BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA



Order Instituting Rulemaking to Oversee the Resource Adequacy Program, Consider Program Refinements, and Establish Annual Local and Flexible Procurement Obligations for the 2019 and 2020 Compliance Years.

Rulemaking 17-09-020

CITY OF SAN JOSE (SAN JOSE CLEAN ENERGY) NOTICE OF EX PARTE MEETINGS

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Pursuant to Rule 8.4 of the California Public Utilities Commission's ("Commission")

Rules of Practice and Procedure, the City of San José ("San José" or "City"), as an administrator of San José Clean Energy ("SJCE"), hereby notifies parties of the following two ex parte meetings initiated by San José:

- April 8, 2019: 10:00 am in-person meeting with Yuliya Schmidt, Advisor, Office of Commissioner Clifford Rechtschaffen, at the Commission's offices in San Francisco; and
- April 9, 2019: 10:00 am in-person meeting with Leuwam Tesfai, Interim Chief of Staff, Office of Commissioner Genevieve Shiroma, at the Commission's offices in San Francisco.

San José's representatives at each of the two meetings were Jeanne Solé, Deputy Director of Power Resources, SJCE, and Luisa Elkins, Sr. Deputy City Attorney, San José. Each meeting lasted approximately 30 minutes. No written materials were used.

Ms. Solé provided a short background description of San José and SJCE, the City's Community Choice Aggregation ("CCA") program.

Ms. Solé expressed SJCE's commitment to work with the Commission to ensure transparent market design and Resource Adequacy ("RA") procurement availability. Ms. Solé described the need for the Commission to consider (1) establishing a process for investor-owned

utilities ("IOUs") to sell their excess RA capacity; and (2) implementing standardized contract terms to make contracting for RA capacity more efficient and fairer, and as a means of mitigating market power. Ms. Solé also explained that IOUs should not be the central buyers of RA capacity.

Ms. Solé further described SJCE's concerns regarding market power in the current market for RA capacity; the Commission's role in enforcing fair market practices; the lack of transparency and oversight over suppliers of RA capacity; and the increased risk for load serving entities due to requirements to procure RA in 2019 for the next three years (2020, 2021 and 2022), while the Commission is still considering a centralized capacity market.

Dated: April 10, 2019 Respectfully submitted,

RICHARD DOYLE City Attorney

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