



ADVICE LETTER SUMMARY

ENERGY UTILITY



MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No.:

Utility type:

ELC GAS WATER
 PLC HEAT

Contact Person:

Phone #:
E-mail:
E-mail Disposition Notice to:

EXPLANATION OF UTILITY TYPE

ELC = Electric GAS = Gas WATER = Water
PLC = Pipeline HEAT = Heat

(Date Submitted / Received Stamp by CPUC)

Advice Letter (AL) #:

Tier Designation:

Subject of AL:

Keywords (choose from CPUC listing):

AL Type: Monthly Quarterly Annual One-Time Other:

If AL submitted in compliance with a Commission order, indicate relevant Decision/Resolution #:

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL:

Summarize differences between the AL and the prior withdrawn or rejected AL:

Confidential treatment requested? Yes No

If yes, specification of confidential information:

Confidential information will be made available to appropriate parties who execute a nondisclosure agreement. Name and contact information to request nondisclosure agreement/ access to confidential information:

Resolution required? Yes No

Requested effective date:

No. of tariff sheets:

Estimated system annual revenue effect (%):

Estimated system average rate effect (%):

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).

Tariff schedules affected:

Service affected and changes proposed¹:

Pending advice letters that revise the same tariff sheets:

¹Discuss in AL if more space is needed.

Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this submittal, unless otherwise authorized by the Commission, and shall be sent to:

CPUC, Energy Division
Attention: Tariff Unit
505 Van Ness Avenue
San Francisco, CA 94102
Email: EDTariffUnit@cpuc.ca.gov

Name:
Title:
Utility Name:
Address:
City:
State: Zip:
Telephone (xxx) xxx-xxxx:
Facsimile (xxx) xxx-xxxx:
Email:

Name:
Title:
Utility Name:
Address:
City:
State: Zip:
Telephone (xxx) xxx-xxxx:
Facsimile (xxx) xxx-xxxx:
Email:

ENERGY Advice Letter Keywords

Affiliate	Direct Access	Preliminary Statement
Agreements	Disconnect Service	Procurement
Agriculture	ECAC / Energy Cost Adjustment	Qualifying Facility
Avoided Cost	EOR / Enhanced Oil Recovery	Rebates
Balancing Account	Energy Charge	Refunds
Baseline	Energy Efficiency	Reliability
Bilingual	Establish Service	Re-MAT/Bio-MAT
Billings	Expand Service Area	Revenue Allocation
Bioenergy	Forms	Rule 21
Brokerage Fees	Franchise Fee / User Tax	Rules
CARE	G.O. 131-D	Section 851
CPUC Reimbursement Fee	GRC / General Rate Case	Self Generation
Capacity	Hazardous Waste	Service Area Map
Cogeneration	Increase Rates	Service Outage
Compliance	Interruptible Service	Solar
Conditions of Service	Interutility Transportation	Standby Service
Connection	LIEE / Low-Income Energy Efficiency	Storage
Conservation	LIRA / Low-Income Ratepayer Assistance	Street Lights
Consolidate Tariffs	Late Payment Charge	Surcharges
Contracts	Line Extensions	Tariffs
Core	Memorandum Account	Taxes
Credit	Metered Energy Efficiency	Text Changes
Curtable Service	Metering	Transformer
Customer Charge	Mobile Home Parks	Transition Cost
Customer Owned Generation	Name Change	Transmission Lines
Decrease Rates	Non-Core	Transportation Electrification
Demand Charge	Non-firm Service Contracts	Transportation Rates
Demand Side Fund	Nuclear	Undergrounding
Demand Side Management	Oil Pipelines	Voltage Discount
Demand Side Response	PBR / Performance Based Ratemaking	Wind Power
Deposits	Portfolio	Withdrawal of Service
Depreciation	Power Lines	

November 2, 2020

CA Public Utilities Commission
Energy Division
Attention: Tariff Unit
505 Van Ness Avenue, 4th Floor
San Francisco, CA 94102-3298

Advice Letter PCE/No. 7E

**RE: PENINSULA CLEAN ENERGY AUTHORITY'S REQUEST FOR YEAR-AHEAD
LOCAL RESOURCE ADEQUACY WAIVER FOR THE 2021-2022
COMPLIANCE PERIOD**

EFFECTIVE DATE

Peninsula Clean Energy Authority requests that this Tier 2 Advice Letter become effective on November 2, 2020, which is the date of this submission.

TIER DESIGNATION: Tier 2 Designation

PURPOSE

Pursuant to California Public Utilities Commission ("Commission") Decision ("D.") 06-06-004, D.07-06-029, D.19-02-022, D.19-06-026, D.20-06-002, D.20-06-031 and Section 24 of the Commission's *2021 Filing Guide For System, Local, and Flexible Resource Adequacy Compliance Filings* ("2021 Filing Guide"), Peninsula Clean Energy Authority ("PCE") hereby submits this Tier 2 Advice Letter requesting a waiver of certain Local Resource Adequacy ("RA") requirements for the 2021-2022 compliance period. Additionally, PCE has fulfilled its collective procurement obligations within the Pacific Gas & Electric Company ("PGE Other") area and, on that basis, requests that the Commission deem PCE compliant with its local RA requirements during the periods described in Appendix A. The specific local areas and periods covered by this waiver request are market-sensitive and confidential and are provided to the Commission in Appendix A.

BACKGROUND

In D.06-06-064, the Commission established a waiver process whereby load serving entities ("LSEs") may request relief from the local RA procurement obligation with a demonstration that they have made commercially reasonable efforts to contract for local RA resources. As discussed further below, the Commission established specific standards that LSEs must demonstrate in requesting waivers. These waiver requests are required to be submitted at the time the LSE files its local RA compliance showing. D.19-02-022 extended this waiver process to multiyear local RA requirements. However, D.20-06-002 eliminated the obligation for LSEs to procure fifty percent of their local RA obligation in 2023.

In D.19-06-026, the Commission adopted the requirement that local RA waivers must be submitted through a Tier 2 Advice Letter process. This process requires service of the Tier 2 Advice Letter to the service list in the open RA proceeding, with confidential information redacted, as necessary, in addition to the submission of the Advice Letter to the Energy Division.

In D.20-06-031, the Commission determined that LSEs shall have fulfilled their local RA obligations in the six disaggregated PG&E Other local capacity areas if the following requirements are met: (1) the LSE makes the required demonstration as part of the current local waiver process through a Tier 2 Advice Letter for its disaggregated PG&E Other local capacity requirements, and (2) the LSE, in its Year Ahead compliance filing, demonstrates procurement of local RA capacity within the PG&E Other local capacity areas (“LCAs”) such that the LSE’s collective procurement in the six disaggregated PG&E Other LCAs meets the LSE’s collective requirement for the disaggregated PG&E Other LCAs. Further, as provided in the 2021 Filing Guide, if the LSE demonstrates that they made reasonable efforts to procure capacity in the disaggregated PG&E Other areas and procured sufficient resources to meet the aggregated PG&E Other area requirement, the LSE will be deemed compliant, subject to verification that the LSE indeed made the required demonstration.

PCE has made every reasonable effort to meet all of its local RA requirements, as documented in Appendices A and B, but despite these efforts has been unable to meet all of these requirements. As further described in Appendix A, PCE has procured sufficient resources to meet its collective PG&E Other requirements for nearly all months of the 2021-2022 compliance period. PCE understands that the issues preventing LSEs from fully procuring local resources, especially within the disaggregated PG&E Other areas, may be a problem within the local RA market generally, rather than issues specific to any LSE. PCE remains committed to working with the Commission and other stakeholders to address these problems and other reliability concerns.

Through this Advice Letter submittal, PCE seeks the waiver of local RA obligations and/or penalties for the 2021-2022 period, and for nearly all months as identified in Appendix A, PCE requests the Commission deem PCE compliant with its local RA obligations. As demonstrated in this Advice Letter and confidential supporting appendices, PCE meets the waiver requirements set forth in the 2021 Filing Guide.

REQUEST FOR CONFIDENTIAL TREATMENT

The Appendices to this Advice Letter contain highly market-sensitive information regarding PCE’s RA procurement efforts, business practices, and confidential RA supply data. The basis for this request for confidential treatment is provided in the attached Confidentiality Declaration.

STANDARD FOR LOCAL RESOURCE ADEQUACY WAIVERS AND COMPLIANCE WITH PG&E OTHER REQUIREMENT

The standards for submitting and assessing an LSE’s local RA waiver request are primarily set forth in D.06-06-064 and outlined in Section 24 of the 2021 Filing Guide, which states:

An LSE requesting a waiver must make such request at the time it files its Local Resource Adequacy Requirements, “RAR” compliance showing. The waiver request must include both of the following:

- (1) a demonstration that the LSE reasonably and in good faith solicited bids for its RAR capacity needs along with accompanying information about the terms and conditions of the Request for Offer or other form of solicitation, and
- (2) a demonstration that despite having actively pursued all commercially reasonable efforts to acquire the resources needed to meet the LSE’s local procurement obligation, it either
 - (a) received no bids, or
 - (b) received no bids for an unbundled RA capacity contract of under \$51 per kW-year or for a bundled capacity and energy product of under \$73 per kW-year, or
 - (c) received bids below these thresholds but such bids included what the LSE believes are unreasonable terms and/or conditions, in which case the waiver request must demonstrate why such terms and/or conditions are unreasonable.

These requirements are necessary but are not necessarily a sufficient basis for the Commission to grant waiver. The Commission will also consider other information brought to its attention regarding the reasonableness of the waiver request.

Further, as detailed in D.20-06-002 and Section 24 of the 2021 Filing Guide, the Commission established the PG&E Other compliance mechanism, as discussed above. The standards required for meeting the PG&E Other compliance mechanism, and thereby being determined to have fulfilled an LSEs local RA obligation, are as follows:

- (a) The LSE makes the required demonstration as part of the current local waiver process through a Tier 2 Advice Letter for its disaggregated PG&E Other local capacity requirements, and
- (b) The LSE, in its Year Ahead compliance filing, demonstrates procurement of local RA capacity within the PG&E Other LCAs such that the LSE’s collective procurement in the six disaggregated PG&E Other LCAs meets the LSE’s collective requirement for the disaggregated PG&E Other LCAs.

If the LSE demonstrates that they made reasonable efforts to procure capacity in the disaggregated PG&E Other areas and procured sufficient resources to meet the aggregated PG&E Other area requirement, the LSE will be deemed compliant, subject to verification that the LSE indeed made the required demonstration.

JUSTIFICATION FOR WAIVER AND COMPLIANCE FINDING

Consistent with the standards for local RA waivers reflected in the 2021 Filing Guide, PCE engaged in good faith efforts to procure the resources required to meet all local RA requirements for the 2021-2022 compliance period. Furthermore, PCE requests the Commission deem PCE compliant with its local RA requirements for the months during the 2021-2022 compliance period in which PCE met its collective PG&E Other obligation, despite PCE's inability to meet the individual, disaggregated PG&E Other local capacity requirements. Further details regarding these efforts and PCE's justifications for its waiver request and request for a compliance finding are provided in PCE's supporting narrative, attached hereto as Appendix A.

APPENDICES

Appendix A: [Confidential] Supporting Narrative

Appendix B: [Confidential] Supporting Documentation

NOTICE

Anyone wishing to protest this advice submission may do so by letter via U.S. Mail, facsimile, or electronically, any of which must be received no later than 20 days after the date of this advice submission. Protests should be mailed to:

CPUC, Energy Division
Attention: Tariff Unit
505 Van Ness Avenue
San Francisco, California 94102
E-mail: EDTariffUnit@cpuc.ca.gov

Copies should also be mailed to the attention of the Director, Energy Division, Room 4004 (same address above). In addition, protests and all other correspondence regarding this advice letter should also be sent by letter and transmitted via facsimile or electronically to the attention of:

Chelsea Keys
Power Resources Manager
Peninsula Clean Energy Authority
2075 Woodside Road
Redwood City, California 94061
ckkeys@peninsulacleanenergy.com

There are no restrictions on who may file a protest, but the protest shall set forth specifically the grounds upon which it is based and shall be submitted expeditiously.

CORRESPONDENCE

For questions, please contact Chelsea Keys at (650) 382-2002 or by electronic mail at ckey@peninsulacleanenergy.com.

Declaration of Chelsea Keys Supporting Confidentiality Claim for Submission of Peninsula Clean Energy Authority’s Advice Letter 7E, Request for Year-Ahead Local Resource Adequacy Waiver for the 2021-2022 Compliance Period

In accordance with General Order 66-D, Decision (“D.”) 06-06-066, D.08-04-023, and D.20-07-005 for the submission of confidential information to the California Public Utilities Commission (“Commission”) in an Advice Letter filing, Peninsula Clean Energy Authority (“PCE”) submits the following declaration in support of its claim of confidentiality for the below-specified information provided in PCE Advice Letter 7E: *Peninsula Clean Energy Authority’s Request for Year-Ahead Local Resource Adequacy Waiver for the 2021-2022 Compliance Period* (“PCE 7E”) and the supporting documentation for PCE 7E provided in Confidential Appendices A and B.

The undersigned declares, under penalty of perjury, as follows:

1. I am the Power Resources Manager for PCE. In this capacity, I have knowledge of the information provided in this declaration and am authorized to make this declaration on PCE’s behalf by PCE’s Chief Executive Officer, Jan Pepper.
2. In this Advice Letter Submission, PCE is securely and confidentially uploading the following documents to the Energy Division through the Commission’s File Transfer Protocol (“FTP”) system:
 - a. “PCE Advice Letter 7E”
 - b. “PCE Confidentiality Declaration”
 - c. “Appendix A – [Confidential] – Supporting Narrative”
 - d. “Appendix B – [Confidential] – Supporting Documentation”
3. In this Advice Letter Submission, PCE is publicly submitting the following documents to the Energy Division and the service list for the current Resource Adequacy Rulemaking, R.19-11-009, via email:
 - a. “PCE Advice Letter 7E”
 - b. “PCE Confidentiality Declaration”
4. Through this declaration, PCE requests that the Confidential Appendices be treated as confidential and kept under seal.
5. This request for confidentiality is being made pursuant to the requirements and authority of Commission Decisions 06-06-066, 08-04-023, and 20-07-005, Commission General Order 66-D, and California Government Code Section 6255(a).

6. The attached “Table of Confidential Information” identifies the specific information that is subject to this confidentiality request, provides specific citations to the authority upon which each request is based, provides a granular justification for confidential treatment, and specifies the length of time that the information is to be kept confidential.
7. PCE is complying with the limitations on confidentiality specified in the D.06-06-066 Matrix (as amended by subsequent decisions) for the types of data being submitted subject to a request for confidentiality.
8. To the best of my knowledge, the information being submitted subject to this request for confidentiality is not already public.
9. PCE is providing a public version of PCE 7E and is separately providing confidential information in its Confidential Appendices to the Commission. These Confidential Appendices contain confidential information and redacted versions of these documents cannot reasonably be produced.
10. As set forth below, the Confidential Appendices containing supporting documentation for the PCE 7E are highly market-sensitive and confidential. These documents have been redacted in their entirety. The documents provided in the Confidential Appendices are highly market-sensitive and cannot be aggregated, redacted, summarized, masked, or otherwise protected in a way that allows partial disclosure.
11. The following person is designated as the person for the Commission to contact regarding potential release of this information by the Commission:

Chelsea Keys
Power Resources Manager
Peninsula Clean Energy Authority
2075 Woodside Road
Redwood City, California 94061
ckkeys@peninsulacleanenergy.com

Executed on November 2, 2020 at Redwood City, California

/s/ Chelsea Keys

Chelsea Keys
Power Resources Manager
Peninsula Clean Energy Authority

TABLE OF CONFIDENTIAL INFORMATION

PCE Advice Letter 7E:

Peninsula Clean Energy Authority’s Request for Year-Ahead Local Resource Adequacy Waiver for the 2021-2022 Compliance Period

Redaction Reference	Authority For Confidentiality Request	Justification for Confidential Treatment	Length of Time Data To Be Kept Confidential
<p>Confidential Appendix to PCE Advice Letter 7E</p> <p style="text-align: center;">Appendix A – Supporting Narrative (entire document)</p>	<p>ESP/CCA Matrix, Item II(B) – RA Supply Data</p> <p>Commission General Order 66-D</p> <p>California Government Code, Section 6255(a)</p>	<p>PCE’s supporting narrative provides market-sensitive RA supply information:</p> <ul style="list-style-type: none"> • Capacity under contract (MW) • Capacity deficiencies (MW) • Price information • Identifying information for specific local areas. • Identifying information for specific procurement time periods. • Confidential information regarding PCE’s RA procurement practices. <p>All of this information constitutes RA “Supply Data” under Item II(B), and as such is confidential.</p> <p>The Commission has established that the public interest in preserving a functional RA market by keeping information confidential that could expose load serving entities (“<u>LSEs</u>”) open RA position outweighs any minimal public interest in making this information public.¹ Here,</p>	<p>Under Item II(B), RA Supply Data is confidential for the first 3 years of the forecast period.</p>

¹ See R.17-09-020, *Administrative Law Judge’s Ruling Granting the California Community Choice Association’s Request to Submit Information Under Seal*, issued May 18, 2018; R.16-02-007, *Joint Ruling of Assigned Commissioner and Administrative Law Judge Granting 29 Motions to File Under Seal, Seeking Comment on Future Confidentiality Treatment, and Confirming No Evidentiary Hearings Will Be Held on Individual Integrated Resource Plans*, issued October 5, 2018, at 7; R.16-02-007, *Administrative Law Judge’s Ruling Finalizing Load Forecasts and Greenhouse Gas Benchmarks for Individual 2020 Integrated Resource Plan Filings and Assigning Procurement Obligations Pursuant to Decision 19-11-016*, issued April 15, 2020, at 8-9

		disclosure of the information contained in Appendix A would provide valuable market sensitive information to market participants, could damage PCE's future contract negotiations, create distortions to the resource adequacy market.	
Confidential Appendix to PCE Advice Letter 7E Appendix B – Supporting Documentation (entire document)	ESP/CCA Matrix, Item II(B) – RA Supply Data Commission General Order 66-D California Government Code, Section 6255(a)	Appendix B consists of documentation of PCE's efforts to procure Local RA resources for all months of 2021-2022, including confidential request(s) for offers ("RFOs") issued by or on behalf of PCE, bids received by PCE, documentation of the results of the RFO(s), and other bids/offers submitted by PCE. All of this information is RA "supply data" under Item II(B) and as such is confidential. In addition, this information is highly market-sensitive because it reveals confidential communications, proposals, offers, and bids between market participants, reveals PCE's business practices and procurement strategies, and could be used by other market participants to determine PCE's RA short position, creating market disruption. The public interest in a functional resource adequacy market outweighs any public interest in these highly market sensitive communications, strategies, and business practices.	Under Item II(B), RA Supply Data is confidential for the first 3 years of the forecast period.

(affirming withholding similar information).