

# California Community Choice Association

SUBMITTED 12/22/2022, 02:27 PM

## Contact

Shawn-Dai Linderman (shawndai@cal-cca.org)

### **1. Please provide your organizations comments on concerns regarding the current deliverability assessment methodology.**

The California Community Choice Association (CalCCA) supports the California Independent System Operator (CAISO) conducting a review of its deliverability study methodology. In its review, the CAISO must assess the impacts of any identified changes to the methodology to ensure such changes will accurately provide resources with deliverability without unnecessarily disadvantaging available resources and without compromising the level of reliability planned for through the Resource Adequacy (RA) program. These impacts must be known before committing to any deliverability study methodology changes. For example, the California Public Utilities Commission (Commission) is in the process of transitioning its RA program to one that considers capacity needs during the peak hour to one that considers capacity needs during all 24 hours of the day. A review of the deliverability assessment methodology should include an assessment of whether or not it is necessary to modify the deliverability study methodology to align with this new framework, and if so, what the impacts of such modifications would be on the total amount of deliverability available.

### **2. Please provide your organizations comments on concerns regarding the timeliness and availability of deliverability.**

Timeliness and availability of deliverability is critical in advancing new resource procurement. Integrated Resource Plan (IRP) and RA procurement orders require load serving entities (LSEs) to meet their obligations with fully deliverable resources. If the CAISO's deliverability study finds that a project is not fully deliverable on the existing transmission system and interconnection facilities, transmission system upgrades and/or network upgrades must take place to make the project deliverable. Such upgrades may take many years, and community choice aggregators (CCAs) often depend on an investor-owned utility's (IOU's) timing and ability to make those upgrades. CCAs have identified delays in online dates due to both interconnection queue delays and IOU interconnection and transmission upgrade delays. Therefore, the CAISO's primary focus should be on how to get the necessary transmission system and network upgrades completed to quickly expand the amount of deliverability available.

The CAISO suggests that it is interested in exploring if some "transitional relief" could be necessary to avoid network upgrade schedules or requirements interfering with contracting and new resource procurement.<sup>[1]</sup> CalCCA proposed a transitional mechanism in the Commission's IRP proceeding (Rulemaking 20-05-003), in which the Commission would allow projects that have not yet been studied for deliverability, or that are waiting for transmission or interconnection upgrades to be completed to become fully deliverable, to count towards an LSEs' Mid-term Reliability (MTR)

obligation on a temporary basis. This proposal would expand the pool of resources eligible to meet the MTR procurement obligations. LSEs that use such projects to meet their MTR compliance obligations would: (1) still be required to meet their RA obligations with deliverable resources; and (2) need to commit to having their resources go through the deliverability study process and obtain deliverability. If, after the project goes through the deliverability study process, the study finds the project is not fully deliverable, LSEs will need to commit to having the network upgrades completed to make the project fully deliverable, or to procuring different resources with sufficient deliverable capacity to meet their MTR compliance obligation.<sup>[2]</sup>

CalCCA's proposed transitional mechanism, or other transitional mechanisms, must be considered given the quick pace of procurement orders and the lengthy transmission and network upgrade process timeline. Such transitional mechanisms pose a risk that resources procured to meet procurement orders do not immediately meet the full technical requirements required to obtain deliverability. Therefore, the CAISO's primary focus of this effort should be on how to accelerate transmission and network upgrades that are identified to make new resources deliverable.

<sup>[1]</sup> Deliverability Challenges, An ISO Update (Dec.12, 2022), at 8.

<sup>[2]</sup> *California Community Choice Association's Comments on Section 2 of the Administrative Law Judge's Ruling Seeking Comments on Potential Near-Term Actions to Encourage Additional Procurement*, R.20-05-003 (Sept. 26, 2022), at 10-12: <https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M497/K247/497247449.PDF>.

**3. Please provide your organizations comments on the path forward outlined in the update paper.**

CalCCA supports the proposed path forward, including reviewing the deliverability study methodology and initiating a stakeholder discussion on the timeliness and availability of deliverability.

**4. Please provide your organizations comments on the proposed next steps.**

CalCCA supports the proposed next steps.

**5. Please provide any additional comments you have on the deliverability challenges.**

CalCCA has no additional comments at this time.