifying Facilities with expired or expiring contracts from January 1, 2006 until the Commission issues a final decision in the combined two dockets, R04-04-003 and R04-04-025.
Oct 27, 2005	The Commission adopted D.05-10-042	The decision adopts a system resource adequacy program requirement for 2006, with annual and monthly showings.
Sept 22, 2005	SCE withdrew A. 05-06-003; On Sept 9 <sup>th</sup> , Commissioner Grueneich issued a scoping memo in application.	SCE withdrew application for approval of new generation contracts; SCE had asked permission to acquire up to 1500 MW of capacity through new power purchase agreements (PPAs).
Sept 8, 2005	ALJ ruling issued revising schedule for Phase 2 rebuttal testimony.	
Aug 25, 2005	ALJ ruling issued regarding Capacity Markets staff white paper.	Comments will be filed and served by September 9; reply comments will be filed and served by October 10.
July 29, 2005	ALJ ruling issued which modifies	

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	interagency Confidentiality Agreement.	
June 10, 2005	ALJ ruling issued which provides Notice of Availability of Phase 2 Resource Adequacy Workshop Report and providing for comments.	Comments are due July 8 and replies are due July 18.
Apr 25, 2005	Incentive mechanism post-workshop comments were filed.	
Apr 2005	Resource adequacy workshops were held on April 21, 22 and 29.	
Apr x, 2005	Procurement incentive workshop report released for public comment.	
Apr 7, 2005	ALJ Ruling was issued.	Additional resource adequacy workshops were scheduled, and the previously adopted Phase 2 schedule was rescinded and will be reset by future ruling.
Mar 25, 2005	PG&E, SCE and SDG&E submitted compliance filings, as ordered by D.04-12-048.	The utilities provided updated information to their short-term and long-term procurement plans.
Mar 7 - 9, 2005	Procurement incentive workshops were held.	
Jan – Feb 2005	Resource adequacy Phase II workshops were held.	
Dec 16, 2004	The Commission adopted D.04-12-048.	Decision adopts the utilities' long-term procurement plans that were filed in July 2004, allows for greater head-to-head competition and provides guidelines on all-source solicitations, resolves cost recovery issues, and begins integrating renewables procurement with general procurement.
Oct 28, 2004	The Commission adopted D.04-10-035.	Resource adequacy Phase I decision.
Jul 8, 2004	The Commission adopted D.04-07-028, indicating that reliability is not only the CAISO's job.	The decision clarifies and modifies prior orders to indicate that it is also a utility responsibility to procure all the resources necessary to meet its load, not only service area wide but also locally. In doing so, a utility must take into account not only cost but also transmission congestion and reliability.
Jun 15, 2004	Resource adequacy workshop report released for public comment.	Resource adequacy workshops were held on March 16; on April 6, 7, 12, 13, 14 and 26; and on May 5, 17, 18 and 26. The workshops addressed issues such as protocols for counting supply and demand resources, deliverability of resources to load, and load forecasting. The purpose of the report is to identify consensus agreements reached by workshop participants, identify issues where agreement does not exist, and set forth options to resolve those issues.
Jun 9, 2004	The Commission issued D.04-06-011, on SDG&E's Grid Reliability RFP. This decision also closes R.01-10-024.	This decision approves the five proposals that SDG&E presented to meet its short-term and long-term grid reliability needs. Among those five proposals includes approval for SDG&E to: <ul style="list-style-type: none"> <li>• purchase the 550 MW Palomar plant (in 2006 when construction is complete) from its affiliate, Sempra Energy Resources; and</li> <li>• sign a 10-year Power Purchase Agreement for 570 MW from Calpine's Otay Mesa plant.</li> </ul>
Jan 22, 2004	The Commission adopted D.04-01-050.	The decision addressed long-term procurement policy issues for PG&E, SCE and SDG&E. Major issues include resource adequacy and reserve requirements, market structure, financial capabilities, long-term planning assumptions and guidance, and confidentiality.

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# Energy Roadmap: May 2007 Update

## D. Renewable Portfolio Standard (RPS) Rulemaking

Proceeding No.	Commissioner	Admin. Law Judge (ALJ)	Counsel	Energy Division Staff
R.06-02-012, R.06-05-027	Peevey	Simon, Mattson	Stoddard, Levine	Douglas, Churchill, Kamins, Simon, Gillette, Marks

### What it Does

**Summary:** This Rulemaking implements a Renewable Portfolio Standard (RPS) program in accordance with SB 1078.

**Major Issues:** 1. Reporting and compliance guidelines for the RPS program are being implemented.

2. The Commission is considering the efficacy and viability of a Renewable Energy Credit (REC) trading program for the state.

### Next Steps

- R.06-02-012 - Proposed Decision on evaluation criteria for bilateral and short-term contracts; 2<sup>nd</sup>-3<sup>rd</sup> Quarter, 2007
- R.06-05-027 – Adopt proposal for implementation of §399.20; 2<sup>nd</sup> – 3<sup>rd</sup> Quarter, 2007
- R.06-02-012 - Policy development for tradeable Renewable Energy Credits (RECs); 2<sup>nd</sup> – 3<sup>rd</sup> Quarter, 2007
- R.06-05-027 - PG&E, SCE, and SDG&E file RPS compliance reports for 2004 and 2005; 3<sup>rd</sup> Quarter
- R.06-05-027 - Proposed Decision on any outstanding policy issues discussed in comments to August 21, 2006, Scoping Memo Appendix A; 3<sup>rd</sup> Quarter, 2007

### Proceeding Overview

Date	Actions Taken	Comments
May 29, 2007	ALJ Ruling regarding workshop on implementation of §399.20 (R.06-05-027)	The June 5, 2007 workshop will explore the use of standard terms and conditions in RPS tariffs and/or standard contracts, and the MW allocation among the IOUs.
May 24, 2007	Commission approved E-4081: SDG&E's 5-year extension to an existing RPS contract.	San Diego Metropolitan Wastewater Department will continue delivering 22GWh/yr from its 4.6MW facility.
May 24, 2007	Commission approved E-4076: PG&E's new contract to purchase biogas.	BioEnergy will supply up to 8,000MMBtu/day of biogas produced from dairy waste. The gas will be delivered into PG&E's pipeline and burned in a conventional gas-fired power plant certified as RPS-eligible by the CEC. At full capacity, deliveries may produce up to 389GWh.
May 24, 2007	Commission approved D.07-05-046 SCE's 20-year contracts with 5 existing renewable energy facilities.	Caithness includes 4 PPAs, 68MW wind capacity, with potential deliveries of 164GWh. COSO, 68MW geothermal, with deliveries of 536GWh in 2010. Subsequent phases increase capacity to 204MW.
May 22, 2007	Proposed Decision (R.06-05-027) Re: Petition for Modification of D.04-06-014 Standard Terms and Conditions (STC) Decision	PD denies the petitioners request that changes to STCs may be made in the IOUs annual procurement plans, and that all STCs be modifiable. Comments are due no later than June 11, 2007. Reply comments are due 5 days after the filing of comments.

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May 8, 2007	Draft Resolution E-4052: SCE's request for memorandum account to record costs of renewable transmission feasibility study	Draft Resolution approves SCE's request with modifications. Specifically, SCE is authorized to records up to \$6 million for "Proactive Transmission Planning", subject to proper administration of the program and cost recovery mechanisms. Commission Agenda Item #15, June 7, 2007
May 3, 2007	The Commission approved Decision D. 07-05-028	Decision implements the requirements of Pub. Util. Code §399.14(b). RPS-obligated LSEs may use deliveries from contracts of less than 10-years so long as the LSE contracts each year for deliveries of at least 0.25% of their prior year's retail sales from long-term contracts and/or new facilities.
April 12, 2007	Commission approved E-4070: SDG&E's contract with an existing renewable energy facility.	AES Delano, 49MW biomass facility, with deliveries of approximately 365GWh beginning in 2008.
April 12, 2007	Commission approved D.07-01-001 and D.07-01-003: SCE's contracts with two existing renewable energy facilities.	Tajiguas Energy, 2.8-4.3MW biomass facility, with deliveries of 18.6-28.5 GWh, online in 2007. Imperial Valley Resource Recovery, 16.4MW biomass facility, with deliveries of approximately 130GWh within 12 months of CPUC approval.
March 15, 2007	Commission approved E-4073: SDG&E's contracts for four new renewable energy contracts.	Bethel Solar 1&2 will deliver a combined 336 GWh, online 6/08 and 12/08. Esmerelda, 20 MW geothermal facility, with deliveries of 166GWh, online 12/2010 and Bull Moose, a 20 MW biomass facility with deliveries 158 GWh, online 12/08 .
March 12, 2007	Ruling (R.06-05-027)	Adopts a standardized reporting format for RPS obligated LSEs. Adopts a near term reporting schedule in conjunction with CEC verification reports and an ongoing reporting process.
March 12, 2007	ACR and amended Scoping Memo regarding implementation of Pub. Util. Code 399.20 (R.06-05-027)	The IOUs will submit a proposed tariff and/or standard contract. Also, comments are requested on extending the application of §399.20 to other customers and resources.
February 20, 2007	ACR Extending March 1, 2007 Compliance filing	The IOUs March 1, 2007 compliance filing date has been extended to within 15 days after the Commission mails its decision on the application for rehearing of D.06-05-010.
February 15, 2007	The Commission approved Decision D. 07-02-011	Decision conditionally accepts IOUs procurement plans for 2007 RPS solicitation. IOUs must file amended plans by March 2, 2007.
January 12, 2007	Proposed Decision (R.06-05-027)	Opinion conditionally accepting procurement plans for 2007 RPS solicitations. Opening comments are due no later than February 1, 2007. Reply comments are due 5 days after the filing of Opening comments.
January 10, 2007	Ruling (R.06-05-027)	Approving 2007 Transmission Ranking Cost Reports.
December 29, 2006	Amended Scoping Memo and Ruling (R.06-02-012)	Addresses the scope of the proceeding and sets a schedule.
December 15, 2006	Workshop (R.06-05-027) discussed Transparency of RPS Procurement Processes.	IOUs described their LCBF methodologies to the RPS stakeholders. Independent Evaluators (IE) described their involvement in RPS solicitations. ED presented draft documents of its procurement review process, highlighting sources of information that promote transparency.
December 14, 2006	The Commission approved E-4049: Formally adopts the 2006 Market Price Referent for use in the 2006 RPS solicitation.	MPR is the benchmark price comparison for renewable energy generation vs. traditional gas-fired generation plants. Contracted bids that exceed the benchmark price may be reimbursed through the Supplemental Energy Payment (SEP) fund administered by the California Energy Commission.
December 14, 2006	The Commission approved E-4047: PG&E's bilateral contract with Global	PG&E's Chowchilla and El Nido will each provide 9 MW of capacity, delivering 72 GWh individually beginning in 2007.

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	Common for two biomass facilities with 15 year terms and 2007 online dates.	
December 14, 2006	The Commission approved E-4046: PG&E's contracts with Calpine for a large existing geothermal facility with a 6 year term and 2007 online date.	PG&E's Geysers Power Company will provide 200 MW of capacity, delivering 1,752 GWh of geothermal energy beginning in 2007. New contract reflects Calpine's bankruptcy status and project expansion.
December 14, 2006	The Commission approved E-4041: PG&E's contracts for two new Geothermal projects from PG&E's 2005 RPS Solicitation with 20 year Terms and 2010 online dates.	Northwest Geothermal (Newberry) will provide 60 MW to 120 MW of capacity, delivering 420 GWh to 820 GWh of energy annually. IAE Truckhaven I will provide 49 MW of capacity, delivering 370 GWh of energy to annually.
November 29 <sup>th</sup> , 2006	Workshop (R.06-05-027) held: IOUs presented a collaborative draft spreadsheet for RPS reporting and compliance.	Parties asked questions on the workings of the spreadsheet. Party comments and reply comments on the spreadsheet are due December 13 <sup>th</sup> and December 20 <sup>th</sup> respectively.
November 2, 2006	PHC (R.06-02-012) held to determine priorities for implementing SB 107 into either RPS proceeding.	Determined the high priority issue to be establishing a minimum quantity of eligible renewable resources be procured through contracts of at least 10 years or from new facilities on-line on or after January 1, 2005. ALJ requests Comments and Reply Comments are filed.
October 19, 2006	The Commission issued D.06-10-050	Adopts methodology for reporting and compliance within the RPS program.
October 11, 2006	Ruling adopted re: R06-05-027	Only the three largest IOUs are required to file draft 2007 RPS Procurement Plans at this time.
October 5, 2006	The Commission approved D.06-10-019	Sets additional procurement standards for LSEs, and sets ground rules for ESPs, CCAs in the RPS program. Makes preliminary determinations of the impact of SB 107 (Simition) <sup>1</sup> on the subjects that are within the scope of this proceeding.
Sept 21, 2006	Resolution approved amended wind repowering contract signed by PG&E	43 MW, 10-year wind repower contract in Altamont Pass ("Buena Vista")
Aug 21, 2006	Scoping memo issued for new RPS OIR.06-05-027.	Requests IOUs' 2006 RPS procurement plans and RFOs, and requests comments regarding possible program changes.
July 2006	IOUs' 2006 RPS procurement plans and RFOs approved in late July, allowing 2006 solicitations to begin.	
June 22, 2006	Prehearing conference on scope of new RPS OIR	
May 25, 2006	New OIR adopted, R.06-05-027	
May 25, 2006	Resolution approved new wind contract signed by SDG&E	
May 25, 2006	Decision adopted conditionally approving TOD benchmarks, 2006 short-term RPS procurement plans & RFOs	
May 17, 2006	Ruling adopting 2006 Transmission Ranking Cost Reports	
Apr 20, 2006	2005 MPR calculation adopted	
Mar 17, 2006	Reply comments filed on reporting & compliance workshop	

<sup>1</sup> Stats, 2006, ch. 464 (chaptered September 26, 2006).

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Mar 14, 2006	Draft resolution on final 2005 MPR mails	
Mar 10, 2006	Comments filed on reporting & compliance workshop	
Mar 7, 2006	Responses filed to 2/17 proposals	
Mar 1, 2006	Reply comments filed on TOD benchmarking	
Feb 17, 2006	ESP, CCA, SMJU participation proposals filed	
Feb 16, 2006	New OIR on ESPs, etc. issued (R. 06-02-012)	
Feb 16, 2006	All-Party Workshop: RPS Compliance & Reporting Rules	
Dec 22, 2005	Major IOUs file 2006 RPS short term plans.	
Dec 15, 2005	2005 MPR proposed decision on Commission agenda.	
Dec 14, 2005	PHC on ESPs, CCAs, small multi-jurisdictionals, and RECs.	
Dec 10, 2005	IOUs will file supplemental compliance filings for 2005 LT RPS procurement plans.	
Nov 18, 2005	ESP-CPUC Jurisdiction decision adopted.	
Apr 4 – 5, 2005	Time of Delivery (TOD) MPR workshop was held.	
Mar 7, 2005	Utilities filed their draft 2005 RPS procurement plans.	
Feb 11, 2005	The final Market Price Referent (MPR) was released via an Assigned Commissioner's Ruling. <a href="http://www.cpuc.ca.gov/PUBLISHED/RULINGS/43824.htm">http://www.cpuc.ca.gov/PUBLISHED/RULINGS/43824.htm</a>	MPR is the benchmark price comparison for renewable energy generation vs. traditional gas-fired generation plants. Contracted bids that exceed the benchmark price can be reimbursed through the Supplemental Energy Payment (SEP) fund administered by the California Energy Commission.
Feb 10, 2005	Reply comments on TOD MPR and REC Trading were filed.	
Feb 3, 2005	Comments on TOD MPR and REC Trading were filed.	
Dec 13, 2004	SDG&E notified the Energy Division that it compiled its RFO short list.	The initial short list identifies the bidders the utility has selected for potential contract negotiations.
Dec 12, 2004	Scoping Memo for Phase 2 was issued.	<ul style="list-style-type: none"> <li>• The Commission will gather party comments and briefs on: <ul style="list-style-type: none"> <li>➢ Participation of small and multi-jurisdictional utilities, ESPs, and Community Choice Aggregators (CCAs) in the RPS program;</li> <li>➢ Treatment of existing Renewable Energy Credits (RECs) from QFs;</li> <li>➢ Development of a Time of Delivery (TOD) Market Price Referent (MPR);</li> <li>➢ Investigate development of REC trading program.</li> </ul> </li> <li>• Utilities will file Draft 2005 RPS Procurement Plans and a draft 2005 RPS Solicitations, which is expected to happen in the 4th quarter of 2005.</li> </ul>
Sep 29, 2004	PG&E notified the Energy Division that it compiled its RFO short list.	The initial short list identifies the bidders the utility has selected for potential contract negotiations.
Jul 8, 2004	The Commission adopted D.04-07-029, on Least-Cost/Best-Fit.	In this decision, the Commission adopted criteria for determining the least-cost, best-fit for renewable energy bids.

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July 2004	Energy Division approved the utilities' request for bid protocols, and the initial RFOs were initiated.	Energy Division approved PG&E's and SDG&E's renewable energy request for bid protocols and the initial RFOs were initiated for these IOUs. SCE's request to be excused from the initial RFO was approved because SCE met the 1% renewable procurement target during the interim procurement period.
Jun 9, 2004	The Commission issued decisions D.04-06-014 and D.04-06-015.	The decisions focused on Standard Terms & Conditions, and the Market Price Referent, respectively.
Apr 22, 2004	The Commission opened this RPS rulemaking, R.04-04-026.	
Mar 22, 2004	Market Price Referent (MPR) white paper was sent to service list for comment.	
Mar 2003	The Commission adopted D.03-06-071.	In this decision, the Commission sets forth the implementation methods for the Renewable Portfolio Standards Program (RPS) as required under SB 1078. The decision establishes four fundamental processes necessary to implement RPS, and mandated by law: (1) the market price referent, or benchmark (MPR); (2) the rules for flexible compliance; (3) the criteria for least cost, best fit ranking of renewable energy bids; and (4) a process for determining standard contract terms and conditions.

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## ***E. Direct Access (DA) and Departing Load (DL) Cost Responsibility Surcharge (CRS)***

Proceeding No.	Commissioner	Admin. Law Judge (ALJ)	Counsel	Energy Division Staff
R.02-01-011	Peevey	Pulsifer		Roscow

### What it Does

**Summary:** This proceeding sets and implements a Cost Responsibility Surcharge (CRS) applicable to Direct Access (DA) and Departing Load (DL) customers to make the utilities' bundled customers financially indifferent to load migration away from bundled service that occurred after DWR long term contracts were signed. This proceeding also sets policy governing the suspension of DA service, DA load growth under existing contracts, and rules for customer movement to and from bundled and DA service.

**Major Issues:** The proceeding remains open to address petitions for modification.

### Next Steps

- **D.06-07-030 closes this Rulemaking. Calculations for 2007 and onward will be prepared in the DWR Revenue**

# Energy Roadmap: May 2007 Update

Requirement Rulemaking and the IOU ERRA proceedings.		
<i>Proceeding Overview</i>		
Date	Actions Taken	Comments
May 3, 2007	D.07-05-013	Grants petition of PG&E, SDG&E, and SCE to modify D.06-07-030 to adopt the protocols to be used to allocate the DWR power charge exemption for the 80 MW of new municipal departing load that were attached to the Petition CRS exemptions
May 3, 2007	D.07-05-006	Grants, in part, the California Clean DG Coalition Petition for Modification of D. 03-04-030 to extend applicability of the 1 MW exception to clean customer generation units not exceeding 5 MW in capacity
May 3, 2007	D.07-05-005	Grants in part, and denies in part, the Petition for Modification of D. 06-07-030, filed by PG&E
Jan 25, 2007	D.07-01-030	Modifies D.06-07-030 as follows: <ul style="list-style-type: none"> <li>• Adopts Resource Adequacy Generation Capacity adders for 2007 of \$7/MWh for SCE and SDG&amp;E, and \$4/MWh for PG&amp;E;</li> <li>• Adopts line loss factors of 6.0% for PG&amp;E and 5.3% for SCE for use in the 2007 market benchmark calculation;</li> <li>• Modifies the calculation of the price benchmark for 2007 to reflect the availability of published prices for both on-peak and off-peak future power deliveries; and</li> <li>• Adopts modified CRS components for SCE and SDG&amp;E.</li> </ul>
Jul 20, 2006	D.06-07-030	<ul style="list-style-type: none"> <li>• resolves outstanding issues relating to the cost responsibility surcharge (CRS) methodology and the level of undercollections applicable to Direct Access (DA) and Municipal Departing Load (MDL)</li> <li>• adopts updated DA CRS undercollection balances as of December 31, 2005, based upon the consensus reached by the interested parties, and resolve issues concerning the process to determine CRS obligations on a prospective basis.</li> </ul>
Feb 1, 2006	CRS Working Group submits final report to ALJ Pulsifer	<ul style="list-style-type: none"> <li>• The Working Group reached consensus on issues relating to <u>Direct Access</u> customers' undercollections and calculation of the DA CRS on a going forward basis.</li> <li>• Issues related to CRS for <u>municipal departing load</u> were not resolved, and were instead submitting to the ALJ for a decision based on the record in the Working Group report.</li> </ul>
Aug 25, 2005	D.05-08-035	In PG&E bankruptcy proceeding, addressed Petitions To Modify filed by CMUA, Merced, and Modesto concerning the Regulatory Asset Charge and Energy Recovery Bond Charge applicability on Publicly Owned Utility "transferred load" and "new load"

# Energy Roadmap: May 2007 Update

Jul 21, 2005	D05-07-038	Addresses the California Municipal Utilities Association's (CMUA) Petition for Modification of D. 04-12-059, which seeks clarification of the CRS applicability on Municipal (Publicly Owned Utility) DL customers
June 30, 2005	The Commission issued D.05-06-041.	Adopts a CRS applicable to county and municipal water districts' electric self-generation in the service territories of SCE, PG&E, and SDG&E by applying the mechanism and exceptions adopted in D.03-04-030 to this CG.
April 18, 2005	Working Group Status Report was served on the proceeding's service list.	The Status Report summarizes the discussions that took place at the April 12 <sup>th</sup> and 14 <sup>th</sup> Working Group meetings, and also includes the next steps that parties agreed need to be taken in order to move along the processes dealing with the 2003-2005 CRS calculations and the Municipal DL CRS billing and collection negotiations.
April 14, 2005	Working Group Meeting	Per a March 28, 2005 ALJ Ruling, a second Working Group meeting was held in with the intent of moving a long the negotiations process between the Publicly Owned Utilities and the Investor Owned Utilities for Municipal DL billing and collection of the CRS.
April 12, 2005	Working Group Meeting	Per a March 28, 2005 ALJ Ruling, the first Working Group meeting was held in order to begin a process in which all the interested parties will take part in calculating the CRS obligations for 2003 on a true-up basis and for 2004 and 2005 on a forecasted basis.

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## F. Demand Response Rulemaking and Associated Proceedings

Proceeding No.	Commissioner	Admin. Law Judge (ALJ)	Counsel	Energy Division Staff
A.05-01-016 (PG&E) A.05-01-017 (SDG&E) A.05-01-018 (SCE) A.05-03-016 (PG&E) A.05-03-015 (SDG&E) A.05-03-026 (SCE) A.05-06-028 (PG&E) A.05-06-006 (PG&E) A.05-06-008 (SCE) A.05-06-017 (SDG&E) A.06-12-026 (SCE) A.07-01-047 R.07-01-041 A.07-04-009	Chong, Grueneich, Bohn	Gamson, Malcolm, Hecht, Wong, Bemesderfer	Como, Hong	Kaneshiro, Chavez, Rosauer, Lam, Morgenstern, Franz, Benjamin, Salmi-Klotz

# Energy Roadmap: May 2007 Update

## What it Does

Demand Response:

1. Develop demand response programs and dynamic pricing tariffs for large customers.
2. Determine goals and load impact/cost-effectiveness protocols for demand response programs.

**Key Issues:**

- **Insuring that sufficient demand response is available for Summer 2007.**
- **Developing methodologies that accurately capture all the impacts, costs and benefits of demand response.**

AMI:

Review the IOUs' Advanced Metering Infrastructure (AMI) applications, for statewide implementation of AMI for all small commercial and residential IOU customers, and associated cost recovery and dynamic pricing tariffs proposals.

**Key issues:**

- **Cost effectiveness of the AMI project proposals;**
- **Scope of SCE's proposed AMI pre-deployment activities and funding in A. 06-12-026.**

## Next Steps

Demand Response:

- **IOUs (and any other interested parties) will submit straw proposals for load impact and cost effectiveness protocols by July 13 and oral presentations on July 19-20. Comments are due July 27.**
- PG&E application A.07-04-009 seeks approval for a multi-year AC cycling program.
- Dynamic pricing tariffs are being considered in PG&E's current GRC.
- SDG&E will be filing its revenue allocation and rate design application by January 31. SDG&E is directed to include a CPP tariff and other suitable dynamic pricing options.

AMI:

- **ALJ's Proposed Decision for SCE's AMI pre-deployment application (A. 06-12-026) will be issued for public comment in June 2007.**

## AMI Proceedings Overview

### SDG&E's AMI Application (A.)05-03-015

Apr 12, 2007	Commission approves settlement agreement	The Commission authorized \$572 million in ratepayer funding for the full deployment of SDG&E's AMI project for the 2007 through 2011 time period. The Commission found SDG&E's AMI project cost-effective with estimated benefits ranging from \$692 to \$703 million and costs of \$652 million over the 17-year life of the project. SDG&E's AMI project consists of the installation of 1.4 million solid state electric meters and 900,000 gas meter modules, along with the communications infrastructure to transmit the data between the meters and the utility.
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### SCE's AMI Application (A.) 06-12-026 Phase II

Date	Actions Taken	Comments
Apr 17 and 18, 2007	Hearings	The ALJ held two days of hearings on the case. Opening briefs are due May 3, 2007 and reply briefs on May 10, 2007.

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Dec 21, 2006	SCE filed its Phase II AMI Pre-deployment Application	SCE requests \$67 million for phase II pre-deployment activities--finalize its AMI project deployment business case, field test the AMI technologies under consideration, procure and configure its Meter Data Management System (MDMS), and select the field installation contractors that will perform the deployment of the meters and communications equipment. A pre-hearing conference is schedule for February 1, 2007.
<b>SCE's AMI Application (A.) 05-03-026 Phase I (proceeding is closed)</b>		
Aug 7, 2006	SCE completed its AMI conceptual feasibility report	SCE finds that its proposed AMI solution is conceptually feasible based on its conceptual design, market assessment, product demonstrations, and the positive financial assessment it has conducted.
Dec 1, 2005	Commission approved multi-party settlement.	SCE's phase 1 AMI pre-deployment application is approved and closed. SCE will need to file a new application should it seek additional ratepayer funding to implement its AMI project.
Oct 3, 2005	A multi-party settlement agreement was filed	The Settling Parties agreed to SCE's scope and timing of Phase 1 Advanced Integrated Meter (AIM) project development and the approval of \$12 million in ratepayer funding for the Phase 1 AIM project activities
Mar 30, 2005	SCE filed Application (A.)05-03-026	SCE requests approval of its AMI deployment strategy and cost recovery of \$31 million to develop an Advance Integrated Meter (AIM). SCE's proposed AMI strategy is to design and develop a new AIM platform that integrates new technologies to increase functionality and operational efficiencies.
<b>PG&amp;E's AMI pre-deployment Application (A.) 05-03-028 (proceeding is closed)</b>		
<b>Date</b>	<b>Actions Taken</b>	<b>Comments</b>
July 20, 2006	Commission approved PG&E's AMI project application.	In D.06-07-027 the Commission approved PG&E's AMI project with a budget of \$1.74 billion for the full deployment of AMI. PG&E will automate approximately 5.1 million electric meters and 4.2 gas meters and associated metering communications network and infrastructure. D.06-07-027 also approved voluntary Critical Peak Pricing (CPP) programs for residential and small Commercial and Industrial customers (under 200kW) with the upgraded meter.
<b><i>Demand Response Proceedings Overview</i></b>		
<b>Date</b>	<b>Actions Taken</b>	<b>Comments</b>
May 25, 2007	ALJ's Ruling Distributing Staff Guidance for Straw Proposals	Ruling issues guidelines to IOUs and other interested parties for development of straw proposals for load impact and cost effectiveness methodologies.
May 3-4, 2007	Workshop on Load Impact and Cost Effectiveness protocols	Attended by CPUC, CEC, IOUs, CAISO, consumer advocates, aggregators, SMUD and others.
Apr 18, 2007	ALJ issued scoping memo on new OIR (R.07-01-041) to develop a cost-effectiveness methodology for demand response programs.	Phase I of the OIR will address load impact protocols and cost effectiveness methodologies, which will be developed through multiple workshops and written party comments. Phase 2 will focus on the development of measurable goals.
Apr 6, 2007	PG&E filed application (A.07-04-009) seeking approval for a multi-year AC Cycling Program 2008-2020	PG&E requests \$362 million for expansion of its AC Cycling program - up to 300 MW by the end of 2010; and 15 MW each year during 2011 through 2020.
Feb 28, 2007	SDG&E, SCE and PG&E file applications and advice letters seeking approval of Demand Response RFP results	IOUs conducted RFPs for conventional DR as well as permanent load shifting DR.
Jan 25, 2007	Commissioner initiates a new OIR to	The OIR will address four issues: develop a DR load impact

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	develop a cost-effectiveness methodology for demand response programs.	protocol, develop a cost-effectiveness DR methodology, determine new DR goals, and consider modifications to DR programs in coordination with the CAISO's wholesale market structure.
Nov 30, 2006	Commission approves augmentation of DR programs in preparation for Summer '07.	New programs and changes to existing programs were approved for the purpose of increasing DR resources by summer '07. The IOUs anticipate an increase of 270 MWs.
Oct 19, 2006	Commission approves \$18 m. for expansion of SCE's AC cycling program as well as new Capacity Bidding Program for all three IOUs	SCE's AC Cycling program is anticipated to expand to 600 MWs by summer '07 with the additional funding. The Capacity Bidding Program replaces the Demand Reserves Partnership which will expire in May '07.
Aug 14, 2006	ACR issued in the Procurement/RAR proceeding directs SCE to target 300 MWs of AC Cycling by Summer '07 and for PG&E and SDG&E to submit reports regarding the need to take similar action	SCE will provide funding details for its AC cycling plans in the process outlined in the August 9 ACR.
Aug 9, 2006	ACR directs IOUs to submit proposals to expand DR by summer '07	ACR cites the July heat wave and unprecedented demand as reasons for the need to start expansion of DR in advance of summer '07. Proposals due by August 30, and a workshop is scheduled for September 6.
May 25, 2006	Commission directs IOUs to incorporate default CPP tariffs for all large customers in their next GRC	The Commission rejected a settlement that would have kept default CPP as a voluntary tariff.
April 3, 2006	Energy Division distributes a proposed DR load impact protocol for comment.	Comments were provided by several parties; ED believes the completion of the protocol requires a formal Commission proceeding
Mar 21, 2006	Energy Division conducts a scoping workshop on DR cost-effectiveness	Comments from the workshop indicate highly technical issues, and a complex undertaking.
Mar 15, 2006	Commission approves IOUs' 3-year ('06-'08) Budgets for DR Programs	\$225 m. in funding for DR programs for next three years.
Jan 30, 2006	Multi-party settlement is filed with the Commission regarding the IOUs' 3-year demand response program budgets ('06-'08)	Parties defer issues of cost-effectiveness and DR programs goals. Seek approval of \$225 m. in funding for DR programs for next three years.

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## G. Distributed Generation Rulemaking

Proceeding No.	Commissioner	Admin. Law Judge (ALJ)	Counsel	Energy Division Staff
R.06-03-004	Peevey	Duda, Ebke	Hong	Beck, Paulo, Shaw

### What it Does

R.04-03-017 is now closed. Existing DG programs (SGIP, net metering, AB 1685 implementation, DG cost/benefit methodology, and interconnection) will be folded into this new Rulemaking which will also include development and implementation of the California Solar Initiative (CSI).

### Next Steps

- Energy Division will work with the vendor to finalize the EPBB Calculator.
- The Commission will finalize the CSI Program Handbook.
- In 2007, the Commission will further address Phase 2 CSI program development issues including marketing and outreach, low income and affordable housing, cost-benefit methodology, program monitoring and evaluation, and research, development, demonstration, and deployment.

### Proceeding Overview

Date	Actions Taken	Comments
Dec 20, 2007	A revised version of the CSI program handbook incorporating program changes pursuant to SB1 legislation was sent to the service list.	Parties filed opening and reply comments concerning the handbook revisions. The Commission will be issuing a final ruling to adopt the handbook.
Dec 13, 2006	The Energy Division sent a notice and link to the Expected Performance Based Buydown (EPBB) Calculator to the service list.	The Energy Division is working with the vendor to fine-tune the calculator. A final version to be sent to the service list February 1, 2007.
Dec 7, 2006	The Commission held a workshop on CSI marketing and outreach.	The Commission will release additional information regarding CSI marketing and outreach during 2007.
Dec 6, 2006	The Commission issued a proposed decision regarding the ownership or RECs associated with distributed generation.	The PD stipulates that renewable DG facility owners should retain 100% of the RECs associated with their facilities.
Nov 14, 2006	The Commission issued a proposed decision modifying Decisions 06-01-024 and 06-08-028 in response to Senate Bill 1.	The PD modifies the Commission's earlier CSI decisions to clarify the maximum project size that can receive incentives, to phase in performance-based incentives more quickly, and to establish time-of-use tariff and interim energy efficiency requirements. In addition, it modifies earlier CSI decisions to clarify that it will no longer collect revenues from natural gas ratepayers to fund CSI. The Commission's CSI budget allocations and megawatt (MW) goals are also modified to match the CSI budget specified in SB1. The proposed decision also specifies that solar technologies other than photovoltaic (PV) may receive incentives through CSI, but

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		only if they displace electric usage.
Oct 24, 2006	The Commission issued a ruling requesting comments on changing the categorization of the proceeding.	The ruling would change the categorization from “ratesetting” to “quasi-legislative.”
Oct 24, 2006	The Commission issued a ruling requesting comments on the Draft Handbook for implementing the CSI.	The Commission expects to issue a final CSI program handbook in December, prior to the start of the new CSI program structure in January 2007.
Sept 15, 2006	The Commission issued a ruling requesting public comment on potential modifications to Decisions 06-01-024 and 06-08-028.	Opening Comments were due September 25 <sup>th</sup> . Reply comments are due October 2, 2006.
Aug 24, 2006	The CPUC adopts Opinion Adopting Performance Based Incentives, and Administrative Structure, and Other Phase I Program Elements for the California Solar Initiative	The Decision establishes “cents per kWh” incentive for solar projects over 100 kW. Systems under 100 kW will receive upfront incentive payments based on expected performance.
June 2006	CPUC issues Opinion Modifying D.06-01-024 to Increase System Size Eligibility.	This Decision modified D.06-01-024 regarding the maximum size of solar projects eligible to receive incentives through the Self-Generation Incentive Program and the California Solar Initiative (CSI).
May 25, 2006	The CPUC adopts the Order Affirming ALJs Ruling Reducing Solar PV Incentives.	D.06-05-025 reduced the solar incentive payments to \$2.50 / watt for the Self-Generation Incentive Program and applied a trigger mechanism to adjust incentives for the remainder of 2006.
May 24, 2006	San Diego Regional Energy Office issues a solar water heating proposal as directed via Commission decision.	Comments and replies were received by July 10, 2006.
March – June 2006	The CPUC holds workshops and a pre-hearing conference for Rulemaking 06-03-004.	<u>June 13, 2006</u> - PUC and CEC Affordable Housing and Solar Power Workshop. <u>May 4, 2006</u> - Workshop on the staff proposal (issued April 24, 2006) on Phase I of CSI implementation issues. <u>March 23, 2006</u> – CSI Prehearing Conference <u>March 16, 2006</u> – Workshop to explore Performance-Based Incentives (PBI) options.
March 2, 2006	The CPUC issues an Order Instituting Rulemaking (OIR) 06-03-004 regarding policies, procedures, and rules for the California Solar Initiative, the Self-Generation Incentive Program, and other distributed generation issues.	The Rulemaking established the scope of the proceeding into five issue areas: 1) cost-benefit analysis for customer and IOU installations; 2) SGIP rules and management; 3) CSI program rules and policies; 4) participation by small multi-jurisdictional utilities; and 5) treatment of DG output under the Renewable Portfolio Standards proceeding.

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# Energy Roadmap: May 2007 Update

## H. Energy Efficiency Rulemaking I

Proceeding No.	Commissioner	Admin. Law Judge (ALJ)	Counsel	Energy Division Staff
R.01-08-028	Grueneich	Gottstein	Lee	Tapawan-Conway

### What it Does

The current phase of the proceeding focuses on program planning for the 2006-2008 funding cycle, and development of program measurement, savings verification, and market assessment plans.

### Next Steps

- Further workshops on EM&V protocols, and EM&V reporting requirements.
- Commission to consider inventive mechanisms for energy efficiency programs.
- For recent energy efficiency activity, see. R.06-04-010 (below).

### Proceeding Overview

Date	Actions Taken	Comments
Apr 27, 2006	D.06-04-064 issued.	This decision corrects and clarifies the text and attachments to D.05-09-043 that were identified subsequent to the issuance of that decision. Changes include clarifying the cumulative annual totals for CO2 emission savings in Table 2 and correcting Attachment 5 numbers so that they reflect a consistent use of factors to convert gas and electric savings to CO2 emission factors.
Apr 25, 2006	Ruling issued by ALJ.	Adopts evaluators' protocols for the evaluation of energy efficiency programs.
Feb 21, 2006	Ruling issued by ALJ.	Adopts the Portfolio Monitoring reporting requirements for program implementation plans, monthly and quarterly reports.
Jan 11, 2006	Ruling issued by ALJ.	Adopts protocols for process and review of post-2005 EM&V activities.
Oct 5-6, 2005	Energy Division and CEC Joint Staff held workshop on EM&V protocols and program reporting requirements.	
Oct 4, 2005	The ALJ issued a ruling.	The ruling solicits comments on the Joint Staff's Draft Protocols for EM&V of Energy Efficiency.
Sept 2, 2005	The ALJ issued a ruling	The ruling adopts Joint Staff's proposed performance basis for non-resource programs; proposed process for estimating and verifying parameters needed to calculate net resource benefits (with some clarifications) and directs Joint Staff to proceed with the development of EM&V protocols, evaluation plans and other EM&V-related activities as directed by the ruling
Aug 10-11, 2005	Energy Division and CEC Joint Staff held workshop on EM&V Protocols Concepts	The workshop discussed initial draft concepts for EM&V protocols being prepared under contract with TecMarket Works
Aug 3, 2005	The ALJ issued a ruling	The ruling solicits comments on Joint Staff's draft proposal on EM&V protocols issues discussed in the June 29-30 workshop
June 29-30, 2005	Energy Division and CEC Joint Staff held workshop on EM&V	The workshop focused on EM&V model and performance basis for non resource programs
May 2005	Various peer review group and program	The meetings are in conjunction with the IOU program

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	advisory group meetings	administrators' planning process for their 2006-2008 EE programs per D.05-01-055
Apr 21, 2005	The Commission adopted D.05-04-051	This decision updates the existing EE Policy Manual and addresses threshold evaluation, measurement and verification (EM&V) issues raised in workshops and establishes a process for developing EM&V protocols.
Apr 19, 2005	The ALJ issued a ruling	The ruling adopts an implementation roadmap for evaluation, measurement and verification that Joint CPUC-CEC staff prepared as directed in D.05-01-055
Apr 4-6, 19-22, 26-29	Various peer review group and program advisory group meetings	The meetings are in conjunction with the IOU program administrators' planning process for their 2006-2008 EE programs per D.05-01-055
Mar 28-30, 2005	The utilities held the 2 <sup>nd</sup> Public Workshops for their 2006-2008 program planning process.	The workshops focused on the topics that were also presented at the third PAG meetings.
Mar 25, 2005	PG&E convened optional PAG meeting.	The meeting focused on Local government partnerships.
Mar 21-23, 2005	The utilities convened the third Program Advisory Group (PAG) meetings.	The SDG&E PAG met on March 21, the SCE/SCG PAG on March 22, and the PG&E PAG on March 23. The meetings focused on program concepts for 2006-2008.
Mar 18, 2005	PG&E convened optional PAG meeting.	The meeting focused on the following topics: energy efficiency as a resource, integration of third party programs in utility portfolio.
Mar 10, 2005	Energy Division convened the 1 <sup>st</sup> statewide Peer Review Group (PRG) meeting.	The meeting focused on housekeeping matters – PRG mission statement, roles/responsibilities, deliverables, meeting schedules.
Mar 2-4, 2005	The utilities held the 1 <sup>st</sup> Public Workshops for their 2006-2008 program planning process.	The workshops focused on the topics that were also presented at the second PAG meetings.
Feb 23-25, 2005	The utilities convened the second Program Advisory Group (PAG) meetings.	The PG&E PAG met on February 23, the SDG&E PAG on February 24, and the SCE/SCG PAG on February 25. The meetings focused on the utilities' program accomplishments and preliminary ideas for their program portfolios for 2006-2008.
Feb 15-16, 2005	Workshop on policy rules update was held.	ALJ Gottstein facilitated the workshop, which focused on discussion of the draft policy rules contained in her December 30, 2004 ALJ ruling on the first day, and on terms and definitions during the second day.
Feb 9-11, 2005	The utilities convened the initial PAG meetings, in compliance with D.05-01-055.	The SCE/SCG PAG met on Feb. 9, the SDG&E PAG on Feb. 10, and the PG&E PAG on Feb. 11. The meetings focused on housekeeping and preliminary matters
Jan 27, 2005	The Commission adopted D.05-01-055, addressing the Energy Efficiency administrative structure.	The decision returns the utilities to the lead role in program choice and portfolio management, but imposes safeguards in the form of an advisory group structure and competitive bidding minimum requirement. The Energy Division, in collaboration with the CEC, will have the lead role in program evaluation, research and analysis, and quality assurance functions in support of the Commission's policy oversight responsibilities.
Jan 21, 2005	Workshop report on Evaluation, Measurement, and Verification (EM&V) protocols development was issued.	
Dec 29, 2004	The Assigned Commissioner issued a ruling.	The ACR solicits comments from the utilities, implementers of energy efficiency programs involved in the commercial buildings sector, building owners and operators of the commercial building sector and interested parties and interested parties on how to implement and further the goals articulated in the Governor's Green Building Executive Order issued on December 15, 2004.
Dec 17, 2004	The Assigned Commissioner issued a	The ACR notifies parties of upcoming workshop to update policy

# Energy Roadmap: May 2007 Update

	ruling.	rules and related terms and definitions for post 2005 energy efficiency programs.
Dec 2, 2004	The Commission adopted D.04-12-019.	The decision grants, subject to modifications, the joint petition of PG&E, SDG&E, and SoCalGas to increase spending on natural gas EE programs.
Sep 23, 2004	The Commission adopted D.04-09-060.	The decision translates the Energy Action Plan mandate to reduce per capita energy use into explicit, numerical goals for electricity and natural gas savings for the utilities. Electric and natural gas savings from energy efficiency programs funded through the public goods charge and procurement rates will contribute to these goals, including those achieved through the Low-Income Energy Efficiency Program.
Aug 10, 2004	Public Goods Charge Audit report released to the public.	The report focuses on the financial and management audit of PGC energy efficiency programs from 1998-2002.

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## I. Energy Efficiency Rulemaking II

Proceeding No.	Commissioner	Admin. Law Judge (ALJ)	Counsel	Energy Division Staff
R.06-04-010	Grueneich	Gottstein	Hong	Tapawan-Conway

### What it Does

This proceeding focuses on further refinement of Commission's policies, programs and evaluation, measurement and verification activities related to post-2005 energy efficiency activities administered by Pacific Gas & Electric Company, Southern California Edison Company, San Diego Gas & Electric Company and Southern California Gas Company.

### Next Steps

- Workshops on 09-11 planning process and issues
- Evidentiary hearings on Risk/Reward Incentive Mechanism
- Draft decision on risk/reward incentive mechanism.
- Energy Division workshop report and recommendations, followed by ALJ Ruling on annual reporting requirements.

### Proceeding Overview

Date	Actions Taken	Comments
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# Energy Roadmap: May 2007 Update

Apr 13, 2007	The assigned commissioner issued a ruling.	This ruling addressed issues relating to future savings goals and program planning for 2009-2011 and beyond.
March 26, 2007	The assigned commissioner issued a ruling.	The ruling revised the Phase 1 Determination on Hearings and Procedural Schedule and Notice of Phase 1 Evidentiary Hearings.
Feb 27, 2007	Pre-hearing conference held	This conference commenced the process of 2009-2011 energy efficiency portfolio development and long-term goals update.
Feb 16, 2007	The ALJ issued a notice of pre-hearing conference (PHC) on 2/27/07	The notice includes staff's proposal for implementation of 2009-2011 EE portfolio development and proposed schedule for this phase of the proceeding.
Feb 14, 2007	The ALJ issued a ruling.	The ruling approves the EM&V study plans for the 2004-2005 Statewide Nonresidential Energy Audit Program and Standard Performance Contract Program
Jan 29, 2007	Energy Division held workshop on annual reporting requirements	The workshop discussed revised annual reporting requirements and performance basis reporting in lieu of Joint Staff's August 2007 annual verification report.
Jan 16, 2007	Utilities filed applications to implement pilot programs on water energy efficiency.	Applications were in response to 10/26/07 ACR
Jan 2, 2007	The ALJ issued a ruling.	The ruling adopts modifications to the EM&V process and review protocols initially adopted in January 2006 and addresses payment process for ED's EM&V contractors.
Dec 21, 2006	The ALJ issued a ruling.	The ruling directs the utilities to apply Net-to-Gross ratios consistent with the Standard Practice Manual and quality control issues on the E3 calculator.
Nov 30, 2006	The ALJ issued a Ruling.	The ruling approves the EM&V study plans for the 2004-2005 Statewide Single Family Rebate Program.
Oct 16, 2006	The Assigned Commissioner issued a ruling.	This ruling directs the utilities (PG&E, SCE, SDG&E, & SCG) to file applications --no later than January 15, 2007-- to implement one-year pilot programs beginning July 1, 2007, that will explore the potential for future programs to capture water-related embedded energy savings. Funding for these programs will be separate from funding established for 2006-2008 programs.
Oct 16, 2006	Energy Division distributed for comments its proposed Annual Reporting Format.	Comments were filed on 10/26 by DRA, TURN, NRDC, SCE, PGE, and SDGE/SCG, with responses by SCE, PGE, TURN, NRDC, and SDGE/SCG filed on 10/31.
Sept 8, 2006		Parties filed post-workshop comments.(Phase I)
July 20, 2006	The Assigned Commissioner issued Ruling	This ruling determined that there is no need for evidentiary hearings and established procedural schedule for Phase I issues.
July 18, 2006	Continuation of Workshop on Phase I	
July 17, 2006	Informal Workshop	This informal workshop addresses the process for CPUC to begin an inquiry into the embedded (or upstream) EE savings associated with water efficiency.
July 10, 2006	The ALJ issued a Ruling.	This ruling approves the EM&V Plan for 2004-2005 Statewide Savings By Design Program.

# Energy Roadmap: May 2007 Update

July 7, 2006	The Assigned Commissioner issued Ruling	This ruling requests progress reports from utilities on their third-party and government partnerships EE programs.
June 26-28, 2006	Workshop on Phase I (Risk/Return Incentive Mechanism)	
May 24, 2006	The Assigned Commissioner issued Ruling and Scoping Memo.	This ruling and scoping memo describes the issues to be considered in this proceeding and the timetable for their resolution.
May 4, 2006	Comments on PHC filed.	
April 17, 2006	ALJ Ruling issued on notice of PHC scheduled on May 9, 2006.	
April 13, 2006	R.06-04-010 opened.	

## *J. Low Income Programs*

Proceeding No.	Commissioner	Admin. Law Judge (ALJ)	Counsel	Energy Division Staff
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R.04-01-006	Grueneich	Malcolm	Harris	Sarvate
A.04-06-038, et.al. (Applications 04-07-002, 04-07-014, 04-07-015, 04-07-020, 04-07-027, 04-07-010, 04-07-011, 04-07-012, and 04-07-013 consolidated by September 27, 2004 ALJ Ruling)		Malcolm	Harris	Sarvate, Randhawa, Fortune, Elzey

## What it Does

1. Comprehensive forum addressing Commission's policies governing CARE and LIEE low-income programs.
2. The California Alternate Rate for Energy (CARE) program provides households with income below 200% of the Federal Poverty Level with a 20% discount on their energy bills. The Low-Income Energy Efficiency (LIEE) program provides installation of weatherization measures and energy efficient appliances at no cost to LIEE participants.

## Next Steps

- Commission to approve LIEE OIR Phase 1 decision in Winter 2007
- LIOB meeting sometime in September, 2007
- Impact Evaluation Study Final Report to Commission due in late October, 2007
- Commission adopts final KEMA Study report sometime in Summer 2007
- LIOB meeting scheduled in San Diego for June 19<sup>th</sup>, 2007
- The final report on Needs Assessment Study is expected to be released in early 2007

## Proceeding Overview

Date	Actions Taken	Comments
May 10, 2007	ALJ Malcolm conducted workshop per Rulemaking R.07-01-042	Workshop was regarding Policies, Procedures, and Rules for the Low Income Energy Efficiency programs of California energy utilities.
Mar 22, 2007	LIOB meeting held in San Francisco	See LIOB <a href="http://www.ligb.org">www.ligb.org</a>
Feb 25, 2007	Parties file Initial OIR comments on R. 07-01-042	
Feb 15, 2007	PG&E submitted proposed budget for establishing Cool Centers for Summer 2007	PG&E submitted advice letter per the Commission Decision D.06-12-038.
Feb 15, 2007	SCE submitted Catalina Island low proposal.	SCE submitted proposal per Commission D.06-12-038 to provide gas measures to SCE's low income gas customers on Catalina Island
Jan 26, 2007	LIEE staff meeting with PG&E on the KEMA data concerns	Meeting held at CPUC in San Francisco
Jan 25, 2007	Commission issues Low Income Order Instituting Rulemaking (OIR)	
Jan 17, 2006	LIOB meeting held in Watsonville	See LIOB <a href="http://www.ligb.org">www.ligb.org</a> for further information
Jan 4, 2006	CPUC Exe. Director meets with Secretary of DHHS on Automatic Enrollment issues	Energy Division staff to work with DHS to enroll eligible customers in CARE pursuant to SB 580.
Dec 14, 2006	ALJ Malcolm issued a Final	The Commission issued Final Decision D.06-12-038 adopting large

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	Decision on large Utilities Budget Applications 06-06-032 ET AL.	utility budgets for LIEE and CARE program. The applicant utilities are Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE), Southern California Gas Company (SoCalGas), and San Diego Gas and Electric Company (SDG&E).
Dec. 14, 2006	ALJ Malcolm issued a Final Decision on SMJUs Applications 06-06-002 ET AL.	The Commission issued Final Decision D. 06-12-036 adopting small utility budgets for LIEE and CARE programs. The applicant utilities are Alpine Natural Gas Company (Alpine), Bear Valley Electric Service (Bear Valley), PacificCorp (PC), Sierra Pacific Power Company (Sierra), Southwest Gas Company (SW Gas), and West Coast Gas Company (WCG).
Nov 06	Needs Assessment Study	The contract for the completion of the Needs Assessment study approved by the Department of General Services (DGS)
Nov 14, 2006	ALJ Malcolm issued a Proposed Decision on large Utilities Budget Applications 06-06-032 ET AL.	The applicant utilities are Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE), Southern California Gas Company (SoCalGas), and San Diego Gas and Electric Company (SDG&E)
Nov 14, 2006	ALJ Malcolm issued a Proposed Decision on SMJU's Applications 06-06-002 ET AL.	The applicant utilities are Alpine Natural Gas Company (Alpine), Bear Valley Electric Service (Bear Valley), PacificCorp (PC), Sierra Pacific Power Company (Sierra), Southwest Gas Company (SW Gas), and West Coast Gas Company (WCG).
Sept 14, 2006	LIOB meeting held in Sacramento at Sacramento Public Library.	Please refer to the LIOB website <a href="http://www.liob.org/DOCS/">www.liob.org/DOCS/</a> for additional information.
Sept 13, 2006	ALJ held a workshop regarding CARE and LIEE applications of large utilities for 2007 and 2008.	
Sept 1, 2006	ALJ issued schedule for the proceeding, scope of the hearing, and other procedural matters on the applications of large utilities for the approval of 2007-2008 CARE and LIEE programs and budgets.	Applications as listed for August 22, below.
Aug 24, 2006	ALJ issued final Decision D.06-08-025 on the large utilities' budget augmentation request for 2006.	Opinion approving augmentation to the 2006 low-income energy efficiency program budget of PG&E and compliance filing of SDG&E, SoCal Gas, and Edison regarding low-income energy efficiency program budgets.
Aug 22, 2006	ALJ held a telephonic pre-hearing conference on the applications of large utilities for the approval of the 2007-2008 CARE and LIEE programs and budgets.	Applications are A.06-06-032 for SDG&E, A.06-06-033 for SoCalGas, A.06-06-034 for PG&E, and A.06-07-001 for Edison.
Aug 9, 2006	ALJ Malcolm held pre-hearing conference on the SMJU applications	The pre-hearing conference was held on the applications of SMJUs for their LIEE and CARE applications for years 2007 and 2008 and a revised schedule was issued on this proceeding.
July 24, 2006	ED Staff report on the SMJU applications was issued.	
July 12, 2006	Golden State Water Co. filed application for LIEE and CARE budget application for years 2007 and 2008 (Bear Valley Electric)	All SMJUs were required to file their applications for LIEE and CARE budget applications for years 2007 and 2008 no later than June 1, 2006 in accordance with commission decision D. 05-07-014. This application was filed late.
July 10, 2006	ALJ Malcolm issued draft decision on the large utilities budget augmentation requests for year 2006	
July 1, 2006	Large IOUs filed Budget Applications for Low Income Programs for the Budget Years	In accordance with D.05-12-026, each large utility SCE, PG&E, SDG&E, and Southern Cal Gas were required to file their Budget applications for LIEE and CARE programs for years 2007 and 2008 no

# Energy Roadmap: May 2007 Update

	2007 and 2008	later than July 1, 2006.
June 30, 2006	ACR issued inviting applications for an appointment to the Low Income Oversight Board	On September 15, 2006, the term for one of the public positions on the LIOB comes to an end.
June 8, 2006	LIEE Symposium held at LADWP building in Los Angeles	The Symposium was sponsored by CPUC, US Environmental Protection Agency, US Department of Energy and California Municipal Association
June 7, 2006	LIOB Meeting held in Los Angeles at the CPUC building.	SMJU budget applications, a comparison exhibit of upcoming large IOU budget applications, and the schedule of activities for 2006 were discussed. Please refer to the LIOB website <a href="http://www.ligb.org/DOCS/">www.ligb.org/DOCS/</a> for additional information
June 1, 2006	SMJUs filed Budget Applications for Low Income Programs for the Budget Years 2007 and 2008	Golden State Water Company did not file its application regarding its Bear Valley jurisdictions for the Budget Years 2007 and 2008.
May 2, 2006	LIOB Meeting held at Fresno County Economic Opportunities Commission in Fresno	Please refer to the LIOB website <a href="http://www.ligb.org/DOCS/">www.ligb.org/DOCS/</a> for additional information
April 21, 2006	Bill Savings Study Workshop	The study is submitted annually on May 1 demonstrating the average savings that a LIEE participant achieves in his or her utility bills.
Mar. 29, 2006	Assigned Commissioner Ruling issued	In D.05-12-026, the Commission delegated to the Assigned Commissioner the authority to approve or disapprove through a ruling the adoption of any Standardization Team reports currently pending or otherwise pending during the 2006-2007 funding cycle.
Mar. 14, 2006	LIEE Impact Evaluation draft study presentation and workshop	The utilities are required to conduct LIEE impact evaluation study to support their shareholder earnings claims for LIEE program costs in the Annual Earnings Assessment Proceeding (AEAP).
Feb. 28, 2006	LIOB Meeting held at Commission offices in San Francisco	Please refer to the LIOB website <a href="http://www.ligb.org/DOCS/">www.ligb.org/DOCS/</a> for additional information
Feb. 17, 2006	Combined workshop to Review November 1, 2005 Standardization Team Report and progress on the CARE and Low-Income Energy Efficiency Program Winter Initiative	Decision D.05-10-044 was issued approving various emergency changes to CARE and LIEE programs in light of anticipated high natural gas prices in the winter of 2005-2006. ALJ Weissman held this workshop to discuss the status of the CARE and Low-Income Energy Efficiency Program Winter initiative. Workshop also included the review of the Standardization Team Proposed Revisions to the LIEE Statewide P&P and the WIS Manual filed on November 1, 2005.
Nov. 15, 2005	Draft Decision Issued	Draft Decision issued on Rulemaking 0-4-01-006 and Applications 05-06-005, 05-06-009, 05-06-012 and 05-06-013 approving 2006-2007 Low Income Programs and Funding For the Larger Utilities and Approving new Low Income Energy Efficiency Program Measures for 2006
Oct. 27, 2005	ALJ Ruling Issued	Decision D.05-10-044 issued on Applications 05-06-005, 05-06-009, 05-06-012 and 05-06-013 approving various emergency changes to CARE and LIEE programs in light of anticipated high natural gas prices in the winter of 2005-2006
Oct. 20, 2005	Workshop on Utility Proposals	Based on the proposals received from the utilities and the comments and replies received from many other parties, ALJ Weissman held a full day workshop in San Francisco to discuss the proposals in detail in order to protect the most vulnerable consumers at this time of high natural gas prices.
Oct. 6, 2005	Full-panel hearing	In anticipation of exceptionally high gas prices this winter (as much as 70% higher than last year) and its impact on low-income residential customers, ALJ Weissman held a full-panel en-banc hearing on October 6, 2005, in Los Angeles to study these impacts and solicit proposals from IOU's for providing low-income customers with greater bill protection.

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Sept. 1, 2005	ALJ Ruling Issued	Ruling Issued on Applications 05-06-005, 05-06-009, 05-06-012 and 05-06-013 setting a schedule for comments on the Assessment of Proposed New Program Year 2006 Measures
July 21, 2005	Final Decision Issued	Final Decision Issued Approving LIEE and CARE Programs For Seven SMJUs for PY 2005-2006.
July 14, 2005	ALJ Ruling Issued	Ruling Issued on Applications 05-06-009, 05-06-012 and 05-06-013 consolidating various matters and setting a schedule for comments. Comments to be provided no later than September 23, 2005
Jun 28, 2005	Meeting of the Joint Utilities LIEE Standardization Project Team	The Joint Utilities LIEE Standardization Project Team will hold a meeting on June 28, 2005. Discussion topics include: Duct Testing and Sealing as a Measure, Policies for Duct Testing and Sealing as a Free-Standing Measure, Non-Feasibility Conditions for Duct Testing, Duct Sealing and New Measures, and other issues related to costs of duct testing and sealing.
Jun 22, 2005	The Joint Utilities LIEE Standardization Project Team held a meeting on June 22, 2005.	Discussion topics included: California Title 24 duct testing and sealing requirements and associated policy and implementation issues, and revisions to the Weatherization Installation Standards (WIS) manual on furnace repair and replacement and high efficiency air conditioners for the LIEE program.
Jun 21, 2005	Draft Decision Issued	Draft Decision Issued Approving LIEE and CARE Programs For Seven SMJUs for PY 2005-2006. Applications are due from SMJUs by December 1, 2005
Jun 20, 2005	SDG&E and SCE Proposals Filed	SDG&E, and SCE Filed proposals to Evaluate the Effectiveness of their Cool Center Programs.
Jun 16, 2005	Notice of The Joint Utilities LIEE Standardization Project Team meetings	The Joint Utilities LIEE Standardization Project Team will hold a meeting on June 22, 2005 to discuss the California Title 24 duct testing and sealing requirements; associated policy and implementation issues; revisions to the Weatherization Installation Standards (WIS) manual on furnace repair and replacement; and high efficiency air conditioners for the LIEE program.
Jun 14 – 17, 2005	Notice of SCE LIEE Public Workshops	SCE LIEE Public Workshop presentations were held on June 14, June 16 and June 17. The workshops were held in Rosemead, Fontana and Tulare respectively.
Jun 10, 2005	Energy Division's Supplemental Report filed in Docket Office.	Energy Division's Supplemental Report on Small and Multi-Jurisdictional Utilities for PY 2005 Low Income Program filed in Docket Office.
Jun 8, 2005	LIOB Planning Sub-Committee meeting to be held	Planning Sub-Committee of the Low Income Oversight Board meeting to be held on June 8, 2005, at the CPUC in San Francisco. This will serve as the first meeting of the sub-committee and is open to the public.
Jun 7, 2005	Assigned Commissioner Grueneich's Ruling issued	Assigned Commissioner Grueneich issued a Ruling Approving Proposed Amendments to the Workplan, Budget and Schedule for Phase 5 of the Low Income Energy Efficiency Standardization Project
Jun 3, 2005	Notice of public workshops to be held by Southern California Edison Company	SCE will hold three public workshops to discuss the CARE and LIEE programs' design and reporting requirements for 2006 and 2007 as directed by the CP UC in D.05-04-052. Public Workshops to be held on June 14 <sup>th</sup> in Rosemead, CA, Fontana on June 16 <sup>th</sup> and Tulare on June 17 <sup>th</sup> . Exact locations of SCE offices and times can be obtained from notice posted on the LIOB website.
May 13, 2005	Order Correcting Errors in D.05-04-052 (large IOU PY2005 CARE & LIEE Program budgets)	D.05-05-019 corrects errors appearing in Tables 1,2,3,4,7,9,11,12,15,16, and 17 of D.05-04-052.
May 10, 2005	ACR Inviting Applications For Appointment To The LIOB	
Apr 29, 2005	ALJ Ruling Issued	Releasing Energy Division's Report on Small & Multi-Jurisdictional Utility funding for PY 2005 Low Income Programs.

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Apr 26, 2005	Standardization Team meeting on cost effectiveness results of the new measures proposed for inclusion in the utilities' 2006 LIEE program	
Apr 22, 2005	Energy Division Acting Director's letter authorizing release of the PY2002 LIEE Impact Evaluation draft report and approving the retention and final payments to the project contractors.	Approval of the Final Draft Report and Authorization of Retention and Final Payments to Contractors for the Program Year (PY) 2002, Low Income Energy Efficiency, (LIEE), Impact Evaluation, Pursuant to D.03-10-041.
Apr 21, 2005	D.05-04-052 on large IOU PY2005 CARE and LIEE budgets issued.	Approves PY 2005 Low-Income Energy Efficiency & California Alternate Rates for Energy programs for Pacific Gas & Electric Company, Southern California Edison, Southern California Gas, and San Diego Gas & Electric Company.
Apr 11, 2005	LIOB Meeting held at Commission offices in San Francisco	Please refer to the LIOB website <a href="http://www.ligb.org/DOCS/">www.ligb.org/DOCS/</a> for additional information
Mar 25, 2005	Joint Assigned Commissioner and ALJ Ruling was issued.	Directs the Standardization Team to withdraw and refile its proposal related to Phase 5 of the LIEE Standardization project.
Mar 25, 2005	The March 30 <sup>th</sup> LIOB meeting and the March 28 <sup>th</sup> sub-committee meeting have been postponed.	Please refer to the Daily Calendar for updates.
Mar 22, 2005	Draft Decision on large IOU PY2005 CARE and LIEE budgets issued.	
Mar 17, 2005	Notice of March 28 <sup>th</sup> LIOB sub-committee teleconference.	A sub-committee, consisting of three current LIOB members, will meet to discuss and develop a report to the LIOB on the replacement of leaky water heaters as affected by proposed changes to the Policy & Procedures and Installations Standards Manuals. The public sub-committee meeting will be held via teleconference on March 28, 2005. The call-in information for both of these meetings can be found on the Commission Daily Calendar.
Mar 17, 2005	Executive Director grants the utilities' February 7 <sup>th</sup> request.	The next evaluation of the LIEE program's impact will be conducted for the 2005 program year, instead of 2004, and will be filed in the 2006 AEAP.
Mar 16 -17, 2005	Standardization Team Meeting was held.	To discuss cost effectiveness results for new measure proposals.
Mar 11, 2005	ALJ Thomas, via email, grants a three week extension for the LIOB only.	LIOB comments are due April 4, 2005.
Mar 10, 2005	LIOB requests an extension of time to file comments on the proposed revisions to the LIEE manuals.	Proposed revisions were filed on January 18 <sup>th</sup> and the comment period was set by ALJ Ruling dated February 11, 2005.
Feb 25, 2005	Low-Income Oversight Board teleconference meeting.	Board members discussed the new LIEE measure proposals, updates to the Policy and Procedures Manual, status of projects currently underway, Board member term limits, and upcoming opportunities for the Board to file comments with the Commission. In addition, the Board raised several issues including the upcoming Proposed Decision in R. 04-01-006, the February 11 ALJ Ruling requesting comments, the February 15 Draft Decision denying San Gabriel Valley Water Company's low-income water proposals in A.03-04-025, and Senate Bill 580, which would extend the LIOB's role to cover water and telecommunications low-income issues.
Feb 23, 2005	Notice of Co-Assignment in R.04-01-006 and Applications (A.) 04-06-038, et al.	Per the notice of the Chief Administrative Law Judge, Steve A. Weissman is the co-assigned Administrative Law Judge to this proceeding.

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Feb 11, 2005	ALJ Ruling asking for comments on the Standardization Team's Manual Revisions filed January 18, 2005.	
Feb 7, 2005	SCE letter to Executive Director Larson, on behalf of the large utilities, requesting the next LIEE Impact Evaluation be conducted for PY2005 instead of PY2004.	
Jan 31, 2005	Parties filed proposal for new measures to be considered in Phase V of the Standardization Project.	There were four proposals that recommended the following new measures: High Efficiency Central Air Conditioners (AC), Central AC and Heat Pump maintenance, Duct Testing and Sealing, and bulk purchases CFLs.
Sep 17, 2004	ACR revising the due date for Energy Division's audit of PG&E's LIEE program.	Energy Division's final report is now due March 30, 2005.
Jun 22, 2004	ACR modifying due date for CARE audit.	Audit is to be completed by July 30, 2005; Energy Division's report due September 30, 2005. Comments due October 29, 2005 with replies due November 15, 2005.
Jan 8, 2004	The Commission opened R.04-01-006, a new rulemaking for post-2003 low-income programs.	R.01-08-027 and A.02-07-001, et. al., are closed.

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# Energy Roadmap: May 2007 Update

## K. Reliable Long-Term Natural Gas Supplies (Gas Market OIR)

Proceeding No.	Commissioners	Admin. Law Judges (ALJ)	Counsel	Energy Division Staff
R.04-01-025	Peevey	Weissman, Malcom	Morris	Loewen, Effross, Cadenasso, Alfton

### What it Does

Rulemaking to establish policies to ensure reliable, low cost supplies of natural gas for California.

### Next Steps

- Ruling on requests for rehearing of D.06-09-039.

### Proceeding Overview

Date	Actions Taken	Comments
March 26, 2007	Compliance filing by SoCal Gas and SDG&E	<b>Gas Market OIR Report on Receipt Point Utilization, pursuant to Ordering Paragraph 4 of D.06-09-039.</b>
Jan 24, 2007	SCAQMD sues CPUC over Decision.	In itsiling, the South Coast Air Quality Management District said that the CPUC “acted arbitrarily and capriciously and abused its discretion” in setting new guidelines for natural gas quality, “bypassing the California Environmental Quality Act.”
Jan 22, 2007	SCAQMD files petition for writ of review with both CA Supreme Court and Court of Appeal 2 <sup>nd</sup> District.	It is undecided as yet which will ultimately win jurisdiction. RACE and the City of San Diego have until March 22 to join the suit, and probably will. The same issue is at stake: CEQA review.
Nov 13, 2006	Responses to requests for rehearing by PG&E, SDG&E, SoCalGas, and Sempra LNG	Parties argue that the Commission was correct in determining that no project was authorized and that CEQA is not triggered.
Oct 27, 2006	Request for rehearing by SCAQMD, City of San Diego, Affordable Clean Energy, California Attorney General	Parties argue that the decision erred in determining that CEQA does not apply here. D.06-09-039 determined that no project was being authorized and hence CEQA review was not triggered.
Sept 21, 2006	Commission adopts Peevey Phase II Alternate Decision by 5-0 vote. D.06-09-039.	Adopts natural gas quality standards for all three gas IOUs, finds backbone and storage systems adequate, establishes policy for local transmission expansion, and approves Interconnection Agreements and Operational Balancing Agreements for LNG other new sources, and approves a settlement agreement between PG&E and independent storage providers. Closes Phase 2 of the proceeding.
Sept 19, 2006	Oral argument on gas quality issues.	Parties reprised their positions.
Aug 24, 2006	Commission adopts Peevey Alternate Decision (D.06-08-027) on gas hedging plans.	
Aug 8, 2006	Alternate of Commissioner Peevey	Modifies proposed adequacy standards. Rejects utility proposals for long term contracts for local transmission expansions. Adopts certain gas quality standards.
Aug 8, 2006	Proposed decision of ALJ Weissman	Rejects utility-proposed adequacy standards and calls for new proceeding. Rejects utility proposals for long term contracts for

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		local transmission expansions. Rejects proposed gas quality standards and calls for new proceeding.
July 18, 2006	Alternate of Commissioner Peevey, approving confidential hedging plans proposed by PG&E, SoCalGas, and SDG&E.	Comments are due no later than 08/07/06; Reply Comments are due 5 days thereafter.
July 18, 2006	Proposed decision of ALJ Malcolm, declining to approve confidential hedging plans proposed by PG&E, SoCalGas, and SDG&E.	Comments are due no later than 08/07/06; Reply Comments are due 5 days thereafter.
May 17 and 18, 2006	SDG&E and SoCal file petitions for modification of D.02-06-023, D.03-07-037, and D.05-10-043.	SDG&E seeks expedited consideration of request for greater latitude to enter into long-term gas hedging.
May 11, 2006	D.06-05-017 denies RACE motion of April 1, 2005.	Determines that CEQA does not apply to the Phase 1 issues.
May 5, 2006	PG&E files petition for modification of D.04-01-047 and D.05-10-015.	PG&E seeks greater latitude to enter into long-term hedging arrangements for its gas portfolio, and expedited treatment.
March 13, 2006	ALJ rejects motion for expedited decision on transmission.	ALJ cites lack of factual basis for request.
March 8, 2006	SoCal and SDG&E file motion for expedited decision on local transmission expansion policy.	They cite need to relieve congestion on "Rainbow Corridor" via open season, and need guidance on how to do this.
Dec 12-18, 2005	Hearings held on gas quality issues.	The most contentious issue is what range to allow for "Wobbe Index (WI)", which indicates how much fuel energy can be delivered to an appliance or motor. SoCalGas and LNG argue for allowing high WI gas, while environmental advocates argue for lower WI.
Nov 22, 2005	SoCal revises its OBA proposal to reflect new engineering findings calling for less flexible delivery requirements at Otay Mesa.	Parties will file responses to SoCal's new OBA on December 2. It is possible that some parties may ask for evidentiary hearings related to the new tighter proposed requirements at Otay Mesa.
Nov 4, 2005	Parties file responses to the ED report on EG gas supplies.	Parties generally support ED recommendation for long-term firm capacity contracts for based-loaded generating plants.
Oct 6, 2005	Energy Division files report on gas supply arrangements made by electric utilities for generating plants.	ED report recommends that utilities consider entering into long-term capacity contracts for gas supplies for base-loaded generating plants.
Sept and Oct, 2005	Opening and reply briefs filed.	General consensus on current adequacy of in-state infrastructure. Divergence of opinions on generic tests for resource adequacy; on methodology for determining when receipt point-related upgrades are necessary and how to pay for them; on the terms of capacity contracts related to local transmission upgrades.
Aug 2005	Hearings on infrastructure adequacy	
Aug 16, 2005	SoCal files proposed OBA (Operational Balancing Agreement) and IA (Interconnection Agreement) standardized contracts, based on negotiations. Comments by other parties.	Issues are substantially narrowed.
Aug 12, 2005	PG&E, SDG&E, and SoCalGas file testimony.	The three utilities declare that they have worked collaboratively towards the adoption of more unified tariff specifications, although several key differences remain. These are said to be due to the historic differences in natural gas supply quality between northern and southern California.
June 8, 2005	Energy Division issues IOBA workshop report.	Energy Division makes some recommendations to the Commission for disposition of IOBA-related issues, and recommends further

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		negotiations.
May 11, 2005	Workshop held on Interconnection and Operational Balancing Account (IOBA) issues.	Discussed a variety of “threshold” issues as well as contract specifics. Consensus reached on some issues.
May 2, 2005	Pre-workshop comments filed.	
April 25, 2005	Comments on Gas Quality Workshop Report.	
April 21, 2005	Assigned Commissioners and ALJ issue Revised Schedule for Phase 2	Emergency reserves and backstop are shelved for the moment. Evidentiary hearings will be held on guidelines for slack capacity. The existing State-agency Natural Gas Working Group will make a recommendation re its expansion/modifications. Parties encouraged to negotiate on PG&E’s competitive storage issue. At-risk ratemaking will be addressed in other proceedings.
April 5, 2005	SoCal hosted gas quality stakeholders’ meeting.	Decided that the Air Emissions Advisory Committee should be expanded to include technical representatives from all groups.
April 4, 2005	Energy Division issued Gas Quality Workshop Report.	Comprehensive overview of issues. Tentative recommendation to incorporate Wobbe number in specifications. Calls for further negotiations.
Mar 23, 2005	Prehearing Conference for Phase 2 was held.	
Mar 14, 2005	Parties filed pre-PHC comments	Near-unanimous call to reject emergency reserve and backstop, while general acceptance of infrastructure review working group. Mixed views on throughput risk.
Feb 17 - 18, 2005	Joint CPUC/CEC workshop was held, on issues related to natural gas quality.	Many participants over two day forum.
Sep 2, 2004	The Commission issued D.04-09-022 on Phase I issues.	D.04-02-025 authorizes utilities to give notice to El Paso and TransWestern to relinquish interstate capacity, establishes procedures for obtaining new interstate capacity contracts, allows for designation of receipt points, rejects blanket rolled-in ratemaking treatment for LNG-associated system upgrades, and orders new applications to be filed for SoCal’s firm transportation rights proposal, for proposed SoCal-SDG&E system integration, and for review of PG&E’s storage operations and interstate firm capacity levels. Establishes Otay Mesa as a “dual receipt point” for SoCalGas and SDG&E.
Jan 22, 2004	The Commission opened this OIR to consider and rule upon proposals the Commission is requiring California natural gas utilities to submit, which must be aimed at ensuring reliable, long-term supplies of natural gas to California.	The Commission orders PG&E, SDG&E, SoCalGas and Southwest Gas to submit proposals addressing how California’s long-term natural gas needs should be met through contracts with interstate pipelines, new Liquefied Natural Gas (LNG) Facilities, storage facilities and in-state production of natural gas. The Commission invites all parties to respond to these proposals, and the Commission will thereafter issue orders guiding or directing the California utilities on these matters.

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## L. Community Choice Aggregation (CCA)

Proceeding No.	Commissioner	Admin. Law Judge (ALJ)	Counsel	Energy Division Staff
R.03-10-003	Peevey	Malcolm		Velasquez

### What it Does

- This proceeding implements Public Utilities Code sections 218.3, 331.1, 366.2, 381.1 and 394.25 which were added to the PU Code pursuant to the passing of Assembly Bill 117 – AB 117 permits cities and counties to purchase and sell electricity on behalf of utility customers in their jurisdictions after these cities and counties have registered with the Commission as “Community Choice Aggregators (CCAs).”
- This proceeding has been bifurcated as follows:
 

Phase I – addressed implementation, transaction costs, and customer information issues; it also set an interim cost responsibility surcharge (CRS) at 2.0 cents per kWh, which will be trued up in 18 months, or sooner, and thereafter, will be trued up annually.

Phase II – will address transition and implementation issues between the utilities and the CCAs – such as customer notice, customer protection, operational protocols, billing, metering and distribution services, reentry/switching fees, and CARE discounts – in addition to determining cost responsibility for individual CCAs, known as CRS “vintaging.”

### Next Steps

- The Commission intends to adopt a CCA CRS methodology in a formal Decision and on the basis of the comments provided by the parties.

### Proceeding Overview

Date	Actions Taken	Comments
January 25, 2007	The Energy Division released a revised draft of the CCA procedural timeline.	This draft document proposed a procedural timeline which interested parties/communities could refer to when forming a CCA program. Parties were allowed to comment on its context. It incorporated some of the recommendations submitted by parties in their 7/26/07 comments to the initial draft of this timeline.
January 25, 2007	Commission issued Decision 07-01-025	Adopted modifications to the Cost Responsibility Surcharge applicable to CCA customers.
November 16, 2006	CCA Presentation at a conference sponsored by the Local Government Commission in Oakland	The Energy Division presented the CPUC’s regulatory requirement relevant to the CCA program that communities implementing the program must meet.
July 26, 2006	The Energy Division release a draft document to the CCA service list	This draft document proposed a procedural timeline for forming a CCA program.
May 17, 2006	Reply Commented were filed concerning the CCA Implementation ALs	
May 5, 2006	Comments were filed concerning the CCA Implementation ALs	

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Mar 28, 2006	The Energy Division facilitated a workshop to discuss the utilities' CCA Advice Letter filings	The meeting enabled the parties to better understand the ALs and narrow the number of issues that remained in dispute.
Feb 14, 2005	The three large investor owned utilities filed their CCA implementation tariffs	The protest period, at the request of the CCA parties has been extended to 60 days.
Dec 15, 2005	Decision 05-12-041, "the Phase II Decision," was approved.	This decision rules on the CCA implementation issues.
July 8, 2005	Opening Briefs filed in CCA Phase II	Parties filed opening legal briefs on July 8, 2005, addressing relevant policy implications of CCA Phase II.
May 25, 2005	CCA Phase II hearings commenced.	Parties participated in CCA hearings, which began on May 25, 2005 and concluded on June 2, 2005.
May 2005	Reply and Rebuttal Testimony on CCA Phase II issues were filed.	Parties filed reply testimony on May 9, 2005 and rebuttal testimony on May 16, 2005.
Apr 28, 2005	Opening testimony on CCA Phase II issues was filed.	Parties filed opening testimony on April 28, 2005.
Mar 30, 2005	Pre-hearing Conference was held.	This PHC outlined which Phase II issues have come to mutual agreement amongst the parties during the workshop process, and which issues still need to be resolved in formal hearings.
Mar 2005	Workshops were held on March 3, 9, 16, 22 and 30.	Workshop topics included: Open Season procedures and policies; CRS Vintaging; Tariffs; CCA Implementation Plans; and Credits and Liability for In-kind Power. The purpose of these workshops was to determine areas of agreement and which issues still need to be resolved going forward for Phase II during May hearings.
Feb 14, 2005	Utilities filed tariffs, as ordered by D.04-12-046.	
Feb 3, 2005	An Assigned Commissioner's Ruling and Scoping Memo for Phase 2 Issues was issued.	The Ruling sets the following dates for workshops. A third PHC will be held on March 30, 2005.
Jan 25, 2005	Pre-hearing conference for Phase II of the proceeding was held.	The ALJ and parties discussed scheduling. An ALJ Ruling will follow.
Dec 16, 2004	The Commission adopted D.04-12-046, resolving Phase I issues.	The order adopts a methodology for and sets the initial Cost Responsibility Surcharge (CRS) at 2.0 cents per kWh. The order also establishes ratemaking for utility CCA program costs and addresses outstanding information needs.
Jun 2 – 10, and 24, 2004	Evidentiary hearings held.	
Oct 2, 2003	Rulemaking R.03-10-003 opened.	<ul style="list-style-type: none"> <li>• The Commission opened this OIR to implement portions of AB 117 concerning Community Choice Aggregation.</li> <li>• R.03-10-003 discusses the definition of a Community Choice Aggregator, utility and CCA obligations, and cost issues.</li> </ul>
Sep 24, 2002	Assembly Bill 117 filed with Secretary of State, Chapter 838.	AB 117 requires the Commission to implement the procedure to facilitate the purchase of electricity by Community Choice Aggregators.

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## M. Avoided Cost / QF Pricing Rulemaking

Proceeding No.	Commissioner	Admin. Law Judge (ALJ)	Counsel	Energy Division Staff
R.04-04-025 (Expansion of Phase 1)	Peevey	Gottstein		Lai
R.04-04-025/R.04-04-003 Phase 2 on QF issues)	Peevey	Brown		McCartney

### What it Does

1. This rulemaking serves as the Commission's forum for developing a common methodology, consistent input assumptions, and updating procedures for avoided costs across the Commission's various proceedings, and for adopting avoided cost calculations and forecasts that conform to those determinations.
2. It is the forum for considering similarities as well as differences in methods and inputs for specific applications of avoided costs, including QF avoided cost pricing.

### Next Steps

- R.04-04-025/R.04-04-003: Draft decision expected in Phase 2.
- Address PG&E/IEP Settlement described below as filed on April 18, 2006.

### Proceeding Overview

Date	Actions Taken	Comments
May 18, 2006	Comments due on settlement	Reply comments due June 2
Apr 18, 2006	PG&E/IEP filed a Settlement on addressing issues in R.04-04-025, R.04-04-003, and R.99-11-022.	If unapproved by Sept 1, parties are no longer bound by the settlement. Settlement addresses SRAC and other cost factors and expiring contracts
Mar 2006	D.06-03-017 denied rehearing in D.05-04-024.	
Dec 1, 2005	The Commission adopted D.05-12-009, and rehearing was denied in D.06-03-017.	This continues the interim relief as provided in D.04-01-050 for Qualifying Facilities with expired or expiring contracts from January 1, 2006, until the Commission issues a final decision in the combined two dockets, R.04-04-003 and R.04-04-025.
Apr 7, 2005	The Commission adopted D.05-04-024.	It addressed the use of the E3 Avoided Cost Methodology in the Energy Efficiency 2006-2008 Program Cycle.
Mar 18, 2005	Draft Interim Opinion on E3's Avoided Cost Methodology.	This Phase 1 draft decision proposes to adopt the E3 Avoided Cost Methodology for use in energy efficiency program planning.
Feb 18, 2005	Assigned Commissioner's Ruling and Scoping Memo issued.	Consolidates R.04-04-003 and R.04-04-025 for the limited purpose of joint evidentiary hearings on policy and pricing of QFs.
Jan 27, 2005	Law & Motion Hearing was held.	Consider resolution of outstanding QF data requests to the utilities. QFs have requested confidential IOU data with which to calculate Incremental Energy Rates (IER) using production cost models with QFs-in and QFs-out, as was previously done in annual ECAC (Energy Cost Adjustment Clause) proceedings in the first half of the

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		1990's under the Index SRAC Formula, which was in use prior to the Transition SRAC Formula which has been in use since January 1997.
Jan 24, 2005	Joint Pre-hearing conference was held for R.04-04-025 and R.04-04-003.	Primary purpose was to (1) coordinate consideration of QF pricing issues in R.04-04-025 with long-term policy issues for expiring QF contracts in R.04-04-003, and (2) discuss outstanding QF data requests to the utilities.
Jan 21, 2005	Joint Ruling in R.04-04-025 and R.99-11-022.	Joint ruling on Short Run Avoided Cost Pricing for QFs. All comments, briefs, etc. submitted on the remanded issue and PG&E's petition for modification of D01-03-067, filed 12/15/04, will remain in R.99-11-022. Moves SRAC pricing issues into R.04-04-025.
Jan 13, 2005	Ruling in R.04-04-025.	Addresses motions to compel filed by the IEPA (dated January 4, 2005) and CAC/EPUC (dated December 9, 2004). Directs parties to convene and come to terms on the QF data requests to the utilities.
Oct 25, 2004	E3 Report Finalized.	The E3 report on avoided cost has been finalized (with a new title), " <i>Methodology And Forecast Of Long Term Avoided Costs For The Evaluation Of California Energy Efficiency Programs.</i> " The final report, and updated spreadsheet models, can be downloaded directly from the E3 website at <a href="http://www.ethree.com/cpuc_avoidedcosts.html">www.ethree.com/cpuc_avoidedcosts.html</a> . The pre- and post-workshop comments on the E3 report are posted on the E3 website.
Apr 22, 2004	Order Instituting Rulemaking issued.	

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## N. Climate Change Rulemaking

Proceeding No.	Commissioner	Admin. Law Judge (ALJ)	Counsel	Energy Division Staff
R.06-04-009	Peevey	Gottstein/TerKeurst/Lakritz	Stoddard/Perlman/Hong	Strauss/Deal

### What it Does

Order Instituting Rulemaking to Implement the Commission's procurement incentive framework and to examine the integration of Greenhouse Gas Emission Standards into procurement policies.

### Next Steps

- Comments on the Phase 2 scoping memo have been received and are being reviewed by the ALJ.

### Proceeding Overview

Date	Actions Taken	Comments
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Jan 25, 2007	Final Decision Issued in Phase I	
Dec 13, 2006	Proposed Decision Issued in Phase I	Adopted an interim greenhouse gas (GHG) emissions performance standard for new long-term financial commitments to baseload generation undertaken by all LSEs, consistent with the requirements and definitions of SB 1368.
Nov 28, 2006	Pre-hearing conference in Phase II	Phase II will address implementation issues relating to AB 32 – California’s cap and trade emissions program
Nov 22, 2006	ASSIGNED COMMISSIONER’S RULING TO INCORPORATE THE CLIMATE ACTION TEAM’S FINAL REPORT	
Oct 5, 2006	ALJ issues Amended Scoping Memo	
Oct 5, 2006	Order Amending Order Instituting Rulemaking	Designated this rulemaking as the procedural forum for implementing SB 1368
Oct 2, 2006	Staff Issues Final Workshop Report: Interim Emissions Performance Standard Program Framework	Takes into consideration parties’ comments on the draft report as well as the newly enacted provisions of SB 1368
Sep 29, 2006	Gov. Signs SB 1368 into Law	SB 1368 directs the CPUC to adopt an EPS for all LSEs, and directs the CEC to implement an EPS for all of the local publicly owned electric utilities (by June 30, 2007)
Aug 21, 2006	Staff Issues Draft Workshop Report: Interim Emissions Performance Standard Program Framework	
June 21 – 23, 2006	Three Day Workshop	To obtain further input from interested parties before formulating preliminary recommendations to the Commission
June 1, 2006	Assigned Commissioner’s Ruling: Phase 1 Scoping Memo and Notice of Workshop on Interim Greenhouse Gas Emissions Performance Standard	Phase 1 focused on two threshold issues: A. Should the Commission adopt an interim GHG emissions performance standard to guide electric procurement decisions while it takes the necessary steps to fully implement D.06-02-032? B. If the Commission elects to adopt such a standard, how should it be designed and implemented so that it can be put in place quickly to serve this purpose
Apr 13, 2006	OIR issued.	Rulemaking to implement the loadbased cap under the Procurement Incentive Framework and to examine the integration of GHG emission performance standards into procurement policies.
Feb 16, 2006	Issued D.06-02-032 in R.04-04-003	In that decision, the Commission adopted a load-based GHG emissions cap as the cornerstone of its Procurement Incentive Framework, noting that: “[e]stablishing a GHG cap is consistent with the Governor’s objectives for climate change policy, as well as our own GHG Policy Statement.”
Oct 6, 2005	The Commission issued a GHG Policy Statement	This stated the Commission’s intent to investigate the integration of GHG emissions standards into Commission procurement policies, including the Procurement Incentive Framework being developed in R.04-04-003

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## O. *Petition to Re-Open Direct Access (DA)*

Proceeding No.	Commissioner	Admin. Law Judge (ALJ)	Counsel	Energy Division Staff
R.07-05-025/ P.06-12-002	Peevey	Pulsifer		Auriemma

### What it Does

**Summary:** This proceeding is considering whether, or under what conditions, the current suspension on “direct access” should be lifted.

**Major Issues:**

1. Threshold questions of whether, or under what conditions, the Commission has legal authority to lift the DA suspension
2. Whether, or subject to what market and regulatory preconditions, lifting the DA suspension would be in the public interest
3. Retail Rules Governing a Reconstituted DA Market

### Next Steps

- Initial comments due June 23, 2007, focusing on procedural and scoping issues for the entire proceeding
- Reply to initial comments due July 8, 2007
- Substantive comments on Phase 1 issues due July 23, 2007
- The phases will be sequential, with interim decisions at the conclusion of Phases I (Fall, 2007) and II(Summer, 2008), respectively, and a final decision at the conclusion of Phase III. (Winter 2008-09).

### Proceeding Overview

Date	Actions Taken	Comments
May 24, 2007	R.07-05-025 opened	<ul style="list-style-type: none"> <li>• Establishes three phases:               <ul style="list-style-type: none"> <li>○ Phase 1 considers legal authority to lift the suspension and compliance with Assembly 1X;</li> <li>○ Phase 2 considers the public policy merits of lifting the suspension and the wholesale market and regulatory prerequisites;</li> <li>○ Phase 3 considers the rules that should govern a reinstated direct access market, including entry, exit, switching, etc.</li> </ul> </li> </ul>
Jan 22, 2007	Parties and petitioner submitted replies to responses	
Jan 9, 2007	The ALJ issued a ruling	Set due date for parties and petitioner to submit replies to responses

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<b>Jan 5, 2007</b>	<b>Parties submitted responses to the petition.</b>	
<b>Dec 6, 2006</b>	<b>The ALLIANCE FOR RETAIL ENERGY MARKETS filed a petition on behalf of 38 Petitioners and 147 Supportive Entities, including public and private entities such as schools, universities and trade associations, small commercial, large commercial and industrial customers, including both existing bundled service and direct access service end-users.</b>	<ul style="list-style-type: none"> <li>○ <b>The Petition requests that the Commission immediately commence a rulemaking or open an investigation in order to adopt a regulation and establish rules with respect to how and when the DA retail market should be reopened in California.</b></li> <li>○ <b>The investigation should be concluded by July of 2007, so that the DA market can be reopened no later than January 1, 2008.</b></li> </ul>

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## IV. TRANSMISSION PROCEEDINGS

### A. Otay-Mesa

Proceeding No.	Commissioner	Admin. Law Judge (ALJ)	Counsel	Energy Division Staff
A.04-03-008	Peevey	Brown	Nataloni	Elliott, Blanchard

#### What it Does

The Commission granted a CPCN for the Otay Mesa Power Purchase Agreement Transmission Line Project.

#### Next Steps

- Construction and mitigation monitoring is now underway.
- Project under construction for an estimated June 2007 completion.

#### Proceeding Overview

Date	Actions Taken	Comments
June 30, 2005	Commission approved Otay Mesa Project Decision 05-06-061	Project CPCN approved as proposed with design alternatives but not overhead single pole option.
May 27, 2005	ALJ issued proposed decision.	
May 20, 2005	Final EIR and Response to Comments were issued.	
Apr 16, 2005	Draft Environmental Impact Report comments were submitted.	
Mar 15, 2005	Public workshops held on DEIR.	
Mar 3, 2005	DEIR released for 45-day public review.	
Jan 21, 2005	Scoping memo issued by ALJ.	
Sep 29, 2004	Scoping Report released.	
Aug 3 – 4, 2004	Scoping meetings for EIR preparation were held in San Diego.	30-day scoping period from July 23 to August 23, 2004.
Jul 20, 2004	Application deemed complete by Energy Division staff.	
May 13, 2004	Energy Division selected contractor for environmental document preparation.	
Mar 8, 2004	SDG&E file a new CPCN for a 230 kV line from Miguel-Sycamore and Miguel-Old Town.	This project was identified in November 2003 as Miguel-Mission 3, but applicant will terminate the 230 kV UG portion at “Old Town substation instead of Mission. There will be a new 230 kV circuit in the Miguel-Mission Right of Way reviewed under Miguel-Mission #2 EIR.

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## B. Antelope-Pardee (Tehachapi Phase 1: SCE Segment 1 of 3)

Proceeding No.	Commissioner	Admin. Law Judge (ALJ)	Counsel	Energy Division Staff
A.04-12-007	Grueneich	Allen	Chaset	Boccio

### What it Does

**Summary:** The Commission has granted a CPCN to SCE to construct the Antelope-Pardee 500kV Transmission Line Project, closing this proceeding. This is the first segment of the Tehachapi Renewable Transmission Project. This project will enable the potential of 4500 MW of wind generated energy from the Tehachapi Wind Resource Area to be connected to the grid.

### Next Steps

- Construction across the Angeles National Forest cannot begin until US Forest Service grants a Record of Decision (ROD). Expected date for ROD: June 2007.
- SCE anticipates construction beginning in late 2007 or early 2008.

### Proceeding Overview

Date	Actions Taken	Comments
March 1, 2007	CPCN granted by Commission.	Proceeding is closed.
Jan 30, 2007	Proposed CPCN decision issued.	
Jan 5, 2007	Final EIR released to the public.	
Oct 3, 2006	Public Comment Period closed October 3 <sup>rd</sup> , 2006. Responses to Comments are being prepared.	
July 21, 2006	Draft EIR/EIS released.	Written Comments due September 18, 2006. PPHs are set for August 28, 29, and 30, 2006.
June 23, 2006	Meeting with US Forest Service and BLM	BLM indicates it will comment but probably not be an official party to the EIR/EIS, and USFS indicates that it need not identify a preferred route in the Draft EIR/EIS.
Mar 6, 2006	Development of the Administrative Draft EIR/EIS	Initial draft EIR/EIS was filed on March 24, 2006.
Dec 9, 2005	Alternative Screening meeting	The number of Alternatives to be studied in the document will be reduced to those that are feasible. As discussed in the comment below the possible Alternatives range form routes crossing the Forest, including partial undergrounding, to non-forest routes that connect Antelope substation to Vincent substation.
Aug 22, 2005	Meeting held on analysis of alternatives.	Intensive alternative route analysis is underway, of routes crossing and circumventing the National Forest. Connecting Antelope to Vincent instead of Pardee is one alternative being considered.
July 14, 2005	Scoping meeting	
June 29, 2005	Scoping meeting	
	Begin analysis of alternative routes	
	Begin field studies	
Mar 21, 2005	Contract sent to consultant for signature.	

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Feb 28, 2005	CEQA consultant selected.	
Feb 1, 2005	CEQA consultants interviewed.	
Dec 15, 2004	RFQ issued for CEQA consultants.	
Dec 9, 2004	SCE filed a CPCN for the Antelope-Pardee 500 kV line project for the PPM Wind Farm development	

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## C. Antelope-Vincent and Tehachapi-Antelope 500 kV Line (Tehachapi Phase 1: SCE Segments 2 and 3)

Proceeding No.	Commissioner	Admin. Law Judge (ALJ)	Counsel	Energy Division Staff
A 04-12-008	Grueneich	Allen	Chaset	Rahman

### What it Does

The Commission has granted a CPCN for segment 2 and 3 of the Antelope Transmission Line Project for Tehachapi Wind Farm development in **D.07-03-045**.

### Next Steps

- **Segment 2:** SCE found that the Segment 2 mailing list did not identify 9 parcels (8 individuals), and were not noticed in 2004, nor 2005, and do not appear on the CPUC Notice list. These individuals, and only these individuals have been re-noticed, and we have opened up a 30-day window for them to submit comments.
- **Segment 3:** SCE revised the segment 3 mailing list, and found that about 770 Assessors Parcel Numbers (Parcels) were not noticed in 2004, nor 2005, and do not appear on the CPUC Notice list. These individuals, and only these individuals have been re-noticed, and we have opened up a 30-day window for them to submit comments.
- **Project planning for an estimated June 2009 completion.**
- **No new CPCN is required for this work.**

### Proceeding Overview

Date	Actions Taken	Comments
Mar 15, 2007	Commission issues D.07-03-045.	CPCN for projects is approved.
Dec 28, 2006	Final EIR released to the public.	
Nov 15, 2006	Draft of Response to Comments on Draft EIR and Draft Mitigation Monitoring Program received.	
Aug 2, 2006	Administrative Draft version of the EIR delivered.	
June 27, 2006	Contractor Aspen has completed draft versions of Section A (Introduction) and Section B (Description of	

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	Proposed Project).	
May 9 and 10, 2006	Public scoping meetings held in Rosamond and Palmdale.	
Apr 27, 2006	Notice of Participation (NOP) issued for the 30 day scoping comment period.	Apr 27 – May 27, 2006
Mar 2006	Contractor selected.	
Mar 7-8, 2006	Contractor interviews completed.	
Jan 2006	RFQ issued.	
Sep 2005	PEA completed.	
Mar 2005	The staff is preparing the RFQ for a CEQA consultant.	
Dec 9, 2004	Application filed.	PEA deferred.

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## D. Devers-Palo Verde #2 Transmission Project

Proceeding No.	Commissioner	Admin. Law Judge (ALJ)	Counsel	Energy Division Staff
A 05-04-015	Grueneich	TerKeurst	Lee	Blanchard, Elliot

### What it Does

The Commission granted a CPCN for the Devers-Palo Verde #2 transmission project. **The CPCN includes an additional 500 kV line from Arizona Palo Verde Nuclear Generating plant to Devers Substation in California and a second 500kV line from Devers Substation to Valley Substation. It increases transfer capability from Arizona to southern California by 1,200 MW and provides greater access to sources of low cost energy in the Southwest.**

### Next Steps

Mitigation monitoring and project construction underway for an estimated December 2009 completion.

### Proceeding Overview

Date	Actions Taken	Comments
Jan 25, 2007	CPUC grants CPCN for DPV#2	D.06-10-048
Oct 24, 2006	FEIR/EIS released to the public	
July 24, 2006	Workshop and PPH held in Beaumont, CA	Public participation was limited to the afternoon session.
June 7 & 8 2006	PPHs held with workshop	
June 6,7,&8 2006	CEQA & NEPA workshops held	
May 4 to Aug 11, 2006	DEIR/EIS released to the public for a comment period.	
Jan 20, 2006	NEPA NOI 30 day scoping period ended	Addendum scoping report released to the public

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Jan 18 & 19 2006	Held 3 NEPA NOI scoping meetings in Arizona	
Nov 28, 2005	CEQA NOP scoping period ended	Scoping report released to the public
Nov 1,2,3, 2005	CPUC held Scoping meetings in Blythe, Beaumont, and Palm Desert for the 30 day NOP Scoping period.	
Nov 1, 2005	Energy Division submitted its review of SCE and CAISO economic assessments and CEC's comments thereon.	
Sept 30, 2005	Application deemed complete	
Sept 27, 2005	ALJ sends out Ruling addressing schedule and other procedural matters	
Aug 26, 2005	Scoping Memo sent to service list for A05-04-015 & OII 05-06-041	
Aug 25, 2005	CPUC sends 3 <sup>rd</sup> completeness letter to SCE	
July 25, 2005	CPUC sends second deficiency letter to SCE	
July 20, 2005	Joint Pre-Hearing Conference held on A05-04-015 & OII 05-06-041	
July 12, 2005	SCE submitted Responses to CPUC deficiency comments	
May 11, 2005	CPUC submitted deficiency comments to SCE on PEA	
Apr 11, 2005	Application was filed at Commission.	

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## E. Sunrise PowerLink Project

Proceeding No.	Commissioner	Admin. Law Judge (ALJ)	Counsel	Energy Division Staff
A.06-08-010	Grueneich	Weissman	Sher	Blanchard, Elliott

### What it Does

The commission will decide whether to grant a CPCN for the Sunrise Powerlink project.

**The project includes 91 miles of 500kV line from Imperial Substation through Anza Borrego State Park to a new Central Substation and 59 miles of 230 kV line to coastal San Diego Penasquitos Substation. Proposed by SDG&E to improve reliability, lower energy costs, and satisfy RPS with renewables from Imperial County.**

**Major Issues: 1) Crossing Anza Borrego State Park with wilderness designations; 2) major environmental issues along the line; 3) extensive alternatives being considered due to extreme controversy, including wires and nonwires alternatives; S. Bay Repower; LEAPS; LADWP Green Path transmission line; and various network upgrades; 4) May fall under DOE/FERC National Interest Transmission Corridor**

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## Next Steps

- DEIR/EIS estimated release in mid July – late July 2007.
- Project planning for an estimated June 2010 completion.
- **Intervenors' Phase 1 Direct to be submitted on June 1, 2007**
- **Rancho Penasquitos Phase 1 Direct and all Phase 1 Rebuttal to be submitted on June 15, 2007**
- **Phase 1 rebuttal to Rancho Penasquitos on June 22, 2007**
- **Third PHC on June 26, 2007**
- **Phase 1 Hearings begin July 9, 2007**

## Proceeding Overview

Date	Actions Taken	Comments
May 18, 2007	DRA's Phase 1 Direct submitted	
May 14, 2007	EIR/EIS team sent out Notice identifying an additional alternative "Modified D" per Cleveland National Forest comments that will also be analyzed fully in EIR/EIS. A 30 day comment period until June 14, 2007.	
May 14, 2007	ISO computer modeling report	
Apr 20, 2007	The CAISO submitted: Motion for extension of time to complete modeling. Part III of Initial Testimony. Second errata to Part II of Initial Testimony.	
Apr 2, 2007	Second Scoping Report released to the public.	
Mar 16, 2007	Conclusions on alternatives released to the public.	
Mar 1, 2007	ISO Part II Initial Testimony submitted.	
Jan 24 – Feb 24, 2007	Second Scoping Period for alternatives.	
Feb 5-9, 2007	Second scoping meetings on EIR/EIS Alternatives in San Diego and Riverside Counties	
Jan 26, 2007	CAISO testimony submittal on first set of intervenor alternatives	
Jan 19, 2007	Applicant submits revised CPCN Application regarding economic benefits	
Dec 13, 2006	Workshop on scope of additional alternatives to be analyzed by CAISO	
Dec 7, 2006	Deadline for parties to submit additional alternatives	
Nov 22, 2006	ALJ Ruling issued on CAISO testimony and SDG&E discovery process	
Nov 14, 2006	ALJ held workshop on testimony	
Nov 8, 2006	Workshop Report issued on October 13 <sup>th</sup> workshop	
Nov 1, 2006	ALJ issues scoping memo on issues and	

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	schedule for the proceeding	
Oct 13, 2006	Sunrise workshop with active parties on alternatives.	
Oct 12, 2006	CAISO submitted comments to the Commission on three alternatives of Sunrise Path that would make it high risk (fire) for outages similar on SWPL due to proximity.	
Oct 2-5, 2006	EIR/EIS scoping meetings took place.	
Aug 16, 2006	Sunrise PEA deemed incomplete and deficiency letter sent to SDG&E	
Aug 9, 2006	ALJ Ruling issued consolidating 05-12-014 with new application #06-08-010; keeping present ALJ and Commissioner; and announcing time & location for PHC & PPH in Ramona, CA. on Sept. 13 <sup>th</sup>	
Aug 4, 2006	SDG&E filed PEA and amended application.	
Aug 3, 2006	CAISO board approved the Sunrise project.	
July 17, 2006	MOU finalized between BLM & CPUC for EIR/EIS preparation	
July 2006	ALJ changed from Malcolm to Weissman	
July 5, 2006	ACR issued requiring CPCN justification of economic need to conform to June 20, 2006 proposed decision on standards for economic evaluation.	
June 21, 2006	Robert Elliott of ED assigned as overall Project Manager, with Billie Blanchard continuing as PM for all CEQA aspects.	PM is responsible to alert participants if critical schedule delays appear and to pursue solutions. CPCN expected July 2006.
June 20, 2006	SDG&E submitted status on Sunrise per ACR	
May 17, 2006	Contract for environmental consultant approved by DGS.	
May 5, 2006	During the STEP Meeting, SDG&E and IID announced a signed MOU on collaboration of the Sunrise Power Link and Green Path 500kV Line Projects in San Diego.	The MOU promotes a collaborative effort among competing projects to link Salton Sea geothermal and other Imperial Valley renewable energy sources to the San Diego area.
Apr 7, 2006	Ruling of Assigned Commissioner and ALJ denying motion of SDG&E and setting further procedural steps.	
Mar 7, 2006	Contractor selected for CEQA process.	
Feb. 11, 2006	Commissioner issued Ruling on questions to SDG&E and Parties due Feb.24	
Jan 31, 2006	PHC held in Ramona	
Dec. 14, 2005	Application filed with CPUC	No PEA was filed with Application SDG&E requested deferral to submit in July 2006

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## F. Economic Assessment Methodology (T.E.A.M.) OII

Proceeding No.	Commissioner	Admin. Law Judge (ALJ)	Counsel	Energy Division Staff
I. 05-06-041	Grueneich	TerKeurst		White

### What it Does

The Commission will decide what methods are appropriate to determine the economic benefits of a proposed transmission project.

### Next Steps

The work of this proceeding is completed, and the proceeding may be closed soon.

### Proceeding Overview

Date	Actions Taken	Comments
November 9, 2006	By 4-1 vote (Commissioner Brown Opposed), Commission approved President Peevey's Alternate Decision (AD).	<p>The AD contains the same substantive requirements for economic assessments of transmission projects presented in CPUC certification proceedings, regarding basic assessment principles and minimum requirements. However, for such proceedings the AD establishes a rebuttable presumption in favor of an economic evaluation approved by the CAISO Board and submitted in a CPCN proceeding, such that opposing parties bear the burden of demonstrating either (1) that the CAISO Board-approved economic evaluation does comply with the principles and minimum requirements of this decision or (2) that the project in question is not cost-effective.</p> <p>However, for a CAISO Board-approved economic evaluation to be granted a rebuttable presumption in its favor, certain safeguards must be met. First, the CAISO Board must make findings that the CAISO evaluation process meets public participation requirements summarized and substantive requirements specified in the present CPUC decision, and that the proposed project is cost effective based on clearly defined information, assumptions and weighting of the different economic criteria utilized. Also, the CAISO evaluation must be submitted in a timely manner and be updated if found to be outdated or inaccurate, and the CAISO must be a party to any proceeding in which a rebuttable presumption is to be granted.</p> <p>Such a rebuttable presumption has no impact on the CPUC's environmental analysis or consideration of other factors outside of economic evaluation of a proposed project.</p>
July 20, Aug 24, and Sept 7, 2006	Decision held.	Consideration is being given to the issue of deference or rebuttable presumption for a CAISO economic assessment.
July 10 and 17, 2006	Initial and reply comments on proposed decision	CAISO requests requirement of network modeling for economic assessment of large transmission project; SCE, SDGE, Global Energy and DRA oppose, and also ask for CAISO comments to be thrown out.

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June 20, 2006	Proposed Decision on Economic Assessment Methodology (Phase I)	PD establishes minimum requirements and general framework for economic assessment methodology for use in transmission permitting (CPCN) proceedings and determines not to prescribe a specific methodology. Either network or transportation modeling of transmission systems may be used, but must be adequately justified. CAISO analyses and findings should be reported by proponent and may be used to support a finding of need, but will not substitute for an independent finding of need by CPUC.
March 10 and 24, 2006	Opening and reply briefs on Phase I	Parties' opening briefs on economic assessment methodology and assessment of need for DPV2
Sep 26, 2005	Ruling in A05-04-015 & OII 05-06-041	Modified schedule: Phase I Comments due Oct 6; Ph I CAISO testimony due Oct 21; SCE to submit detailed costs of DPV2 as part of supplemental direct testimony in Ph2.
Sep 14-15, 2005	Joint Workshop held in A05-04-015 & OII 05-06-041	
August 26, 2005	Scoping Memo sent to service list for A05-04-015 & OII 05-06-041	General inquiry is enhanced by applying principles to the DPV2 project. Workshop report 9-29-05 followed by ALJ Ruling 10-27-05 on scope of hearings. Phase 1 Hearings set for January 2006 (Phase 2 hearings to be exclusively on DPV2 issues). Decision set for June 2006.
July 20, 2005	Joint Pre-Hearing Conference held on A05-04-015 & OII 05-06-041	
June 30, 2005	Proceeding opened	Coordinated with A05-04-015 Devers-PV2, to take evidence addressing methodologies for assessment of the economic benefits of transmission projects.

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# Energy Roadmap: May 2007 Update

## G. Renewable Transmission OII

Proceeding No.	Commissioner	Admin. Law Judge (ALJ)	Counsel	Energy Division Staff
I. 05-09-005	Grueneich	Weissman		White; Blanchard; Flynn

### What it Does

This OII takes proactive steps to ensure the development of adequate transmission infrastructure to access renewable resources for California. It will examine and modify the Commission's transmission processes as they relate to renewable energy development, building on the progress made in OII 00-11-001 and OIR 04-04-026.

### Next Steps

**The Commission has met all of the top priorities set for this proceeding: 1) Resolving cost recovery issues raised by Public Utilities Code Section 399.25; 2) Streamlining the transmission permitting process where possible; 3) Coordinating renewable procurement with transmission planning; and 4) Identifying "low-hanging fruit," or transmission infrastructure investments by IOUs that do not require a CPCN or a Permit to Construct, and which would facilitate renewable resource Development; and is resolving several additional issues.**

**Given the role of renewables in meeting the Global Warming Solutions Act the Commission intends to close this proceeding only for statutory reasons and plans to open a new proceeding to continue its proactive development of additional transmission projects necessary to reach remotely located renewable resources.**

### Proceeding Overview

Date	Actions Taken	Comments
May 8, 2007	Proposed Decision filed	Proceeding to close for statutory reasons; new OII to continue to promote renewable transmission development.
Jan 24, 2007	ISO Board approves Tehachapi Project	17 new or upgraded transmission segments scheduled online between 2008 and 2013.
November 21, 2006	Third Tehachapi workshop	<p>Darius Shirmohammadi briefly summarized the Tehachapi buildout plan and then described at some length the CAISO staff's economic assessment for the plan, giving a benefit/cost ratio of just over 1.3/1, with the main benefit coming from reduced CAISO area consumer energy costs. There was some quantified GHG reduction benefit, modest quantified wind integration costs not captured in production cost simulation (for regulation), and several kinds of benefits not quantified. There was a large (given as 40%) uncertainty in the planning (vs. engineering) level cost estimates. It will be determined today (the 21<sup>st</sup>) if staff will take this to the CAISO Board on Dec. 12 for approval (considered likely). Four alternative plans to also accommodate 4500 MW of Tehachapi wind were found to be more expensive. The preferred plan (estimated cost about \$1.8B) is estimated to serve 1100 MW of wind at Lowind substation (formerly substation 5) and 1400 MW at WindHub (formerly Tehachapi, or substation 1) - - by 2010. and 4500 MW overall by 2013.</p> <p>SCE (Garly Tarpley and George Chacon) described at some length the 11-segment Tehachapi buildout plan. Key constraints on the schedule are: (1) ability to locate (depending on environmental permitting) and build the LoWind substation (looped into 3<sup>rd</sup> Midway-Vincent line), (2) timing of obtaining the single large CPCN for segments 4-11 with USFS likely the key hurdle, (3) interdependencies and complexities of the south-of-Vincent segments due to 66 kV rerouting, teardowns/rebuilds of 230 kV lines sometimes through limited corridors including one via NF and limited by operating</p>

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		contingencies, and (4) lead times for ordering major substation equipment.  Rich Ferguson (CEERT) pointed out that California's GHG and possible (33%) RPS targets will require renewable procurement equivalent to several Tehachapis.
September 29, 2006	Second Tehachapi workshop	At least partly reconciled CAISO & SCE views on transmission buildout. CAISO (D. Shirmohammadi) presented buildout plan indicating some room for sequencing flexibility depending on generators materialize. CAISO is exploring "network upgrade benefit-cost analysis" (with credit for GHG reductions) and an alternative interconnection (clustering) approach to evaluating cost-effectiveness, for presentation to CAISO Board. The date for presenting the post-phase 1 buildout to the CAISO board for approval has been pushed back to the December Board meeting.
Aug 23, 2006	Tehachapi Workshop	Workshop to discuss Tehachapi transmission plan of service and associated project milestone schedule.
Aug 18, 2006	Parties file comments on "next steps"	As requested in the July ACR, parties filed comments on recommended next steps in this proceeding.
Aug 11 & 14, 2006	IOUs file transmission progress reports	PG&E and SCE filed updated RPS Transmission Status Reports Describing transmission developments and barriers for contracted RPS projects, as well as forward looking transmission options and barriers for future renewables procurement.
July 13, 2006	Assigned Commissioner's Ruling	The ACR summarizes efforts to date and identifies next steps. Key efforts and accomplishments to date include development of the backstop cost recovery decision and transmission project review streamlining directives (both informed by substantial stakeholder input) and requests for/assessment of IOU's initial transmission status reports describing transmission availability status of contracted RPS resources and potential RPS resources that might be procured without major transmission upgrades. The ACR orders IOUs to file updated transmission status reports in 30 days, based on RPS development status reports due on August 1, but expanded to clarify and elaborate on transmission issues where appropriate, to assess overall transmission obstacles and solutions, and to provide a forward-looking view of future transmission obstacles and RPS supply opportunities not requiring major transmission upgrades. The ACR announces appointment of Tom Flynn as the CPUC's Tehachapi Project Manager effective in June, orders SCE to provide detailed project schedules for Phases 2 and 3 of the Tehachapi transmission project and encourages SCE to coordinate closely with both Energy Division and CAISO on Tehachapi transmission planning. The ACR also reiterates the CPUC's commitment to working with the CAISO to explore "viable Tehachapi transmission alternatives, including in particular temporary interconnection" to support RPS goals. The ACR requests that parties file comments regarding additional issues for this proceeding, no later than August 8, 2006, and expresses interest in two particular issues: need to reform the TRCR methodology, and whether it is possible or appropriate to develop guiding principles to evaluate the transmission adequacy of contracted and proposed RPS projects.
July 13, 2006	Executive Director's Statement Establishing Transmission Project Review Streamlining Directives was release to the public	Directives developed to ensure that each Division within the CPUC conducts procedures related to transmission siting and permitting in the most efficient and coordinated manner possible and to encourage coordination in project review.
June 15, 2006	Decision 06-06-034. Interim Opinion on Procedures to Implement the Cost recovery Provisions	Modifies finding in D.03-07-033 by finding that provisions of PUC §399.25 apply to both network and "high-voltage gen-tie" facilities deemed necessary to facilitate the achievement of RPS goals, and also states that a finding of network benefits is not a prerequisite to provision of backstop cost recovery under PUC §399.25. Furthermore, transmission projects should be considered eligible for such backstop cost recovery if

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	of P.U.C. § 399.25	they (1) consist of new high-voltage, bulk-transfer facilities, network or gen-tie, designed to serve multiple RPS-eligible generators where it has been established that the amount of added transmission capacity will likely be utilized by RPS-eligible generation to meet the state-mandated RPS goal, or (2) transmission network upgrades required to connect an RPS-eligible resource that has an approved RPS-eligible power purchase contract. Utilities are encouraged to upfront-fund transmission for renewables, but generators retain ultimate cost responsibility for gen-ties. Utility transmission projects below CPCN/PTC level may be eligible via application and justification. Where appropriate, renewables-transmission costs recovered via retail rates under §399.25 are recovered from all CPUC-jurisdictional ratepayers.
June 15, 2006	Tom Flynn appointed Tehachapi overall Project Manager.	Responsible to alert participants if critical schedule delays appear and to pursue solution.
May 22, 2006	Reply comments	Reply comments submitted only by CEERT, SDG&E.
May 15, 2006	Opening comments on Draft Decision	Most extensive comments came from joint parties (CAISO, PG&E, SCE, SDG&E).
April 25, 2006	Draft Decision of ALJ Halligan (see above Final Decision)	The draft decision modifies a prior finding in D.03-07-033 (see above Final Decision).
April 21, 2006	Workshop Report released to the service list	The workshop report summarizes Parties' November-December comments, ED staff's responses to those comments (concurring and disagreeing), workshop participants' comments (by subject and by commenter), and "next steps" identified at the conclusion of workshop, including upcoming reports to Commr. Grueneich and to Assembly Speaker Nunez's staff, preparation of an implementation plan, and a potential follow-up workshop in the fall,
March 23, 2006	Workshop held on transmission streamlining the permitting process	The workshop agenda included introduction/purpose, overview of existing permitting process, ED staff responses to Parties' November (filed) and December workshop comments, ED-identified permitting issues, comments and presentations from parties, and an outline of next steps. Several parties filed additional written comments prior to the workshop.
Mar 1, 2006	All-party meeting	Update and parties' short statements regarding cost recovery; summary of the status of the Commission's internal review and planned workshop regarding transmission permitting streamlining; summary of IOU reports on transmission problems of contacted RPS projects and prospects for future "low-hanging fruit" RPS projects requiring little transmission development; update on status of TCSG and its upcoming report to the Commission.

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## V. OTHER ISSUES

### A. Qualifying Facilities (QFs)

Proceeding No.	Commissioner	Admin. Law Judges (ALJ)	Counsel	Energy Division Staff
R.99-11-022	Peevey	DeBerry		McCartney
R.04-04-003 consolidated with R.04-04-025 on QF issues. See Avoided Cost/QF Pricing in Roadmap.	Peevey	Wetzell, Brown, Gottstein		McCartney

#### What it Does

- R.99-11-022:** Address the issue remanded by the September 2002 LA Court of Appeals order: The Commission must determine whether "SRAC prices [were or were not] correct for the period of December 2000 through March of 2001." QFs contend that prices were correct during the remand period and no retroactive adjustments are necessary. However, the utilities and two consumer groups contend that QFs were overpaid during the remand period, based on FERC's revised market prices.
- R.04-04-003:** Formulate long-term QF policy in the procurement rulemaking.
- R.04-04-025:** Formulate QF pricing policies and "...promote consistency in methodology and input assumptions in Commission applications of short-run and long-run avoided costs...." **R.04-04-003 and R.04-04-025 are now consolidated.**

#### Next Steps

- A settlement has been reached on the QF Switcher issue for the remaining QFs not included in the PG&E/IEP settlement. It has not yet been filed.

#### Proceeding Overview

Date	Actions Taken	Comments
July 20, 2006	D.06-07-032 adopted settlement between PG&E and IEP.	Some switcher and remand issues still remain.
Apr 18, 2006	PG&E/IEP filed a Settlement on addressing issues in R.04-04-025, R.04-04-003, and R.99-11-022.  SEE DESCRIPTION IN AVOIDED COST / QF PRICING IN ROADMAP.	As filed, the settlement was with 41 QFs in PG&E's territory, but other QFs have since joined. Other IOUs are unlikely to join in because some issues have been previously settled (SCE), or some items are not at issue (SDG&E).  There are two five-year pricing options, a variable option for cogen QFs, and a fixed-price option for renewable QFs.
Apr 4, 2005	LA Court of Appeals Decision, B177138.	Upholds CPUC decisions.
Jan 21, 2005	Joint Ruling in R.04-04-025 and R.99-11-022.	Joint ruling on Short Run Avoided Cost Pricing for QFs. All comments, briefs, etc. submitted on the remanded issue and PG&E's petition for modification of D01-03-067, filed 12/15/04, will remain in R.99-11-022. Moves SRAC pricing issues into R.04-04-025.

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Jan 21, 2005	Joint Ruling in R.04-04-025 and R.99-11-022.	Joint ruling on Short Run Avoided Cost Pricing for QFs. All comments, briefs, etc. submitted on the remanded issue and PG&E's petition for modification of D01-03-067, filed 12/15/04, will remain in R.99-11-022. Moves SRAC pricing issues into R.04-04-025.
Dec 8, 2004	Comments on Proposals re: Long-Term Policy for Expiring QF Contracts in R.04-04-003.	Twelve sets of Comments were filed on the Nov 10, 2004 proposals: CAC/EPUC, CBEA/CalWEA, CCC, County of Los Angeles, GPI, IEP, ORA, PG&E, SCE, SDG&E, and TURN.
Nov 10, 2004	Proposals filed re policy on Long-Term Policy for Expiring QF Contracts, in R.04-04-003.	Proposals filed on long-term policy options for expiring QF contracts. Ten sets of proposals were filed by CAC/EPUC, CAISO, CBEA/CLGC, CCC, County of Los Angeles, Modesto Irrigation District, ORA, PG&E, SCE, and SDG&E.
Aug 11, 2004	SCE appeals QF issues in these R.01-10-024 decisions: D.03-12-062, D.04-01-050, D.04-07-037.	SCE is seeking review of Commission decisions D.03-12-062, D.04-01-050, and D.04-07-037 on the grounds that the Commission unlawfully ordered SCE to extend certain QF contracts by entering into SO1 contracts at current SRAC prices. SCE contends that the Commission cannot and should not order such extensions without first determining that prices do not exceed avoided cost. Case No. B177138. CPUC Legal Division is active in this court case.  This is the second appeals case filed by SCE in the LA Court of Appeals on QF issues in the last two years. The previous case, in filed in 2002, concerned QF pricing during the 2000-2001 energy crisis.
Jul 29, 2004	CCC filed response to PG&E, SCE and SDG&E's filings, in R.99-11-022.	CCC contends that the IOUs did not present an accurate picture of energy prices during the subject period. Filings are under review. ALJ will determine next steps.
Jul 15, 2004	CCC request to comment, in R.99-11-022.	CCC requested an opportunity to comment on the July 6 <sup>th</sup> and 13 <sup>th</sup> utility filings and ALJ granted.
Jun 23, 2004	ALJ Ruling issued, in R.99-11-022.	The "ruling directs energy utilities to provide the actual purchased energy costs for the period December 2000 though April 2001, a period that includes the Remand Period."
Apr 22, 2004	R.04-04-025 issued by the Commission.	"Order Instituting Rulemaking to Promote Consistency in Methodology and Input Assumptions in Commission Applications of Short-run and Long-run Avoided Costs, Including Pricing for Qualifying Facilities." For detailed next steps in R.04-04-025, see the "Avoided Cost / QF Pricing Rulemaking" section of this Energy Roadmap document.
Mar 17, 2004	In R.99-11-022, reply comments were submitted regarding SRAC prices paid.	PG&E, SCE, and San Diego were directed to provide average monthly purchased energy prices paid for December 2000, January 2001, February 2001, March 2001, and April 2001.
Feb 17, 2004	In R.99-11-022, comments were submitted.	PG&E/ORA/TURN (Jointly), CAC, CalWEA, CCC, IEP, and SCE filed comments regarding SRAC prices paid during the remand period of December 2000 through March 2001.
Jan 22, 2004	D.04-01-050 issued in the procurement rulemaking, R.01-10-024.	<ul style="list-style-type: none"> <li>• Existing QFs have three contracting options: <ul style="list-style-type: none"> <li>➤ voluntary QF participation in utility competitive bidding processes;</li> <li>➤ renegotiation by the QF and the utility on a case-by-case basis of contract terms; and</li> <li>➤ five-year SO1 contracts with the understanding that appropriate revisions by the Commission to the QF pricing methodology will flow through to the renewed contracts.</li> </ul> </li> <li>• New QFs may seek to negotiate contracts with utilities under the following circumstances: <ul style="list-style-type: none"> <li>➤ voluntary QF participation in utility competitive bidding processes;</li> <li>➤ renegotiation by the QF and the utility on a case-by-case basis of contract terms that explicitly take into account the utility's actual power needs, and that do not require the utility to take or pay for</li> </ul> </li> </ul>

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		power that it does not need.
Nov 7, 2003	Prehearing conference held on LA Court of Appeals order, in R.99-11-022.	At the PHC, ALJ DeBerry called for Comments to be filed on February 2, 2004, and Reply Comments on March 2, 2004 to address the issue of whether "SRAC prices were correct for the period of December 2000 through March of 2001." QFs contend they were underpaid during this remand period because IER and O&M Adder values in the SRAC formula were too low relative to these corresponding market values as determined by FERC.
Sep 4, 2002	The Second LA Court of Appeals issued a decision <sup>2</sup> in B155748, et.al.	The decision held that, PUC "Decision Nos. 01-03-067, 01-12-028 and 02-02-028 are affirmed except to the extent that the Commission declined [failed] to consider whether the SRAC should be applied retroactively [to the December 2000 through March 2001 period]. That portion of those Decisions is annulled. The matter is remanded back to the Commission for proceedings consistent with this opinion." Petitions for review were denied November 26, 2002. ALJ DeBerry is drafting a ruling on the remand.

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<sup>2</sup> Remand Order: <http://www.courtinfo.ca.gov/opinions/archive/B155748.DOC>  
<http://www.courtinfo.ca.gov/opinions/archive/B155748.PDF>.

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## B. 206 Complaint Case / DWR Contract Renegotiation

Proceeding No.	Commissioner	Admin. Law Judge (ALJ)	Counsel	Energy Division Staff
EL02-60 (FERC)			Bromson	Chatterjee

### What it Does

1. Argue that some of the long-term DWR contracts are unlawful, and try to gain concessions from counterparties.
2. The California State Auditor issued a report on the effects of the renegotiated contracts on California energy markets, which can be found at: <http://www.bsa.ca.gov/bsa/pdfs/2002-009.pdf>
3. The Complaint has been dropped for sellers that have renegotiated their contracts. The El Paso contract was one of the remaining contracts until it was renegotiated under global settlement in March 2003. CDWR renegotiated long-term contracts can be found at: <http://www.cers.water.ca.gov/newContracts.html>

### Next Steps

- Awaiting a decision from the Federal Court of Appeals Ninth Circuit.

### Proceeding Overview

Date	Actions Taken	Comments
Dec 8, 2004	Appeal of FERC's denial of the CPUC Section 206 Complaint under the Federal Power Act took place in the Federal Court of Appeals Ninth Circuit.	
Sep 22, 2004	In the US Court of Appeals (Ninth Circuit) the consolidated case number for the CPUC v. FERC is 03-74207 and CEOB v. FERC is 03-74-246. CPUC/CEOB filed a joint reply brief.	Reply brief included that FERC's refusal to consider the justness and reasonableness of the rates in its review was pure legal error; the FERC granting market-based rate authority does not mean that these contract rates were determined to be just and reasonable; FERC staff report established more that a "correlation" between the dysfunctional spot market and the long-term contract market; and Petitioners should not be treated as Parties to the contracts.
Mar 22, 2004	CPUC/EOB filed to the US Court of Appeals (Ninth Circuit) seeking a review of FERC's November decision and the legal standards used in refusing to set aside or modify long-term contracts (Coral, Dynegy, Mirant, Sempra and Pacificorp).	The appeal contests that FERC may have erred in concluding that the Federal Power Act permits the public to bear unjust and unreasonable contract rates.
Nov 10, 2003	FERC Order denied California parties' complaint.	FERC did not rule on whether California spot market adversely affected the DWR long-term contracts instead said that the petitioners did not have sufficient basis for modifying the contracts.
Mar 26, 2003	FERC released <i>Final Report on Price Manipulation in Western Markets</i> .	The report concludes that market dysfunction in the short-term market affected the long-term contracts. The spot power prices correlate with long-term contract prices, especially in one to two year contracts. The analysis will be used to inform the ongoing proceeding. No order was issued and FERC action is pending.
Feb 25, 2002	CPUC and EOB filed Section 206 Complaint at FERC.	The Complaint alleged that certain long-term contracts between sellers and CDWR were unlawful due to price and non-price terms and conditions.

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## *C. Investigation into the Operations of the Southern California Edison Company Pertaining to Performance Based Ratemaking*

Proceeding No.	Commissioner	Admin. Law Judge (ALJ)	Counsel	Energy Division Staff
I.06-06-014	Peevey	Barnett	Sher	Monson

### What it Does

Will investigate deliberate data falsification by some Edison employees.

### Next Steps

- Circulate Draft Decision.

### *Proceeding Overview*

Date	Actions Taken	Comments
Feb 14, 2007	Closing briefs filed.	Case submitted.
Nov 28, 2006	Hearings completed.	
Aug 29, 30, 2006	Depositions scheduled	Cagen, Clairmont, & Mermin
June 15, 2006	OII filed.	

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## VI. PETROLEUM PIPELINE PROCEEDINGS

The following proceedings will address the various requests by petroleum pipeline companies for Commission authority to revise rates, sell petroleum pipeline assets to other companies, or take other actions.

### A. SFPP (Kinder Morgan Petroleum Pipeline Subsidiary) Cost of Service Review

Proceeding No.	Commissioner	Admin. Law Judge (ALJ)	Counsel	Energy Division Staff
A.03-02-027	Peevey	Long	none	Monson

#### What it Does

##### Summary:

1. Determines appropriate rate increase to offset additional cost of electric power.
2. Sets return on equity.
3. Determines appropriate rate base and expense levels.

**Major issue:** the appropriate level of rates. Rates are supported by estimates of income taxes, power costs, the North Bay Expansion, and other expenses.

#### Next Steps

- Publish a draft decision.

#### Proceeding Overview

Date	Actions Taken	Comments
May 18, 2007	Concurrent Reply Briefs filed.	
Feb 26, 2007	Pre-hearing conference.	
Oct 17, 2006	Settlement PHC.	
Aug 25, 2006	ALJ Ruling	Consolidate Proceedings and Invitation to Settle.
Feb 27, 2004	Reply briefs were filed.	<b>Case is submitted.</b>
Jan 30, 2004	Opening briefs were submitted.	
Dec 9 - 12, 2003	Evidentiary hearings were held.	
Sep 19, 2003	ALJ issued a Scoping Memo setting hearing dates, and allowing SFPP to update its showing on market-based rates.	Major issues include: <ul style="list-style-type: none"> <li>• return on equity far above that for any other utility under California jurisdiction; and</li> <li>• cost of dismantlement, removal, and restoration of facilities (under certain conditions) to be included in rates.</li> </ul>
Feb 21, 2003	Kinder Morgan petroleum pipeline subsidiary filed A.03-02-027, requesting a cost of service review.	This proceeding could set the means of regulating petroleum pipelines.

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# Energy Roadmap: May 2007 Update

## B. SFPP's North Bay Expansion

Proceeding No.	Commissioner	Admin. Law Judge (ALJ)	Counsel	Energy Division Staff
A.04-11-017	Peevey	Long	None	Monson
<b>What it Does</b>				
<p><b>Summary:</b> SFPP (Kinder Morgan) increased its rates for its North Bay Expansion on December 15, 2004. The Commission will decide on whether to allow SFPP to continue with those increased rates.</p> <p><b>Major issue:</b> Whether to allow increased rates for this expansion.</p>				
<b>Next Steps</b>				
<ul style="list-style-type: none"> <li>• Publish a draft decision.</li> </ul>				
<b>Proceeding Overview</b>				
Date	Actions Taken	Comments		
<b>May 18, 2007</b>	<b>Concurrent Reply Briefs filed.</b>			
Oct 17, 2006	Settlement PHC			
Aug 25, 2006	ALJ Ruling	Consolidate Proceedings & Invitation to Settle		
Dec 15, 2004	SFPP increased its rates.			
Feb 27, 2004	Reply briefs were filed.	Case was submitted.		
Nov 9, 2004	Application was filed.	Issues brought up in A.03-02-027, SFPP's cost of service, will be addressed in this proceeding.		

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# Energy Roadmap: May 2007 Update

## C. ARCO Products Company vs. SFPP (Kinder Morgan)

Proceeding No.	Commissioner	Admin. Law Judge (ALJ)	Counsel	Energy Division Staff
C.00-04-013	Peevey	Brown		Monson

### What it Does

**Summary:** The Commission will decide whether ARCO Products Company's (a division of Atlantic Richfield and Mobil Oil) claim against SFPP for unjust and reasonable rates has merit, and if so, how to deal with the ratemaking implications.

**Major issue:** The appropriate level of rates.

### Next Steps

- Publish a draft decision.

### Proceeding Overview

Date	Actions Taken	Comments
May 18, 2007	Concurrent Reply Briefs filed.	
Oct 17, 2006	Settlement PHC	
Aug 25, 2006	ALJ Ruling	Consolidate Proceedings & Invitation to Settle
Jan 30, 2004	Briefs filed by parties.	
Apr 2000	Complaint was filed.	

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# Energy Roadmap: May 2007 Update

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## D. SFPP Intrastate Transportation Rates

Proceeding No.	Commissioner	Admin. Law Judge (ALJ)	Counsel	Energy Division Staff
A.00-03-044	Peevey	Long		Monson

### What it Does

**Summary:** The Commission will decide whether SFPP can justify its rates based on market factors.

**Major issue:** Should SFPP be allowed to charge market based rates?

### Next Steps

- Publish a draft decision.

### Proceeding Overview

Date	Actions Taken	Comments
May 18, 2007	Concurrent Reply Briefs filed.	
Oct 17, 2006	Settlement PHC	
Aug 25, 2006	ALJ Ruling	Consolidate Proceedings & Invitation to Settle
Jan 30, 2004	Briefs filed by parties.	
Mar 2000	Application was filed.	

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# Energy Roadmap: May 2007 Update

## E. ARCO, Mobil Oil and Texaco vs. SFPP

Proceeding No.	Commissioner	Admin. Law Judge (ALJ)	Counsel	Energy Division Staff
C.97-04-025	Peevey	Long		Monson

### What it Does

**Summary:** The Commission will make a decision regarding ARCO Products Company, Mobil Oil Corporation, and Texaco Refining and Marketing's allegation against SFPP regarding a violation of Public Utilities Code Section 451, by charging rates that are not just and reasonable for the intrastate transportation of refined petroleum products.

**Major issue:** The appropriate level of SFPP's rates.

### Next Steps

- Publish a draft decision.

### Proceeding Overview

Date	Actions Taken	Comments
<b>May 18, 2007</b>	<b>Concurrent Reply Briefs filed.</b>	
Feb 26, 2007	Pre-hearing conference.	
Oct 17, 2006	Settlement PHC	
Aug 25, 2006	ALJ Ruling	Consolidate Proceedings & Invitation to Settle
Jan 30, 2004	Briefs filed by parties.	
Apr 1997	Complaint was filed.	

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# Energy Roadmap: May 2007 Update

## F. SFPP Application to Increase Rates

Proceeding No.	Commissioner	Admin. Law Judge (ALJ)	Counsel	Energy Division Staff
A.06-01-015	Peevey	Long	None	Monson

### What it Does

**Summary:** SFPP (Kinder Morgan) asks to increase its rates for a DOT Corrective Action Order and higher power costs.

**Major issue:** The appropriate level of rates.

### Next Steps

- Publish a draft decision.

### Proceeding Overview

Date	Actions Taken	Comments
May 18, 2007	Concurrent Reply Briefs filed.	
Oct 17, 2006	Settlement PHC	
Aug 25, 2006	ALJ Ruling	Consolidate Proceedings & Invitation to Settle
May 3, 2006	BP West Coast Products and Exxonmobil filed a motion to consolidate this proceeding with A.04-11-017 and SFPP's Advice Letter 20.	
Mar 2, 2006	SFPP increased its rates.	
Feb-Mar, 2006	Protests filed by Southwest Airlines, Chevron Texaco, Ultramar, Valero, Tesoro, BP West Coast Products, and Exxonmobile.	
Jan 26, 2006	Application filed.	

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# Energy Roadmap: May 2007 Update

## G. Chevron Products Company Complaint

Proceeding No.	Commissioner	Admin. Law Judge (ALJ)	Counsel	Energy Division Staff
C.05-12-004	Peevey	Bemesderfer	Harris	Monson

### What it Does

**Summary:** Chevron filed a complaint against Equilon doing business as Shell Oil Products and Shell Trading based on Equilon charging rates that reflect its monopoly power.

**Major issue:** Is a 20-inch pipeline that ships crude oil from the San Joaquin Valley to the North Bay a common carrier?

### Next Steps

- Choose between two draft decisions, incorporate comments, and then approve final decision.

### Proceeding Overview

Date	Actions Taken	Comments
May 7, 2007	Comments filed	
Apr 12, 2007	Draft decision mailed	
Apr 10, 2007	Oral arguments	
Feb 23, 2007	Case submitted	
Jan 24, 2007	Oral Arguments	
Jan 11, 2007	D.07-01-017 signed out.	Extended 12 month deadline of PU Sec. 1701.2(d)
Dec 7, 2006	Mediation session held.	
July 14, 2006	Complaint reassigned to ALJ Bemesderfer	
June 13, 2006	Draft Decision circulated.	The Draft Decision dismisses Chevron's complaint.
Apr 3, 2006	ALJ Ruling grants Equilon's motion to stay discovery pending dispositive motion and request for expedited treatment.	
Mar 30, 2006	Equilon filed Motion to Dismiss.	
Feb 16, 2006	Motion regarding arbitration filed.	
Feb 16, 2006	Equilon's response filed.	
Dec 5, 2006	Application filed.	

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# Energy Roadmap: May 2007 Update

## H. Consolidation of SFPP L.P. Proceedings and Negotiating of a Settlement.

Proceeding No.	Commissioner	Admin. Law Judge (ALJ)	Counsel	Energy Division Staff
Various	Peevey	Long	None	Monson

### What it Does

**Summary: Determines appropriate rate increase to offset additional cost of electric power. Sets return on equity. Determines appropriate rate base and expense levels, including income tax.** Consolidates Case 97-04-025, Case 00-04-013, A.00-03-044, A.03-02-027, A.04-11-017, and A. 06-01-015, A.06-08-028 and orders a Settlement Plan.

**Major issues: The appropriate level of rates.**

### Next Steps

- Publish a draft decision.

### Proceeding Overview

Date	Actions Taken	Comments
Oct 17, 2006	Settlement Prehearing conference	
Aug 25, 2006	ALJ's Ruling issued	Ordered a Pre-Hearing Conference and Settlement Plan.

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## I. SFPP, L.P. requests an Ultra low Sulfur Diesel Surcharge

Proceeding No.	Commissioner	Admin. Law Judge (ALJ)	Counsel	Energy Division Staff
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# Energy Roadmap: May 2007 Update

A.06-08-028	Peevey	Long	None	Monson
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## What it Does

**Summary:** Requests a rate increase for testing equipment to detect the presence of high sulfur diesel in SFPP's pipelines.

**Major issue:** The appropriate rate levels.

## Next Steps

**Circulate a draft decision.**

## *Proceeding Overview*

Date	Actions Taken	Comments
May 18, 2007	Concurrent Reply Briefs filed.	
Feb 26, 2007	Pre-hearing conference	Consolidated with other SFPP proceedings.
Aug 25, 2006	Application filed	

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# Energy Roadmap: May 2007 Update

## J. Transfer of Control of SFPP, L.P. and Calnev Pipeline to Knight Holdco.

Proceeding No.	Commissioner	Admin. Law Judge (ALJ)	Counsel	Energy Division Staff
A.06-09-016	Peevey	Vieth	None	Monson

### What it Does

**Summary:** Application proposed a change of ownership of SFPP's parent, KMI, to Knight Holdco. SFPP and Calnev will be subject to indirect control by Knight Holdco, owned by four private investment firms, as parent company of KMI.

**Major issues:** 1) Can carriers meet their obligation to serve at reasonable rates, terms and conditions of service and operate in an environmentally safe manner?

2) Will the Commission have access to books and records of SFPP and Calnev?

3) Is adequate ring-fencing in place to prevent pulling SFPP and Calnev into bankruptcy?

4) Should Kinder Morgan be required to provide liquid collateral to pay, if necessary, up to \$100 million in intrastate refunds?

### Next Steps

- Interim Opinion effective May 24, 2007.

### Proceeding Overview

Date	Actions Taken	Comments
May 29, 2007	Letter of compliance filed with the Energy Division.	
May 29, 2007	Motion to file letter of credit.	In the amount of \$100 million.
May 24, 2007	D.07-05-061	Transfer of Control approved with qualifications.
Apr 24, 2007	Decision drafts circulated.	
Feb 23, 2007	Case is submitted.	
Jan 10, 2007	Pre-hearing conference held.	Consolidated with A.06-09-021
Oct 23, 2006	Protest filed	Requested consolidation w/other SFPP proceedings among other things.
Sep 18, 2006	Application filed	

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## K. Tesoro's Complaint against SFPP, L.P.

# Energy Roadmap: May 2007 Update

Proceeding No.	Commissioner	Admin. Law Judge (ALJ)	Counsel	Energy Division Staff
C. 06-12-031	Peevey	Long	None	Monson

## What it Does

**Summary:** Requests that the Commission find that SFPP's rates are unjust and unreasonable, requests \$8,029,589 in restitution, and consolidation with other SFPP proceedings.

**Major issue:** SFPP's appropriate level of rates.

## Next Steps

- Circulate a draft decision.

## Proceeding Overview

Date	Actions Taken	Comments
May 16, 2007	Tesoro's reply brief filed.	
Feb 26, 2007	Pre-hearing conference.	Consolidated with the other SFPP proceedings.
Jan 3, 2007	Motion to consolidate filed.	Motion requests consolidation with other SFPP proceedings under ALJ Long.
Dec 27, 2006	Complaint filed	Requested restitution and consolidation w/other SFPP proceedings.

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# Energy Roadmap: May 2007 Update

## L. *Wespac Pipelines application for CPCN*

Proceeding No.	Commissioner	Admin. Law Judge (ALJ)	Counsel	Energy Division Staff
A. 07-04-003	Simon	Ryerson	None	Monson

### What it Does

**Summary:** This application requests status of a common carrier pipeline corporation and requests authority to tariff market based rates.

**Major Issues:** 1) Should Gardena's concerns of health, safety, and economic impacts on the community be addressed in Los Angeles' CEQA proceeding?  
2) Is Wespac a common carrier?

### Next Steps

- Set a date for a Pre-Hearing Conference.

### *Proceeding Overview*

Date	Actions Taken	Comments
May 15, 2007	Wespac responded to the protest.	
May 2, 2007	Protest filed by City of Gardena.	
Apr 3, 2007	Application filed.	

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# Energy Roadmap: May 2007 Update

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## M. *Nomart vs. PG&E.*

Proceeding No.	Commissioner	Admin. Law Judge (ALJ)	Counsel	Energy Division Staff
C. 07-03-005	Simon	Patrick	None	Monson

### What it Does

**Summary:** This Complaint requests that defendant 1) cease erroneous billing methodology, 2) pay restitution for overcharges that were the result of the erroneous billing methodology, and 3) pay an award of costs and representation fees.

**Major issue:** The accuracy of the complaint.

### Next Steps

- No hearings are scheduled. The decision will be based on filed testimony.

### *Proceeding Overview*

Date	Actions Taken	Comments
May 15, 2007	Ruling	Complainant may respond to motion to dismiss by May 31, 2007.
May 11, 2007	PG&E filed its response	
Mar 2, 2007	Complaint filed	

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# Energy Roadmap: May 2007 Update

## *N. Dominguez v. PG&E*

Proceeding No.	Commissioner	Admin. Law Judge (ALJ)	Counsel	Energy Division Staff
C.07-03-006	Simon	Prestidge	None	Monson

### What it Does

**Summary:** The complainant requests that the Commission order PG&E to revoke Resolution SU-58 allowing PG&E a waiver of gas safety rules.

**Major issue:** PG&E's natural gas pipelines located beneath a recreational field is claimed to threaten the safety of users of that field. Complainants wants revocation of Res SU-58 allowing deviation from safety rules relating to gas pipelines.

### Next Steps

- Hearings are unlikely. Result of mediation may resolve outstanding issues.

### *Proceeding Overview*

Date	Actions Taken	Comments
May 25, 2007	Case referred to mediation	ALJ DeBerry
May 21, 2007	Pre-hearing conference continued	
Apr 30, 2007	Pre-hearing conference held	
May 15, 2007	Ruling	Ruled complainant may respond to motion to dismiss by May 31
Apr 12, 2007	PG&E answered	
Mar 20, 2007	Californians for Renewable Energy filed to intervene	
Mar 8, 2007	Complaint filed	

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