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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Develop an Electricity Integrated Resource Planning Framework and to Coordinate and Refine Long-Term Procurement Planning Requirements.

Rulemaking 16-02-007
(Filed February 11, 2016)

**JOINT SCOPING MEMO AND RULING OF ASSIGNED COMMISSIONER
AND ADMINISTRATIVE LAW JUDGE**

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JOINT SCOPING MEMO AND RULING OF ASSIGNED COMMISSIONER AND ADMINISTRATIVE LAW JUDGE

Summary

This Scoping Memo sets forth the category, issues, need for hearing, schedule, and other matters necessary to scope this proceeding pursuant to Public Utilities Code § 1701.1 and Article 7 of the Commission's Rules of Practice and Procedure.¹ This ruling is appealable only as to categorization, pursuant to Rule 7.6.

1. Background

On February 11, 2016, the Commission issued this Rulemaking, designed to address the new integrated resources planning (IRP) requirements associated with Senate Bill 350 (DeLeón, 2015), as well as continue the Commission's work on long-term procurement planning (LTPP) policies most recently addressed in Rulemaking (R.) 13-12-010.

Preliminary comments on the draft scope of the proceeding contained in the order instituting rulemaking (OIR) were filed by 29 parties on March 21, 2016.²

¹ California Code of Regulations, Title 20, Division 1, Chapter 1; hereinafter, Rule or Rules.

² Comments were filed by the following parties: Alliance for Retail Energy Markets (AReM); Bear Valley Electric Service (Bear Valley); Brookfield Renewable Energy Partners; California Energy Storage Alliance; California Independent System Operator (CAISO); California Solar Energy Industries Association, Solar Energy Industries Association, and SolarCity (jointly); California Wind Energy Association (CalWEA); Calpine Corporation and Calpine PowerAmerica-CA (Calpine); Center for Energy Efficiency and Renewable Technologies (CEERT); Cogentrix Energy Power Management; EDF Renewable Energy; Environmental Defense Fund; FuelCell Energy; Green Power Institute; Inland Empire Energy Center; Interstate Renewable Energy Council; Large Scale Solar Association; Liberty Utilities; Marin Clean Energy, Sonoma Clean Power Authority, and City of Lancaster (collectively, the community choice aggregation (CCA) parties); Natural Resources Defense Council (NRDC); Office of

Footnote continued on next page

A prehearing conference (PHC) was set by a ruling dated March 24, 2016. On April 22, 2016, the administrative law judge (ALJ) circulated by e-mail to the service list a straw proposal for proceeding organization, which was to be discussed at the PHC. On April 26, 2016, the PHC was held to determine parties and discuss the scope (including the straw proposal), schedule, and need for hearings.

2. Scope

Based on the OIR, parties' comments on the OIR, and the discussion at the PHC, the scope of this proceeding will be focused around two of the new sections of the Public Utilities Code, codified by SB 350. These sections are as follows:

- 454.51.** The commission shall do all of the following:
- (a) Identify a diverse and balanced portfolio of resources needed to ensure a reliable electricity supply that provides optimal integration of renewable energy in a cost-effective manner. The portfolio shall rely upon zero carbon-emitting resources to the maximum extent reasonable and be designed to achieve any statewide greenhouse gas emissions limit established pursuant to the California Global Warming Solutions Act of 2006 (Division 25.5 (commencing with Section 38500) of the Health and Safety Code) or any successor legislation.
 - (b) Direct each electrical corporation to include, as part of its proposed procurement plan, a strategy for procuring best-fit and least-cost resources to satisfy the portfolio needs identified by the commission pursuant to subdivision (a).
 - (c) Ensure that the net costs of any incremental renewable energy integration resources procured by an electrical

Ratepayer Advocates (ORA); Pacific Gas and Electric Company (PG&E); PacifiCorp; Pathfinder CAES; San Diego Gas & Electric Company (SDG&E); Sierra Club; Southern California Edison Company (SCE); The Utility Reform Network (TURN); Wellhead Electric Company.

corporation to satisfy the need identified in subdivision (a) are allocated on a fully nonbypassable basis consistent with the treatment of costs identified in paragraph (2) of subdivision (c) of Section 365.1.

(d) Permit community choice aggregators to submit proposals for satisfying their portion of the renewable integration need identified in subdivision (a). If the commission finds this need is best met through long-term procurement commitments for resources, community choice aggregators shall also be required to make long-term commitments for resources. The commission shall approve proposals pursuant to this subdivision if it finds all of the following:

- (1) The resources proposed by a community choice aggregator will provide equivalent integration of renewable energy.
- (2) The resources proposed by a community choice aggregator will promote the efficient achievement of state energy policy objectives, including reductions in greenhouse gas emissions.
- (3) Bundled customers of an electrical corporation will be indifferent from the approval of the community choice aggregator proposals.
- (4) All costs resulting from nonperformance will be borne by the electrical corporation or community choice aggregator responsible for them.³

454.52.

(a) (1) Commencing in 2017, and to be updated regularly thereafter, the commission shall adopt a process for each load-serving entity, as defined in Section 380, to file an integrated resource plan, and a schedule for periodic updates to the plan, to ensure that load-serving entities do the following:

(A) Meet the greenhouse gas emissions reduction targets established by the State Air Resources Board, in coordination with the commission and the Energy Commission, for the electricity sector and each load-serving entity that reflect the electricity sector's percentage in achieving the economy-wide

³ Added by Stats. 2015, Ch. 547, Sec. 26. Effective January 1, 2016.

greenhouse gas emissions reductions of 40 percent from 1990 levels by 2030.

(B) Procure at least 50 percent eligible renewable energy resources by December 31, 2030, consistent with Article 16 (commencing with Section 399.11) of Chapter 2.3.

(C) Enable each electrical corporation to fulfill its obligation to serve its customers at just and reasonable rates.

(D) Minimize impacts on ratepayers' bills.

(E) Ensure system and local reliability.

(F) Strengthen the diversity, sustainability, and resilience of the bulk transmission and distribution systems, and local communities.

(G) Enhance distribution systems and demand-side energy management.

(H) Minimize localized air pollutants and other greenhouse gas emissions, with early priority on disadvantaged communities identified pursuant to Section 39711 of the Health and Safety Code.

(2) (A) The commission may authorize all source procurement for electrical corporations that includes various resource types including demand-side resources, supply side resources, and resources that may be either demand-side resources or supply side resources, taking into account the differing electrical corporations' geographic service areas, to ensure that each load-serving entity meets the goals set forth in paragraph (1).

(B) The commission may approve procurement of resource types that will reduce overall greenhouse gas emissions from the electricity sector and meet the other goals specified in paragraph (1), but due to the nature of the technology or fuel source may not compete favorably in price against other resources over the time period of the integrated resource plan.

(b) (1) Each load-serving entity shall prepare and file an integrated resource plan consistent with paragraph (2) of subdivision (a) on a time schedule directed by the commission and subject to commission review.

(2) Each electrical corporation's plan shall follow the provisions of Section 454.5.

(3) The plan of a community choice aggregator shall be submitted to its governing board for approval and provided

to the commission for certification, consistent with paragraph (5) of subdivision (a) of Section 366.2, and shall achieve the following:

(A) Economic, reliability, environmental, security, and other benefits and performance characteristics that are consistent with the goals set forth in paragraph (1) of subdivision (a).

(B) A diversified procurement portfolio consisting of both short-term and long-term electricity and electricity-related and demand reduction products.

(C) The resource adequacy requirements established pursuant to Section 380.

(4) The plan of an electric service provider shall achieve the goals set forth in paragraph (1) of subdivision (a) through a diversified portfolio consisting of both short-term and long-term electricity, electricity-related, and demand reduction products.

(c) To the extent that additional procurement is authorized for the electrical corporation in the integrated resource plan or the procurement process authorized pursuant to Section 454.5, the commission shall ensure that the costs are allocated in a fair and equitable manner to all customers consistent with 454.51, that there is no cost-shifting among customers of load-serving entities, and that community choice aggregators may self-provide renewable integration resources consistent with Section 454.51.

(d) In order to eliminate redundancy and increase efficiency, the process adopted pursuant to subdivision (a) shall incorporate, and not duplicate, any other planning processes of the commission.⁴

These sections of law introduce two important new elements in California's long-term resource planning activity: portfolio optimization and steadily decreasing GHG emissions in the electric sector from now through 2030. These elements create the opportunity to modify our resource planning so that

⁴ Added by Stats. 2015, Ch. 547, Sec. 27. Effective January 1, 2016.

portfolios of resources that achieve optimization and greenhouse gas emissions reductions can be presented to the Commission for decision-making. Because of these new elements, we find that we need to pre-plan first: we will spend time deciding *how* the Commission should guide integrated resource planning, followed by LSE execution of IRPs themselves.

SB 350 also introduces a new statewide scale to resource planning. California's electricity is served by a diverse array of load-serving entities (LSEs, including investor-owned utilities, publicly-owned utilities, community choice aggregators, electric service providers, cooperatives, etc.), and the state has numerous policy mandates already in effect (energy efficiency, demand response, the renewables portfolio standard, energy storage, electric vehicles, etc.) that are being achieved through a combination of markets, planning, mandates, and infrastructure investment. The greenhouse gas emissions reduction aspect of SB 350 means that the Commission must seek to guide resource decisions across all types of LSEs and across all different resource programs. Because resource planning in California has been conducted successfully by individual LSEs and within individual resource programs, undertaking a shift to guidance at a broader level also requires careful consideration.

With the above in mind as a starting point, we intend to organize the majority of this proceeding around developing the requirements for all of the LSEs under the Commission's jurisdiction to file integrated resource plans.

Issues associated with establishing these requirements span a wide array of topics that can be grouped into three categories: technical analysis, policy considerations, and administrative rules. The importance of an issue does not necessarily dictate its place in the list or proceeding schedule set out below.

The initial scope will include, but is not necessarily limited to:

- Design of the overall IRP process;
- Schedule and frequency of IRP filings;
- Format of IRP filings;
- Process for Commission review of IRP filings;
- Differentiation in regulatory process for different types of LSEs, in the following categories:
 - Large investor-owned utilities (IOUs)
 - Small and multi-jurisdictional IOUs
 - Community choice aggregators
 - Electric service providers
 - Small electric cooperatives
- Requirements associated with the California Air Resources Board's (CARB) responsibility to establish electricity sector greenhouse gas emissions reduction targets;
- Commission policy guidance on portfolio optimization and implications for specific resource types;
- Modeling requirements related to portfolio optimization and need determination for individual LSEs, to support IRP filings;
- Policy guidance with respect to all pre-existing statutory requirements associated with particular resources (*i.e.*, energy efficiency, storage, renewables, distributed generation, demand response, distribution resources planning, etc.);
- Appropriate utilization of outputs from other resource-specific proceedings of the Commission (*e.g.*, least-cost best-fit reform in the context of Renewables Portfolio Standard (RPS) implementation, common cost-effectiveness metrics from the integrated distributed energy resources proceeding, energy efficiency and demand response resource "potential" analyses, etc.);

- Identification of attributes associated with future need determinations when evaluating individual IRPs, with emphasis on emerging needs for resources to assist with grid integration;
- Guidance on handling long-lead-time resources such as pumped hydroelectric storage and transmission beyond California borders;
- Safety implications of IRP filings and particular resource plans contained therein;
- Guidance on cost sharing and/or cost allocation between multiple LSEs;
- Requirements associated with any necessary planning for adaptation to the impacts of climate change;
- Impact of separate activities associated with the potential regionalization of the California Independent System Operator (CAISO);
- Analysis and planning for the impact of procurement on disadvantaged communities in California;
- Role of risk assessment and uncertainty analysis in planning and procurement processes, with special emphasis on uncertainties associated with load forecasting and transportation electrification;
- Policy guidance on cost implications of IRP filings, including total portfolio costs and potential economic impact on existing assets;
- Assumptions and scenarios to be analyzed for the 2017-18 CAISO Transmission Planning Process (TPP), including resource retirement assumptions (in keeping with process alignment agreements with CEC and CAISO);
- Scenarios depicting options to achieve the statutory objectives for IRPs that will be analyzed during the IRP process; and
- Guidance on metrics to be evaluated in IRP review and subsequent procurement authorization, if any.

As discussed at the PHC, we intend to utilize the California Pathways analysis,⁵ as well as the Low Carbon Grid Study⁶ and potentially other studies, if recommended by parties, as a starting point to assess whether they can help us with the first round of resource optimization going into the policy guidance for the IRPs. We will conduct a workshop on this topic, and follow up with comments from parties.

In addition, we will explore IRP processes that already exist, and seek input from regulated entities, prior to issuance of a staff proposal on IRPs in the Fall of 2016.

In addition to the IRP-related requirements and activities discussed above, which will be the focus of the early part of this proceeding, we intend to continue to work on the following two items in scope of the previous LTPP proceeding:

- Guidance on standardization of modeling to support planning analyses (*see* the November 16, 2015 ALJ Ruling in R.13-12-010 and subsequent comments and reply comments); these issues will be moved to this proceeding for resolution because of their relationship to any modeling that may occur in the context of the IRPs developed in this proceeding. As discussed extensively at the PHC, there are several different types of modeling that could be helpful to identify the need for flexible resources and/or to help conduct the optimization analysis to support the IRPs. We will further explore each of these in the course of the proceeding.
- Development of a renewables integration cost adder, or alternative approach to valuing integration costs and

⁵ For more information, *see*: https://ethree.com/public_projects/energy_principals_study.php.

⁶ For more information, *see*: <http://lowcarbongrid2030.org>.

benefits in the portfolio (*see* the May 11, 2016 ALJ Ruling in this proceeding requesting party comment).

In addition, the OIR's preliminary scope referenced a list of mostly resource-specific Commission proceedings with which we will coordinate this work;⁷ ensuring that coordination is still part of our plan. The OIR also listed a number of activities in the scope of those other proceedings which we will rely on and interact with in the course of this proceeding,⁸ including especially:

- Consistent methodologies for resource valuation and/or selection across multiple resource types, for use in comparisons in all-source or multiple-source procurement;
- Consistent cost-effectiveness analysis of demand-side and distributed energy resources, as well as identification of demand-side resource potential;
- Multiple issues related to grid integration for renewables, including:
 - Refinement of flexible capacity definitions, in coordination with and relying on the Resource Adequacy Rulemaking (R.14-10-010);
 - Refinement of capacity values for renewables, including effective load carrying capacity values;
- Cost containment policy for renewables.

One other issue listed in the preliminary scope of the OIR that of consistent accounting for greenhouse gas emissions profiles of different resources, is also still relevant. We likely will address it in a slightly different manner than contemplated in the OIR, however. After further consideration, it appears that

⁷ *See* R.16-02-007 OIR at 10-11.

⁸ *See* R.16-02-007 OIR at 15-16.

the greenhouse gas accounting issues will be an integral part of any assumptions necessary to conduct optimization modeling and analysis to support the IRP guidance and subsequent filings. Thus, at this stage, we do not intend to conduct separate activities to address greenhouse gas accounting for individual resources, though this issue is still within the scope of the proceeding.

Finally, issues traditionally associated with previous LTPP proceedings and which will remain in scope in this proceeding include:

- Procurement oversight and rules;
- Long-term system, flexible, and local reliability needs;
- Activities associated with Public Utilities Code Section 454.5 and the large IOU bundled procurement plans; and
- Any other issues that materially impact procurement policies, practices and/or procedures, and relate to one or more of the IRP/LTPP proceeding's goals or issues listed above.

3. Interagency Considerations

Consistent with the OIR, we will continue to invite staff from CARB and the CEC to join with us as collaborative staff, and not formal parties, in this proceeding. They are our partners in developing policy to meet the greenhouse gas reduction goals of the state and the IRP rules for all providers of electricity, regardless of jurisdictional status.

We expect to coordinate closely with CARB as they develop and finalize the greenhouse gas target or range of targets associated with the electricity sector for 2030. In addition, we will coordinate with the CEC throughout the course of this proceeding, in recognition that the CEC is developing IRP requirements for the publicly-owned utilities (POUs) and there are benefits to the state in having similar rules to allow comparability across various IRP approaches. In addition, we expect to continue to utilize the demand forecast, in particular, as well as

other aspects of the CEC's biennial Integrated Energy Policy Report. Finally, we will continue coordination between LTPP and now IRP planning scenarios and the CAISO's TPP.

4. Schedule

At the PHC, a straw proposal was discussed for creating two tracks for this proceeding, starting with Track 1 (Portfolio Optimization Analysis) and continuing with Track 2 (Integrated Resources Planning Requirements). Several parties had questions about the differences (or lack thereof) between the Tracks and others argued that the order of the Tracks should be reversed.

To avoid unnecessary complication and potential confusion, we are no longer intending to separate the proceeding into Tracks. Instead, what follows is a chronological schedule of activities designed to lead to a decision from the Commission giving guidance to the LSEs on the filing of their IRPs, followed by the actual filing of IRPs in mid-late 2017.

Implementing the initial IRP framework will involve extensive work by parties and Commission staff. Also, our work here is, by necessity, interdependent with actions by the CEC and CARB, as well as the CAISO. Accordingly, sequencing of activities may need to change. In addition, other activities may or will likely occur that are not listed below; when those issues arise, we will schedule additional workshops, issue rulings, or take other appropriate actions to address those topics as appropriate.

The assigned Commissioner or ALJ may modify this schedule as necessary to promote the efficient management and fair resolution of this proceeding.

Below is our proposed approximate calendar and sequencing:

Item	Date
<u>Proposed/final decision</u> directing modeling	June/July 2016

methodologies and approaches [now to be included in this proceeding, closing out R.13-12-010]	
<u>Workshop #1:</u> California Pathways analysis as a starting point for statewide analysis and policy guidance on IRPs, and case studies of present-day IRP activity.	June 2016
Party comments on the usefulness of California Pathways (or another study, such as the Low Carbon Grid Study) as statewide analyses and portfolio optimization guides for initial IRP requirements	July 2016
<u>Workshop #2:</u> Party proposals on the IRP process and IRP contents. Designed to inform the staff proposal below. <ul style="list-style-type: none"> - Input on how the IRP process can be structured, including assumptions development, scenario development, modeling, optimization, emissions quantification, and presentation of portfolio choices - Input from regulated entities on existing integrated resource planning activities and potential fit with or augmentation to match broader IRP process - Input on administrative rules needed in IRPs 	July or August 2016
<u>Workshop #3:</u> Joint workshop with CARB and/or CEC on areas of agency collaboration, with topics to be determined.	Summer - Fall 2016
CARB develops draft electric sector greenhouse gas emissions reduction target(s)	Summer - Fall 2016
Parties conduct flexibility modeling according to 2016 Assumptions and Scenarios and standardized modeling assumptions once approved by the Commission. This activity will most likely take place in working group(s) led by Commission staff. Staff will also continue development of 2017 Assumptions and Scenarios, in keeping with process alignment agreements with the CEC and CAISO.	Summer - Fall 2016
<u>CPUC staff proposal:</u> Guidance on IRP process and contents, including:	December 2016

<ul style="list-style-type: none"> - Regulatory treatment depending on load-serving entity type - Initial recommendations for scenarios depicting options to achieve the statutory objectives for IRPs that will be analyzed during the IRP process - Identify metrics by which to evaluate portfolio optimization, including greenhouse gas emissions reduction, reliability or grid integration needs, and cost - Relationship to other procurement plans - Structure and format - Timing - Review process 	
<p><u>Workshop #4</u>: Presentation of modeling results utilizing 2016 Assumptions and Scenarios and standardized modeling elements, with emphasis on grid flexibility needs (incorporating ideas from the Commission staff white paper on grid integration⁹)</p>	<p>Winter 2016</p>
<p>Party comments on modeling results workshop</p>	<p>Early 2017</p>
<p><u>Decision</u> adopting 2017 Assumptions and Scenarios (in keeping with process alignment agreements with CEC and CAISO)</p>	<p>February 2017</p>
<p>Party comments on staff proposal on guidance for IRPs</p>	<p>February 2017</p>
<p><u>Proposed Decision</u> on guidance for IRPs</p>	<p>April 2017</p>
<p><u>Decision</u> adopting guidance for IRPs</p>	<p>May 2017</p>
<p>CARB finalizes electric sector greenhouse gas emissions reduction target(s)</p>	<p>Spring 2017</p>
<p>LSEs conduct optimization modeling for their own portfolios to support IRP filings</p>	<p>Spring - Summer 2017</p>
<p><u>IRP filings</u> by LSEs</p>	<p>Fall 2017</p>

⁹ See

http://www.cpuc.ca.gov/uploadedFiles/CPUC_Website/Content/Utilities_and_Industries/Energy/Reports_and_White_Papers/Beyond33PercentRenewables_GridIntegrationPolicy_Final.pdf.

IRPs adopted/modified by Commission decision, any associated procurement authorized (if proposed by individual entities)	Late 2017/Early 2018
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Due to the complexity and number of issues in this proceeding, it is the Commission’s intent to complete this proceeding within 24 months of the date this Scoping Memo is filed. This deadline may be extended by order of the Commission. (Public Utilities Code § 1701.5(b).)

5. Categorization

The Commission in the OIR issued on February 11, 2016, preliminarily determined that the category of the proceeding is ratesetting. A number of parties commented on categorization in their March 21, 2016 comments filed on the OIR. Some parties argued that the proceeding categorization should be changed to quasi-legislative, including CAISO, EDF, SCE, and Liberty Utilities. Some other parties commented that a ratesetting designation was either acceptable or preferred, including AREM, Calpine, the CCA parties, NRDC, and PG&E.

The question of the appropriate proceeding categorization was also discussed at the PHC, where ORA, TURN, NRDC, and the Utility Consumer’s Action Network all expressed a preference for a ratesetting categorization, due to the inherent connection between the planning that will be conducted in this proceeding and the likely authorization for utilities to procure new resources in response to Commission orders in this proceeding.

After further consideration of the various comments of parties, this scoping memo modifies the categorization of this rulemaking to quasi-legislative. This is primarily because, as discussed above, the early scope of this proceeding will be setting out the policy framework for Commission guidance and scope of

review of the IRP filings of the load serving entities. We are, however, sensitive to the importance of the need to recategorize in the future any portion of the proceeding that is likely to result in authorization of need for procurement. Those activities, if we undertake them, will be categorized in the future as ratesetting. It is also likely that in later stages of this proceeding, such as when the Commission reviews individual IRP filings (if that is done in this proceeding and not separate new applications), we will recategorize the entire proceeding to ratesetting at that point.

Any party that decides to appeal the categorization of this rulemaking as quasi-legislative must file the appeal no later than ten days after the date of this scoping ruling. (*See* Rule 7.6.)

6. Need for Hearing

The Commission in the OIR preliminarily determined that hearings may be required. While we have not identified specific issues on which hearings will be required, we will maintain this designation in the event that such issues are identified later in the proceeding.

7. Ex Parte Communications

In a quasi-legislative proceeding such as this one, *ex parte* communications with the assigned Commissioner, other Commissioners, their advisors and the ALJ are permitted without restriction or reporting as described at Public Utilities Code § 1701.4(b) and Article 8 of the Rules.

If there are workshops in this proceeding as anticipated, notices of such workshops will be posted on the Commission's Daily Calendar to inform the public that a decision-maker or an advisor may be present at those meetings or workshops. Parties shall check the Daily Calendar regularly for such notices.

8. Intervenor Compensation

Pursuant to Public Utilities Code § 1804(a)(1), a customer who intends to seek an award of compensation must file and serve a notice of intent (NOI) to claim compensation by May 26, 2016, 30 days after the PHC.

9. Assigned Commissioner

Liane M. Randolph is the assigned Commissioner and Julie A. Fitch is the assigned Administrative Law Judge (ALJ). Pursuant to Public Utilities Code § 1701.3 and Rule 13.2 of the Commission's Rules of Practice and Procedure (Rule or Rules), Commissioner Randolph is designated as the Presiding Officer.

10. Filing, Service and Service List

The official service list has been created and is on the Commission's website. Parties should confirm that their information on the service list is correct, and serve notice of any errors on the Commission's Process office, the service list, and the ALJ. Persons may become a party pursuant to Rule 1.4.

When serving any document, each party must ensure that it is using the current official service list on the Commission's website.

This proceeding will follow the electronic service protocols set forth in Rule 1.10. All parties to this proceeding shall serve documents and pleadings using electronic mail, whenever possible, transmitted no later than 5:00 p.m., on the date scheduled for service to occur. Parties are reminded, when serving copies of documents, the document format must be consistent with the requirements set forth in Rules 1.5 and 1.6. Additionally, Rule 1.10 requires service on the ALJ of both an electronic and a paper copy of filed or served documents.

Rules 1.9 and 1.10 govern service of documents only and do not change the Rules regarding the tendering of documents for filing. Parties can find

information about electronic filing of documents at the Commission's Docket Office at www.cpuc.ca.gov/PUC/efiling. All documents formally filed with the Commission's Docket Office must include the caption approved by the Docket Office and this caption must be accurate.

Persons who are not parties but wish to receive electronic service of documents filed in the proceeding may contact the Process Office at process_office@cpuc.ca.gov to request addition to the "Information Only" category of the official service list pursuant to Rule 1.9(f).

11. Electronic Submission and Format of Supporting Documents

The Commission's website now allows electronic submittal of supporting documents (such as testimony and workpapers).

Parties shall submit their testimony or workpapers in this proceeding through the Commission's electronic filing system.¹⁰ Parties must adhere to the following:

- The Instructions for Using the "Supporting Documents" Feature, (<http://docs.cpuc.ca.gov/SearchRes.aspx?docformat=ALL&DocID=158653546>) and
- The Naming Convention for Electronic Submission of Supporting Documents (<http://docs.cpuc.ca.gov/SearchRes.aspx?docformat=ALL&DocID=100902765>).
- The Supporting Document feature does not change or replace the Commission's Rules of Practice and Procedure.

¹⁰ These instructions are for submitting supporting documents such as testimony and work papers in formal proceedings through the Commission's electronic filing system. Parties must follow all other rules regarding serving testimony. Any document that needs to be formally filed such as motions, briefs, comments, etc., should be submitted using Tabs 1 through 4 in the electronic filing screen.

- Parties must continue to adhere to all rules and guidelines in the Commission's Rules of Practice and Procedures including but not limited to rules for participating in a formal proceeding, filing and serving formal documents and rules for written and oral communications with Commissioners and advisors (i.e. "*ex parte* communications") or other matters related to a proceeding.
- The Supporting Document feature is intended to be solely for the purpose of parties submitting electronic public copies of testimony, work papers and workshop reports (unless instructed otherwise by the ALJ), and does not replace the requirement to serve documents to other parties in a proceeding.
 - Unauthorized or improper use of the Supporting Document feature will result in the removal of the submitted document by the CPUC.
 - Supporting Documents should not be construed as the formal files of the proceeding. The documents submitted through the Supporting Document feature are for information only and are not part of the formal file (i.e. "record") unless accepted into the record by the Administrative Law Judge.

All documents submitted through the "Supporting Documents" Feature shall be in PDF/A format. The reasons for requiring PDF/A format are:

- Security - PDF/A prohibits the use of programming or links to external executable files. Therefore, it does not allow malicious codes in the document.
- Retention - The Commission is required by [Resolution L-204](#), dated September 20, 1978, to retain documents in formal proceedings for 30 years. PDF/A is an independent standard and the Commission staff anticipates that programs will remain available in 30 years to read PDF/A.

- Accessibility – PDF/A requires text behind the PDF graphics so the files can be read by devices designed for those with limited sight. PDF/A is also searchable.

Until further notice, the “Supporting Documents” do not appear on the “Docket Card.” In order to find the supporting documents that are submitted electronically, go to:

- Online documents, choose: “[E-filed Documents](#),”
- Select “Supporting Document” as the document type, (do not choose testimony)
- Type in the proceeding number and hit search.

Please refer all technical questions regarding submitting supporting documents to:

- Kale Williams (kale.williams@cpuc.ca.gov) (415) 703-3251 and
- Ryan Cayabyab (ryan.cayabyab@cpuc.ca.gov) (415) 703-5999.

12. Discovery

Discovery may be conducted by the parties consistent with Article 10 of the Commission’s Rules. Any party issuing or responding to a discovery request shall serve a copy of the request or response simultaneously on all parties. Electronic service under Rule 1.10 is sufficient, except Rule 1.10(e) does not apply to the service of discovery and discovery shall not be served on the Administrative Law Judge. Deadlines for responses may be determined by the parties. Motions to compel or limit discovery shall comply with Rule 11.3.

13. Public Advisor

Any person interested in participating in this proceeding who is unfamiliar with the Commission’s procedures or who has questions about the electronic filing procedures is encouraged to obtain more information at <http://consumers.cpuc.ca.gov/pao> or contact the commission’s Public Advisor

at 866-849-8390 or 415-703-2074 or 866-836-7825 (TTY), or send an e-mail to public.advisor@cpuc.ca.gov.

14. Settlement and Alternative Dispute Resolution

While the schedule does not include specific dates for settlement conferences, it does not preclude parties from meeting at other times provided notice is given consistent with our Rules.

The Commission offers Alternative Dispute Resolution (ADR) services consisting of mediation, facilitation, or early neutral evaluation. Use of ADR services is voluntary, confidential, and at no cost to the parties. Trained ALJs serve as neutrals. The parties are encouraged to visit the Commission's ADR webpage at <http://www.cpsc.ca.gov/adr>, for more information.

If requested, the assigned ALJ will refer this proceeding, or a portion of it, to the Commission's ADR Coordinator. Alternatively, the parties may contact the ADR Coordinator directly at adr_program@cpuc.ca.gov. The parties will be notified as soon as a neutral has been assigned; thereafter, the neutral will contact the parties to make pertinent scheduling and process arrangements. Alternatively, and at their own expense, the parties may agree to use outside ADR services.

15. Final Oral Argument (if hearings)

A party in a quasi-legislative proceeding in which a hearing is held has the right to make a Final Oral Argument before the Commission, if the argument is requested within the Closing Brief. (Rule 13.13.)

IT IS RULED that:

1. The category of this proceeding is quasi-legislative. Appeals as to category, if any, must be filed and served within ten days from the date of this scoping memo.

2. Commissioner Liane M. Randolph is designated as the Presiding Officer.
3. The scope of the issues for this proceeding is as stated in “Section 2. Scope” of this ruling.
4. Hearings may be necessary.
5. The duration of this proceeding shall be 24 months from the date of this ruling.
6. The schedule for the proceeding is set in “Section 4. Schedule” of this ruling. The assigned Commissioner or Administrative Law Judge may adjust this schedule as necessary for efficient management and fair resolution of this proceeding.
7. *Ex parte* communications are permitted without restriction or reporting as described at Public Utilities Code § 1701.4(b) and Article 8 of the Rules.
8. A party shall submit request for Final Oral Argument in its opening briefs, but the right to Final Oral Argument ceases to exist if hearing is not needed.
9. Parties shall adhere to the instructions provided in Section 11 of this ruling for submitting supporting documents (select: testimony, workshop reports, etc.)

Dated May 26, 2016, at San Francisco, California.

/s/ LIANE M. RANDOLPH
Liane M. Randolph
Assigned Commissioner

/s/ JULIE A. FITCH
Julie A. Fitch
Administrative Law Judge