

CALIFORNIA ENERGY COMMISSION

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June 4, 2013



Ms. Valerie J. Winn
Manager, State Agency Relations
Pacific Gas and Electric Company
77 Beale Street, B10C
San Francisco, CA 94105-1814

RE: PG&E's Application for Confidentiality for the *2013 Integrated Energy Policy Report* Electricity Resource Plan Submission
Docket No. 13-IEP-1B

Dear Ms. Winn:

On May 6, 2013, the California Energy Commission (Energy Commission) received an application for confidentiality from Pacific Gas and Electric Company (PG&E) dated May 3, 2013. This application and a set of electricity resource plans were filed in the above-captioned Docket in connection with the *2013 Integrated Energy Policy Report*.

Specifically, PG&E requests that the following information be held confidential:

Form S-1, the Capacity Resource Accounting Table, contains information about actual and forecasted peak-hour load serving obligations and capacity purchases for the years 2011-2022:

- For all years, 2011-2022, PG&E is requesting confidentiality for data on Total Qualifying Facility (QF) Capacity, Natural Gas QF capacity, and Short Term and Spot Market Purchases capacity from Other QFs.
- For years 2013 through 2022, PG&E is requesting confidentiality for data on Total Capacity from Other (non-renewable) Bilateral Contracts, and the total for this category.
- For near-term years 2013-2015, PG&E is requesting confidentiality on its Total Existing and Planned Capacity, and for capacity needs for Generic Non-Renewable Resources.
- For years 2011 through 2015, PG&E is requesting confidentiality for its wholesale Firm Sales Obligations, its Firm Peak-Hour Resource Requirement to serve bundled customer load, and the net peak-hour Capacity Surplus (or Capacity Need) for each of these years.

Form S-2, the Energy Balance Accounting Table, contains information about actual and forecasted firm energy requirements on an annual basis, and energy purchases for the years 2011-2022:

- For near-term years 2013 through 2015, PG&E is requesting confidentiality for its forecasts of Total Energy Demand Consumption, Adjusted Energy Demand Consumption, Total Nuclear Energy Supply (including amounts from Diablo Canyon Units 1 and 2), any need for Generic Non-Renewable Energy, and the net Energy Surplus (or Energy Need) based on procurement to date.
- For all forecast years 2013 through 2022, PG&E is requesting confidentiality for its Firm Sales Obligations, Firm Energy Requirement, the Total Energy supply from Existing and Planned Resources, Total Fossil Energy Supply (and expected supply amounts from specific utility-controlled resources Colusa, Fuel Cell, Gateway, Humboldt, and Oakley), Energy Supply from DWR Contracts (Kings River Conservation District), Total Energy Supply from QF Contracts (and from Natural Gas QFs and Other QFs), and Total Supply from Other Bilateral Contracts (including forecasts of energy from 5 large hydro facilities and 27 natural gas-fired resources).
- For 2013 only, PG&E is requesting confidentiality for its forecast of utility controlled hydroelectric generation, and the subtotals for large and small hydro facilities. PG&E states these values are similar to Hydroelectric Energy in Dry-Year Conditions (1-in-5) that were previously submitted and then granted confidentiality.
- For years 2011 through 2015, PG&E is requesting confidentiality for Short Term and Spot Market Purchases.

Table S-5, listing Bilateral Contract and Power Purchase Agreements, contains 25 categories or attributes of information on approximately 230 bilateral contracts. PG&E is requesting that information in 19 categories related to all bilateral contracts be kept confidential. The categories for which PG&E is requesting confidentiality include the following:

- name of the counterparty (Supplier/Seller);
- Contract/Agreement Products and their Availability;
- Performance Requirements;
- Termination & Extension Rights;
- Locational Attributes of the Units;
- Transmission Path;
- Delivery Points;
- Generating Units that may be specified and their Capacity;

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- whether the contract supply is Firm or Unit Contingent;
- if the contract is supplemented by a Shaping/Firming Agreement or Tolling Agreement; and
- explanatory Notes.

These designations correspond to previous applications by PG&E dated February 13, 2007, March 26, 2009, and April 29, 2011. The designations on the above-named forms also correspond to previous grants of confidentiality by the Executive Director dated March 12, 2007, May 9, 2007, and April 24, 2009, and May 27, 2011.

PG&E asserts that this information be designated confidential because:

Supply Forms S-1, S-2, and S-5 provide competitively and commercially sensitive business and resource planning information and trade secrets. ...

These forms contain detailed disaggregated forecast information, as well as commercially and competitively sensitive expected capacity information, that relatively easily allows a party to calculate PG&E's current energy supply and capacity needs on a disaggregated basis, as well as disclose financially and commercially sensitive information on individual projects. By thus calculating PG&E's "residual net short" position, potential suppliers achieve a competitive advantage that potentially harms PG&E's customers who may end up paying higher power prices.

In support of this application to designate this information confidential, PG&E attests:

PG&E has not to the best of its knowledge previously released this information to the general public or to third parties or market participants on an unlimited basis in this format or project out over this duration of time.

PG&E requests that the categories of information on Forms S-1 and S-2 described above be granted confidentiality for a period of three years from submission, specifically until May 3, 2016. PG&E requests that the categories of information on Table S-5 described above be granted confidentiality up to the contract expiration date, or until May 3, 2016, whichever is later.

PG&E states that certain confidential data in these supply forms "could be provided in an aggregated format for disclosure to the public and third parties."

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

PG&E's confidentiality application makes a reasonable claim to grant confidentiality for the data identified above. The annual peak demand calculations, annual capacity purchases, annual energy demand, and annual energy procurement as described above are granted confidentiality based on trade secret. This information and data could place PG&E at a competitive disadvantage if disclosed.

In 2007 and 2009, forecast hydroelectric energy generation during Wet Year and Dry Year hydrological conditions was provided by PG&E on the S-2 supply forms adopted for those years. (Such data was not requested in 2011 or 2013.) On March 12, 2007, the Executive Director granted PG&E's request to hold this information confidential stating:

The extremes of Wet-Year and Dry-Year hydrologic conditions create different challenges and opportunities for PG&E as a wholesale market participant. Accordingly, and to protect PG&E's position as a major buyer and seller of energy for its customers during such years, the forecast data Hydroelectric Capacity/Energy in Wet Year and Dry Year Conditions is granted confidentiality for the entire forecast period, and this protection is granted through December 31, 2009.

To prevent disclosure that would cause harm, 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 protect the confidential specifics of PG&E's load forecasts, resource portfolio, or individual non-renewable supply contracts.

PG&E has requested, in a footnote, "that the confidentiality of this information be maintained by restricting access to hard copies and electronic files only and solely to the IEPR proceeding." This specific methodological request is not granted. The Energy Commission is committed to protecting the confidentiality of this information by maintaining restricted access to hard copies and electronic files. However, the biennial requests for 10-year resource plans from larger utilities is supported by Title 20 regulations, Section 1347, which does not limit the use of this information solely to a particular Integrated Energy Policy Report proceeding. We expect, based on historical experience, that supply resource information and data submitted in 2013 will be used and referred to in many technical assessments of current conditions and forecast trends related to issues such as supply adequacy, local reliability, and renewable energy procurement.

The identified confidential information contained on Form S-1 and Form S-2 will be kept confidential until May 3, 2016. **The identified confidential information contained on Table S-5 will be kept confidential until the contract expiration date, or until May 3, 2016, whichever is later.**


Persons may petition to inspect or copy the records that I have designated as confidential. The procedures and criteria for filing, reviewing, and acting upon such

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petitions are set forth in California Code of Regulations, Title 20, Section 2506. Be advised that an 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 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 'R. Oglesby', with a long horizontal flourish extending to the right.

Robert P. Oglesby
Executive Director

cc: Docket Unit
Sylvia Bender