

CALIFORNIA ENERGY COMMISSION

1516 NINTH STREET
SACRAMENTO, CA 95814-5512

May 27, 2011

Ms. Carol A. Schmid-Frazee
Southern California Edison Company
2244 Walnut Grove Ave.
Rosemead, CA 91770

DOCKET 11-IEP-1B
DATE 5-27-11
RECD. 5-27-11

**RE: Application for Confidentiality—Southern California Edison Co.
IEPR Electricity Resource Plan Submission
Docket No. 11-IEP-1B**

Dear Ms. Schmid-Frazee:

On April 29, 2011, the California Energy Commission (Energy Commission) received Southern California Edison Company's (SCE) application for confidentiality in the above-captioned Docket. This application, dated April 28, 2011, and a set of electricity resource plans were filed in the above-captioned Docket in connection with the 2011 *Integrated Energy Policy Report*.

SCE seeks to protect from public disclosure certain data and information on the following electricity supply forms or tables:

- Form S-1 Capacity Resource Accounting Table
- Form S-2 Energy Balance Accounting Table
- Form S-5 Bilateral Contracts and Power Purchase Agreements

In support of its request for confidentiality, SCE's Application states, in part:

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 basis or 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" and utility retained generation – 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." (Application at p. 8)

SCE has clearly identified on these forms (Excel worksheets) specific categories and specific time periods of data for which it is seeking confidentiality. With four narrow exceptions, these designations match what is requested in SCE's Application. Form S-1 designates a confidentiality request for capacity totals in 2010 on lines 11, 22, and 23 (Firm LSE Peak-Hour Resource Requirement, and Capacity Need or Surplus), though the Application says SCE requires confidential treatment for years 2011 through 2014. The Application says SCE requires confidential treatment for line 25 (Generic Non-Renewable Resources) for years 2011-2020, though Form S-1 designates only years 2011-2014 as confidential.

On supply Form S-1, SCE has clearly identified resource categories, individual supply resources, and time periods for which confidentiality was requested on February 27, 2009, and included in the related grant of confidentiality dated March 30, 2009, though with two errors. The color fill shown for SCE's Mountainview Units 3 & 4 (lines 12d and 12e) is incorrect, as there was no request or grant of confidentiality in 2009 for capacity of these units.

A properly filed application for confidentiality shall be granted under the California Code of Regulations, title 20, section 2505(a)(3)(A), "if the applicant makes a reasonable claim that the Public Records Act or other provision of law authorizes the [Energy] Commission to keep the record confidential."

In general, SCE's confidentiality application makes a reasonable claim to grant confidentiality for the above-described electricity supply forms and tables. If data and information listed in SCE's Application as information to be held confidential were disclosed it could allow market participants to calculate SCE's forecasted needs for capacity to meet annual loads, or its "residual net short" position for annual energy requirements. SCE could be at a competitive disadvantage if identified data and information was disclosed, and is therefore granted confidentiality based on trade secret. It is not persuasive that others could use this data to readily calculate SCE's energy needs or surpluses "for any particular hour" through 2013 or 2020.

On Form S-1 and Form S-2, SCE has clearly identified individual supply resources and time periods for which confidentiality is requested, but which was not previously granted confidentiality.

The Energy Commission has not granted SCE confidentiality for the portions of the forms highlighted in blue in previous years, but in some cases, has granted confidentiality to Pacific Gas and Electric Company ("PG&E") and San Diego Gas & Electric Company ("SDG&E") for the same portion of their forms. (Application at p. 1)

Requests to designate as confidential the capacity and energy amounts for specific forecast years are considered based on the merits of an appropriate justification. The grant of confidentiality to other investor-owned utilities for similar data categories does not, by itself, constitute an appropriate justification.

SCE has also asked the Energy Commission to adhere to confidentiality standards, criteria, and protocols adopted by the California Public Utilities Commission (CPUC) because SCE has provided "similar" data to the CPUC in other proceedings.

SCE is required to provide similar data to the CPUC in Rulemaking 10-05-006, Long Term Procurement Plan ("LTPP"), for years 2012 through 2021. For data that SCE is entitled to front three years confidential treatment in the LTPP proceeding, SCE has requested confidentiality for years 2012 through 2014 pursuant to the CPUC's Confidentiality Matrix adopted in D.06-06-066 and modified in D.07-05-032. (Application at p. 5)

All of the data for which SCE seeks protection is "market sensitive" and protected under the CPUC-approved Confidentiality Matrix. (Application at p. 8)

Consistent with previous grants of confidentiality by the Executive Director of the Energy Commission in 2007 and 2009, the confidential information discussed below contained on SCE's S-1 and S-2 supply resource forms will be kept confidential until December 31, 2013. This grant of confidentiality includes all data information specifically described on SCE's Application and identified on SCE's S-1 and S-2 supply forms, with the following exceptions:

- Form S-1, lines 1, 5, 7-8, and 10-10a for years 2011-2013 only (not 2010-14)
- Form S-1, lines 11, 21-23, and 25 for years 2011-2013 (not 2011-2014)
- Form S-2, lines 1, 5-7, 16-19 for years 2011-2013 (not 2011-2014)
- Form S-2, lines 8b-8c (Four Corners) for years 2011-2013 (not 2011-2020)
- Form S-2, line 21 for years (generic energy need) 2011-2013 (not 2011-2020)

SCE has requested that 15 of 26 information categories related to 72 of 102 bilateral contract resources (all of which use non-renewable fuel) be kept confidential "for a period of three years from the date the contract states deliveries begin or until 1 year following expiration, whichever comes first." (Application at p. 4) The table provided, appropriately, in lieu of an individual Form S-5 on each contract, provides the start and expiration dates of each contract, but does not clearly state the termination date for maintaining confidentiality of each contract. Therefore, to reduce administrative burdens associated with protecting this confidential data, to avoid inadvertent disclosure

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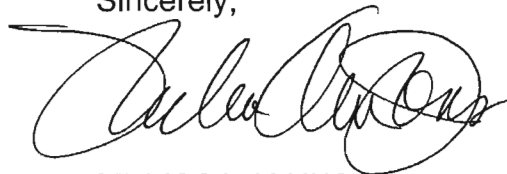
due to variability and complexity of these end dates, and for consistency with other grants of confidentiality, identified information on SCE's Table S-5 will be kept confidential until December 31, 2013, or until the contract expiration date, whichever is later.

To prevent disclosure, confidential data that may be used in publicly available reports and presentations will be aggregated with resource plan information from other load-serving entities in order to conceal the confidential specifics of SCE's load forecasts, resource portfolio, or individual supply contracts.

The Energy Commission appreciates the efforts by SCE staff to answer technical questions related to its resource plan filing.

Persons may petition to inspect or copy records that I have designated as confidential. The procedures and criteria for filing, reviewing, and acting upon such petitions are set forth in the California Code of Regulations, title 20, section 2506. Be advised that appeal of this decision must be filed within fourteen days from the date of this decision. The procedures and criteria for appealing any part of this decision are set forth in the California Code of Regulations, title 20, section 2505. If you have any questions concerning this matter, please contact Kerry Willis, Senior Staff Counsel, at (916) 654-3967.

Sincerely,

A handwritten signature in black ink, appearing to read 'Melissa Jones', with a large, stylized loop at the end.

MELISSA JONES
Executive Director

cc: Docket Unit