

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

In the Matter of the Application of SOUTHERN CALIFORNIA EDISON COMPANY (U338E) for a Certificate of Public Convenience and Necessity for the West of Devers Upgrade Project and for an Interim Decision Approving the Proposed Transaction between Southern California Edison and Morongo Transmission LLC.

Application 13-10-020
(Filed October 25, 2013)

**RESPONSE OF THE
CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION**

On March 18, 2016, the Office of Ratepayer Advocates (ORA) filed a motion (Motion) to re-open the record in this proceeding and take official notice of the California Energy Commission’s (CEC’s) 2015 Integrated Energy Policy Report (IEPR). Pursuant to Article 11.1(e) of the Commission’s Rules of Practice and Procedure (Rules), the California Independent System Operator Corporation (CAISO) hereby files its response and requests that the Commission deny ORA’s Motion.

I. Introduction

ORA filed its motion pursuant to Rules 13.14 and 13.9. Rule 13.14 requires a party filing a motion to re-open the record to

specify the facts claimed to constitute grounds in justification thereof, including material changes of fact or of law alleged to have occurred since the conclusion of the hearing. It shall contain a brief statement of proposed additional evidence, and explain why such evidence was not previously adduced.

ORA’s Motion fails to specify facts that constitute justification for re-opening the record at this late stage in the proceeding. In addition, ORA has been dilatory in presenting this additional evidence. ORA should not be allowed to re-open the proceeding based on its failure to timely present information that it now deems to be relevant.

II. Discussion

A. ORA’s Motion Does not Justify its Request to Re-Open the Proceeding.

ORA’s Motion lacks critical detail demonstrating why its request to re-open the proceeding is justified. The Motion simply states that “[t]he 2015 IEPR is critical to understanding some of the issues in this proceeding as it pertains to load growth, reliability, and

diverse energy supplies in the coming years.”¹ ORA provides no further justification. There is no evidence to suggest that general changes in IEPR load forecast have any material impact on the specific need for the West of Devers Upgrade Project (Project) to meet California’s public policy goals, *e.g.*, the 33 percent RPS portfolios.

ORA’s motion also raises fundamental questions regarding the ongoing effort to align the state’s planning and procurement processes. The Commission, the CEC, and CAISO have effectively collaborated to better align the Commission’s long-term procurement plan (LTPP), the CEC’s IEPR, and the CAISO’s transmission planning process (TPP) to establish clear expectations among the stakeholders and the agencies regarding the timing of flows of information, study results, and other inputs between the processes.² ORA is attempting to subvert this process alignment by using the IEPR results to undermine prior planning and procurement decisions, rather than allowing those results to feed into subsequent planning and procurement processes.

Because the LTPP, IEPR, and TPP processes regularly produce new inputs and outputs, they provide a multitude of opportunities for parties to continually use those inputs and outputs to seek to delay Commission permitting proceedings and re-litigate individual aspects of a case. Allowing such late information is detrimental to the process and serves only to disrupt the clear expectations of stakeholders. Decision making and progress would grind to a halt if every decision had to be reassessed each and every time a new piece of information became available, particularly information that is not material.

The present case illustrates why it is unwise to re-open the proceeding to consider one additional data point of questionable materiality. The CAISO notes that in the past month, the Commission has released its draft assumptions and scenarios for the 2016-2017 TPP and LTPP. The draft assumptions & scenarios direct the CAISO to again use the 33% RPS portfolio studied in the 2014-15 and 2015-16 TPPs. The draft assumptions and scenarios specifically note that

...a new 33% RPS portfolio generated by the updated RPS calculator would be based upon increasing customer generation and declining IEPR load forecasts and therefore could be based upon a lower RPS net short than the RPS portfolio used in the 2015-16 TPP. Such a portfolio might not support currently approved

¹ ORA Motion, p. 2.

² The process alignment diagram and accompanying text can be found on the Commission’s website: <http://www.cpuc.ca.gov/General.aspx?id=6617>.

transmission projects that will be needed to reach 50% RPS goals. *We do not want to generate a renewable portfolio which forces the CAISO to reexamine previously approved transmission investment decisions until more information is available.*³

The draft assumptions and scenarios document seriously undercuts one of ORA's main contentions in this proceeding, namely that a newer version of the RPS Calculator should be used to review the need for the Project. The document, which significantly informs the CAISO's selection of public policy transmission projects, clearly states that the CAISO should not be reexamining previously approved transmission decisions. In any event, the release of such new, material information does not justify re-opening the proceeding because it is an expected output of the ongoing planning and procurement processes. Like the IEPR, the LTPP/TPP assumptions and scenarios document is not intended to undo prior planning decisions; rather, its primary purpose is to guide *future* planning and procurement processes. The ORA has shown no compelling reason or identified specific facts why the IEPR presents a material change that affects the public policy need for the Project or justifies re-opening a closed proceeding in this case. ORA cannot carry its burden by merely citing to generic changes in information that it fails to connect to the specific Project at issue here or show how it impacts the project.

The state planning and procurement processes are ongoing and regularly develop inputs or results that potentially could impact on an ongoing permitting proceeding. However, if the Commission re-opens proceedings to regularly take in such new information, it will unduly delay its permitting processes and disrupt the expectations of stakeholders by delaying its own decision and causing additional uncertainty in the upcoming 2016-17 TPP. It is not appropriate to consider the 2015 IEPR in this proceeding, especially given ORA's lack of any detail regarding the materiality of the new information to the Project.

B. ORA's Motion is Untimely.

In its Motion, ORA acknowledges that the IEPR was released on February 10, 2016 but that ORA's counsel did not become aware of the release until March 12, 2016. ORA submits that the IEPR information was not available prior to submission of this proceeding in January 2016. CAISO first notes that the IEPR is a known, biennial process that produces electricity

³ See Administrative Law Judge's Ruling Seeking Comment on Assumptions and Scenarios for use in the California Independent System Operator's 2016-17 Transmission Planning Process and Future Commission Proceedings, p. 54. (<http://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M158/K117/158117030.PDF>.)

demand forecasts that are then used in the CAISO's TPP. More importantly, however the California Energy Demand (CED) forecast portion of the IEPR was approved by the CEC on January 27, 2016, *before* final submission of reply briefs in this proceeding.⁴ ORA's Motion specifically references the "load growth" aspects of the IEPR, *i.e.*, the CED forecast, as the portion that is relevant to this proceeding.⁵ ORA therefore had an opportunity to request official notice of the relevant portions of the IEPR prior to the submission of this proceeding. There is no basis to excuse ORA's untimely request for official notice.

III. Conclusion

Based on the foregoing reasons, the Commission should reject ORA's Motion.

Respectfully submitted,

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⁴ See Minutes of the January 27, 2016 Energy Commission Business Meeting, p. 1. (http://www.energy.ca.gov/business_meetings/2016_minutes/2016-01-27_minutes.pdf.)

⁵ ORA Motion, p. 1 ("ORA seeks official notice of the IEPR which reports declining load growth in the years when SCE claims the WODUP might be needed to address reliability in California.")