



**COMMENTS OF THE CALIFORNIA COMMUNITY CHOICE ASSOCIATION
TO THE CALIFORNIA ENERGY COMMISSION ON THE INFORMATIONAL
WORKSHOP ON MIDTERM RELIABILITY MODELING
September 23, 2021**

**Docket Number 21-ESR-01
Energy System Reliability**

I. INTRODUCTION

The California Community Choice Association (CalCCA)¹ submits these comments to the California Energy Commission (Commission) in Docket 21-ESR-01 on the Midterm Reliability Analysis (MRA) presented at the *Informational Workshop On Midterm Reliability Modeling* (Workshop), held on Thursday, September 23, 2021.

II. COMMENTS

CalCCA applauds the extensive effort put forth by Commission staff to conduct this analysis. CalCCA has advocated for a loss of load expectation (LOLE) study within California Public Utilities Commission (CPUC) Integrated Resource Planning (IRP) proceeding to support the mid-term reliability procurement orders.² Additionally, CalCCA encouraged the CPUC to justify any procurement order requiring procurement of fossil fuel resources.³ CalCCA is pleased

¹ California Community Choice Association represents the interests of 22 community choice electricity providers in California: Apple Valley Choice Energy, Baldwin Park Resident Owned Utility District, Central Coast Community Energy, Clean Energy Alliance, Clean Power Alliance, CleanPowerSF, Desert Community Energy, East Bay Community Energy, Lancaster Choice Energy, Marin Clean Energy, Peninsula Clean Energy, Pico Rivera Innovative Municipal Energy, Pioneer Community Energy, Pomona Choice Energy, Rancho Mirage Energy Authority, Redwood Coast Energy Authority, San Diego Community Power, San Jacinto Power, San José Clean Energy, Silicon Valley Clean Energy, Sonoma Clean Power, and Valley Clean Energy.

² *Comments of the California Community Choice Association on the Proposed Decision and Alternate Proposed Decision Requiring Procurement to Address Mid-Term Reliability (2023-2026)*, R.20-05-003, June 10, 2021 at 3-6.

³ *Reply Comments of the California Community Choice Association on the Proposed Decision and Alternate Proposed Decision Requiring Procurement to Address Mid-Term Reliability (2023-2026)*, R.20-05-003, June 15, 2021 at 3-4.



that the Commission is collaborating with the CPUC in conducting this analysis to determine the level of reliability achieved by current procurement orders, and to determine whether new gas capacity improves reliability compared to a portfolio of new preferred resources with equivalent Net Qualifying Capacity (NQC) values. This analysis is an important step in ensuring California’s planning processes result in procurement that meets targeted levels of reliability. CalCCA urges the Commission and other agencies to continue to build off this effort such that long-term planning and procurement processes result in well-informed procurement orders and minimizes the need for future emergency procurement orders.

CalCCA is generally supportive of the analysis presented at the Workshop. The initial conclusions generated by the MRA, particularly the conclusion that a portfolio of preferred resources can provide equivalent system reliability to new gas resources,⁴ are consistent with CCAs’ commitment to renewable and preferred resources. For future modeling work by the Commission, CalCCA reiterates several of its recommendations made to the inputs of the study from its comments on the IPER Joint Agency Workshop of Summer 2021 Electric and Natural Gas Reliability.⁵ These modifications would enhance the Commission’s reliability modeling by assessing reliability under different resource availability assumptions reflecting recent trends.

First, the Commission should examine different sensitivity cases for Resource Adequacy (RA) imports, such as minimum, average, and maximum levels. Such sensitivities capture the uncertainty in the amount of imports that will be available to serve the California Independent System Operator (CAISO) balancing authority area load when needed. The Commission should

⁴ See *Id.*, Presentation, Lead Commissioner Workshop; Midterm Reliability Analysis & Incremental Efficiency Improvements to Natural Gas Power Plants (Aug. 20, 2021).

⁵ *California Community Choice Association Comments - On the IEPR Joint Agency Workshop on Summer 2021 Electric and Natural Gas Reliability*, 21-IEPR-04, July 23, 2021.



focus primarily on conservative estimates of RA imports to understand the potential reliability impacts of resource retirements and tightening supply conditions throughout the west. Indeed, some of the data presented at the July 8, 2021, IEPR workshop indicates that the amount of imported RA made available to California has decreased over the last few years.⁶ Thus, minimum historic RA imports may most reasonably reflect current trends and conservative expectations for future RA import availability.

Second, given the importance of hydro conditions on electric reliability, the Commission should evaluate different hydro availability sensitivity cases to inform reliability impacts of varying hydro conditions. The Commission could use publicly available data on hydro production it already compiles to do this analysis.⁷ This summer’s drought conditions highlight the importance of understanding how low hydro conditions impact reliability and should be considered should these conditions continue.⁸ Table 1 below shows drought indices in the west, with darker colors indicating more severe droughts. Since 2021, the dark brown colors indicate that severe drought has increased, in both persistence and magnitude, beyond any level seen since 2000.⁹

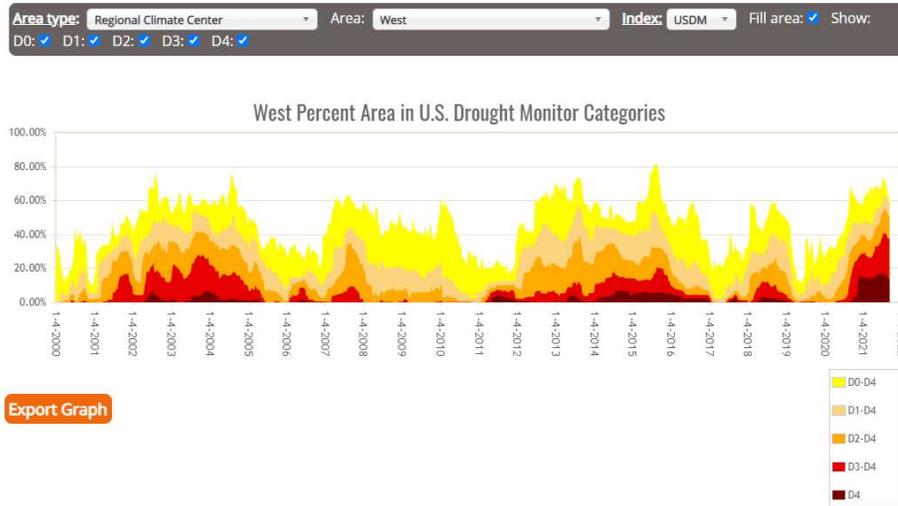
⁶ See Import Trends from the Grid Operator Perspective presentation, July 8, 2021: <https://efiling.energy.ca.gov/getdocument.aspx?tn=238733>.

⁷ Available at: https://ww2.energy.ca.gov/almanac/renewables_data/hydro/index_cms.php.

⁸ “Joint Statement from the CPUC President Marybel Batjer, CEC Chair David Hochschild, and California ISO CEO Elliot Mainzer on decision to procure additional energy resources for summer” cite drought conditions as contributing factor in the decision to procure additional capacity through the CAISO’s Capacity Procurement Mechanism: <http://www.caiso.com/Documents/CapacityProcurementMechanismSignificantEvent-JointStatementandLetter.pdf>.

⁹ U.S. Drought Monitor, Data, Time Series, <https://droughtmonitor.unl.edu/CurrentMap.aspx>. D0 is abnormally dry, D1 is a moderate drought, D2 is severe drought, D3 is extreme drought, and D4 is exceptional drought.

Table 1. U.S. Drought Monitor Data



Finally, when evaluating forced outages in future analyses, the Commission should consider the correlation of thermal derates of fossil gas resources and times of high heat. This consideration is critical in evaluating fossil gas resource availability.

III. CONCLUSION

CalCCA appreciates Commission staff’s efforts in its Midterm Reliability Analysis and looks forward to further collaboration on future analyses.

Dated: October 4, 2021

(Original signed by)

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