



FILED
02:38 PM

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Assess Peak Electricity Usage Patterns and Consider Appropriate Time Periods for Future Time-of-Use Rates and Energy Resource Contract Payments.

Rulemaking 15-12-012
(Filed December 17, 2015)

**ADMINISTRATIVE LAW JUDGE RULING
NOTIFYING PARTIES OF SCHEDULE CHANGES AND REQUIRED
SUPPLEMENTAL INFORMATION FILINGS**

This ruling notifies parties of the following changes to the procedural schedule and identifies supplemental information to be filed by the California Independent System Operator (CAISO), Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE) and San Diego Gas & Electric Company (SDG&E, and collectively with PG&E and SCE, the IOUs) to file supplemental information.

After reviewing parties' February 12, 2016 comments on topics for the February 26, 2016 workshop, I have determined that it is not necessary or efficient for parties to file comments at this time on the CAISO January 22, 2016 time-of-use periods analysis (CAISO TOU Analysis). The March and April comment dates have been removed from the procedural calendar.

Based on comments filed on the OIR and discussion as the February 26, 2016 prehearing conference, I believe that the next steps for this proceeding should be to gather additional information. For this reason, I am requesting the CAISO and the IOUs file additional information, and I am scheduling a workshop for discussion of the additional information.

1. **Additional TOU Period Forecast Analysis Required**

At this time, the CAISO TOU Analysis contains the only forecast in the record of this proceeding. The CAISO TOU Analysis was prepared for the Joint Agency Steering Committee (JASC) for use in the 2015 Integrated Energy Policy Report (IEPR). It was based on 2014 load data and does not incorporate the levels of renewable generation contemplated by Senate Bill 350. We expect that a fully developed long-term procurement planning (LTPP) dataset will be available later in the Spring.¹ The 2016 LTPP data set will include updated behind the meter (BTM) generation assumptions and corresponding changes to load and renewable portfolio standard (RPS) assumptions. Information about other assumptions used in the forecast and analysis is also expected to change in the near future. However, it is not possible to wait for all studies and assumptions to be completed before updating data used to answer methodological questions in this proceeding.

Based on pre-workshop comments, it is apparent that additional TOU period analyses are necessary and that forecasts underlying these analyses should be in a format that allows for comparison.

- a. **CAISO forecast net load.** The CAISO is requested to re-run the forecast and analysis using updated information including the 2016 LTPP dataset: (i) 2015 load data, (ii) 2016 LTPP RPS assumptions for 2021 and 2024, (iii) 2015 IEPR BTM generation forecasts for 2021 and 2024. CAISO is directed to work with Energy Division staff to use different data sets and assumptions if necessary to meet the June 2016 deadline set below.
- b. **IOU marginal generation cost (MGC).** The IOUs and

¹ See, R.16-02-007 (Order Instituting Rulemaking to Develop an Electricity Integrated Resource Planning Framework and to Coordinate and Refine Long-Term Procurement Planning Requirements.)

other parties argue that marginal generation cost should be an important part of identifying TOU periods. Although the IOUs perform marginal generation cost analysis for their general rate cases, it has not been included in the record of this proceeding yet. In addition, the format of the analysis, and the vintage of the data used to develop the analysis may not be the most useful for this proceeding. Therefore, the IOUs are directed to develop this analysis, based on data from the most recently available rate proceedings, in consultation with Energy Division staff, CAISO, and other interested parties to ensure that it is in a user-friendly format. Ideally, a common format that allows for comparison with CAISO net load forecast and CAISO TOU Analysis can be developed.

- c. **Other Ideas on Additional Data and Analyses.** In pre-workshop comments, parties identified other factors and forecasts for possible consideration in TOU period analyses. This ruling does not mean that these other suggested factors or forecasts will not be considered. Parties may propose additional factors or forecasts. Parties should identify specific existing known data sources and analyses that could be used as the basis for other suggested factors and forecasts. If no known data sources or analyses exist, parties should propose specific steps for developing new data sources or studies.

2. Summary of Existing Time-Differentiated Rates and Ideas for New Time-Differentiated Rates

To evaluate the proposed steps for TOU period analyses, we will need to know what types of rate designs are likely to use TOU periods. IOUs are directed to each file a list of their existing time-differentiated rates, including static TOU rates, time-dependent demand charge rates, and dynamic rates. This list should include primary attributes of the rates, including (a) class eligible, (b) opt-in/default, (c) approximate number of customers and MW enrolled,

(d) rate differentials and time periods, (e) method for determining time periods, and (f) relationship of rate differentials to cost. Because this filing will contain information on actual programs, it should be filed as Supplemental Information.

All parties are invited to suggest other time-differentiated rate structures for possible inclusion in the framework guidance document. Because this filing will contain ideas for rate structures, it should be filed as Comments.

3. Revised Procedural Schedule

The revised procedural schedule is as follows:

EVENT	DATE
IOU filing describing existing time-differentiated rates and, served and filed (see Section 2 above)	April 6, 2016
Party comments on types of time-differentiated rates that should be considered, served and filed (see Section 2 above)	April 6, 2016
Prehearing Conference Statements, served and filed	April 8, 2016
Prehearing Conference #2	April 12, 2016 @ 10: 00 a.m. Commission Courtroom State Office Building 505 Van Ness Avenue San Francisco, CA 94102

EVENT	DATE
IOU MGC TOU Period Forecast and Analysis (Section 1(b)), served and filed	April 29, 2016
Alternative TOU Period Forecast and Analyses (Section 1(c)), served and filed	April 29, 2016
Presentation of TOU Period Analysis Workshop, held (1) CAISO presentation of updated analysis (2) IOU presentation of Marginal Generation Cost Data (3) Comparison of CAISO/IOU forecasts of energy use intensity	May 5, 2016 (if necessary) Commission Auditorium 505 Van Ness Avenue San Francisco, CA 94102
CAISO Updated TOU Period Analysis (Section 1(a))	June 2016 (date TBD based on availability of 2016 LTPP dataset)
Comment Schedule	TBD

IT IS SO RULED.

Dated March 17, 2016, at San Francisco, California.

/s/ JEANNE M. MCKINNEY
 Jeanne M. McKinney
 Administrative Law Judge