



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Does AL replace a withdrawn or rejected AL?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Summarize differences between the AL and the prior withdrawn or rejected AL: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	

October 31, 2019

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

Advice Letter PCE/No. 4E

**RE: PENINSULA CLEAN ENERGY AUTHORITY REQUEST FOR LOCAL
RESOURCE ADEQUACY WAIVER FOR THE 2020-2022 COMPLIANCE PERIOD**

EFFECTIVE DATE

Peninsula Clean Energy Authority requests that this Tier 2 Advice Letter become effective on October 31, 2019, 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 and Section 24 of the Commission’s *2020 Filing Guide For System, Local, and Flexible Resource Adequacy Compliance Filings* (“2020 Filing Guide”), Peninsula Clean Energy Authority (“PCE”) hereby submits this Tier-2 Advice Letter requesting a waiver of certain local Resource Adequacy (“RA”) requirements. The specific local areas and time-periods covered by this waiver request are market-sensitive and confidential, and are provided to the Commission in PCE’s supporting narrative, provided as Appendix A to this Advice Letter.

BACKGROUND

Under D.06-06-064, the Commission established a waiver process available to load serving entities (“LSEs”) that were unable to meet their assigned RA obligation. 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. In D.19-02-022, the Commission extended the one-year local RA requirement to a three-year local RA requirement and extended the local RA waiver process for a commensurate period.

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.

PCE's request for waiver of local RA deficiencies is largely based on lack of depth or visibility of available resources for contracting. Once 2020-2022 local RA capacity requirements were received, PCE purchased every available MW to meet its 2020-2022 local RA requirements. Due to local RA market activity, PCE understands that the issue may be a problem within the local RA market generally, rather than one specific to any LSE. PCE remains committed to working with the Commission and other stakeholders to address this problem and other reliability concerns.

Through this Advice Letter submittal, PCE seeks a waiver for its 2020-2022 local RA requirements for certain PG&E subareas. This request is being made subject to the local RA waiver process originally adopted in D.06-06-064, and most recently articulated in the 2020 Filing Guide. As detailed in PCE's Appendix A supporting narrative, PCE meets the waiver requirements set forth in the 2020 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 is provided in the attached Confidentiality Declaration.

STANDARD FOR LOCAL RESOURCE ADEQUACY WAIVERS

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 2020 Filing Guide, which states:

An LSE requesting a waiver must make such request at the time it files its Local 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.

JUSTIFICATION FOR WAIVER

Consistent with the standards for local RA waivers set forth the 2020 Filing Guide, PCE engaged in good faith efforts to procure the resources required to meet all local RA requirements for years 2020-2022. Further details regarding these efforts and PCEs justifications for its waiver request are provided in PCE's supporting narrative, attached hereto as Appendix A.

APPENDICES

- Appendix A: [Confidential] Supporting Narrative
- Appendix B: [Confidential] Request for Offer Documentation
- Appendix C: [Confidential] Bilateral Negotiation Documentation
- Appendix D: [Confidential] External Requests for Offers
- Appendix E: [Confidential] Supporting Declarations

NOTICE

Anyone wishing to protest this advice filing 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 filing. 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:

Jeremy Waen
Manager of Regulatory Affairs
Peninsula Clean Energy Authority
2075 Woodside Drive
Redwood City, CA 94061
jwaen@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 Jeremy Waen at (650) 257-8026 or by electronic mail at jwaen@peninsulacleanenergy.com.

Declaration of Jeremy Waen Supporting Confidentiality Claim for Submission of Peninsula Clean Energy Authority Advice Letter 4E – Request for Local Resource Adequacy Waiver for the 2020-2022 Compliance Period and Supporting Documentation

In accordance with General Order 66-D, D.06-06-066, and the protocols set forth in D.08-04-023 for the submission of confidential information to the 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 4E: *Request for Local Resource Adequacy Waiver for the 2020-2022 Compliance Period* (the “AL”) and the supporting documentation for the AL provided in Appendices A-E.

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

1. I am the Manager of Regulatory Affairs 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.
2. In this Advice Letter Submission, PCE is securely and confidentially uploading the following documents to the Energy Division through the Commission’s FTP system:
 - a. “PCE Advice Letter 4E - CONFIDENTIAL” (“Confidential AL”)
 - b. “Appendices to PCE Advice Letter 4E - CONFIDENTIAL” (“Confidential Appendices”)
 - c. “PCE Confidentiality Declaration”
3. In this Advice Letter Submission, PCE is publicly submitting the following documents to the Energy Division and the service list for the current RA Rulemaking, R.17-09-020, via email:
 - a. “PCE Advice Letter 4E - PUBLIC” (“Public AL”)
 - b. “Appendices to PCE Advice Letter 4E - PUBLIC” (“Public Appendices”)
 - c. “PCE Confidentiality Declaration”
4. Through this declaration, PCE requests that the Confidential AL and 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 California Public Utilities Commission (“Commission”) Decisions (“D.”) 06-06-066 and D.08-04-023; Commission General Order 66-D; Public Utilities Code Section 583; 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 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 redacted version of the AL as its Public AL. The redacted entries contain only confidential data.
10. As set forth below, all of the Appendices providing supporting documentation for the PCE’s AL are highly market-sensitive. These documents have been redacted in their entirety, and the Public Appendices contains only the cover sheet for each Appendix. All documents provided in the Appendices are highly market-sensitive and cannot be aggregated, redacted, summarized, masked or otherwise protected in a way that allows partial disclosure.

Executed on October 31, 2019 at Redwood City, California

/s/ Jeremy Waen

Jeremy Waen
Manager of Regulatory Affairs
Peninsula Clean Energy Authority

For: Peninsula Clean Energy Authority

TABLE OF CONFIDENTIAL INFORMATION
Peninsula Clean Energy Authority Advice Letter 4E:
Request for Local Adequacy Waiver for the 2020-2022 Compliance Period

Redaction Reference	Authority For Confidentiality Request	Justification for Confidential Treatment	Length of Time Data To Be Kept Confidential
<p>Appendices to PCE Advice Letter 4E</p> <p>Appendix A – Narrative in Support of Waiver Request (entire document)</p>	<p>ESP Matrix (as modified by D.08-04-023), Item II(B) – RA Supply Data.</p>	<p>PCE’s supporting narrative supplements PCE’s advice letter by providing the following market-sensitive information:</p> <ul style="list-style-type: none"> • Counterparties • Capacity under contract (MW) • Capacity shortfalls (MW) • Price information • Identifying information for specific local areas. • Identifying information for specific procurement time periods. <p>All of this information constitutes RA “Supply Data” under Item II(B), and as such is confidential.</p>	<p>Under Item II(B), RA Supply Data is confidential for the first 3 years of the forecast period.</p>
<p>Appendices to PCE Advice Letter 4E</p> <p>Appendix B – Joint CCA RFOs (entire document)</p> <p>Appendix C – Bilateral Negotiations (entire document)</p> <p>Appendix D – External Requests for Offers (entire document)</p>	<p>ESP Matrix (as modified by D.08-04-023), Item II(B) – RA Supply Data.</p>	<p>Appendices B – D each include documentation of PCE’s efforts to procure certain Local RA resources, including a confidential RFO issued by PCE, bids received by CE, and documentation of the results of the RFO. All of this information is RA “supply data” under Item II(B) and as such is confidential.</p> <p>In addition, this information is highly market-sensitive as it: reveals confidential communications, proposals, offers, and bids between market participants; reveals PCE’s business practices; and could be used by other market participants to</p>	<p>Under Item II(B), RA Supply Data is confidential for the first 3 years of the forecast period.</p>

		determine PCE's RA short position, creating market disruption.	
<p>Appendices to PCE Advice Letter 4E – PUBLIC</p> <p>Appendix E – Supporting Declarations (entire document)</p>	<p>ESP Matrix (as modified by D.08-04-023), Item II(B) – RA Supply Data.</p>	<p>Appendix E is a declaration that documents of PCE's efforts to procure certain Local RA resources. All of this information is RA "supply data" under Item II(B) and as such is confidential.</p> <p>In addition, this information is highly market-sensitive as it: reveals confidential communications, proposals, offers, and bids between market participants; reveals PCE's business practices; and could be used by other market participants to determine PCE's RA short position, creating market disruption.</p>	<p>Under Item II(B), RA Supply Data is confidential for the first 3 years of the forecast period.</p>