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AWEA California Caucus Comments on Energy Reliability in Southern California

Attached please find comments of the American Wind Energy Association California Caucus on the Joint Agency Workshop on Energy Reliability in Southern California.

Please let me know if you have any trouble opening this attachment.

Many thanks, Danielle Mills

Additional submitted attachment is included below.



May 22, 2018

California Energy Commission Dockets Office, MS-4 1516 Ninth Street Sacramento, CA 95814-5512

Submitted electronically

Subject: AWEA California Comments on the Joint Agency Workshop on Energy Reliability in Southern California (Docket Number 18-IEPR-03)

Dear Chair Weisenmiller and President Picker,

The American Wind Energy Association (AWEA) California Caucus ('AWEA California Caucus' or 'ACC') provides the following comments on the May 8, 2018 Joint Agency Workshop on Southern California Reliability. In these comments, ACC highlights the ability of new high capacity factor wind and a diverse suite of renewable resources to serve Southern California on a system level, serving as an affordable hedge against more expensive and less mature technologies.

Members of the ACC are global leaders in utility-scale wind energy development, ownership, and operations, many of whom also develop and own other energy infrastructure such as transmission lines, utility-scale solar, and energy storage. ACC is unanimous in its commitment to the need for—and widespread economic benefits derived from—a diverse and balanced portfolio in California to reliably and affordably meet state energy demands and environmental goals.

ACC understands the local reliability needs within the L.A. Basin and San Diego as a residual impact of the San Onofre Nuclear Generating Station (SONGS) closure and the looming concerns associated with the scheduled phase-out of once-through cooled resources and potential gas supply shortages. We note that a variety of resources can replace retiring conventional resources, but highlight the complementary generation profile of regional, high capacity-factor wind, which increases during California's evening hours and can reduce the need for conventional generation to meet the evening ramp.

In the 2018-2019 CAISO Transmission Planning Process, ACC urged the CAISO and the Energy Commission to expand the scope of the study to analyze the potential for this high capacity-factor wind from quality resource areas such as New Mexico and Wyoming to serve California's evening ramp. Due to the waning availability of the federal Production Tax Credit (PTC), wind in 2018 or 2019 is available at roughly half the cost – on a levelized basis – than deferred procurement, and existing project data indicates that regional wind is an effective and low-cost solution.



Wind energy frequently helps reduce the CAISO's total flexible capacity requirements (for example, see Table 4 of the CAISO's 2019 Local RA Needs study, which illustrates that wind reduces the need for flexible RA overall in most months).¹ Moving forward, ACC believes that a geographically and technologically diverse portfolio of renewable resources, both existing and new, may also help support California's needs arising from Aliso Canyon phase out.

Advancements in wind generation and forecasting technologies have allowed wind to provide a more reliable and flexible product, including the ability to provide frequency response, and the state energy agencies should evaluate the attributes of regional renewable resources to enhance Southern California reliability.

ACC agrees with the statements of Jane Long of the California Council on Science and Technology during the May 8th Workshop, where she suggested that flexible, non-fossil generation might minimize reliability issues currently stabilized with natural gas generation. California should absolutely evaluate the relative feasibility of achieving climate goals with various reliable energy portfolios, and low-cost, commercially viable technologies such as utility-scale wind should be considered as part of a broader solution.

We appreciate the Commission's consideration of these comments and look forward to participating in future conversations to ensure reliability and clean power for Southern California.

/s/ Danielle Osborn Mills Danielle Osborn Mills Director American Wind Energy Association California Caucus 1970 Meadow Oak Lane Meadow Vista, CA 95722 (916) 320-7584 danielle@renewableenergystrat.com

¹ Draft Flexible Capacity Needs Assessment for 2019, CAISO, April 2018, available at: <u>http://www.caiso.com/Documents/2019DraftFlexibleCapacityNeedsAssessment.pdf</u>