

November 19, 2008

California Energy Commission
Dockets Office, MS-4
Re: Docket No. 09-IEP-1B
1516 Ninth Street
Sacramento, CA 95814-5512
docket@energy.state.ca.us

DOCKET	
09-IEP-1B	
DATE	NOV 19 2008
RECD.	NOV 19 2008

Re: California Energy Commission (CEC) 2009
Integrated Energy Policy Report (IEPR) - Supply Forms:
Docket No. 09-IEP-1B Supply

To Whom It May Concern:

Southern California Edison Company (SCE) appreciates the opportunity to provide comments on the 2009 IEPR Supply Forms. SCE recommends changes to the forms and proposes clarifications to the definitions to assure accurate results for the 2009 IEPR analysis.

I. SCE Recommends Changes To Due Date For Supply Forms

Currently, both the Demand and Supply Forms are due on February 13, 2009. In the 2007 IEPR, the CEC separated the due dates for the Demand and Supply Forms by about a month. SCE assumes that this was done because the Demand Forms must be completed before the Supply Forms. SCE and the other investor-owned utilities (IOUs) cannot plan their supply resources until they forecast the demand for power from their customers. To reflect this reality, the CEC should adjust the due date for the Supply Forms to one month after the due date of the Demand Forms (not including retail price and rate forms). This will allow the IOUs sufficient time to analyze their demand forecasts prior to developing their supply plans.

II. SCE Recommends Clarifying Definitions For Planned Power Purchase Agreements

With regard to Supply Forms S-1 and S-2, the CEC should clarify the definitions for planned Power Purchase Agreements (PPAs) providing generating resources. The CEC should define "Existing" PPAs as signed, approved, and having the resource on-line. The CEC should define "Planned" PPA resources as being signed and approved, but not on-line, or as being signed, but not approved or on-line. The CEC should define "Generic" PPA resources as the PPA resources needed to serve forecast demand, but not specifically identified at this time.

SCE recommends some modifications to the instructions for the Supply Forms at pages 7-8. Attachment A contains the modified language.

III. Confidentiality

SCE looks forward to continuing discussions with the CEC to develop a common understanding concerning the confidentiality of certain information requested by the CEC during the 2009 IEPR. SCE is encouraged by the discussions that have already taken place to date, and is hopeful that the CEC will continue to provide SCE the opportunity to provide input regarding this important issue. SCE shares the CEC's interest in ensuring that the CEC's data needs for the 2009 IEPR are met, while at the same time protecting SCE's and other responding IOUs' market sensitive information.

If you have any questions or need additional information about the comments embodied in this letter, please contact me at (916) 441-2369.

Very truly yours,

/S/MANUEL ALVAREZ

Manuel Alvarez

Attachment A

Investor-Owned Utilities and Contractual Procurement Progress

The three large IOUs are asked to provide narrative explanations about the assumptions and expectations employed for the listing of all new contractual resources and for future generic resources as shown on the 10-year resource plans. The IOUs' expectations about particular contractual resources, especially for new generation additions, should include timelines and benchmarks related to regulatory approvals, IOU financial commitments, transmission and pipeline connections, construction milestones, and other primary contractual obligations.

In more quantitative and categorical terms, IOUs are asked to identify standard phases and assumptions about the time intervals (in months) needed to procure new generation resources, from issuing a request for offers (RFO) to bringing a new plant on-line. This should include descriptions and assessments about the risk of failure and delays at various stages of completion, along with some metrics for both failures and delays.

To the extent that these historical patterns differ from the assumptions about future procurement, the IOUs are asked to provide insights about how the procurement process has changed or should change to promote better outcomes.

For renewable energy resources, the IOUs are asked to identify all specific or contingent assumptions related to procurement of new generic resources, including the energy amounts shown on line 23 of Supply Form S-2. These essential assumptions would include:

- Timelines for transmission grid expansion to identified renewable energy zones;
- Description of bids received in response to competitive solicitations that proposed to firm, shape, and delivery renewable energy to a California Point of Delivery;
- Potential future authorization to procure renewable energy credits;
- Program development facilitating renewable distributed generation (DG) and self-generation resources.