BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Oversee the Resource Adequacy Program, Consider Program Refinements, and Establish Forward Resource Adequacy Procurement Obligations.

Rulemaking 19-11-009

CALIFORNIA WIND ENERGY ASSOCIATION COMMENTS ON PROPOSED DECISION ADOPTING LOCAL CAPACITY OBLIGATIONS FOR 2022-2024, FLEXIBLE CAPACITY OBLIGATIONS FOR 2022, AND REFINEMENTS TO THE RESOURCE ADEQUACY PROGRAM

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On behalf of the California Wind Energy Association

June 10, 2021

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Pursuant to the Proposed Decision Adopting Local Capacity Obligations for 2022-2024, Flexible Capacity Obligations for 2022, and Refinements to the Resource Adequacy Program ("Proposed Decision") issued on May 21, 2021, and Rule 14.3 of the Commission's Rules of Practice and Procedure, the California Wind Energy Association ("CalWEA") respectfully submits these brief comments on the Proposed Decision.

Specifically, CalWEA urges the Commission to modify the Proposed Decision to ensure that incremental wind and solar resources will receive the same resource adequacy value in the Commission's Resource Adequacy ("RA") Program as they will for purposes of complying with the Commission's proposed Integrated Resource Planning ("IRP") mid-term reliability procurement requirement. Specifically, CalWEA believes that a pending decision in the IRP proceeding on the topic of effective load carrying capacity ("ELCC") values for wind and solar resources is the correct one that should be reflected in the adopted RA decision. The pending decision in the IRP proceeding would find that "[c]alculating the system reliability benefits of specific resources will be more accurate if marginal ELCCs are used" and would therefore adopt marginal ELCC values for any incremental wind and solar resource that is procured

¹ R.20-05-003, Proposed Decision ("PD") of ALJ Julie Fitch and Alternate Proposed Decision ("APD") of Assigned Commissioner Clifford Rechtschaffen Requiring Procurement to Address Mid-Term Reliability (2023-2026), issued on May 21, 2021. The PD and APD are consistent on the topic of marginal ELCC values for wind and solar resources.

² *Id.* at PD Finding of Fact 24 and APD at Finding of Fact 27. (Emphasis added.)

pursuant to the proposed mid-term reliability procurement requirement, which begins in 2023³ -- overlapping the timeframe addressed by this Proposed Decision.

The Proposed Decision would not adopt marginal ELCC values, even for incremental resources, until "ELCC modeling is updated," due to lack of consensus among the parties.⁴ As discussed in CalWEA's previous comments,⁵ ensuring system reliability requires that LSEs be awarded capacity value based on the actual system reliability value provided by additional wind and solar projects. In addition, in fairness to LSEs, it is important that the average capacity value of wind and solar resources already procured be preserved, rather than continually eroded. The Commission should therefore bring the Proposed Decision in line with its pending decision in the IRP proceeding on this topic.

Respectfully submitted,

/s/ Nancy Rader

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³ PD and APD at Table 6.

⁴ Proposed Decision at p. 47.

⁵ See, e.g., CalWEA Reply Comments on Track 2 Proposals and Working Group Reports (April 2, 2020).

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 "California Wind Energy Association Comments on Proposed Decision Adopting Local Capacity Obligations for 2022-2024, Flexible Capacity Obligations for 2022, and Refinements to 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 10, 2021, at Berkeley, California.

<u>/s/ Nancy Rader</u>

Nancy Rader Executive Director California Wind Energy Association