

PUBLIC UTILITIES COMMISSION

SAN FRANCISCO, CA 94102-3298



September 25, 2008

Advice Letter 2144-E

Akbar Jazayeri
Vice President, Regulatory Operations
Southern California Edison Company
P O Box 800
Rosemead, CA 91770

Subject: Procurement Plan Compliance Report (Q2 2007)

Dear Mr. Jazayeri:

Advice Letter 2144-E is effective August 1, 2008

Sincerely,

A handwritten signature in black ink, appearing to read "Kenneth Lewis".

Kenneth Lewis, Acting Director
Energy Division

July 30, 2007

ADVICE 2144-E
(U 338-E)

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA
ENERGY DIVISION

SUBJECT: Procurement Plan Compliance Report: Second Quarter 2007

PURPOSE

In compliance with Ordering Paragraph 8 of Decision (D.) 02-10-062, and Ordering Paragraph 19 of D.03-12-062, Southern California Edison Company (SCE) hereby submits for filing its quarterly report and report workpapers, demonstrating that SCE's electric and natural gas procurement activities during the period April 1 through June 30, 2007, were in conformance with the guidelines set forth in its Procurement Plan (Plan), approved by the California Public Utilities Commission (Commission) on December 18, 2003 in D.03-12-062 and modified on December 16, 2004 pursuant to D.04-12-048. In compliance with D.04-12-048, on March 25, 2005, SCE submitted an updated Plan, revising its transaction limits for the period April 2005 through December 2014. These updated limits were approved by Resolution E-3950 on September 8, 2005. On December 15, 2006, SCE submitted Advice 2076-E which updated its Plan's energy position and rate-of-transaction limits. Advice 2076-E received Commission approval on January 17, 2007.

BACKGROUND

D.02-10-062 and D.03-12-062 were issued in Order Instituting Rulemaking (R.) 01-10-024 to Establish Policies and Cost Recovery Mechanisms for Generation Procurement and Renewable Resource Development. Among other things, D.03-12-062 approved SCE's Plan, establishing upfront standards and practices under which SCE must conduct its procurement activities.

Ordering Paragraph 19 of D.03-12-062 requires SCE to file each quarter's procurement transactions that conform to its Plan by Advice Letter within 30 days of the end of the quarter.

CONFIDENTIALITY

The report attached to this advice letter (Attachment A) has been prepared to contain only public information. The extensive workpapers accompanying the report contain confidential protected material subject to the protections adopted in D.06-06-066. The information for which SCE is seeking confidential treatment, including the length of time for which the information should remain confidential, is identified in Attachment B hereto. Parties wishing to obtain access to confidential information set forth in Attachment B may contact Robert Keeler in SCE's Law Department at Robert.Keeler@sce.com or (626) 302-4563 to obtain a non-disclosure agreement. In accordance with General Order 96-B, a copy of the proposed Protective Order is provided as Attachment C to this filing.

The confidential information referenced in Attachment B cannot be aggregated, redacted, summarized, masked, or otherwise protected in a manner that would allow partial disclosure of the data, while still protecting confidential information, because it is not feasible to redact and further compile the data within the time allotted to meet the required submission date.

To the best of my knowledge, SCE maintains as confidential the information referenced in Attachment B. I am informed and believe that this information is maintained by SCE's Energy Supply & Management department and provided internally only to those employees who need to know the information to carry out their job duties. I am also informed and believe that this information has not been disclosed to any person other than employees of SCE or non-market participants (such as staff of the Commission or members of SCE's Procurement Review Group).

No cost information is required for this advice filing.

This advice filing will not increase any rate or charge, cause the withdrawal of service, or conflict with any other schedule or rule.

TIER DESIGNATION

Pursuant to D.07-01-024, Energy Industry Rule 5.2, SCE believes this advice letter is subject to Energy Division disposition and should be classified as Tier 2 (effective after Staff approval).

EFFECTIVE DATE

This advice letter will become effective on July 30, 2007, subject to the review and approval of the Energy Division.

NOTICE

Anyone wishing to protest this advice letter 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 letter. Protests should be mailed to:

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

Akbar Jazayeri
Vice President, Revenue and Tariffs
Southern California Edison Company
2244 Walnut Grove Avenue
Rosemead, California 91770
Facsimile: (626) 302-4829
E-mail: AdviceTariffManager@sce.com

Bruce Foster
Senior Vice President of Regulatory Operations
c/o Karyn Gansecki
Southern California Edison Company
601 Van Ness Avenue, Suite 2040
San Francisco, California 94102
Facsimile: (415) 673-1116
E-mail: Karyn.Gansecki@sce.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.

In accordance with Section 4 of General Order No. 96-B, SCE is serving copies of this advice letter to the interested parties on SCE's GO 96-B service list, parties on the Procurement Review Group, and R.01-10-024. Address change requests to the GO 96-B service list should be directed by electronic mail to AdviceTariffManager@sce.com or (626) 302-2930. For changes to all other service lists, please contact the Commission's Process Office at (415) 703-2021 or by electronic mail at Process_Office@cpuc.ca.gov.

Further, in accordance with Public Utilities Code Section 491, notice to the public is hereby given by filing and keeping the advice letter at SCE's corporate headquarters. To view other SCE advice letters filed with the Commission, log on to SCE's web site at <http://www.sce.com/AboutSCE/Regulatory/adviceletters>.

For questions, please contact Dhaval Dagli at (626) 302-4840 or by electronic mail at Dhaval.Dagli@sce.com.

Southern California Edison Company

Akbar Jazayeri

AJ:dd:sq
Enclosures

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.: Southern California Edison Company (U 338-E)

Utility type:

ELC GAS
 PLC HEAT WATER

Contact Person: James Yee

Phone #: (626) 302-2509

E-mail: James.Yee@sce.com

E-mail Disposition Notice to: AdviceTariffManager@sce.com

EXPLANATION OF UTILITY TYPE

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

(Date Filed/ Received Stamp by CPUC)

Advice Letter (AL) #: 2144-E Tier Designation: 2

Subject of AL: Procurement Plan Compliance Report: Second Quarter 2007

Keywords (choose from CPUC listing): Compliance, Procurement

AL filing type: Monthly Quarterly Annual One-Time Other _____

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

D.02-10-062 and D.03-12-062

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 AL¹: _____

Confidential treatment of advice letter requested? No Confidential treatment of workpapers requested? Yes

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:

Robert Keeler, Law Department, at (626) 302-4563 or Robert.Keeler@sce.com

Resolution Required? Yes No

Requested effective date: 7/30/07 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: None

Service affected and changes proposed¹: _____

Pending advice letters that revise the same tariff sheets: _____

¹ Discuss 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 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
inj@cpuc.ca.gov and mas@cpuc.ca.gov

Akbar Jazayeri
Vice President, Revenue and Tariffs
Southern California Edison Company
2244 Walnut Grove Avenue
Rosemead, California 91770
Facsimile: (626) 302-4829
E-mail: AdviceTariffManager@sce.com

Bruce Foster
Senior Vice President of Regulatory Operations
c/o Karyn Gansecki
Southern California Edison Company
601 Van Ness Avenue, Suite 2040
San Francisco, California 94102
Facsimile: (415) 673-1116
E-mail: Karyn.Gansecki@sce.com

Attachment A

SOUTHERN CALIFORNIA EDISON
PROCUREMENT PLAN COMPLIANCE REPORT
FOR THE SECOND QUARTER OF 2007

July 30, 2007

Introduction

Southern California Edison Company (“SCE”) is providing this report on its procurement transactions during the period April 1, 2007 through June 30, 2007 (“Quarter”), to demonstrate that those transactions were in compliance with the orders of the California Public Utilities Commission (“CPUC” or “Commission”), and with SCE’s Commission-approved procurement plan (“Plan”).¹ SCE filed its 2004 Short-Term Procurement Plan (referred to at times as the “2004 STPP,” “2004 AB57 PP,” or “PP-04”) on May 15, 2003, and it was approved by D.03-12-062, as modified by D.04-12-048. Rather than require SCE, Pacific Gas and Electric Company, and San Diego Gas and Electric Company (together “the IOUs”) to prepare 2005 procurement plans, D.04-12-048 ordered the IOUs to submit compliance filings updating their approved 2004 procurement plans.² SCE submitted Advice Letter 1770-E-B on December 22, 2004, revising its capacity position limits and capacity ratable rates for 2005-2014, Advice Letter 1770-E-C on January 20, 2005, updating capacity position limits and capacity ratable rates for 2005-2008, Advice Letter 1878-E on March 25, 2005, with other revisions in compliance with D.04-12-048, and Advice Letter 2076-E on December 15, 2006 updating energy position limits and ratable rates for forward transactions. SCE filed Advice Letter 2133-E on June 11, 2007, which requested a Plan amendment to include the purchase and sale of sulfur dioxide emission allowances and sulfur dioxide emission allowance derivatives. This Advice Letter was suspended for up to 120 days, beginning July 6, 2007.

¹ The Commission initially established the requirement for quarterly filing of procurement transactions in D.02-10-062, Ordering Paragraph 8. This requirement has been further clarified in D.03-06-076, D.03-12-062, D.04-07-028, and D.04-12-048.

² SCE filed its most recent Long Term Procurement Plan (“LTPP”), Application R.06-02-013, on December 11, 2006, which when approved and adopted will replace the 2004 Procurement Plan in its entirety.

Among other things, D.04-12-048 authorized SCE to enter into short-term, mid-term, and long-term contracts, with contract delivery start dates through 2014, subject to certain compliance requirements. Contracts with terms longer than five years must be submitted to the Commission for pre-approval. Also, in D.04-07-028 the Commission modified the restrictions on use of bilateral negotiated contracts, relaxed spot market transaction limits and encouraged further joint actions by SCE and the California Independent System Operator (“CAISO”) to enhance local area reliability.

On June 29, 2006, the Commission issued D.06-06-066, setting forth new guidelines to distinguish public data from confidential data in procurement-related data submissions to the CPUC and other entities. As a result, SCE’s Quarterly Compliance Report (“QCR”) and Master Data Request documentation is designed to facilitate the separation of public data from confidential data, thereby increasing the amount of information available to all QCR advice letter recipients, while concurrently protecting market sensitive information as provided for in the D.06-06-066 IOU Matrix.³

Summary

During the Quarter, SCE executed over 4,600 power, natural gas and financial hedging transactions in support of the provision of reliable and competitively priced electric service to its bundled customers. All of these transactions were conducted using processes specified in the Plan and no transactions were executed with affiliates.

Pursuant to the approved Plan, SCE’s transactions during the Quarter were governed by updated transaction limits set forth in the advice letters referenced above and approved by the

³ See D.06-06-066 Appendix 1 for details.

Commission. SCE's transactions executed during the Quarter were in conformance with these limits.

As a result of its transaction activity, SCE was able to successfully mitigate a substantial portion of its forecast residual net-short ("RNS") and residual net-long ("RNL") energy and physical and financial natural gas positions during the Quarter. Details of SCE's transactions and their impact on its forecast RNS and RNL positions are contained in SCE's confidential workpapers.

Master Data Request Documentation

D.02-10-062, Appendix B, as clarified by D.03-06-076, sets forth specific elements to be addressed in this report. Each element is discussed below.

1. Identification of the ultimate decision maker(s) up to the Board level, approving the transactions.

For all procurement-related transactions executed during the Quarter, the ultimate authority responsible for transaction decisions was either the Senior Vice President of SCE's Power Procurement Business Unit or members of SCE's Risk Management Committee ("RMC").

2. The briefing package provided to the ultimate decision maker.

Many briefings are given to senior management from time to time that are informational (e.g., weekly activity reports) or are designed to seek policy clarification. Since these briefings do not result in a transaction decision, SCE has distinguished such briefings from "key" briefings (e.g., approval of new multi-year contracts pursuant to an SCE competitive solicitation). Key briefing packages prepared during the Quarter that required senior management approval are included in SCE's confidential workpapers.

3. Description of and justification for the procurement processes used to select the transactions.

The procurement processes used during the Quarter were Requests For Offers (“RFOs”), bilateral negotiations and voice and electronic broker traded transactions. All these processes are permitted in the Plan.

A. New Gen RFO

SCE is including a discussion of this RFO for informational purposes, and not for a review of compliance with Plan-based upfront and achievable standards and criteria, because the contracts executed pursuant to this RFO are submitted to the Commission for pre-approval. As discussed in SCE’s compliance report for the first quarter, on August 14, 2006, SCE issued a New Generation (“New Gen”) RFO seeking to obtain competitively priced offers from entities willing to construct new electric generation facilities for delivery into the CAISO-controlled grid. Capacity from the new facilities is for the benefit of all distribution customers. This RFO has been designed to evaluate offers under three “tracks”—a Summer 2007 track, a Fast Track and a Standard Track. The Summer 2007 and Fast tracks have been successfully completed, yielding three ten-year contracts, one that the Commission has approved and the others awaiting Commission approval.

Indicative offers for the Standard Track were received on June 1 and a “short list” determined on June 19. Negotiations with potential counterparties on the short list are proceeding and SCE anticipates making a recommendation to the Risk Management Committee prior to notifying successful offerors in January 2008.

B. Calpine Restructuring & Settlement

Prior to its bankruptcy filing on December 20, 2005, SCE and Calpine had executed a

Power Purchase Agreement (“PPA”) under mutually beneficial terms and conditions. However, following the bankruptcy, Calpine filed a motion with the court to terminate its PPA with SCE, the resolution of which is still pending. On April 11, in an attempt to preserve the potential benefits of the PPA, while concurrently addressing SCE’s resource adequacy needs, SCE and Calpine executed a contingent settlement agreement, a new PPA and three resource adequacy agreements. These agreements, including those submitted to the Commission for approval on June 4, are included in SCE’s confidential workpapers.

C. Gas Transportation Agreement For Peakers

Pursuant to the Commission’s directive, SCE is in the process of constructing several natural gas-fired, combustion turbine generating facilities (peakers) throughout its service territory to enhance near term reliability. To insure that the gas purchased for these facilities is delivered when the peakers are in operation, on May 30 SCE executed two-year, firm intrastate gas transportation agreements with the Southern California Gas Company, applicable to each peaker location. These agreements are included in SCE’s confidential workpapers.

D. Bilateral Negotiations

In addition to the transactions discussed above and the large number of short-term⁴ bilateral transactions executed during the Quarter to cost-effectively minimize SCE’s residual net energy and physical and financial natural gas positions, SCE executed new multi-month electric sales agreements and multi-month gas purchase agreements, as well as amendments to existing agreements.

E. Voice and Electronic Broker Transactions

As has been SCE’s practice, a significant number of transactions, both physical and

⁴ In SCE’s approved Plan, “short-term” is defined as transactions with duration of one calendar month or less or transactions executed less than one month prior to delivery.

financial, were executed during the Quarter via voice and electronic brokers to cost-effectively minimize SCE's residual net energy and physical and financial natural gas positions. For standard products available in actively traded markets, voice and electronic brokers are beneficial for at least two reasons: cost competitiveness is maximized and an efficient procurement process is employed.

4. Explanation/justification for the timing of the transactions.

Throughout the Quarter, SCE attempted to enter into electric and natural gas (both physical and financial) transactions needed to match forecast economic supply and demand ahead of the deadline for submitting final hour-ahead schedules to the CAISO, while concurrently complying with the Commission's resource adequacy requirements. This objective was achieved by gradually reducing the forecast open (i.e., short or long) energy positions through the use of long-term, multi-month, month-ahead, multi-day, day-ahead, and hour-ahead transactions, employing both standard and non-standard products. When selecting electric transactions to match forecast supply and demand, the best-priced bids/offers were selected first (merit-order selection) among those available for the required products at the time of the transaction, subject to credit and other limitations and operational constraints. Such operational constraints included the local area reliability requirements of the CAISO, as set forth in D.04-07-028.

The timing of physical gas transactions was largely driven by the requirement to ensure that the delivery of fuel to the gas-fired electric facilities managed by SCE matched such facilities' forecast burn.

5. Discussion of the system load requirements/conditions underlying the need for the Quarter's transactions.

SCE estimates that the energy demand for its bundled customers (not weather adjusted) during the Quarter was slightly higher than the same period in 2006. This estimate is based on CAISO settlement data for April and May 2007 and an estimate of SCE bundled customer energy for June 2007.

Despite a continuing return of Direct Access (“DA”) customers to bundled customer status and a slower growing economy, the milder weather (especially the cooler-than-normal weather experienced in June) resulted in only slight growth in bundled customer energy. Temperatures measured by cooling degree-days, were 50% lower from the same period in 2006. The economy—measured by total wage and salary employment—showed a 1.5 % increase over the same period in 2006.

During the Quarter, hydro generation from SCE's Big Creek facility was significantly lower than the 25-year second quarter average. Below normal precipitation during the winter months of this year caused the lower-than-average generation. Generation at SCE's Eastern Hydro facilities was also significantly below the 25-year second quarter average, caused by below normal precipitation.

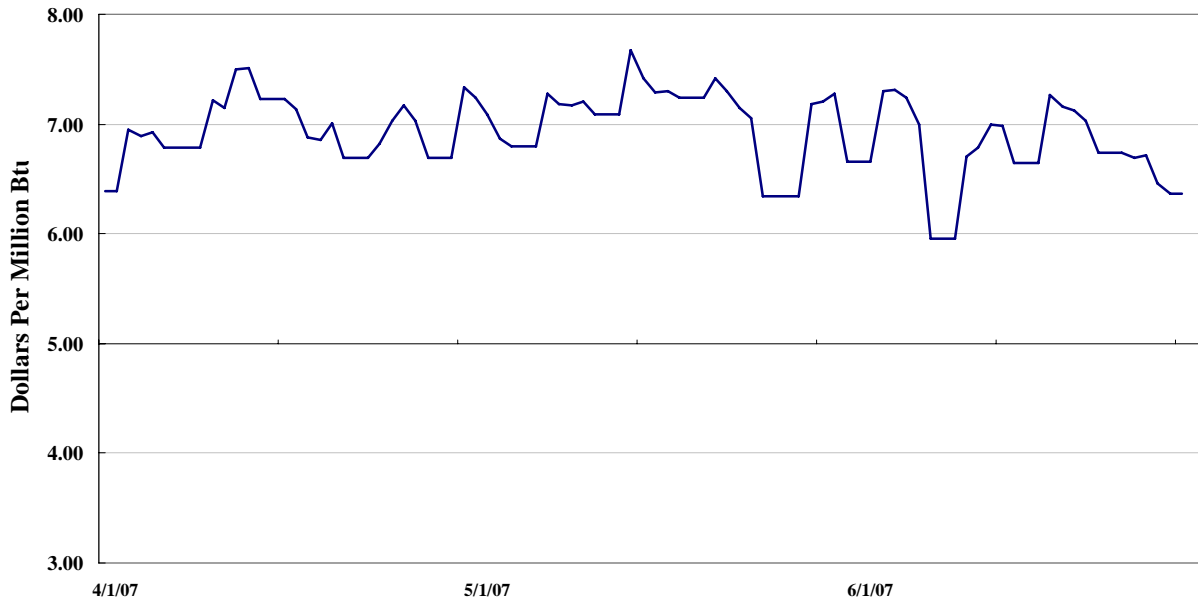
Production from SCE's coal resources was below normal during the Quarter as a result of planned outages and a higher-than-average number of forced outages.

Production from SCE's nuclear resources during the Quarter was normal.

As illustrated in Chart 1 below, daily index gas prices at the southern California border peaked in mid May, with prices ranging from \$5.96/MMBtu to \$7.68/MMBtu.⁵

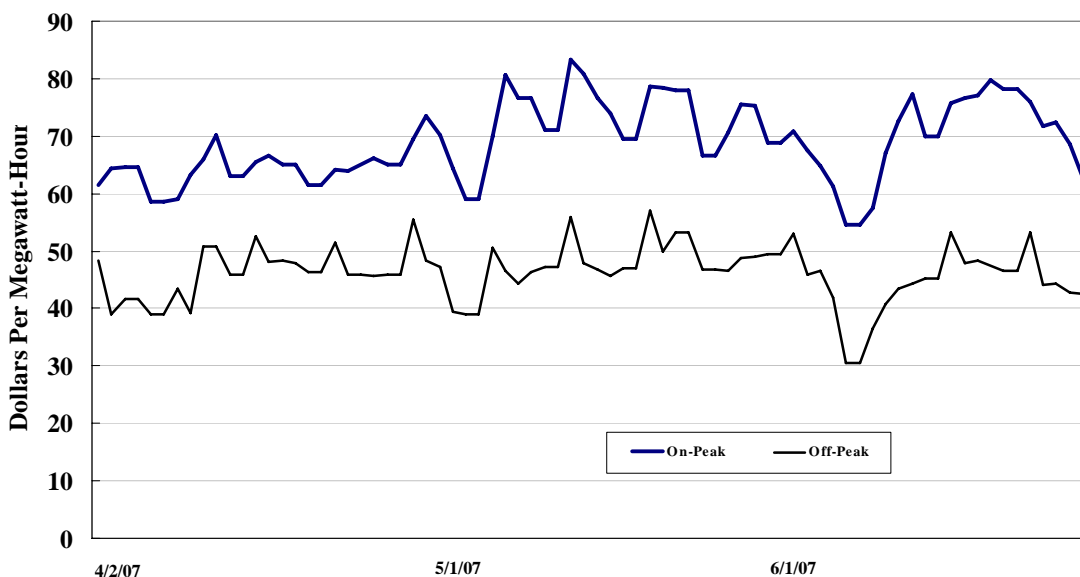
⁵ Based on data published by *Gas Daily*.

Chart 1
Daily SoCal Gas Prices
Published For Second Quarter 2007



During the Quarter, electric index prices for day-ahead deliveries at SP-15 of standard firm energy products trended downward, ranging from approximately \$30.44/MWh to \$57.14/MWh for the off-peak product and from approximately \$54.54/MWh to \$83.42/MWh for the on-peak product (see Chart 2 below).⁶

Chart 2
SP-15 Day-Ahead Electricity Price Indices
Published During the Second Quarter 2007



6. Discussion of how the quarter’s transactions met the goals of the risk management strategy reflected in the Plan

During the Quarter, SCE entered into various financial transactions designed to: (1) hedge the gas price risk associated with SCE’s existing QF contracts that have payments tied to the price of natural gas; (2) hedge the gas price risk associated with SCE’s non-QF gas contracts;

⁶ Based on data published by *The Wall Street Journal*.

and (3) hedge the price risk associated with certain electric transactions. The options and swaps employed by SCE to manage risk are all permitted under, and consistent with the goals of, SCE's Plan. SCE used electronic brokers, voice brokers, and quotes from direct counterparties to ensure these financial transactions were competitively priced. Details of SCE's financial transactions are included in SCE's confidential workpapers.

7. Copy of each contract.

Contracts executed by SCE during the Quarter are included in SCE's confidential workpapers.

8. The break-even spot price equivalent to the contract(s).

Because the Commission has not defined the term "break-even spot price" and has not provided a methodology to calculate its value for different types of transactions, this information is not included in this report.

9. An electronic copy of any data or forecasts used to analyze the transactions.

Because transaction personnel are continuously monitoring a wide range of market information on a 24-hour-per-day, 7-day-per-week basis, it is not feasible to provide all the data and forecasts used to analyze all potential and executed transactions. However, SCE has provided in its confidential workpapers the key data it commonly utilized in planning and executing most of its transactions.

10. Provide a reasonable number of analyses requested by the Commission or the Procurement Review Group ("PRG") and provide the resulting outputs.

SCE prepared various analyses for briefings to its PRG during conference calls conducted on April 11, April 26, June 6, June 15, and June 19, as well as in its meeting on June 22, to keep the PRG informed on relevant procurement matters. Key topics discussed with SCE's PRG during the Quarter included: an update on the Standard Track of SCE's New Generation RFO, a

plan to execute power financial swaps, the need to obtain firm gas transportation for new peaker plants, an advice letter requesting an amendment to SCE's Plan in order to buy and sell sulfur oxide emission allowances, the strategy to manage SCE's third quarter 2007 energy positions, the need to include the future acquisition of Congestion Revenue Rights ("CRRs") in SCE's Plan, and a review of SCE's first quarter 2007 procurement activities. Other than data provided in conjunction with the RFOs discussed above, no additional analyses pertinent to SCE's procurement activities under its Plan were requested by the Commission or PRG during the Quarter.

11. Any other information sought by the Commission under the Public Utilities Code.

A. Retained Generation Investments

In accordance with D.07-01-039, Ordering Paragraph 12, investments made in retained generation during the Quarter are provided in the table below.

SCE Retained Generation Investments

	Investment: Million \$
<u>Non-GHG Emitting Facilities</u>	
Northern Hydro	3.1
Eastern Hydro	3.0
San Onofre Units 2 & 3	
Plant Health Sub-Committee	15.6
Marine Mitigation	3.0
Steam Generator Replacement	9.1
Palo Verde Units 1, 2 & 3	8.9
<u>GHG Emitting Facilities</u>	
Mountainview Units 3 & 4 ⁷	1.1
Mohave Units 1 & 2 ⁸	0.1
Four Corners Units 4 & 5 ⁹	6.8
Combustion Turbine Peakers ¹⁰	45.7

B. Multiple Same-Source Contracts

Decision D.07-01-039 also requires the utilities to report any multiple contracts of less than five years in duration that were executed with the same supplier, resource or facility. SCE did not execute any such “same-source” contracts during the Quarter.

SCE’s QCR Workpapers

SCE has submitted a compact disc (CD) with this advice letter that contains confidential

⁷ Mountainview is a combined cycle gas turbine (“CCGT”) in operation since January 2006 that is “grandfathered” by Senate Bill 1368.

⁸ SCE is presently attempting to dispose of its ownership share of Mohave.

⁹ None of the investments are designed or intended to: (1) extend the life of one or more units by five years or more; (2) result in a net increase in the rated capacity of the powerplant; or (3) convert a non-baseload plant to a baseload plant.

¹⁰ New peakers are being constructed in accordance with the August 15, 2006 Assigned Commissioner’s Ruling addressing electric reliability needs in southern California for Summer 2007.

information as defined by D.06-06-066. Pursuant to that decision, data in the CD has been identified in accordance with the IOU matrix as discussed in Attachment B. Since the vast majority of SCE's QCR workpapers are confidential in nature and because of the extensive amount of time that would be required for SCE to undertake a line-by-line redaction of such confidential data, SCE has structured Attachment B broadly to avoid a prolonged delay in providing its workpapers to the Commission. This treatment of SCE's QCR workpapers will enable SCE to comply with the spirit of D.02-10-062, D.06-06-066 and General Order 96-B, while maintaining timely communication of QCR data to the Commission.

Attachment B

ADVICE 2144-E - ATTACHMENT B
DESIGNATION OF CONFIDENTIAL INFORMATION

Identified below is the description of workpaper data contained in the compact disc accompanying SCE’s Second Quarter 2007 Procurement Plan Compliance Report for which SCE is seeking confidential protection and the categories on the Matrix of Allowed Confidential Treatment Investor Owned Utility (IOU) Data (Matrix) to which these data correspond. Also set forth is the period of time for which confidential protection is authorized by the IOU Matrix. These data cannot be aggregated, summarized, masked or otherwise protected in a manner that would allow partial disclosure of the data while still remaining fully responsive to the Master Data Request and/or providing the detailed transaction information required by the Commission. Nor would it be feasible to further redact the data in order to allow additional partial disclosure within the time allotted for SCE to compile and submit its workpapers to Commission staff.

Workpaper Description	Matrix Category	Matrix Confidentiality Treatment	Confidentiality Designation
Short-Term Electric Transaction Details	VII.B. Bilateral Contracts Terms and Conditions – Electric: Contracts and Power Purchase Agreements Between Utilities and Non-Affiliated Third Parties (except RPS) [Matrix category applies to purchases; but equal confidential treatment of sales sought by analogy]	Contract summaries public. Other terms confidential for three years from data contract states deliveries to begin; or one year following expiration, whichever comes first.	Confidential data (terms other than contract summaries) shaded to facilitate redaction.
Short-Term Physical Natural Gas Transaction Details	I.B.2. Historical Information (gas): Utility Recorded Gas Procurement and Cost Information.	Confidential for one year.	Confidential data shaded to facilitate redaction.

Workpaper Description	Matrix Category	Matrix Confidentiality Treatment	Confidentiality Designation
Short-Term Financial Natural Gas Transaction Details	I.B.2. Historical Information (gas): Utility Recorded Gas Procurement and Cost Information.	Confidential for one year.	Confidential data shaded to facilitate redaction.
Generation Operations Center Logs	<p>IV.A. Resource Planning Information – Electric: Forecast of IOU Generation Resources (MW and MWh);</p> <p>IV.B. Resource Planning Information – Electric: Forecast of Qualifying Facility Generation;</p> <p>IV.C. Resource Planning Information – Electric: Forecast of IOU Hydro Greater than 30 Megawatts (MW);</p> <p>IV.F. Resource Planning Information – Electric: Forecast of Post-1/1/2003 (“New World”) Bilateral Contracts;</p> <p>IV.G Resource Planning Information – Electric: Forecast of DWR Contracts.</p>	<p>Confidential for three years;</p> <p>Confidential for three years;</p> <p>Confidential for three years;</p> <p>Individual contract information confidential for three years, or until one year following expiration, whichever comes first;</p> <p>Individual contract information confidential for three years, or until one year following expiration, whichever comes first.</p>	Entire document designated confidential, as redaction not feasible.

Workpaper Description	Matrix Category	Matrix Confidentiality Treatment	Confidentiality Designation
Daily Power Trading Reports	VI.B. Net Open Position Information – Electric: Utility Bundled Net Open (Long or Short) Position for Energy (MWh); VIII.A. Competitive Solicitation (Bidding) Information – Electric.	Front three years of forecast data confidential; Total number of projects and megawatts bid by resource type public after final contracts submitted to CPUC for approval.	Entire document designated confidential, as redaction not feasible.

Workpaper Description	Matrix Category	Matrix Confidentiality Treatment	Confidentiality Designation
Gas Market Notes	<p>I.A.4. Natural Gas Information: Forecasts (gas); Long Term Fuel (gas) Buying and Hedging Plans;</p> <p>I.A.5. Natural Gas Information: Forecasts (gas); Monthly California Department of Water and Resources (DWR) Gas Position Updates, Including Information About Hedging Activities;</p> <p>I.B.2. Historical Gas Information (gas): Utility Recorded Procurement and Cost Information;</p> <p>VIII.A. Competitive Solicitation (Bidding) Information – Electric: Bid Information [by analogy].</p>	<p>Confidential for three years;</p> <p>Confidential for three years.</p> <p>Confidential for one year;</p> <p>Total number of projects and megawatts bid by resource type public after final contracts submitted to CPUC for approval.</p>	Entire document designated confidential, as redaction not feasible.

Workpaper Description	Matrix Category	Matrix Confidentiality Treatment	Confidentiality Designation
Daily Resource Plans	II.A.2. Cost Forecast Data – Electric: Electric Price Forecasts: Utility Electric Price Forecasts;	Confidential for three years;	Entire document designated confidential, as redaction is not feasible.
	II.B.1. Cost Forecast Data – Electric: Generation Cost Forecasts: Utility Retained Generation (URG);	Confidential for three years;	
	II.B.2. Cost Forecast Data – Electric: Generation Cost Forecasts: DWR Contracts;	Variable cost of dispatchable resources confidential. All other information public.	
	II.B.3. Cost Forecast Data – Electric: Generation Cost Forecasts: QF Contracts;	Confidential for three years;	
	II.B.4. Cost Forecast Data – Electric: Generation Cost Forecasts: Non-QF Bilateral Contracts;	Confidential for three years;	
	IV.A. Resource Planning Information – Electric: Forecast of IOU Generation Resources (MW and MWh);	Confidential for three years;	
	IV.B. Resource Planning Information – Electric: Forecast	Confidential for three years;	

	<p>of Qualifying Facility Generation;</p> <p>IV.C. Resource Planning Information – Electric: Forecast of IOU Hydro Greater than 30 Megawatts (MW);</p> <p>IV.F. Resource Planning Information – Electric: Forecast of Post-1/1/2003 (“New World”) Bilateral Contracts;</p> <p>IV.G Resource Planning Information – Electric: Forecast of DWR Contracts;</p> <p>V.B. Load Forecast Information and Data – Electric: LSE Total Peak Load Forecast – Bundled Customer (MW);</p> <p>VI.A. Net Open Position Information – Electric: Utility Bundled Net Open (Long or Short) Position for Capacity (MW);</p> <p>VI.B. Net Open Position Information – Electric: Utility Bundled Net Open (Long or Short) Position for Energy (MWh).</p>	<p>Confidential for three years;</p> <p>Individual contract information confidential for three years, or until one year following expiration, whichever comes first;</p> <p>Individual contract information confidential for three years, or until one year following expiration, whichever comes first;</p> <p>Front three years of forecast data confidential;</p> <p>Front three years of forecast data confidential;</p> <p>Front three years of forecast data confidential.</p>	
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Workpaper Description	Matrix Category	Matrix Confidentiality Treatment	Confidentiality Designation
Real Time Price Surveys	VIII.A. Competitive Solicitation (Bidding) Information – Electric: Bid Information.	Total number of projects and megawatts bid by resource type public after final contracts submitted to CPUC for approval.	Entire document designated confidential, as redaction is not feasible.
New Contracts Executed	VII.B. Bilateral Contracts Terms and Conditions – Electric: Contracts and Power Purchase Agreements Between Utilities and Non-Affiliated Third Parties (except RPS)	Contract summaries public. Other terms confidential for three years from data contract states deliveries to begin; or until one year following expiration, whichever comes first.	Entire document designated confidential, as redaction is not feasible.
Published Prices	II.A.1. Cost Forecast Data – Electric: Electric Price Forecasts: Commercially Available Electric Price Forecasts;	Public unless confidentiality provision with vendor. If there is such a provision, IOU shall first attempt to secure permission to release information. If that fails, data confidential no more than three years.	Entire document designated confidential, as redaction is not feasible. Requested authorization from vendors to publicize their proprietary information but have not obtained such authorization.

Workpaper Description	Matrix Category	Matrix Confidentiality Treatment	Confidentiality Designation
Key Briefing Presentations to RMC/PRG Members	<p>I.A.2. Natural Gas Information: Utility Gas Price Forecasts;</p> <p>VI.A. Net Open Position Information – Electric: Utility Bundled Net Open (Long or Short) Position for Capacity (MW)</p> <p>VI.B. Net Open Position Information – Electric: Utility Bundled Net Open (Long or Short) Position for Energy (MW)</p> <p>VIII.A. Competitive Solicitation (Bidding) Information – Electric: Bid Information</p> <p>VIII.B. Competitive Solicitation (Bidding) Information – Electric: Specific Quantitative Analysis Involved in Scoring and Evaluation of Participating Bids</p>	<p>Front three years of forecast data confidential;</p> <p>Front three years for forecast data confidential;</p> <p>Front three years for forecast data confidential;</p> <p>Total number of projects and megawatts bid by resource type public after final contracts submitted to CPUC for approval.</p> <p>Evaluation guidelines should be public. Other information confidential for three years after winning bidders selected.</p>	Entire document designated confidential, as redaction is not feasible. Requested authorization from vendors to publicize their proprietary information but have not obtained such authorization.

Attachment C

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Second Quarter 2007 Procurement Plan)
Compliance Report)
_____)

Advice 2144-E

PROTECTIVE ORDER

1. Scope. This Protective Order shall govern access to Protected Material contained in the confidential version of Advice Letter 2144-E. This Protective Order does not address the right of employees of the California Public Utilities Commission (“CPUC” or “Commission”) acting in their official capacities (“Commission Staff”) to view protected materials because Commission Staff are entitled to view Protected Materials in accordance with the requirements of Section 583 of the Public Utilities Code and the Commission’s General Order 66-C.

2. Modification. This Protective Order shall remain in effect until it is modified or terminated by the Commission after all affected parties have been given notice and have had a reasonable opportunity to be heard.

3. Definitions

A. The term “Protected Material(s)” means (i) trade secret, market sensitive, or other confidential and/or proprietary information as determined in good faith by the Disclosing Party in accordance with the provisions of D.06-06-066 and subsequent decisions, General Order 66-C, Public Utilities Code Sections 583 and 454.5(g), or any other right of confidentiality provided by law, or (ii) any other materials that are made subject to this Protective Order by the Assigned ALJ, Law and Motion Administrative Law Judge (“Law and Motion ALJ”), Assigned Commissioner, the Commission, or any court or other body having appropriate authority. Protected Materials also includes memoranda, handwritten notes, spreadsheets, computer files

and reports, and any other form of information (including information in electronic form) that copies, discloses, or compiles other Protected Materials or from which such materials may be derived. Protected Materials do not include: (i) any information or document contained in the public files of the CPUC or any other state or federal agency, or in any state or federal court, unless such information or document has been determined to be protected by such agency or court; or (ii) any information that is public knowledge, or which becomes public knowledge, other than through disclosure in violation of this Protective Order or any other protective order.

B. The term “redacted” refers to situations in which Protected Materials in a document, whether the document is in paper or electronic form, have been covered, blocked out, or removed. The term “unredacted” refers to situations in which the Protected Materials in a document, whether in paper or electronic form, have been shaded but not covered, blocked out, or removed.

C. The term “Disclosing Party” means a party who initially discloses any specified Protected Materials in this proceeding.

D. The term “Market Participant” (“MP”) refers to a party that is:

- 1) A person or entity, or an employee of an entity, that engages in the wholesale purchase, sale or marketing of energy or capacity, or the bidding on or purchasing of power plants, or bidding on utility procurement solicitations, or consulting on such matters, subject to the limitations in 3) below.
- 2) A trade association or similar organization, or an employee of such organization,
 - a) whose primary focus in proceedings at the Commission is to advocate for persons/entities that purchase, sell or market energy or capacity at wholesale; bid on, own, or purchase power plants; or bid on utility procurement solicitations; or
 - b) a majority of whose members purchase, sell or market energy or capacity at wholesale; bid on, own, or purchase power plants; or bid on utility procurement solicitations; or
 - c) formed for the purpose of obtaining market sensitive information; or

- d) controlled or primarily funded by a person or entity whose primary purpose is to purchase, sell or market energy or capacity at wholesale; bid on, own, or purchase power plants; or bid on utility procurement solicitations.
- 3) A person or entity that meets the criteria of 1) above is nonetheless not a market participant for purpose of access to market sensitive data unless the person/entity seeking access to market sensitive information has the potential to materially affect the price paid or received for electricity if in possession of such information. An entity will be considered not to have such potential if:
- a) the person or entity's participation in the California electricity market is *de minimis* in nature. In the resource adequacy proceeding (R.05-12-013) it was determined in D.06-06-064 § 3.3.2 that the resource adequacy requirement should be rounded to the nearest megawatt (MW), and load serving entities (LSEs) with local resource adequacy requirements less than 1 MW are not required to make a showing. Therefore, a *de minimis* amount of energy would be less than 1 MW of capacity per year, and/or an equivalent of energy; and/or
 - b) the person or entity has no ability to dictate the price of electricity it purchases or sells because such price is set by a process over which the person or entity has no control, *i.e.*, where the prices for power put to the grid are completely overseen by the Commission, such as subject to a standard offer contract or tariff price. A person or entity that currently has no ability to dictate the price of electricity it purchases or sells under this section, but that will have such ability within one year because its contract is expiring or other circumstances are changing, does not meet this exception; and/or
 - c) the person or entity is a cogenerator that consumes all the power it generates in its own industrial and commercial processes, if it can establish a legitimate need for market sensitive information.

E. A Market Participant's Reviewing Representatives are limited to persons designated by the Market Participant who meet the following criteria:

1. Are outside experts, consultants or attorneys;
2. Are not currently engaged, directly or indirectly, in (a) the purchase, sale, or marketing of electrical energy or capacity or natural gas (or the direct supervision of any employee(s) whose duties include such activities), (b) the bidding on or purchasing of power plants (or the direct supervision of any employee(s) whose duties include such activities), or (c) consulting with or advising

others in connection with any activity set forth in subdivisions (a) or (b) above (or the direct supervision of any employee(s) whose duties include such activities or consulting); and

3. Are not an employee of a market participant.

F. Persons or entities that do not meet the definition of market participant are non-market participants (“NMPs”), and may have access to market sensitive information through their designated Reviewing Representatives. Any NMP Reviewing Representative who is simultaneously representing a Market Participant in other proceedings before the Commission shall disclose such representation to the Disclosing Party. If the Disclosing Party objects to reviewing representative status for such person, the Disclosing Party shall bring the matter before the Presiding Administration Law Judge for resolution within ten (10) days.

H. All Reviewing Representatives are required to execute a non-disclosure agreement and are bound by the terms of this Protective Order.

4. Designation of Materials.

When filing or providing in discovery any documents containing Protected Materials, a party shall physically mark such documents on each page (or in the case of non-documentary materials such as computer diskettes, on each item) as “PROTECTED MATERIALS SUBJECT TO PROTECTIVE ORDER,” or with words of similar import as long as one or more of the terms, “Protected Materials,” “Protective Order,” “Section 583” or “General Order No. 66-C” is included in the designation to indicate that the materials in question are protected.

All materials so designated shall be treated as Protected Materials unless and until (a) the designation is withdrawn pursuant to Paragraph 17 hereof, or (b) there is a determination pursuant to Paragraph 4 hereof changing the designation and a period of 14 calendar days has elapsed without an appeal or other challenge to the determination pending.

All documents containing Protected Materials that are filed with the Commission or served shall be placed in sealed envelopes or otherwise appropriately protected and shall be

endorsed to the effect that they are filed or served under seal pursuant to this Protective Order. Such documents shall be served upon Reviewing Representatives and persons employed by or working on behalf of the state governmental agencies referred to in Paragraphs 11(a), 11(b) and 11(c) hereof who are eligible and have requested to review such materials. Service upon the persons specified in the foregoing sentence may either be (a) by electronic mail in accordance with the procedures adopted in this proceeding, (b) by facsimile, or (c) by overnight mail or messenger service. Whenever service of a document containing Protected Materials is made by overnight mail or messenger service, the Assigned ALJ shall be served with such document by hand on the date that service is due.

5. Redaction of Documents. Whenever a party files or provides in discovery a document that includes Protected Materials (including but not limited to briefs, testimony, exhibits, and responses to data requests), such party shall also prepare a redacted version of such document. The redacted version shall enable persons familiar with this proceeding to determine with reasonable certainty the nature (but not magnitude) of the data that has been redacted and where the redactions occurred. The redacted version of a document to be filed shall be served on all persons on the service list, and the redacted version of a discovery document shall be served on all persons entitled thereto.

6. Selection of Reviewing Representatives. Each MP and NMP selecting a Reviewing Representative shall first identify its proposed Reviewing Representative to all other parties and the Division Director and shall provide all parties with a curriculum vitae of each candidate, including a brief description of the candidate's professional experience and past and present professional affiliations for the last 10 years. Any party who objects to a proposed Reviewing Representative shall advise the proposing party in writing within five (5) business days from receipt of such notice, setting forth in detail the reasons therefor. In the event of such objection, the proposing party, the objecting party or parties, and the Division Director shall promptly meet and confer to try to resolve the issue, and if necessary seek a ruling from either the Assigned ALJ

or the Law and Motion ALJ. In ruling on the motion, the Assigned ALJ or the Law and Motion ALJ shall consider all relevant facts, including whether the proposed Reviewing Representative has a need to know the information in the Protected Materials to prove or defend against a material element of one or more issues presented in this proceeding, and whether it is reasonable to conclude that the information sought by the Reviewing Representative is essential to a fair resolution of an issue in this proceeding. If a party desires to designate a Reviewing Representative who has previously been approved for that status in a prior Commission proceeding and that person's professional responsibilities have not changed since the prior designation, the party need not repeat the process described above unless the Disclosing Party raises an objection to the person's selection as a Reviewing Representative, in which case the proposing party, the objecting party, and the Division Director shall promptly meet and confer to try to resolve the issue, and if necessary follow the remaining steps set forth above.

7. Access to Protected Materials and Use of Protected Materials. Subject to the terms of this Protective Order, Reviewing Representatives shall be entitled to access to Protected Materials. All other parties shall not be granted access to Protected Materials, but shall instead be limited to reviewing redacted versions of documents. Reviewing Representatives may make copies of Protected Materials, but such copies become Protected Materials. Reviewing Representatives may make notes of Protected Materials, which shall be treated as Notes of Protected Materials if they disclose the contents of Protected Materials. Protected Materials obtained by a party in this proceeding may also be requested by that party in a subsequent Commission proceeding, subject to the terms of any protective order governing that subsequent proceeding, without constituting a violation of this order.

8. Maintaining Confidentiality of Protected Materials. Each Reviewing Representative shall treat Protected Materials as confidential in accordance with this Protective Order and the Non-Disclosure Certificate executed pursuant to Paragraph 6 and 7 hereof. Protected Materials shall not be used except as necessary for the resolution of the advice letter filing, and shall not be disclosed in any manner to any person except (i) Reviewing Representatives who have executed

Non-Disclosure Certificates; (ii) Reviewing Representatives' paralegal employees and administrative personnel, such as clerks, secretaries, and word processors, to the extent necessary to assist the Reviewing Representatives, provided that they shall first ensure that such personnel are familiar with the terms of this Protective Order, and have signed a Non-Disclosure Certificate, (iii) persons employed by or working on behalf of the CEC or other state governmental agencies covered by Paragraph 12. Reviewing Representatives shall adopt suitable measures to maintain the confidentiality of Protected Materials they have obtained pursuant to this Protective Order, and shall treat such Protected Materials in the same manner as they treat their own most highly confidential information. Reviewing Representatives shall be liable for any unauthorized disclosure or use by their paralegal employees or administrative staff. In the event any Reviewing Representative is requested or required by applicable laws or regulations, or in the course of administrative or judicial proceedings (in response to oral questions, interrogatories, requests for information or documents, subpoena, civil investigative demand or similar process) to disclose any of Protected Materials, the Reviewing Representative shall oppose disclosure on the grounds that the requested information has already been designated by the Commission as Protected Materials subject to this Protective Order lawfully issued by the Commission and therefore may not be disclosed. The Reviewing Representative shall also immediately inform the Disclosing Party of the request, and such party may, at its sole discretion and cost, direct any challenge or defense against the disclosure requirement, and the Reviewing Representative shall cooperate in good faith with such party either to oppose the disclosure of the Protected Materials consistent with applicable law, or to obtain confidential treatment of them by the person or entity who wishes to receive them prior to any such disclosure. If there are multiple requests for substantially similar Protected Materials in the same case or proceeding where a Reviewing Representative has been ordered to produce certain specific Protected Materials, the Reviewing Representative may, upon request for substantially similar materials by another person or entity, respond in a manner consistent with that order to those substantially similar requests.

9. Exception for California Independent System Operator (ISO). Notwithstanding any other provision of this Protective Order, with respect to an ISO Reviewing Representative only, participation in the ISO's operation of the ISO-controlled grid and in its administration of the ISO-administered markets, including, but not limited to, markets for ancillary services, supplemental energy, congestion management, and local area reliability services, shall not be deemed to be a violation of this Protective Order.

10. Non-Disclosure Certificates. A Reviewing Representative shall not inspect, participate in discussions regarding, or otherwise be granted access to, Protected Materials unless and until he or she has first completed and executed a Non-Disclosure Certificate, attached hereto as Appendix A, and delivered the original, signed Non-Disclosure Certificate to the Disclosing Party. The Disclosing Party shall retain the executed Non-Disclosure Certificates pertaining to the Protected Materials it has disclosed and shall promptly provide copies of the Non-Disclosure Certificates to Commission Staff upon request.

11. Return or Destruction of Protected Materials. Protected Materials shall remain available to Reviewing Representatives until the later of the date that a letter or resolution resolving this advice letter becomes no longer subject to judicial review, or the date that any other Commission proceeding relating to the Protected Material is concluded and no longer subject to judicial review. If requested to do so in writing after that date, the Reviewing Representatives shall, within fifteen days of such request, return the Protected Materials (including Notes of Protected Materials) to the Participant that produced them, or shall destroy the materials, except that copies of filings, official transcripts and exhibits in this proceeding that contain Protected Materials, and Notes of Protected Material may be retained, if they are maintained in accordance with Paragraph 7. Within such time period each Reviewing Representative, if requested to do so, shall also submit to the Disclosing Party an affidavit stating that, to the best of its knowledge, all Protected Materials and all Notes of Protected Materials have been returned or have been destroyed or will be maintained in accordance with Paragraph 7. To the extent Protected Materials are not returned or destroyed, they shall remain subject to the

Protective Order, Section 583 of the California Public Utilities Code and CPUC General Order No. 66-C. In the event that a Reviewing Representative to whom Protected Material are disclosed ceases to be engaged to provide services in this proceeding, or ceases to be eligible for Reviewing Representative status pursuant to Paragraph 3.E., then access to such materials by that person shall be terminated. Even if no longer engaged in this proceeding and/or no longer eligible for Reviewing Representative status, every such person shall continue to be bound by the provisions of this Protective Order and the Non-Disclosure Certificate.

12. Access and Use by Governmental Entities.

(a) In the event the CPUC receives a request from the CEC for a copy of or access to any party's Protected Materials, the procedure for handling such requests shall be as follows. Not less than five (5) days after delivering written notice to the Disclosing Party of the request, the CPUC shall release such Protected Materials to the CEC upon receipt from the CEC of an Interagency Information Request and Confidentiality Agreement ("Interagency Confidentiality Agreement"). Such Interagency Confidentiality Agreement shall (i) provide that the CEC will treat the requested Protected Materials as confidential in accordance with this Protective Order, (ii) include an explanation of the purpose for the CEC's request, as well as an explanation of how the request relates to furtherance of the CEC's functions, (iii) be signed by a person authorized to bind the CEC contractually, and (iv) expressly state that furnishing of the requested Protected Materials to employees or representatives of the CEC does not, by itself, make such Protected Materials public. In addition, the Interagency Confidentiality Agreement shall include an express acknowledgment of the CPUC's sole authority (subject to judicial review) to make the determination whether the Protected Materials should remain confidential or be disclosed to the public, notwithstanding any provision to the contrary in the statutes or regulations applicable to the CEC.

(b) In the event the CPUC receives a request for a copy of or access to a party's Protected Materials from a state governmental agency other than the CEC that is authorized to enter into a written agreement sufficient to satisfy the requirements for maintaining

confidentiality set forth in Government Code Section 6254.5(e), the CPUC may, not less than five (5) days after giving written notice to the Disclosing Party of the request, release such protected material to the requesting governmental agency, upon receiving from the requesting agency an executed Interagency Confidentiality Agreement that contains the same provisions described in Paragraph 10(a) above.

(c) The CEC may use Protected Materials when needed to fulfill its statutory responsibilities or cooperative agreements with the CPUC. Commission confidentiality designations will be maintained by the CEC in making such assessments, and the CEC will not publish any assessment that directly reveals the data or allows the data submitted by an individual load serving entity (“LSE”) to be “reverse engineered.”

13. CPRA Requests. If a request is made pursuant to the California Public Records Act (“CPRA”), Government Code sections 6250, *et seq.*, that a party’s Protected Materials filed with or otherwise in the possession of the CPUC be produced, the CPUC will notify such party of the CPRA request. The CPUC also will notify the requester that the Protected Materials are public records that have been filed with or submitted to the CPUC accompanied by a claim that they are confidential and/or that there is a public interest served by withholding the records. The CPUC will thereafter proceed to determine, pursuant to applicable law, whether the requested Protected Materials are excluded from public inspection. In the event the CPUC receives a request from a federal government agency or a judicial subpoena for the production of a party’s Protected Materials in the CPUC’s possession, the CPUC will also notify the Disclosing Party of such request. In the event that a PRA requester brings suit to compel disclosure of a party’s Protected Materials, the CPUC will promptly notify the Disclosing Party of such suit, and Commission Staff and the Disclosing Party shall cooperate in opposing the suit.

14. Derivative Materials. There shall be a rebuttable presumption that (a) any study that incorporates, describes or otherwise employs Protected Materials in a manner that could reveal all of a part of such materials, or (b) any model that relies upon Protected Materials for algorithms or other computation(s) critical to the functioning of the model, are Protected

Materials that are subject to Section 583 of the Public Utilities Code, the Commission’s General Order 66-C, and this Protective Order. However, models that merely use Protected Materials as inputs will not themselves be considered Protected Materials. There shall also be a rebuttable presumption that where the inputs to studies or models include Protected Materials, or where the outputs of such studies or models reveal such inputs or can be processed to reveal such materials, such inputs and/or outputs shall be considered Protected Materials subject to this Protective Order, unless such inputs and/or outputs have been redacted or aggregated to the satisfaction of the Disclosing Party. Unless a party, by means of notice and motion, obtains a ruling from the Assigned ALJ or the Law and Motion ALJ holding that the applicable presumption(s) from among the foregoing has been rebutted with respect to the model or study at issue, then any party who devises or propounds a model or study that incorporates, uses or is based upon such materials shall label the model or study “Protected Materials,” and it shall be subject to the terms of this Protective Order.

15. Dispute Resolution. All disputes that arise under this Protective Order, including but not limited to alleged violations of this Protective Order and disputes concerning whether materials were properly designated as Protected Materials, shall be presented for resolution to the Assigned ALJ or the Law and Motion ALJ. Prior to presenting any such dispute to the applicable ALJ, the parties to the dispute shall use their best efforts to resolve it. The parties and Commission Staff reserve the right to seek additional administrative or judicial remedies after the Assigned ALJ or the Law and Motion ALJ has made a ruling regarding the dispute.

16. Other Objections to Use or Disclosure. Nothing in this Protective Order shall be construed as limiting the right of a party, the Commission Staff, or a state governmental agency covered by Paragraph 10 10(a), 10(b) and 10(c) from objecting to the use or disclosure of Protected Material on any legal ground, such as relevance or privilege.

17. Remedies. Any violation of this Protective Order shall constitute a violation of an order of the CPUC. Notwithstanding the foregoing, the parties and Commission Staff reserve

their rights to pursue any legal or equitable remedies that may be available in the event of an actual or anticipated disclosure of Protected Materials.

18. Withdrawal of Designation. A Disclosing Party may agree at any time to remove the “Protected Materials” designation from any materials of such party if, in its opinion, confidentiality protection is no longer required. In such a case, the Disclosing Party will notify all other parties that the Disclosing Party believes are in possession of such materials of the change of designation.

19. Interpretation. Titles are for convenience only and may not be used to restrict the scope of this Protective Order.

Entered: _____
Administrative Law Judge

Date: _____

APPENDIX A TO PROTECTIVE ORDER

BEFORE THE PUBLIC UTILITIES COMMISSION

OF THE STATE OF CALIFORNIA

Second Quarter 2007 Procurement Plan)
Compliance Report)
_____)

Advice 2144-E

NON-DISCLOSURE CERTIFICATE

I hereby certify my understanding that access to Protected Materials is provided to me pursuant to the terms and restrictions of the Protective Order in this proceeding, that I have been given a copy of and have read the Protective Order, and that I agree to be bound by it. I understand that the contents of the Protected Materials, any notes or other memoranda, or any other form of information that copies or discloses Protected Materials shall not be disclosed to anyone other than in accordance with that Protective Order. I acknowledge that a violation of this certificate constitutes a violation of an order of California Public Utilities Commission.

By: _____
Title: _____
Representing: _____
Date: _____

APPENDIX B TO PROTECTIVE ORDER

INTERAGENCY INFORMATION REQUEST AND CONFIDENTIALITY AGREEMENT BETWEEN THE CALIFORNIA PUBLIC UTILITIES COMMISSION AND THE CALIFORNIA ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION

A. INTERAGENCY INFORMATION REQUEST

The California Energy Resources Conservation and Development Commission ("CEC") hereby requests the following information from the California Public Utilities Commission ("Commission") provided to the Commission by [IOU] pursuant to the Order Instituting Rulemaking to Establish Policies and Cost Recovery Mechanisms for Generation Procurement and Renewable Resource Development, issued on October 25, 2001 by the Commission as Rulemaking (R.) 01-10-024:

[List of Information Requested]

[IOU] has provided the above-described data to the Commission and the Commission is treating the data as confidential pursuant to the Public Utilities Code §583.

The CEC declares that it has a need for the above-described data for the following purposes:

1. [to be added]
2. [to be added]
3. [to be added]

The CEC agrees to keep this information confidential in its entirety, disclosing it only to its employees and representatives whose work requires them to review and analyze such data.

APPENDIX B

B. CONFIDENTIALITY AGREEMENT

1. This agreement is limited to records that are not open to public inspection, that are in the possession and control of the Commission, and that are identified above.
2. The Commission shall permit the CEC to review and copy the records identified above that are not open to public inspection ("confidential records"), upon the representation of an authorized representative of the CEC that the confidentiality of such records will be maintained and that they will not be made available for inspection by any other governmental agency, or by the public, except as provided for herein.
3. The CEC agrees that the confidential records identified above shall be released only to persons authorized in writing by the person(s) in charge of the CEC to obtain the confidential records, and that the CEC will inform each of its employees, and any consultants or contractors who have access to the confidential records, that they are subject to the requirements of this confidentiality agreement. The CEC shall have each such consultant or contractor sign the attached "acknowledgment" form obligating the consultant or contractor to comply with this agreement. The CEC further agrees that it will require each such consultant or contractor to inform the consultant's or contractor's employees that they are subject to this Confidentiality Agreement, and to have each such employee with access to the confidential records sign the attached acknowledgement form. Copies of the signed acknowledgment forms will be provided to the Commission upon request.
4. The CEC shall take reasonable security precautions to keep confidential the records provided to the CEC pursuant to this agreement. The CEC shall notify the Commission immediately upon the discovery of any unauthorized use or disclosure of the confidential records or of any other breach of this agreement, and will cooperate in every reasonable way to help the Commission prevent further unauthorized disclosure or use of the confidential records covered by this agreement.

APPENDIX B

5. The Commission reserves its authority under Section 583 of the California Public Utilities Code and General Order 66-C to consider and determine whether the records identified above should be made available for public inspection. The CEC agrees that its Executive Director will not exercise his authority under California Code of Regulations, title 20, section 2507(e), and will not release any confidential records or other documents designated as confidential by the CPUC in R.01-10-024 unless explicitly authorized by the CPUC.
6. In the event the CEC determines for any reason that it is required, or that it would be desirable, to disclose or make available the contents of the confidential records identified above to other governmental agencies or to the public, the CEC agrees not to do so without first notifying the Commission of its intent and the reason for the requested disclosure. The CEC further agrees that such notice shall be given no less than 20 days prior to the planned disclosure in order that the Commission, the Assigned Commissioner for R.01-10-024, the Assigned Administrative Law Judge (ALJ) for that proceeding or the Law and Motion ALJ, as the case may be, can give adequate consideration, in accordance with Section 583 of the Public Utilities Code and the Commission's General Order 66-C, to the issue of whether it is in the public interest to make such records available to other governmental agencies or to the public. The CEC agrees to abide by the determination of the Commission, the Assigned Commissioner or the applicable ALJ on this issue, but may appeal such determination pursuant to the CPUC's Rules of Practice and Procedure.
7. With respect to the use of data by the CEC contained in the confidential records subject to this agreement ("confidential data"), it shall be a rebuttable presumption that (i) any study that incorporates, describes or otherwise employs such confidential data in a manner that could reveal all or part of the confidential data, or (ii) any model that relies upon such confidential data for algorithms or other computation(s) critical to the functioning of the model, shall also be considered a confidential record subject to Section 583 of the Public Utilities Code, the Commission's General Order 66-C, and this agreement. However, models that merely use confidential data as inputs will not themselves be considered such confidential records. It shall also be a rebuttable presumption that where the inputs

APPENDIX B

to studies or models include confidential data, or where the outputs of such studies or models reveal the inputs or can be processed to reveal the confidential data, such inputs and/or outputs shall be considered confidential records subject to this agreement, unless such inputs and/or outputs have been redacted or aggregated to the satisfaction of the party producing the confidential records. Any disputes concerning the appropriate scope of redaction or aggregation that the CEC and the party producing the confidential records cannot resolve shall be presented for resolution to the Assigned ALJ for R.01-10-024 or to the Law and Motion ALJ.

- 8. This agreement shall continue in effect unless or until either of the undersigned parties determines that the agreement should be terminated. Unless otherwise provided for by the written agreement of both the CEC and the Commission, unilateral termination of this agreement shall be effected no sooner than 30 days from the date that either party provides notice, in writing, of its intent to terminate this agreement. All obligations created by this agreement during its term shall survive termination of the agreement.
- 9. This agreement shall not be modified except by a written agreement dated subsequent to the date of this agreement and signed by authorized representatives of both parties. None of the provisions of this agreement shall be deemed to have been waived by any act or acquiescence on the part of either party, its agents, or employees, but only by an instrument in writing signed by an authorized representative of the party. No waiver of any provisions of this agreement shall constitute a waiver of any other provisions(s) or of the same provision on another occasion.
- 10. If any provision of this agreement shall be held by a court of competent jurisdiction to be illegal, invalid or unenforceable, the remaining provisions shall remain in full force and effect.

Name _____

Position at the CEC: _____

Dated: _____

General Counsel
California Public Utilities
Commission

Dated: _____

APPENDIX B

ACKNOWLEDGEMENT AND ACCEPTANCE OF THE REQUIREMENTS OF
THE CONFIDENTIALITY AGREEMENT BETWEEN THE CALIFORNIA STATE ENERGY
RESOURCES CONSERVATION AND DEVELOPMENT
COMMISSION (CEC) AND THE CALIFORNIA PUBLIC UTILITIES
COMMISSION FOR CEC CONSULTANTS AND CONTRACTORS

The Undersigned acknowledges that he/she/it has received copies of the Interagency Information Request and Confidentiality Agreement Between the California Public Utilities Commission (CPUC) and the California Energy Resources Conservation and Development Commission (CEC) dated _____ (Interagency Confidentiality Agreement), Public Utilities Code Section 583 and CPUC General Order 66-C. The undersigned acknowledges that he/she/it will be subject to the requirements of the Interagency Confidentiality Agreement, and agrees to be bound by the requirements set forth therein.

Signed: _____

Name _____

Title: _____

Organization: _____

Dated: _____

