

**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
(Filed September 28, 2017)

**COMMENTS OF THE
CALIFORNIA WIND ENERGY ASSOCIATION
ON PROPOSED DECISION ADOPTING LOCAL CAPACITY OBLIGATIONS FOR
2020-2022, ADOPTING FLEXIBLE CAPACITY OBLIGATIONS FOR 2020, AND
REFINING THE RESOURCE ADEQUACY PROGRAM**

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***On behalf of the California Wind
Energy Association***

June 13, 2019

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I. INTRODUCTION AND SUMMARY

Pursuant to the May 24, 2019, notice of Chief Administrative Law Judge (“ALJ”) Simon, the California Wind Energy Association (“CalWEA”) submits these comments on the Proposed Decision of ALJ Chiv Adopting Local Capacity Obligations for 2020-22, Adopting Flexible Capacity Obligations for 2020, and Refining the Resource Adequacy Program (“Proposed Decision” or “PD”).

Despite some misgivings that we encourage the Commission to address for the next RA year, CalWEA supports the Proposed Decision as it relates to issues pertaining to Effective Load Carrying Capacity (“ELCC”) values. The Commission should, however, correct one factually incorrect statement in the PD.

II. COMMENTS

A. The Adopted ELCC Values Are an Improvement, But Continued Refinement is Necessary

The values that the PD would adopt for use in the 2020 RA compliance year are a significant improvement over the values previous adopted in R.14-10-010 in that they incorporate the impact of behind-the-meter (“BTM”) solar on ELCC values and update total

technology capacities operating in the CAISO system. Both of these changes will significantly improve the accuracy of the ELCC values for wind and solar resources.

However, treating BTM solar as a load modifier is inappropriate because these resources have the same impact on system reliability as supply-side solar resources, notwithstanding their location on the customer side of the meter. Using metered load is inconsistent with the planning standard underlying the RA program, which is based on end-use consumption. BTM resources have distinctly different characteristics than end-use consumption, including sudden drops and surges in output, which need to be accounted for in order to assure system reliability.¹ Further, treating BTM resources as a load modifier is likely to improperly reduce the ELCC values of supply-side wind and solar resources by reducing the load that needs to be met by all kinds of supply resources.

In addition, we are concerned that the PD would adopt Energy Division's recommendation to allocate all of the excess ELCC diversity value of storage to solar resources, without recognizing the costs associated with storage and other system-integration resources. Integration needs and associated costs, including flexible-RA, should be borne by load-serving entities ("LSEs") in proportion to the need for such resources that is created by their load profile and resource portfolios, as CalWEA and others have proposed. The Commission is, for the fourth time, kicking this can down the road despite recognizing the validity of the concept.²

However, we are encouraged that the PD would direct Energy Division to continue to address ELCC issues in workshops. We strongly encourage the Commission to address the above and other issues in time to update ELCC values for the next RA year.

B. The Commission Should Correct an Erroneous Statement

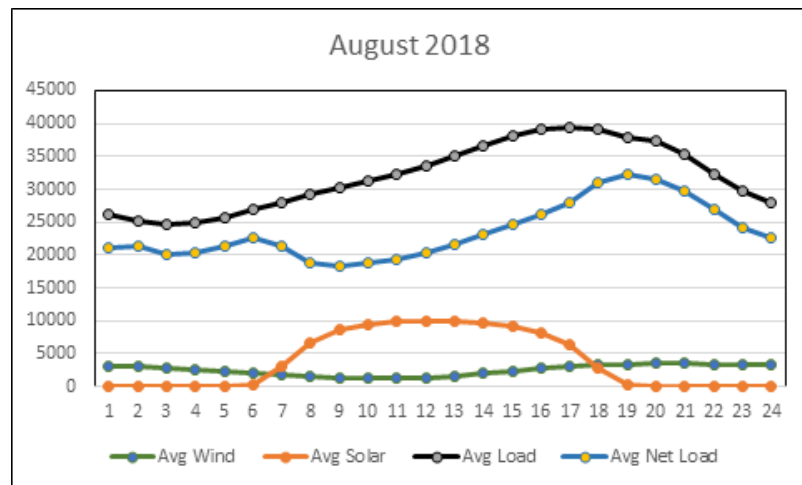
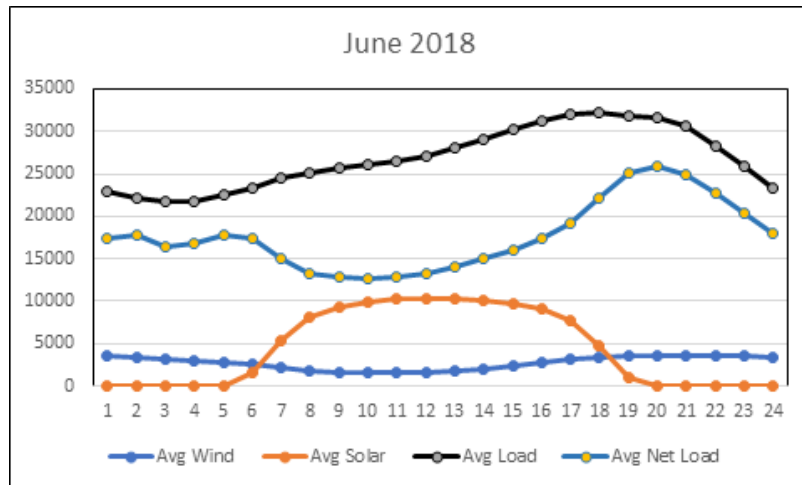
The Commission should correct, in its final decision, a factually incorrect statement in the PD. The PD states, on page 49, that "LOLE risk is thus more prevalent in later times of the day, when in-front-of-the-meter wind and solar resources cease to generate as the sun sets." (Emphasis added.) The words "wind and" should be deleted because wind production is not correlated with solar production. In fact, wind energy production generally is either stable or increasing as the sun sets. The figures in CalWEA's appendix document this phenomenon.

¹ See CalWEA's Comments on Track 3 Workshop and Proposals (March 22, 2019) at p.7.

² See CalWEA's Track 3 Proposal (March 4, 2019) at p.3.

APPENDIX

Figures Documenting that Wind Does Not “Cease to Generate as the Sun Sets”



Source: CalWEA, using data downloaded from CAISO (available at: <http://www.caiso.com/Pages/TodaysOutlook.aspx>). These two months are representative of the pattern of wind energy remaining relatively constant or, often, increasing as the sun sets throughout the year.

VERIFICATION

I, Nancy Rader, am the Executive Director of the California Wind Energy Association. I am authorized to make this Verification on its behalf. I declare under penalty of perjury that the statements in the foregoing copy of “Comments of the California Wind Energy Association on Proposed Decision Adopting Local Capacity Obligations for 2020-22, Adopting Flexible Capacity Obligations for 2020, and Refining the Resource Adequacy Program” are true of my own knowledge, except as to the matters which are therein stated on information and belief, and as to those matters I believe them to be true.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on June 13, 2019, at Berkeley, California.

/s/ Nancy Rader _____
Nancy Rader
Executive Director
California Wind Energy Association