CALIFORNIA PUBLIC UTILITIES COMMISSION

ADVICE LETTER FILING SUMMARY **ENERGY UTILITY**

MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)					
Company name/CPUC Utility No. California Pacific Electric Company, LLC/U 933-E					
Utility type:			Contact Person: <u>Bob Dodds</u>		
☑ ELC ☐ GAS			Phone #: 530-543-5299		
□ PLC	□ НЕАТ	` □ WATER	E-mail: bob.dodds@liberty-energy.com		
	EXPLAN	IATION OF UTILITY T	YPE	(Date Filed/ Received Stamp by CPUC)	
ELC = Elect PLC = Pipel		GAS = Gas HEAT = Heat	WATER = Water		
Advice Letter (AL) #: 4-E Subject of AL: Notice of Intent to Change the Method of Calculating System Reliability Indices from the Method Specified in CPUC Decision 96-09-045 Keywords (choose from CPUC listing):					
AL filing type: \square Monthly \square Quarterly \square Annual \boxtimes One-Time \square Other					
If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #:					
Does AL replace a withdrawn or rejected AL? If so, identify the prior AL No					
Summarize differences between the AL and the prior withdrawn or rejected AL1:					
Resolution Required? Yes No				er Designation: \square 1 \boxtimes 2 \square 3	
Requested effective date: April 25, 2011				No. of tariff sheets: 0	
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:Adopts IEEE Standard 1366 with regard to major event days_					
Pending advice letters that revise the same tariff sheets: N/A					
Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this filing, unless otherwise authorized by the Commission, and shall be sent to:					

CPUC, Energy Division **Attention: Tariff Unit** 505 Van Ness Ave., San Francisco, CA 94102

jnj@cpuc.ca.gov and mas@cpuc.ca.gov

Utility Info (including e-mail)

California Pacific Electric Company, LLC

Attention: Advice Letter Protests

933 Eloise Avenue

South Lake Tahoe, CA 96150

Email: Bob.dodds@liberty-energy.com

Discuss in AL if more space is needed. DWT 16782112v1 0089731-000006



California Pacific Electric Company, LLC 933 Eloise Avenue South Lake Tahoe, CA 96150 Tel: 800-782-2506

Fax: 905-465-4514

VIA EMAIL AND HAND-DELIVERY

March 25, 2011

Advice Letter 4-E (U 933-E)

Public Utilities Commission of the State of California Attn: Energy Division, 4th Floor 505 Van Ness Avenue San Francisco, CA 94102-3298

Subject:

Notice of Intent to Change the Method of Calculating System Reliability Indices

from the Method Specified in CPUC Decision 96-09-045

In response to Mr. Paul Clannon's letter to Mr. Gene Williams of Sierra Pacific Power Company ("Sierra") dated August 27, 2010, California Pacific Electric Company, LLC (U 933-E) ("CalPeco")¹ supports the proposed use of the Institute of Electrical and Electronic Engineers ("IEEE") Standard 1366-2003 to categorize "major event days." It accordingly requests approval for making this change in CalPeco's reporting requirements with regard to its annual March 1 reliability report.

Background

In a letter to Sierra dated August 27, 2010, Mr. Clanon noted that Southern California Edison Company ("SCE") has recommended the adoption of the IEEE Standard for the definition of major event days. Use of the IEEE Standard would: 1) provide consistency in comparing reliability data from different utilities across the country; and 2) provide more objectivity in the determination of what major events are excludable for the purpose of calculating the reliability indices. Mr. Clanon further directed that if Sierra agreed with this proposal, Sierra should submit an advice letter requesting this change.

In an email to Mr. Robert Elliott of the CPUC Energy Division on November 3, 2010, Sierra reported that while Sierra had no objection to the recommendation of SCE, the responsibility to provide the CPUC with the requested reliability data would fall upon CalPeco. Therefore, Sierra did not file an advice letter formally requesting approval to make the change to its reporting requirements to use IEEE Standard 1366-2003.

On October 28, 2010, the Commission issued D.10-10-017, which approved Sierra's transfer to CalPeco of the California electric distribution facilities and the Kings Beach Generating Station that Sierra had owned and been operating. On January 1, 2011, the transfer from Sierra to CalPeco was completed and CalPeco then began operations as the utility with responsibility for serving the electric customers within Sierra's former California service territory.

¹ CalPeco also does business in California as "Liberty Energy - California Pacific Electric Company."

Proposed Changes

CalPeco agrees to utilize IEEE 1366-2003 to categorize major event days in its annual March 1 reliability report and now seeks approval to implement this change. It also agrees to report results from both methods for a period of three years starting with calendar year 2012 after which time CalPeco will only report the IEEE 1366-2003 calculation.

Implementation Date

This change in the method of calculating system reliability indices from that specified in CPUC Decision 96-09-45 will be effective on March 1, 2012. CalPeco will report results utilizing both methods for calendar years 2012, 2013, and 2014. Beginning in 2015, CalPeco will report results utilizing only IEEE 1366-2003.

Protests

Anyone wishing to protest this filing may do so by letter sent via U.S. mail, by facsimile or by email, any of which must be received no later than **April 14, 2011**, which is 20 days after the date of this filing. The protest shall set forth the grounds upon which it is based and shall be submitted expeditiously. There is no restriction on who may file a protest. Protests should be mailed to:

CPUC Energy Division
Attention: Tariff Unit, 4th Floor
505 Van Ness Avenue
San Francisco, CA 94102
Facsimile: (415) 703-2200

Email: mas@cpuc.ca.gov and jnj@cpuc.ca.gov

The protest also should be sent via email and U.S. Mail (and by facsimile, if possible) to CalPeco at the addresses show below on the same date it is mailed or delivered to the Commission.

California Pacific Electric Company, LLC

Attn.: Advice Letter Protests

933 Eloise Avenue

South Lake Tahoe, CA 96150

Fax: 905-465-4514

Email: bob.dodds@liberty-energy.com

With a copy to: Steven F. Greenwald Vidhya Prabhakaran Davis Wright Tremaine LLP 505 Montgomery Street, Suite 800 San Francisco, CA 94111 Fax: 415-276-6599

Email: stevegreenwald@dwt.com

Effective Date

CalPeco requests that this Tier 2 advice filing become effective on regular notice, April 25, 2011, which is 30 calendar days after the date of filing.

Notice

In accordance with General Order 96-B, Section 4.3, a copy of this advice letter is being sent electronically and via U.S. mail to parties shown on the attached list.

If additional information is required, please contact Bob Dodds, President (bob.dodds@liberty-energy.com).

Sincerely,

Bob Dodds President,

California Pacific Electric Company, LLC

Robert Dodds

Attachments

cc: CalPeco Advice Letter Service List

- 4 -

CalPeco Advice Letter Filing Service List General Order 96-B, Section 4.3

A.08-08-004 Service List chilen@sppc.com ljt@cpuc.ca.gov jeffreygray@dwt.com gbinge@ktminc.com emello@sppc.com epoole@adplaw.com joshdavidson@dwt.com cem@newsdata.com rmccann@umich.edu sheila@wma.org abb@eslawfirm.com cbk@eslawfirm.com bhodgeusa@yahoo.com dlf@cpuc.ca.gov mmg@cpuc.ca.gov md2@cpuc.ca.gov tlg@cpuc.ca.gov

A.09-10-028 and A.10-04-032 Service List

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Office of the General Counsel Sierra Pacific Power Company c/o NV Energy 6226 West Sahara Avenue Las Vegas, NV 89146

Pacific Gas & Electric Company 77 Beale Street San Francisco, CA 94106 PGETariffs@pge.com

Manager of Regulatory Affairs San Diego Gas & Electric Company P.O. Box 1831 - Room 10-A San Diego, CA 92112

Director of Regulatory Affairs Southwest Gas Corporation P.O. Box 98510 Las Vegas, NV 89193-8510 dlf@cpuc.ca.gov jrw@cpuc.ca.gov xjv@cpuc.ca.gov mmg@cpuc.ca.gov

Plumas Sierra Rural Electric 73233 State Route 70 Portola, CA 96122-7069

Southern California Edison Company P.O. Box 800 Rosemead, CA 91770

Truckee-Donner Public Utility District P.O. Box 308 Truckee, CA 95734

Executive Director California Energy Commission 1516 Ninth Street, MS-39 Sacramento, CA 95814

Honesto Gatchalian California Public Utilities Commission Energy Division, 4th Floor 505 Van Ness Avenue San Francisco, CA 94102-3298

Maria Salinas California Public Utilities Commission Energy Division, 4th Floor 505 Van Ness Avenue San Francisco, CA 94102-3298

California Public Utilities Commission Room 4005 505 Van Ness Avenue San Francisco, CA 94102-3298