

DOCKETED

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**APPLICATION FOR CONFIDENTIAL DESIGNATION
(20 CCR SECTION 2505)**

**2015 INTEGRATED ENERGY POLICY REPORT
DOCKET NUMBER 15-IEPR-02**

Applicant: Southern California Edison Company (“SCE”)

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1. Identification of the information being submitted, including title, date, size (for example, pages, sheets, megabytes), and docket number

SCE submits its 2015 Electricity Resource Planning Forms S-1, S-2 and S-5, which were adopted by the California Energy Commission (“Energy Commission”) on December 12, 2012. The forms are approximately 176 kilobytes and are concurrently filed with this application on a compact disc (CD). Each form is conspicuously labeled “Confidential” and all of the new data for which SCE seeks confidential designation is highlighted yellow. In 2013, the Energy Commission granted SCE’s Application for Confidential Designation for the same types of data for which SCE now requests such treatment, but for other years. SCE now requests that the Energy Commission grant confidential treatment of the same types of data for additional years. In addition to the information the Energy Commission has already designated as confidential, SCE respectfully requests that the Energy Commission designate the below information confidential as well.

2. Description of the data for which confidentiality is being requested (for example, particular contract categories, specific narratives, and time periods).

SCE requests that the following parts of Forms S-1, S-2 and S-5 of SCE’s 2013 Electricity Resource Planning Forms be designated as confidential and exempt from public disclosure.

- **Form S-1 Capacity Resource Accounting Table (CRATs)** -- SCE requires confidential treatment of the information contained in the following rows for the time periods specified below.
 - Row 1 Forecast Total Peak Hour 1-in-2 Demand for the years 2014-2017.
 - Row 5 – Adjusted Peak-Hour Demand: End Use Customer for the years 2014-2017.
 - Row 7 Coincident Peak Hour Demand for the years 2014-2017.
 - Row 8 – Required Planning Reserve Margin for the years 2014-2017.
 - Row 10 – Firm Sales Obligation for the years 2014-2017.
 - Row 11 – Firm LSE Peak-Hour Resource Requirement for the years 2014-2017.
 - Row 12a – Total Fossil Fuel Dependable Capacity for the years 2015-2024.
 - Rows 12b-12h– Individual Fossil Fuel Resources for the years 2015-2024.
 - Row 13a – d -- Nuclear Capacity for the years 2015-2024.
 - Row 14a – Total Dependable Hydroelectric Capacity for the years 2015-2024.
 - Row 14b Total Hydroelectric Plants larger than 30MW for the years 2015-2024.
 - Row 17a – Total Qualifying Facility (QF) Capacity for the years 2015-2024.
 - Row 17g – Natural Gas for the years 2015-2024.
 - Rows 19c-19bm – Total Capacity from Bilateral Contracts for the years 2015-2024.
 - Row 20 – Short Term and Spot Market Purchases for the years 2015-2017.
 - Row 21 – Total: Existing and Planned Capacity for the years 2015-2017.
 - Row 22 – Firm LSE Peak-Hour Resource Requirement for the years 2.

- Row 23 – Capacity Surplus or (Capacity Need) for the years 2015-2017.
- **Form S-2 – Energy Balance Accounting Table** – SCE requires confidential treatment of the information contained in the following rows for the time periods specified below.
 - Row 1 – Forecast Total Energy Demand / Consumption for the years 2015-2017.
 - Row 5 – Adjusted Energy Demand / Consumption for the years 2015-2017.
 - Row 6 – Firm Sales Obligations for the years 2015-2017.
 - Row 7 – Firm LSE Energy Requirement for the years 2015-2017.
 - Row 8a – Total Fossil Energy Supply for the years 2015-2024.
 - Rows 8b-8k – Individual Fossil Resources for the years 2015-2024.
 - Row 9a – Total Nuclear Energy Supply for the years 2015-2024.
 - Rows 9b-9f – Individual Nuclear Resources for the years 2015-2024.
 - Row 10a – Total Hydroelectric Generation for the years 2015-2024.
 - Row 10b – Total Energy: Hydro Plants larger than 30 MW for the years 2015-2024.
 - Row 13a – Total Energy Supply from QF Contracts for the years 2015-2024.
 - Row 13g – Natural Gas for the years 2015-2024.
 - Rows 15c-15tt – Individual Bilateral Contracts for the years 2015-2024.
 - Row 16 – Short Term and Spot Market Purchases for the years 2015-2018.
 - Row 17 – Total Energy: Existing and planned Resources for the years 2015-2018.
 - Row 18 – Firm LSE Energy Requirement for the years 2015-2017.
 - Row 19 – Energy Surplus or (Energy Need) for the years 2015-2017.

- **Form S-5** – Bilateral Contracts and Power Purchase Agreements – SCE requires confidential treatment of the information contained in the following columns for the a period of three years from the date the contract states deliveries begin or until year following expiration, whichever comes first.
 - Column M – Availability of Products
 - Column N – Must Take
 - Column O – Generating Units Specified
 - Column P – Capacity of the Units
 - Column Q – Availability of the Units;
 - Column R – Unit Contingent / LD Contract;
 - Column S – Firm;
 - Column T – Firming or Shaping;
 - Column U – Contract / Agreement Type;
 - Column V – Transmission Contingent & Path;
 - Column W – Termination and Extension Rights;
 - Column X –Performance Requirements;
 - Column Y – Notes (1); and
 - Column Z – Notes (2)

3. A clear description of the length of time for which confidentiality is being sought, with an appropriate justification, for each confidential data category request.

For reasons discussed in more detail below, SCE requests that the specified information above be restricted from public disclosure based on either a window of confidentiality looking three years forward, one year back, or the entire forecast for a three-year period. As data becomes one year old, the 1-year window of confidentiality for historical data becomes applicable. Thus in a 2015 forecast of confidential information for 2015, 2016, and 2017, the data for 2015 should be released in 2016 when it is one year old, the data for 2016 should be released in 2017, and so on.

This methodology is consistent with the California Public Utilities Commission's ("CPUC's") Decision ("D.") 06-06-066, as modified by D.07-05-032, and its attached Confidentiality Matrix.¹ The Energy Commission and the CPUC are often charged with overlapping responsibilities. As a result, both commissions undertake endeavors that require them to review similar types of data. Accordingly, the Energy Commission has endeavored to work collaboratively with the CPUC to assure regulatory consistency in areas such as the Energy Commission's Demand Forecasts and should continue to employ that practice with respect to its disposition of this application.

4. Applicable provisions of the California Public Records Act (Government Code Section 6250 *et seq.*) and/or other laws, for each confidential data category request.

SCE purchases and sells large quantities of electrical energy on behalf of its customers. The market place for such purchases and sales is highly competitive. Accordingly, information about the timing and quantity of energy SCE has to sell or needs to purchase to serve its customers is extremely valuable and, if revealed, could place SCE at a competitive disadvantage when purchasing or selling energy. For this reason, CPUC decisions protect such information from public disclosure and dissemination. As noted above, SCE encourages the Energy Commission to adopt a methodology that is consistent with the one utilized by the CPUC for maintaining the confidentiality of such information.

The data identified as confidential in this application requires confidential treatment because this information could allow a market participant to calculate SCE's forecasted energy supply needs for the peak of the year, or on an hourly basis. By providing a critical factor used to calculate SCE's "residual net short" position – the amount of energy SCE must procure in the market after meeting its forecasted load with "must take" and utility-retained generation – potential suppliers could calculate whether SCE had sufficient resources to meet that demand for the year, or on any particular hour or day. With such information, a supplier could charge SCE a

¹ D.06-06-066, as modified by D.07-05-032, Confidentiality Matrix, p. 2, fn. 6.

higher price for power, or depress the price SCE could obtain for selling power when it had an excess that it desired to sell. Either outcome would ultimately harm SCE's customers.

The California Legislature has enacted statutes to protect confidential information, including the information for which SCE seeks protection here, from public disclosure. Specifically, the Public Records Act, found at Government Code Section 6254(k), establishes that public records subject to privileges established in the California Evidence Code are not required to be disclosed. Evidence Code §1060 shields "trade secrets" from public disclosure. "Trade secrets" include any "information, including a formula, pattern, compilation, program, device, method, technique, or process, that: (1) [d]erives independent economic value, actual or potential, from not being generally known to the public or to other persons who could obtain economic value from its disclosure or use; and (2) [i]s the subject of efforts that are reasonable under the circumstances to maintain its secrecy."² The Section 25322 of the California Public Resources Code governing the confidentiality of information gathered by the Energy Commission follows the same standard.³ Specifically, if the information is exempt from disclosure under the California Public Records Act, "[t]he commission shall grant the [confidentiality] request."⁴ The data for which SCE seeks confidential protection here are trade secrets because they derive value from not being known to the public. In fact, public disclosure of this information would cause electricity prices to materially increase, which would harm customers. Accordingly, SCE makes reasonable efforts to maintain its secrecy.

Although the CPUC's decisions and the statutes applicable to the CPUC may not be binding on the Energy Commission, as a matter of comity and consistency, the Energy

² Civil Code §3426.1(d).

³ Cal. Pub. Resources Code 25322 § 25322(a)(1)(A) ("The data collection system managed pursuant to Section 25320 shall include the following requirements regarding the confidentiality of the information collected by the commission: (1) Any person required to present information to the commission pursuant to this section may request that specific information be held in confidence. *The commission shall grant the request in any of the following circumstances: (A) The information is exempt from disclosure under the California Public Records Act, Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1 of the Government Code.*") (emphasis added.)

⁴ *Id.*

Commission should apply the same level of confidential protection to information provided to it as provided by the CPUC. In D.06-06-066, as modified by D.07-05-032, the CPUC adopted procedures to afford confidentiality to investor-owned utilities' ("IOUs") procurement data, which also fulfills the "trade secret" requirement for maintaining the secrecy of information. These procedures comply with Public Utilities Code §454.5(g), which provides that "the [CPUC] shall adopt appropriate procedures to ensure the confidentiality of any market sensitive information . . ." The Energy Commission, and numerous other stakeholders, participated in the proceeding leading up to D.06-06-066. The CPUC held a week of evidentiary hearings that included experts in the field of economics. Based on this information, D.06-06-066, as modified by D.07-05-032, and the associated Confidentiality Matrix adopted in those decisions, identify information as market sensitive when releasing the information would materially increase the price of electricity, thereby harming customers.⁵

In the 2015 IEPR, SCE seeks protection of information identified by the CPUC as market sensitive in the Confidentiality Matrix. Attachment 2 contains a table showing how information for which SCE is seeking confidential treatment from the Energy Commission is or can be used to derive a category of data the CPUC has identified as market sensitive. As a regulated utility, SCE is subject to the jurisdiction of both the Energy Commission and the CPUC. SCE is required to provide similar information to both agencies. Indeed, the information for which SCE is seeking confidential treatment in the IEPR can either be used to calculate or is nearly identical to the information for which SCE receives confidential treatment in the Confidentiality Matrix.

To maintain consistency between the Energy Commission and CPUC and to avoid nullifying the CPUC's lawful determination that the release of market sensitive information would result in a material increase in electricity prices, the Energy Commission should protect SCE's market sensitive information, just as the CPUC does. Allowing persons or entities to circumvent the CPUC's confidentiality rules by "agency shopping" and thus obtain access to

⁵ See D.06-06-066 at 40-43 and Finding of Fact No. 2, at p. 76.

data that would otherwise be deemed confidential can have the unintended consequence of undermining the public's confidence in the regulatory environment and both agencies.

In summary, public disclosure of the information for which SCE seeks confidential treatment would harm SCE and its customers by revealing its energy needs. Public knowledge of this trade secret information will ultimately lead to SCE's customers being put at a competitive disadvantage when SCE procures or sells energy on their behalf. Accordingly, the Energy Commission should grant this trade secret information confidential treatment.

5. A statement attesting a) that the specific records to be withheld from public disclosure are exempt under provisions of the Government Code, or b) that the public interest in non-disclosure of these particular facts clearly outweighs the public interest in disclosure.

The data for which SCE seeks confidential treatment contains information that could allow market participants to calculate SCE's forecasted supply needs, either on an annual peak and energy basis or on an hourly basis. By providing a critical factor in the calculation of SCE's "residual net short" position – the amount of energy SCE needs to procure in the market after meeting its forecasted load with "must take," utility retained generation, and contracted resources – market participants would potentially be able to calculate whether SCE has sufficient resources to meet that demand for the year, or on any particular hour or day. With such information, a supplier could charge SCE a higher price for power, or depress the price SCE could obtain for selling power when it had too much on hand. Either outcome would ultimately harm SCE's customers, who will bear the burden of the higher costs. This information is protected as a trade secret under the Public Records Act, the Public Resources Code, and Public Utilities Code. Accordingly, the CPUC has determined that the benefit of maintaining the confidentiality of this "market sensitive" information outweighs any benefit to be gained from publicly releasing it. All of the data for which SCE seeks protection is "market sensitive" and protected under the CPUC-approved Confidentiality Matrix.

SCE cannot assign a specific value to the information it seeks to protect. The information for which SCE seeks confidential treatment cannot be easily acquired or duplicated by others. In

addition, it would be very costly to SCE's customers (and therefore commercially valuable to its suppliers) if it were publicly disclosed.

6. A statement that describes how each category of confidential data may be aggregated with other data for public disclosure.

Through discussions with Energy Commission staff in previous IEPR proceedings, SCE has worked to identify information that can be aggregated with other data for public disclosure. Nonetheless, for the reasons stated in response to questions 3 and 4, the information required in 2011 Electricity Resource Planning Forms S-1, S-2 and S-5, which SCE has identified as confidential, cannot be aggregated or masked to allow for its public disclosure.

7. State how the record is kept confidential by the Applicant and whether it has ever been disclosed to a person other than an employee of the Applicant. If it has, explain the circumstances under which disclosure occurred.

Based on information and belief, SCE has not, to the best of its knowledge, previously publicly released the information for which it seeks confidentiality here. Some of the information contained in the referenced forms may have previously been submitted to the CPUC pursuant to Public Utilities Code Section 583⁶ and other CPUC procedural safeguards to maintain its confidentiality. With respect to the Energy Commission staff, SCE has identified the information as confidential and has followed all Energy Commission procedures to protect the confidentiality of the information. SCE may have also previously released the information to non-market participants of the Procurement Review Group ("PRG"). SCE has only made such information available to non-market participants under strict non-disclosure agreements approved by the CPUC and signed by parties receiving the information. SCE has not, to the best of its knowledge, publicly made this data available in the form required by the Energy Commission.

⁶ California Public Utilities Code Section 583 provides: "No information furnished to the commission by a public utility, or any business which is a subsidiary or affiliate of a public utility, or a corporation which holds a controlling interest in a public utility, except those matters specifically required to be open to public inspection by this part, shall be open to public inspection or made public except on order of the commission, or by the commission or a commissioner in the course of a hearing or proceeding. Any present or former officer or employee of the commission who divulges any such information is guilty of a misdemeanor."

I certify under penalty of perjury that to the information contained in this Application for Confidential Designation is true, correct, and complete to the best of my knowledge and that I am authorized to make the application and certification on behalf of the Applicant.

Dated: April 30, 2015

Signed: /s/ *Eric Lavik*

Name: Eric Lavik

Title: Program Manager, Modeling, Forecasting & Economic Analysis

ATTACHMENT 1

HIGHLIGHTED SUPPLY FORMS S-1, S-2 and S-5

(PLEASE SEE CD)

ATTACHMENT 2

**TABLE CORRELATING IEPR CONFIDENTIAL INFORMATION TO
CPUC D.06-06-066 MARKET SENSITIVE DATA MATRIX**

**TABLE CORRELATING IEPR CONFIDENTIAL INFORMATION TO
CPUC D.06-06-066 MARKET SENSITIVE DATA MATRIX**

Description of the data for which SCE requires confidential treatment from the Energy Commission	Portion of the Matrix to D.06-06-066 Granting Confidentiality	Length of Time Matrix Grants Confidentiality	SCE Previously Granted Confidentiality by Energy Commission
<p>Form S-1 Capacity Resource Accounting Table (CRATs)</p> <ul style="list-style-type: none"> • Row 1 Forecast Total Peak Hour 1-in-2 Demand • Row 5 – Adjusted Peak-Hour Demand: End Use Customer • Row 7 Coincident Peak Hour Demand • Row 8 – Required Planning Reserve Margin for 2012. • Row 10 – Firm Sales • Row 11 – Firm LSE Peak Hour Resource Requirement 	<p>X.A. Bundled customer total historical peak demand (MW)</p> <p><i>Note - The data on Form S-1, Lines 5, 7-8, 10a-10b, and 11 can be used to calculate Bundled customer total historical peak demand, which is confidential under the CPUC Matrix.</i></p>	<p>Public after data are one year old</p>	<p>Yes</p>
<p>Form S-1 Capacity Resource Accounting Table (CRATs)</p> <ul style="list-style-type: none"> • Row 12a – Total Fossil Fuel Dependable Capacity • Rows 12b-12h– Individual Fossil Fuel 	<p>IV.A. Forecast of IOU Generation Resources (MW and MWh)</p>	<p>Confidential for three years.</p> <p>Public by resource category (e.g., fossil, wind, solar, hydro-electric, etc.) after</p>	<p>Yes</p>

Resources <ul style="list-style-type: none"> Row 13a-d –Nuclear Capacity 		three years.	
Form S-1 Capacity Resource Accounting Table (CRATs) <ul style="list-style-type: none"> Row 14a – Total Dependable Hydroelectric Capacity Row 14b Total Hydroelectric Plants larger than 30MW 	IV.C. Forecast of IOU Hydro Greater than 30 Megawatts (MW)	Confidential for three years. Public by resource category (e.g., fossil, wind, solar, hydro-electric, etc.) after three years.	Yes
Form S-1 Capacity Resource Accounting Table (CRATs) <ul style="list-style-type: none"> Row 17a – Total Qualifying Facility (QF) Capacity Row 17g – Natural Gas 	IV.B. Forecast of Qualifying Facility Generation <i>Note - The data on Form S-1, Line 17g can be used to calculate Forecast of Qualifying Facility Generation, which is confidential under the CPUC Matrix.</i>	Confidential for three years. Public by resource category (e.g., fossil, wind, solar, hydro-electric, etc.) after three years.	Yes
Form S-1 Capacity Resource Accounting Table (CRATs) <ul style="list-style-type: none"> Rows 19c-19bm – Total Capacity from Bilateral Contracts Row 20 – Short Term and Spot Market Purchases 	IV.E. Forecast of Pre-1/1/2003 (“Old-World”) Bilateral Contracts and IV.F. Forecast of Post-1/1/2003 (“New World”) Bilateral Contracts ⁷	Individual contract information confidential for three years, or until one year following expiration, whichever comes first. Aggregated annual capacity and energy data from all contracts public	Yes

⁷ This information also constitutes a trade secret.

<p>Form S-1 Capacity Resource Accounting Table (CRATs)</p> <ul style="list-style-type: none"> • Row 21 – Total: Existing and Planned Capacity. • Row 22 – Firm LSE Peak-Hour Resource Requirement. • Row 23 – Capacity Surplus or (Capacity Need). 	<p>VI.A. Utility Bundled Net Open (Long or Short) Position for Capacity (MW)</p> <p><i>Note - The data on Form S-1, Lines 21-22 can be used to calculate Utility Bundled Net Open Position for Capacity, which is confidential under the CPUC Matrix.</i></p>	<p>Front three years of forecast data confidential</p>	<p>Yes</p>
<p>Form S-2 Energy Balance Accounting Table</p> <ul style="list-style-type: none"> • Row 1 – Forecast Total Energy Demand/ Consumption • Row 5 – Adjusted Energy Demand / Consumption • Row 6 – Firm Sales Obligations • Row 7 – Firm LSE Energy Requirement 	<p>V.C. LSE Total Energy Forecast –Bundled Customer (MWh)</p> <p><i>Note - The data on Form S-2, Lines 5-7 can be used to calculate LSE Total Energy Forecast – Bundled Customer, which is confidential under the CPUC Matrix.</i></p>	<p>Front three years of forecast data confidential</p>	<p>Yes</p>
<p>Form S-2 Energy Balance Accounting Table</p> <ul style="list-style-type: none"> • Row 8a – Total Fossil Energy Supply • Rows 8b-8k – Individual Fossil Resources • Row 9a – Total Nuclear Energy Supply • Rows 9b-9f – Individual Nuclear Resources for the 	<p>IV.A. Forecast of IOU Generation Resources (MW and MWh)</p>	<p>Confidential for three years.</p> <p>Public by resource category (e.g., fossil, wind, solar, hydro-electric, etc.) after three years.</p>	<p>Yes</p>

Form S-2 Energy Balance Accounting Table <ul style="list-style-type: none"> Row 10a – Total Hydroelectric Generation. Row 10b – Total Energy: Hydro Plants larger than 30 MW. 	IV.C. Forecast of IOU Hydro Greater than 30 Megawatts (MW)	Confidential for three years. Public by resource category (e.g., fossil, wind, solar, hydro-electric, etc.) after three years.	Yes
Form S-2 Energy Balance Accounting Table <ul style="list-style-type: none"> Row 13a – Total Energy Supply from QF Contracts. Row 13g – Natural Gas. 	IV.B. Forecast of Qualifying Facility Generation <i>Note - The data on Form S-2, Line 13g can be used to calculate Forecast of Qualifying Facility Generation, which is confidential under the CPUC Matrix.</i>	Confidential for three years. Public by resource category (e.g., fossil, wind, solar, hydro-electric, etc.) after three years.	Yes
Form S-2 Energy Balance Accounting Table <ul style="list-style-type: none"> Rows 15c-15ss – Individual Bilateral Contracts Row 16 – Short Term and Spot Market Purchases 	IV.E. Forecast of Pre-1/1/2003 (“Old-World”) Bilateral Contracts IV.F. Forecast of Post-1/1/2003 (“New World”) Bilateral Contracts	Individual contract information confidential for three years, or until one year following expiration, whichever comes first. Aggregated annual capacity and energy data from all contracts public.	Yes
Form S-2 Energy Balance Accounting Table <ul style="list-style-type: none"> Row 17 – Total Energy: Existing and planned Resources 	VI.B. Utility Bundled Net Open (Long or Short) Position for Energy (MWh) <i>Note - The data on Form S-1, Lines 17-18 can be</i>	Front three years of forecast data confidential	Yes

<ul style="list-style-type: none"> • Row 18 – Firm LSE Energy Requirement • Row 19 – Energy Surplus or (Energy Need). 	<p><i>used to calculate Utility Bundled Net Open Position for Energy, which is confidential under the CPUC Matrix.</i></p>		
<p>Form S-5 – Bilateral Contracts and Power Purchase Agreements –</p> <ul style="list-style-type: none"> • Column M – Availability of Products • Column N – Must Take • Column O – Generating Units Specified • Column P – Capacity of the Units • Column Q – Availability of the Units; • Column R – Unit Contingent / LD Contract; • Column S – Firm; • Column T – Firming or Shaping; • Column U – Contract / Agreement Type; • Column V – Transmission Contingent & Path; • Column W – Termination and Extension Rights; • Column X – Performance Requirements; 	<p>VII.B. Contracts and power purchase agreements between utilities and non-affiliated third parties (except RPS).</p> <p>VII. F Renewable Resource Contracts under RPS program – Contracts with Supplemental Energy Payments (SEPs)</p> <p>VII. G Renewable Resource Contracts under RPS program – Contracts without SEPs</p>	<p>Contract summaries public, including counterparty, resource type, location, capacity, expected deliveries, delivery point, length of contract and online date.</p> <p>VII.B Other terms confidential for three years from date contract states deliveries to begin; or until one year following expiration, whichever comes first.</p> <p>VII F&G Other terms confidential for three years, or until one year following expiration, whichever comes first.</p>	<p>Yes</p>

<ul style="list-style-type: none"> • Column Y – Notes (1); and • Column Z – Notes (2) 			
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