

Energy Action Plan



Status Report: Resource Adequacy (RA) and Long Term Procurement Planning (LTPP)

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Key Milestones in RA and LTPP

- 2004
 - Adopted procurement policy framework (Jan-2004)
 - Adopted RAR Framework (Oct-2004)
 - Approved first 10-year Long-Term Plans (Dec-2004)
- 2005
 - Established rules for System RAR program (Oct-05)
- 2006
 - First round of System RAR compliance process underway
 - Two New Proceedings for RA and LTPP
 - RA: Local RAR program rules under development
 - LTPP: Next round of 10 year plans (2007-2016) will be reviewed

System RAR Compliance for 2006/2007

- LSEs filed first “year-ahead” filings in Feb-06
 - Showing Required at least 90% of the RA requirement (115% of forecast load) for 4 peak months of 2006 (June-September)
- LSEs will file first “monthly” filings in May-06
 - Showing 100% of the RA Requirement
 - Due May 1st for June month
 - Monthly thereafter
- All LSEs will file “year ahead” 2007 showings Oct-2-06 (1st business day after 9/30) for May-September 2007

2006 System RA Filings

- In Feb-06 LSEs filed for June-Sept. 2006
- RA requirement was 90% of need including 15% reserves
- Filings reported 99-116% of need
 - June 116%, July 108%, August 99%, Sept 109%
- LD contracts
 - 6300 MW 2006
 - 4000 MW 2007

New RA Proceeding R.05-12-013

■ Phase 1 Issues

- Adoption of Local RA Requirement based on consideration of CAISO's LCR Study
- Other Issues:
 - Implementation/Compliance
 - Tradable Capacity Product

■ Phase 2 Issues

- Capacity Markets & tradable capacity product
- Multi-year forward RA Requirement
- Zonal RA Requirement
- Other Implementation Issues/ General Order

Local RAR Underway

- Parties filed Local RAR Proposals - Jan 24-06
- CAISO 2006 Local Capacity Report (LCR) - Sep-05
 - CAISO filed supporting info on 2006 LCR - Jan-31-06
 - CAISO Hosted Meet and Confer on 2007 LCR - Feb-17-06
- Workshops Held
 - 2007 Local RAR – Feb 8-9/Mar-15-06 re: LCR study & program
 - Tradable Capacity Product - Mar-27-06
- CPUC Staff Report Issued on Local RAR - Apr-10-06
- 2007 LCR Issued by CAISO - Apr-21-06
- Expect CPUC decision to adopt Local RAR - Jun-06



New Long Term Procurement Plan Proceeding R.06-02-013

■ Phase 1 Issue

- Need for Additional Policies to Support New Generation
- Proposals were filed on Mar-7-06
- Workshop on Mar-14-06
- Comments on Apr-7-06 and Apr-14-06
- Planning for a Jun-06 Decision

New Long Term Procurement Plan Proceeding R.06-02-013

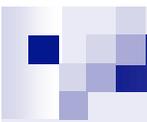
■ Phase 2 Issue

- New Long Term Procurement Plans to be filed in Summer
- LTPPs to cover 2007-2016
- Decision by end of year.

Recent Procurement

■ PG&E RFO for New Generation

- 7 contracts (5 PPA, 2 PSA)
- 2260 MW on line 2009-10
- 1258 MW Combined Cycle,
- 713 MW Combustion Turbine,
- 279 MW Reciprocating Engine



CPUC Procurement and RA Website

- Links to LTPP and RA key documents & proposals
- www.cpuc.ca.gov/static/hottopics/1energy/r0404003.htm