

DOCKETED

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POU IRP Guidelines Development: Administration, Review Process, and Reporting

This document provides information on the proposed administration, review process, and reporting that the Energy Commission staff is proposing to use in developing guidelines for the submission of publicly owned utility (POU) integrated resource plans (IRPs) for review by the Energy Commission under SB 350.

Administration

Staff proposes the following schedule to administer the submission of IRPs to the Energy Commission. The initial IRP adopted on or before January 1, 2019, is due to the Energy Commission by April 30, 2019. Thereafter, updated IRPs would be submitted based on board adoption as follows:

- IRPs adopted in the months of June through December are due April 30 the following year.
- IRPs adopted in January or February are due to the Energy Commission April 30 the same year.
- IRPs adopted in March, April, or May are due to the Energy Commission 90 calendar days after board adoption.

Staff proposes that information developed to support analysis related to required components of an IRP be submitted to the Energy Commission with the IRP. Supporting analyses can be embedded in the IRP, included as an attachment, or included by reference. Referenced material should be publicly available and accessible by Energy Commission staff.

Staff is proposing to allow POUs to have an organization such as Southern California Public Power Authority (SCPPA), Northern California Power Agency (NCPA), or California Municipal Utilities Association (CMUA) prepare and file IRPs on behalf of a group of POUs. Staff proposes that the IRPs would be adopted by the individual POU's governing board and that the collected IRP information be reported by individual POUs to allow for utility-specific review.

Energy Commission Review Process

The Energy Commission is required to review IRPs for consistency with the requirements of PUC Section 9621. The Energy Commission review of IRPs would use the following proposed process.

- Within 30 calendar days of electronic filing, the Energy Commission will check that the POU IRP includes all required components listed in PUC Section 9621.
- Staff would next review in greater detail to check for the consistency of the IRP with the goals and requirements outlined in PUC Section 9621. Staff anticipates that this review will take no more than 90 calendar days.

- Staff proposes to post IRPs on the Energy Commissions website and allow for public comment on filed IRPs for the first 30 calendar days following the submission of the IRP by the filing POU. Public comments may be considered as part of the review for consistency.
- At any time during this review, staff may request additional information from POUs as needed to support the review of IRPs. The POU would be given 30 calendar days to respond to requests for more information.
- Following review of the IRP, staff would determine if the IRP is deficient and would provide the POU with recommended corrections. The POU would be given 30 calendar days to respond to the staff determination.
- For IRPs found deficient, staff proposes an appeal process. A POU may petition the Executive Director for reconsideration. The petition for reconsideration would be made within 30 calendar days of the staff determination.
- If an applicant's petition for reconsideration is denied, the petitioner would be allowed to appeal to the Energy Commission Chair within 30 calendar days of Executive Director's denial of the petition.

Reporting Requirements

In the staff paper¹ released in February, staff discussed the proposed details of capacity and energy accounting tables as well as an initial description of the greenhouse gas and Renewables Portfolio Standard (RPS) accounting tables. Examples of these tables are provided. In addition, staff is proposing some additional reporting on the RPS accounting table to allow for inclusion of more of RPS compliance measures. In addition, staff has added discussion of IRP components not addressed in the staff paper.

PUC Section 399.30 RPS Procurement Plans

SB 350 modified the submission requirements for RPS procurement plans. POUs subject to IRP filing requirements are now required to incorporate their RPS procurement plans as part of the IRP. Staff proposes that any RPS procurement plan updates be included directly or by reference to a publicly available document that can be accessed by Energy Commission staff and the public.

Staff also proposes that POUs provide the following information:

- A description of any exemptions or optional compliance measures that may affect the POU's forecasted procurement requirements

¹ Vidaver, David, O'Neill-Mariscal, Garry. 2017. *Proposed Guideline Topics for Publicly Owned Utilities' Integrated Resource Plans*. California Energy Commission. Publication Number: CEC-200-2017-002-SD.

- A description of the POU's plan to meet the portfolio balance requirement and long-term contracting requirements
- A description of any identified issues that have the potential to prevent the POU from procuring sufficient renewable resources

RPS Compliance Table

Staff has proposed standardized tables for reporting data. More details on staff's proposed RPS Compliance Table is provided here, such as reporting renewable procurement, various compliance mechanisms, historic carryover, and REC only transactions. The following is staff's proposal:

1. Using data from the Energy Balance Accounting Table, the form will determine the amount of renewables needed to achieve each compliance period's procurement target using forecasted annual retail sales, and pre-set soft targets.
2. Report facility, project, or contract level annual procurement forecast including:
 - RPS-eligible generators from the Energy Balance Accounting Table will be auto-populated into this table.
 - Grandfathered procurement
 - Historic carryover from pre-2011 procurement
 - Excess procurement from previous compliance periods used annually
 - Other existing or planned procurement from generic resources including resources to be developed or owned by the POU or PCC 1, 2, and 3 procurement through power purchase agreements/contracts.
3. Forecast of any excess or deficit during each compliance period
 - Calculated by subtracting existing and additional procurement from the target for each compliance period. Excess can be used in following compliance periods; deficiencies will need to be discussed in the narrative reports.

Retail Rates

Filing POU's are required to adopt an IRP that ensures that the POU meets its obligation to serve its customers at just and reasonable rates and minimizes impacts on ratepayer bills as required by PUC Section 9621. Staff proposes that POU's demonstrate this by submitting materials related to annual average retail rate analysis that is presented to the utility's governing board. IRPs may also include a discussion of the interrelationship between achieving policy goals and targets and retail rates

Transmission and Distribution Systems

The IRP must ensure that the utility plans achieve the goal of strengthening the diversity, sustainability, and resilience of the bulk transmission and distribution systems, and local communities. Staff proposes that POU's demonstrate this requirement through a narrative discussion or referencing plans for any major transmission project, any distribution system upgrades, and their impacts on local communities. This discussion may include programs and incentives to develop distributed generation, participate in demand-response programs, deploy energy efficiency measures, and purchase electric vehicles. Staff proposes that POU's include or provide reference to publicly available long-term transmission plans developed by the filing POU or its' balancing authority.

Minimizing Localized Air Pollutants and GHGs

The plan must demonstrate that localized air pollutants and greenhouse gas emissions are minimized within the filing POU's service territory, with early priority on disadvantaged communities. Staff proposes that this be demonstrated by a discussion of current programs and policies in place to address local air pollution, new and existing emissions reductions programs focused on disadvantaged communities, and the identification of disadvantaged communities in the utility service territory.