

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

Order Instituting Rulemaking to Develop  
an Electricity Integrated Resource Planning  
Framework and to Coordinate and Refine  
Long-Term Procurement Planning  
Requirements.

R.16-02-007

**CALIFORNIA COMMUNITY CHOICE ASSOCIATION  
COMMENTS ON REVISED PROPOSED DECISION REQUIRING ELECTRIC  
SYSTEM RELIABILITY PROCUREMENT FOR 2021-2023**

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October 31, 2019

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The California Community Choice Association (CalCCA) submits these Comments on the *Revised Proposed Decision Requiring Electric System Reliability Procurement for 2021-2023* (Alternate Decision),<sup>1</sup> issued on October 21, 2019, pursuant to Rules 14.5 and 14.6 of the Commission’s Rules of Practice and Procedure.

**I. INTRODUCTION**

The Alternate Decision significantly modifies the Proposed Decision in numerous ways. Most significantly, the Alternate Decision:

- (1) Increases the requirement for incremental resource adequacy (RA) procurement from 2,500 MW to 4,000 MW by 2023;
- (2) Modifies the baseline used to distinguish incremental from existing resources, including a significant modification of the treatment of import RA;
- (3) Broadens the scope of allocation of procurement responsibility from the Southern California Edison Company (SCE) transmission access charge (TAC) area to the TAC areas of all three investor-owned utilities (IOUs);
- (4) Modifies the methodology for allocating responsibility to individual load-serving entities (LSEs) within these TAC areas; and
- (5) Modifies the Proposed Decision’s recommendations for requesting extensions of the retirement dates for once-through-cooling (OTC) units.

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<sup>1</sup> CalCCA asserts that the “Revised Proposed Decision,” which materially revises the Proposed Decision, meets the definition of the “alternate” under Public Utilities Code §311(e) and “alternate proposed decision” under Rule 14.1(d).

In addition, the Alternate Decision clarifies and refines other details for implementation of the incremental RA procurement requirement.

While CalCCA continues to support the direction of the Commission’s “least regrets” policy, the Alternate Decision errs in some areas. Most notably, it adopts a 4,000 MW directive without any study in the record to support this value and with apparent errors in the calculation of load shares for individual LSEs. As a result, it unnecessarily imposes an unreasonable pace of development and risks unnecessarily increasing customer costs. CalCCA continues to highlight the importance of taking the time necessary to actually study and understand system conditions.

CalCCA thus offers the following recommended changes to the Alternate Decision:

1. Adopt an initial target of 3,300 MW of incremental procurement for 2023, consistent with the Proposed Decision, as adjusted to reflect removal of the Sutter Power Plant (Sutter) and Inland Empire Energy Center (Inland) from the 2022 baseline used in the Staff’s stack analysis (Baseline).
2. Conduct an expeditious, rigorous analysis of the actual 2023 system RA requirement in coordination with the California Independent System Operator (CAISO) and other stakeholders and adjust the initial target based on the results of that analysis.
3. Phase in the incremental RA requirement consistent with Southern California Edison Company’s (SCE’s) proposal of 20 percent for 2021, 60 percent for 2022 and 100 percent for 2023; the resulting 666 MW of incremental system RA capacity in 2021, combined with OTC extensions, will securely meet the forecasted 2021 shortfall with a margin of 41 percent.
4. Provide that import RA procurement will be eligible for compliance with the incremental RA procurement requirement to the extent an LSE exceeds its share of the minimum import RA assumed in the Baseline and the total import RA procured on a multi-year forward basis meets or exceeds the minimum.
5. Enable LSEs to “trade” compliance rights to optimize procurement and minimize costs to ratepayers.
6. Clarify that any individual procurement by a Community Choice Aggregator (CCA) or Electric Service Provider (ESP) of battery storage resources will be eligible as incremental RA procurement, recognizing the IOUs have already procured the existing battery storage requirement of 1,325 MW.
7. Update LSE allocations immediately following the launch of new Direct Access service under Senate Bill (SB) 237,<sup>2</sup> recognizing the likelihood of a 4,000 GWh load migration from either the IOUs or CCAs to ESPs and potential migration from IOUs to CCAs.

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<sup>2</sup> Stats. 2018, ch. 600, amending Public Utilities Code Section 365.1.

8. Clarify that the effective load carrying capability (ELCC) for renewable resources and energy storage will be fixed, solely for purposes of this incremental procurement requirement, at the time an irrevocable commitment is made by an LSE to procure the resource.
9. Refine the reference period for determination of compliance to prevent gaming that could impair reliability in months other than September.

Proposed Findings, Conclusions, and Ordering Paragraphs are provided as Exhibit A.

## **II. THE COMMISSION SHOULD MORE RIGOROUSLY ASSESS FUTURE SYSTEM RA REQUIREMENTS AND, IN THE INTERIM, MODERATE THE PROCUREMENT MANDATE**

CalCCA supports the Commission’s intent to take immediate action to address the identified reliability need, and the CCA community stands ready to pursue the development of new resources intended to maintain stability in California’s electricity market. CalCCA is deeply concerned, however, with the significant increase in magnitude of the procurement order proposed in the Alternate Decision – an increase that is not attributed to any specific analysis and is not clearly justified by the record. Exacerbating this shortcoming, the Alternate Decision maintains the Proposed Decision’s rapid phase-in of the requirement despite the Commission’s intent to seek the extension of retirement dates for certain OTC generating plants. The Alternate Decision’s conclusions are unsupported by the record, are internally inconsistent, and risk unnecessary costs for ratepayers of all LSEs.

The Proposed Decision directed “incremental procurement, beyond the baseline resources assumed for the Year 22 and included in the Preferred System Plan adopted in D.19-04-040, of system resource adequacy capacity of 2,500 MW....”<sup>3</sup> The Alternate Decision increases this amount to 4,000 MW.<sup>4</sup> Both of these requirements phase in at the same pace: “at least 60 percent by August 1, 2021, 80 percent by August 1, 2022, and 100 percent by August 1, 2023.”<sup>5</sup>

The Alternate Decision starts from a reasonable premise, which CalCCA continues to support:

[T]he original June 20, 2019 Ruling suggestion of 2,500 MW of system resource adequacy capacity is still appropriate based on the identified need and to balance against both the potential for some OTC retirement date extensions not to be granted by the Water

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<sup>3</sup> Proposed Decision at 2.

<sup>4</sup> Alternate Decision at 3.

<sup>5</sup> Alternate Decision at 3; Proposed Decision at 2-3.

Board and also against the potential for the tightening of the import market for California.<sup>6</sup>

In other words, the Commission concludes that 2,500 MW of resources above the 2022 baseline will be needed to secure reliability for 2021. Despite this clear statement of need, the Alternate Decision imposes “net” requirements of 5,265 MW in 2021, 4,574 MW in 2022 and 4,560 MW in 2023, as shown in the table attached as Exhibit B.

The Alternate Decision attempts to bridge the gap between its conclusions and the Proposed Decision. It states:

We believe that the original June 20, 2019 Ruling suggestion of 2,500 MW of system resource adequacy capacity is still appropriate based on the identified need and to balance against both the potential for some OTC retirement date extensions not to be granted by the Water Board and also against the potential for the tightening of the import market for California.<sup>7</sup>

The Alternate Decision also explains:

[B]ecause the proposed decision originally sought OTC compliance deadline extensions for a larger amount of capacity, and this amount has now been reduced considerably and scaled down over time, we see a need for additional procurement at the system level.<sup>8</sup>

Finally, it defends the unsubstantiated conclusion by observing that “procurement of resources is not an exact science.”<sup>9</sup>

In essence, the Alternate Decision adopts “fudge factors” of 111 percent for 2021, 83 percent for 2022 and 27 percent for 2023. While CalCCA agrees that determining resource adequacy requirements “is not an exact science,” the Alternate Decision goes too far and fails to recognize that its mandated procurement will come at a high cost to ratepayers. The requirement risks ratepayers paying for more MW of capacity than is actually needed to meet system RA requirements. Similarly, the exigency attached to the requirement will create a “seller’s market” for a limited pool of available resources – impliedly, battery resources ready for expedited

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<sup>6</sup> Alternate Decision at 33.

<sup>7</sup> Alternate Decision at 33.

<sup>8</sup> Alternate Decision at 33.

<sup>9</sup> *Id.*

deployment -- and thus increase the price paid by ratepayers for each MW procured on their behalf. CalCCA proposes three modifications to mitigate unnecessary ratepayer impacts.

First, the Commission should direct the development of a more rigorous and reliable system RA assessment in coordination with the CAISO and other stakeholders through a public process. CalCCA has outlined this proposal in detail four times in prior comments, and will not repeat the proposal here.<sup>10</sup> CalCCA emphasizes, however, that addressing procurement urgently and without clear analysis is unacceptable in the long run, as it places customers at risk for degradation in reliability, on the one hand, and unnecessarily higher costs on the other.

In conducting this assessment, the Commission should coordinate with the CAISO to differentiate between needs driven by load in the IOU TAC areas and needs driven more broadly by CAISO-wide load. Customers within the IOU TAC areas should not bear cost responsibility for providing reliability for load served by publicly owned utilities.

Second, pending this further analysis, the Commission should adopt an initial 2023 incremental system RA requirement of 3,300. This value represents the 2,500 MW requirement proposed in the Proposed Decision, adjusted to reflect the Alternate Decision's removal from the Baseline of approximately 831 MW of Sutter and Inland capacity. Once a more rigorous assessment has been completed, the requirement could be adjusted, if necessary, to reflect a more solid view of need in 2022-2024.

Third, the Commission should adopt SCE's proposed phase-in of the requirements. In its opening comments on the Proposed Decision, SCE proposes to realign the procurement timeline for incremental resources, specifically, to require LSEs to bring 20 percent, 60 percent, and 100 percent of incremental resources online by 2021, 2022, and 2023, respectively.<sup>11</sup> As SCE points out,

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<sup>10</sup> See *Opening Comments of California Community Choice Association on Assigned Commissioner and Administrative Law Judge Ruling Initiating Procurement Track and Seeking Comment on Potential Reliability Issues* at 13-15 (CalCCA Reply Comments); *Reply Comments of California Community Choice Association on Assigned Commissioner and Administrative Law Judge Ruling Initiating Procurement Track and Seeking Comment on Potential Reliability Issues* at 3-18 (CalCCA Opening Comments); *Comments of California Community Choice Association on Proposed Decision Requiring Electric System Reliability Procurement for 2021-2023* (CalCCA PD Comments) at 3-6; *Amended Reply Comments of California Community Choice Association on Proposed Decision Requiring Electric System Reliability Procurement for 2021-2023* (CalCCA PD Reply Comments) at 2-3.

<sup>11</sup> *Opening Comments of Southern California Edison Company (U 338-E) on Proposed Decision Requiring Electric System Reliability Procurement for 2021-2023* (SCE Opening Comments) at 11-12.

the Proposed Decision’s “compressed timeframe to procure resources and bring 60 percent online as early as August 1, 2021 is not practical.”<sup>12</sup>

CalCCA agrees with SCE and observes that the aggressive pace of both the Alternate Decision and Proposed Decision is unsupported and would lead to a substantial margin above forecasted need:

- As shown in Exhibit B, the Alternate Decision leaves a “fudge factor” of 111 percent for 2021, 83 percent for 2022 and 82 percent for 2023.
- As shown in Exhibit C, SCE’s approach, when combined with the Commission’s target of 4,000 MW, would yield a still-generous margin above the forecasted need of 47 percent for 2021, 51 percent for 2022, and 82 percent for 2023.
- As shown in Exhibit D, pending the full assessment of need, adopting a requirement of 3,331 MW, allocated as SCE proposes, yields a more reasonable margin of 41 percent for 2021.

In light of these outcomes, CalCCA recommends a 3,331 MW requirement for 2023, phased in as proposed by SCE, to ensure reliability while avoiding unnecessary and excessive ratepayer costs.

### **III. THE COMMISSION SHOULD CLARIFY AN LSE’S ABILITY TO RELY ON IMPORT RA TO MEET THE PROCUREMENT REQUIREMENT**

The Alternate Decision creates substantial ambiguity around the treatment of import RA in the Baseline and, in turn, the counting of import RA for purposes of compliance with the new procurement requirement. The initial Staff “stack analysis”<sup>13</sup> assumed that 8,800 MW of import RA would be required to meet 2021 requirements.<sup>14</sup> Using that assumption, the June 20 Ruling concluded that 2,000 MW of incremental capacity would be required to meet 2021 requirements. The Alternate Decision unfortunately provides no information regarding the import RA assumption underlying the 4,000 MW incremental procurement requirement, leaving it unclear

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<sup>12</sup> *Id.* at 11-12; see CalCCA PD Reply Comments at 4.

<sup>13</sup> CalCCA continues to note that the stack analysis upon which the original requirement was based is not in the record, calling into question the Alternate Decision’s conclusions under *The Utility Reform Network v. Public Utilities Com. (Oakley)*, (2014) 223 Cal. App. 4th 945. See CalCCA PD Reply Comments at 2-3.

<sup>14</sup> *Assigned Commissioner and Administrative Law Judge’s Ruling Initiating Procurement Track and Seeking Comment on Potential Reliability Issues* (June 20 Ruling) at 12.

whether it is or is not based on the 8,800 MW value originally used in the Staff's stack analysis.<sup>15</sup>

CalCCA recommends, as a preliminary step, that the Commission clearly define its assumptions about import availability in whatever baseline underlies its final requirement. In the Commission's fuller assessment, CalCCA supports CAISO's proposal to set the baseline, for purposes of incremental accounting, at 5,340 MW, the average historical contracted imports from 2015 through 2018.<sup>16</sup> In addition, the Commission should consider a multi-year showing for system RA, as proposed in R.17-09-020, to get a more forward look at contracted import RA. With this step, the Commission could count import RA as incremental under two conditions: (1) the LSE has procured its load share of the baseline import RA requirement and (2) collectively, all LSEs have procured sufficient import RA to meet the baseline. The Commission should develop a clear import accounting methodology for purposes of the incremental procurement requirement in implementation workshops.

#### **IV. THE COMMISSION SHOULD ALLOW TRADING OF QUALIFYING CAPACITY AMONG LSES**

CalCCA continues to recommend that LSEs be permitted to "trade" qualifying procurement to maximize program flexibility and thus reduce costs for ratepayers.<sup>17</sup> In other words, if one LSE develops an eligible resource, it could dedicate any portion of the resource or any period of the resource commitment to meet the compliance requirement of another LSE. The "compliance right" could be sold as an attribute separate from the system RA capacity, itself. This can ensure that sufficient resources will be online to meet the system reliability needs while minimizing costs to ratepayers.

Tradability will allow an LSE to address challenges created by the 10-year contract requirement, which may make such transactions infeasible to the detriment of an efficient statewide solution. For instance, an LSE that has a new resource coming online in 2023 for its own compliance obligation may only need a two-year bridge to its online date; another LSE may have procured resources in excess of its allocated share for 2021-2022. Rather than requiring

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<sup>15</sup> Alternate Decision at 27-28.

<sup>16</sup> CAISO Oct 2, 2019 Comments at p. 8-9; <http://www.caiso.com/Documents/Oct2-2019-Comments-ReliabilityProcurementProposedDecision-IRP-R16-02-007.pdf>

<sup>17</sup> See CalCCA PD Comments at 11.

backstop procurement for the LSE that is short for 2021-2022, the LSE with a long position could transact the 2021-2022 share of incremental procurement compliance to the short LSE. This reduces excess procurement and will reduce the overall cost of compliance for both LSEs' ratepayers.

Similarly, making allocations tradable will provide a tool to address "lumpy" procurement. One LSE, for example, may invest in a utility-scale project for 2022 that exceeds the share of the incremental procurement allocated to the LSE and its customers. It should be permitted to dedicate any additional "compliance" rights to another LSE that chooses not to invest in a new resource, regardless of whether the RA capacity is actually sold to the other LSE.

The urgency of the Commission's incremental procurement mandate risks substantial rate impacts for customers of all LSEs. The risk compels the Commission to pull out all of the stops to mitigate excess procurement. The Commission should encourage LSEs to work together to meet the incremental requirement. Enabling trading of compliance rights will move the framework in the right direction.

## **V. THE COMMISSION SHOULD CLARIFY THE DEFINITION OF "INCREMENTAL" ENERGY STORAGE RESOURCES**

The Alternate Decision clarifies that the Baseline includes "approximately 1,325 MW of storage that is slated to come online by 2024 due to storage development activities already underway."<sup>18</sup> As the Alternate Decision explains, these resources are "represented generically and not specifically."<sup>19</sup> It further specifies that parties' incremental procurement must be adjusted to "detail specific storage resources with projected online dates prior to the end of 2022."<sup>20</sup> Beyond this statement, the Alternate Decision leaves the rules for counting new storage projects ambiguous.

Ambiguity arises from the fact that the 1,325 MW of Baseline storage appears to have been already secured. Decision 13-10-040 established a 2024 energy storage procurement goal of 1 percent of 2020 peak load for CCA programs.<sup>21</sup> Decision 17-04-054 clarified that the CCA's obligation would be reduced to the extent of its proportional share of IOU storage procurement

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<sup>18</sup> Alternate Decision at 30.

<sup>19</sup> *Id.*

<sup>20</sup> Alternate Decision, Ordering Paragraph 6 at 73.

<sup>21</sup> D.13-10-040 at 36, 77 (Ordering Paragraph 5).

paid for by the CCA's customers through a non-bypassable charge.<sup>22</sup> An August 1, 2019, advice letter filed jointly by the three IOUs reveals that they have contracted for 100 percent of the mandated energy storage goals, including 100 percent of CCAs' share of that procurement.<sup>23</sup>

In light of the IOUs' full procurement of Baseline energy storage requirements, the Commission should clarify that all additional individual LSE storage projects should be counted as incremental and further clarify how energy storage resources will be counted toward compliance.<sup>24</sup> This is exceptionally important because many or most of the new resources capable of being online by August 1, 2021 will be storage resources.

## **VI. THE COMMISSION SHOULD UPDATE LSE ALLOCATIONS OF THE PROCUREMENT REQUIREMENT TO REFLECT LOAD MIGRATION RESULTING FROM THE EXPANSION OF DIRECT ACCESS OR OTHER MAJOR LOAD MIGRATIONS**

The Alternate Decision, like the Proposed Decision, does not account for the expansion of Direct Access under SB 237. Decision 19-05-043 provides, consistent with the statute, that a 4,000 gigawatt hour (GWh) increase in Direct Access (DA) enrollment will be implemented in 2021.<sup>25</sup> As a result, load migration in this amount is likely to occur, which could significantly shift the load share of one or more individual LSEs. CalCCA therefore requests that any incremental procurement mandate allocations to LSEs resulting from the final decision be provisional, subject to adjustment for new DA load migration.<sup>26</sup> The adjustment for load migration should be made concurrent with the update to the overall procurement requirement following the completion of the system RA assessment discussed in Section II.

It is also likely that load will migrate from IOUs to CCAs in 2021. The incremental system RA requirement allocations should also be adjusted to reflect any such load migration consistent with any implementation plan filed by a CCA to serve load in 2021.

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<sup>22</sup> D.17-04-039 at 68 (Ordering Paragraph 6).

<sup>23</sup> See *Advoce 4048-E (Southern California Edison Company U 338-E)*; *Advice 5605-E (Pacific Gas and Electric Company U 39-E)*; *Advice 3408-E (San Diego Gas & Electric Company U 902-E)*(August 1, 2019), Table 6.

<sup>24</sup> For example, will the storage Net Qualifying Capacities (NQC) be linear, such that a 2 hour 40MW battery give an LSE 20 MW of NQC?

<sup>25</sup> D.19-05-042 at 13.

<sup>26</sup> CalCCA also requested this modification in its comments on the PD. See CalCCA PD Comments at 10.

## **VII. THE COMMISSION SHOULD CLARIFY COUNTING RULES FOR RENEWABLE AND ENERGY STORAGE RESOURCES**

The determination of ELCC values for certain renewable resources and energy storage is shifting, and the CAISO has signaled the need to reexamine these values in light of the shifting peak requirements. Consequently, the Commission should clarify which ELCC calculations will be used to determine compliance with the incremental system RA procurement requirements. To provide certainty, CalCCA requests clarification that the calculation methodology in place at the time an LSE makes an irrevocable commitment to a resource will be used to determine the resource's compliance value for purposes of the incremental system RA procurement. Any other approach would fail to give LSEs adequate notice to meet the new requirements and lead to inefficient procurement and an unreasonable increase in procurement costs.

## **VIII. THE COMMISSION SHOULD CLARIFY THAT THE ADOPTED METHODOLOGY FOR ALLOCATION AMONG LSES**

CalCCA requests two modifications of the Commission's rules for allocation of the incremental procurement requirement. First, the Commission should clarify that, in the future, all *system* RA requirements will be allocated to LSEs in all IOU TAC areas. The broader allocation in this proceeding should set precedent for allocation of system RA obligations arising from the replacement of Diablo Canyon Power Plant or other system resources in the future. Second, the Commission should clarify that the two-step methodology for allocation of the requirements among LSEs will not set precedent for future allocations. This methodology sacrifices accuracy for confidentiality, and the Commission should consider further in the future how to balance these interests.

## **IX. THE COMMISSION SHOULD CLARIFY THE REFERENCE PERIOD FOR COMPLIANCE COUNTING**

The Alternate Decision clarifies that September NQC values will be used to determine the compliance value of incremental resources LSEs procure.<sup>27</sup> For new resources, requiring September NQC values will ensure that the resources are available in other months. However, there could be circumstances where providing September NQC values would not provide that

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<sup>27</sup> Alternate Decision at 59.

assurance. For example, if an entity procured only September NQC from a mothballed facility or import, there would not necessarily be assured availability in other months unless the procuring LSE actually used the resource for annual RA compliance. The Commission should consider mechanisms to prevent gaming of the requirement in implementation workshops.

**X. CONCLUSION**

For all of the foregoing reasons, CalCCA respectfully requests the adoption of the proposed modifications of the Alternate Decision as specified in these comments and Exhibit A.

October 31, 2019

Respectfully submitted,

A handwritten signature in blue ink that reads "Evelyn Kahl". The signature is written in a cursive, flowing style.

Evelyn Kahl  
Counsel to the California Community Choice  
Association

## EXHIBIT A

### PROPOSED FINDINGS OF FACT, CONCLUSIONS OF LAW AND ORDERING PARAGRAPHS

#### Findings of Fact:

16. In addition to extension of OTC capacity, another minimum of ~~4,000~~ 3,331 MW of incremental system resource adequacy and renewable integration resources will be needed by Summer 2021, as a “least regrets” amount necessary to ensure system reliability.

18. The most logical baseline against which to measure incremental resources is the set of baseline resources used to develop the PSP adopted in D.19-04-040, with certain adjustments, reduced by 831 MW to reflect the mothballing of the Sutter and Inland Empire plants. The baseline resources should be those included for the year 2022, the year that most closely matches the timeframe associated with this decision.

#### Conclusions of Law:

9. It is reasonable for the Commission to require ~~4,000~~ 3,331 MW of incremental system resource adequacy resources to be procured, with at least ~~60~~ 20 percent online by August 1, 2021, ~~80~~ 60 percent by August 1, 2022, and 100 percent by August 1, 2023.

21. The Commission should prefer all-source procurement of resources, including demand-side resources and preferred resources, to the extent possible, as long as resources can be shown to be incremental to the 2022 baseline set of resources. New, greenfield fossil-fueled resources and OTC units are not eligible to meet the ~~4,000~~ 3,331 MW incremental need identified in this decision.

26. The Commission should require that the incremental system resource adequacy and renewable integration resources required to be procured by this decision come online at least ~~60~~ 20 percent by August 1, 2021, ~~80~~ 60 percent by August 1, 2022, and 100 percent by August 1, 2023.

NEW. Incremental system RA requirements arising from generation retirement in the future shall be allocated to all LSEs within the three IOU TAC areas.

NEW. The MW value of the resources offered for compliance with the incremental procurement requirement will be the NQC or ELCC calculated based on the calculation methodology in place at the time the LSE made an irrevocable commitment to procure the resource.

NEW. LSEs may trade their compliance obligations subject to protocols to be developed in workshops following the effective date of this decision.

Ordering Paragraphs:

3. The following load-serving entities shall procure at least the amount of capacity in megawatts (MW) qualifying as system resource adequacy and for purposes of renewable integration as defined in Public Utilities Code Section 454.51, with at least ~~60~~ 20 percent delivered by August 1, 2021, ~~80~~ 60 percent by August 1, 2022, and 100 percent by August 1, 2023:

NEW: Energy Division Staff shall expeditiously and through a public process commence development of a detailed assessment of system RA requirements for 2021-2024 in coordination with the CAISO and stakeholders.

NEW: Energy Division Staff shall hold workshops within 90 days of the effective date of this decision to address implementation of the requirement and shall address, among other things: (1) counting of incremental import RA resources; (2) the use of September as a reference period for compliance counting; and (3) compliance trading among LSEs.

## EXHIBIT B

### Net Incremental Procurement Requirements Specified by Alternate Decision

Generator	Category	Proposed Retirement	2021	2022	2023	2024
Alamitos 3	OTC	12/31/2023	332.2	332.2	332.2	
Alamitos 4	OTC	12/31/2023	335.7	335.7	335.7	
Alamitos 5	OTC	12/31/2023	498.0	498.0	498.0	
Huntington 2	OTC	12/31/2023	225.8	225.8	225.8	
Redondo 5	OTC	12/31/2022	178.9	178.9		
Redondo 6	OTC	12/31/2022	175.0	175.0		
Redondo 8	OTC	12/31/2022	459.9	459.9		
Ormond 1	OTC	12/31/2021	741.3			
Ormond 2	OTC	12/31/2021	750.0			
<b>OTC Subtotal</b>			<b>3696.7</b>	<b>2205.4</b>	<b>1391.6</b>	
IOU	New Build	0.665	1596.0	2128.0	2660.0	2660.0
CCA	New Build	0.245	588.0	784.0	980.0	980.0
ESP	New Build	0.09	216.0	288.0	360.0	360.0
<b>Incremental Subtotal</b>			<b>2400.0</b>	<b>3200.0</b>	<b>4000.0</b>	<b>4000.0</b>
<b>Total Procurement</b>			<b>6096.7</b>	<b>5405.4</b>	<b>5391.6</b>	<b>4000.0</b>
Inland	Mothball		340.0	340.0	340.0	340.0
Sutter	Mothball		491.3	491.3	491.3	491.3
<b>Reduction in Baseline</b>			<b>831.3</b>	<b>831.3</b>	<b>831.3</b>	<b>831.3</b>
<b>Net Incremental</b>			<b>5265.4</b>	<b>4574.1</b>	<b>4560.3</b>	<b>3168.7</b>
<b>Excess Procurement</b>			<b>111%</b>	<b>83%</b>	<b>82%</b>	<b>27%</b>

## EXHIBIT C

### Net Incremental Procurement Requirements Assuming 4,000 MW Requirement and SCE Phase-In Methodology

Generator	Category	Proposed Retirement	2021	2022	2023	2024
Alamitos 3	OTC	12/31/2023	332.2	332.2	332.2	
Alamitos 4	OTC	12/31/2023	335.7	335.7	335.7	
Alamitos 5	OTC	12/31/2023	498.0	498.0	498.0	
Huntington 2	OTC	12/31/2023	225.8	225.8	225.8	
Redondo 5	OTC	12/31/2022	178.9	178.9		
Redondo 6	OTC	12/31/2022	175.0	175.0		
Redondo 8	OTC	12/31/2022	459.9	459.9		
Ormond 1	OTC	12/31/2021	741.3			
Ormond 2	OTC	12/31/2021	750.0			
<b>OTC Subtotal</b>			<b>3696.7</b>	<b>2205.4</b>	<b>1391.6</b>	
IOU	New Build	0.665	532.0	1596.0	2660.0	2660.0
CCA	New Build	0.245	196.0	588.0	980.0	980.0
ESP	New Build	0.09	72.0	216.0	360.0	360.0
<b>Incremental Subtotal</b>			<b>800.0</b>	<b>2400.0</b>	<b>4000.0</b>	<b>4000.0</b>
<b>Total Procurement</b>			<b>4496.7</b>	<b>4605.4</b>	<b>5391.6</b>	<b>4000.0</b>
Inland	Mothball		340.0	340.0	340.0	340.0
Sutter	Mothball		491.3	491.3	491.3	491.3
<b>Reduction in Baseline</b>			<b>831.3</b>	<b>831.3</b>	<b>831.3</b>	<b>831.3</b>
<b>Net Incremental</b>			<b>3665.4</b>	<b>3774.1</b>	<b>4560.3</b>	<b>3168.7</b>
<b>Excess Procurement</b>			<b>47%</b>	<b>51%</b>	<b>82%</b>	<b>27%</b>

## EXHIBIT D

### CalCCA Proposed Net Incremental Procurement Requirements 3,331 MW Requirement and SCE Phase-In Methodology

Generator	Category	Proposed Retirement	2021	2022	2023	2024
Alamitos 3	OTC	12/31/2023	332.2	332.2	332.2	
Alamitos 4	OTC	12/31/2023	335.7	335.7	335.7	
Alamitos 5	OTC	12/31/2023	498.0	498.0	498.0	
Huntington 2	OTC	12/31/2023	225.8	225.8	225.8	
Redondo 5	OTC	12/31/2022	178.9	178.9		
Redondo 6	OTC	12/31/2022	175.0	175.0		
Redondo 8	OTC	12/31/2022	459.9	459.9		
Ormond 1	OTC	12/31/2021	741.3			
Ormond 2	OTC	12/31/2021	750.0			
<b>OTC Subtotal</b>			<b>3696.7</b>	<b>2205.4</b>	<b>1391.6</b>	
IOU	New Build	0.665	443.0	1329.1	2215.1	2215.1
CCA	New Build	0.245	163.2	489.7	816.1	816.1
ESP	New Build	0.09	60.0	179.9	299.8	299.8
<b>Incremental Subtotal</b>			<b>666.2</b>	<b>1998.6</b>	<b>3331.0</b>	<b>3331.0</b>
<b>Total Procurement</b>			<b>4362.9</b>	<b>4204.0</b>	<b>4722.6</b>	<b>3331.0</b>
Inland	Mothball		340.0	340.0	340.0	340.0
Sutter	Mothball		491.3	491.3	491.3	491.3
<b>Reduction in Baseline</b>			<b>831.3</b>	<b>831.3</b>	<b>831.3</b>	<b>831.3</b>
<b>Net Incremental</b>			<b>3531.6</b>	<b>3372.7</b>	<b>3891.3</b>	<b>2499.7</b>
<b>Fudge Factor</b>			<b>41%</b>	<b>35%</b>	<b>56%</b>	<b>0%</b>