



FILED

11/18/20
10:30 AM

ALJ/JF2/smt 11/18/2020

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to
Continue Electric Integrated Resource
Planning and Related Procurement
Processes.

Rulemaking 20-05-003

**ADMINISTRATIVE LAW JUDGE'S RULING PROVIDING AND
INCORPORATING INTO RECORD STAFF PAPER ON RESOURCE
PROCUREMENT FRAMEWORK**

Summary

This ruling makes available to parties and incorporates into the record of this proceeding a Commission staff working paper addressing framework options for procurement under the integrated resource planning (IRP) structure at the Commission. Attachment A to this ruling is titled: "Staff Proposal for Resource Procurement Framework in Integrated Resource Planning."

An initial workshop addressing the topics covered in Attachment A is scheduled for December 18, 2020 at 10:00 a.m. Comments from parties on specific aspects of the attached paper will be requested after the workshop, in subsequent rulings, and in coordination with additional analysis about specific procurement needed to address system reliability and greenhouse gas emissions goals in the near future.

1. Background

This IRP proceeding, as with the previous one, has a procurement track¹ designed to facilitate the Commission requiring procurement of resources to meet identified needs for reliability or environmental purposes on the electric system. The first decision out of the procurement track was Decision (D.) 19-11-016, which was completed in a tight timeframe to address an emerging need, and the Commission was not able to examine and address all potential issues around the structure for determining a procurement need, allocating a requirement to load-serving entities to address the need, and, when necessary, providing for cost allocation and recovery for the utility contributions toward addressing that need.

2. Discussion

Commission staff have drafted a paper titled “Staff Proposal for Resource Procurement Framework in Integrated Resource Planning” which is Attachment A to this ruling. The intent of the paper is to lay out the full set of issues and options associated with procurement in the context of the IRP process. In light of the August 2020 heat storm and resulting rotating outages, additional near-term procurement may require swift attention and a modified process as compared with a steady-state procurement process. Consequently, much of the proposal is divided into options that can be pursued in the near future and options that will require time to develop, for potential implementation over the longer term.

Commission staff will host an initial remote-participation workshop to describe the proposal and answer preliminary questions on December 18, 2020 at

¹ The procurement track was originally initiated by Decision 19-04-040 in Rulemaking 16-02-007.

10:00 a.m. Details about this initial workshop will be emailed to the service list closer to the date. Parties will have an opportunity to comment on the attachment, including which options should be pursued in the near term and other for the longer term, after subsequent steps in this proceeding and in response to subsequent rulings. The attachment is being made available now to start a conversation. Any decision making surrounding these issues will come later in the proceeding in response to forthcoming rulings.

IT IS RULED that:

1. The attachment to this ruling, "Staff Proposal for Resource Procurement Framework in Integrated Resource Planning," is hereby incorporated into the record of this proceeding.

2. A remote-participation workshop is scheduled for an initial opportunity to address the attachment to this ruling on December 18, 2020 at 10:00 a.m. Commission staff will email the service list of this proceeding with the details for participating, and a notice will also be posted on the Commission's Daily Calendar.

3. A subsequent ruling or rulings will seek written comments from parties in response to some or all of the attachment to this ruling at a later date.

Dated November 18, 2020, at San Francisco, California.

JULIE A FITCH
Julie A. Fitch
Administrative Law Judge