

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE
STATE OF CALIFORNIA**

Application of Pacific Gas and Electric
Company for Approval of 2013 – 2014
Statewide Marketing, Education, and
Outreach Program and Budget (U39M)

And Related Matters

Application 12-08-007
(Filed August 2, 2012)

Application 12-08-008
Application 12-08-009
Application 12-08-010
(Filed August 3, 2012)

**REPLY COMMENTS OF THE
CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION**

I. Introduction

The California Independent System Operator Corporation (CAISO) provides these reply comments to the Proposed Decision of Administrative Law Judge Roscow in the above-captioned proceedings. The Proposed Decision denied additional funding for Southern California Gas Company (SoCalGas) for marketing, education, and outreach activities to reduce the risk of natural gas and electricity curtailments in the Los Angeles basin this summer, due to the ongoing effects of the natural gas leak at SoCalGas' Aliso Canyon storage facility.

II. Discussion

The CAISO filed comments in this proceeding supporting additional funding because the natural gas and electric systems will continue to face reliability challenges in 2018 due to the limited availability of the Aliso Canyon storage facility.¹ Since those comments were filed, the CAISO published its 2018 Summer Loads and Resources Assessment,² which found a 50 percent probability that the CAISO will declare a Stage 2 Emergency for at least one hour this summer. A Stage 2 emergency occurs when the CAISO has taken remedial actions, such as calling upon demand response and consumer conservation, but cannot maintain required levels

¹ The CAISO filed these comments in response to the March 5, 2018 E-Mail Ruling Soliciting Comments From Parties (Ruling).

² <http://www.aiso.com/Documents/2018SummerLoadsandResourcesAssessment.pdf>

of non-spinning reserves. The CAISO has not called a Stage 2 Emergency since 2007. However, due to below-average hydroelectricity supplies and reduced generation capacity, the CAISO's analysis indicates that available capacity to serve consumers will be tight in weather driven high-load periods, such as during the net load peak, which occurs after sunset and towards the end of summer in September. The continuing limitations on the use of the Aliso Canyon facility and current pipeline transmission outages (with unspecified times for returning to service) on the SoCalGas system add to this complexity.

In light of the ongoing challenges, the CAISO recommends that the Commission authorize additional funding to support paid advertisements for the 2018 Flex Alert program.

III. Conclusion

The CAISO appreciates this opportunity to provide reply comments on 2018 Flex Alert funding. The CAISO recommends that the Commission continue its support for the Flex Alert program as an effective means to address electric reliability concerns.

Respectfully submitted,

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