DOCKETED	
Docket Number:	19-SB-100
Project Title:	SB 100 Joint Agency Report: Charting a path to a 100% Clean Energy Future
TN #:	230967
Document Title:	Balancing Authority of Northern California Comments - on SB 100 Technical Workshop
Description:	N/A
Filer:	System
Organization:	Balancing Authority of Northern California
Submitter Role:	Public
Submission Date:	12/2/2019 4:22:26 PM
Docketed Date:	12/2/2019

Comment Received From: California Biomass Energy Alliance
Submitted On: 12/2/2019
Docket Number: 19-SB-100

California Biomass Energy Alliance Comments on SB 100 Technical Workshop 11182019

Additional submitted attachment is included below.

STATE OF CALIFORNIA ENERGY RESOURCES CONSERVATION
AND DEVELOPMENT COMMISSION

In the Matter of: SB 100 Technical Workshop RE: SB 100 Joint-Agency Report	Docket No. 19-SB-100

COMMENTS OF THE
BALANCING AUTHORITY OF NORTHERN CALIFORNIA
ON THE SENATE BILL 100 TECHNICAL WORKSHOP

I. INTRODUCTION

The Balancing Authority of Northern California ("BANC") appreciates the opportunity to provide comments on the *SB 100 Technical Workshop* ("Workshop") held on November 18, 2019, and more generally on issues presented in this study process.

Mr. James Shetler, General Manager of BANC, provided testimony and comments at the *Northern California SB 100 Scoping Workshop* held on October 25, 2019. For the purposes of convenience and completeness, we attach them hereto for the record.

II. COMMENTS

BANC is a joint powers authority ("JPA") established pursuant to Section 6500 *et seq.* of the California Government Code. BANC operates as a public agency and is governed by the BANC Commission, currently made up of an executive representative from each of its members. BANC's members include the Cities of Redding ("Redding"), Roseville ("Roseville"), and Shasta Lake, the Modesto Irrigation District ("MID"), the Sacramento Municipal Utility District

("SMUD"), and the Trinity Public Utilities District.[1] BANC is a registered Balancing Authority with the North American Electric Reliability Corporation and operates as a neighboring Balancing Authority Area ("BAA") to the California Independent System Operator BAA.

BANC is a strong supporter of the goals reflected in SB 100. The study process undertaken is expressly intended to examine these goals, on-going progress, and the implications of achievement of the goals on affordability and grid reliability.

BANC agrees with the statements of Commissioner McAllister that grid reliability is paramount. California needs a well-thought-out transition plan that moves us towards the SB 100 goals while still maintaining reliability and affordability. The transition must ensure future technologies are verified and ready to meet grid reliability in an affordable manner, before we abandon existing technologies. Given the complexity of the infrastructure and the capital-intensive investments needed to ensure continued viability of the infrastructure, abandonment of existing thermal infrastructure without a viable and cost-effective alternative may, at best, unnecessarily raise costs and, at worst, be irreversible and jeopardize grid reliability.

At the workshop, representatives of the California Air Resources Board ("CARB") presented two Resource Scenarios for its analysis: (1) an 'RPS +' scenario, which includes currently eligible renewable resources, large hydroelectric resources, nuclear generation, and natural gas generation with carbon capture and storage ("CCS") where net greenhouse gas ("GHG") emissions are zero; and (2) a 'No Combustion' scenario which would expressly exclude any resource that combusts fuel, including biomass and renewable natural gas.

[1] WAPA operates within the BANC Balancing Authority Area ("BAA") and participates in BANC processes; however, WAPA is not a formal member of BANC. Currently WAPA participates through various agreements with BANC, including the BANC EIM Participation Agreement.

Of the two, BANC supports Option 1, the RPS+ scenario. Consistent with the views stated above, the loss of dispatchable generation to serve load and respond to system ramping requirements will likely remain key to grid reliability particularly as penetration of non-dispatchable resources (both utility scale and behind-the-meter) increases. Further, the idea of redefining and excluding the eligibility of certain renewable fuel sources when we are simultaneously examining forest management practices and their impacts on the total carbon picture is counterintuitive.

BANC also encourages any study efforts to be cognizant of regional trends and assumptions regarding the availability of resources in neighboring regions. In particular, BANC points the agencies to the efforts of the Northwest Power Pool.[2] It is BANC's experience that assumptions on imports into California and the availability of resources to meet flexibility needs are key drivers. Study efforts must contain reasonable assumptions with respect to the ability of California to rely on our neighboring state partners, particularly as they too increase clean energy goals.

III. CONCLUSION

BANC appreciates the opportunity to provide these comments and looks forward to continuing to work with staff in this proceeding.

Dated: December 2, 2019

Respectfully submitted,

/s/ James Shetler
James Shetler
General Manager, Balancing Authority of Northern California

[2] https://www.nwpp.org/private-media/documents/2019.11.12_NWPP_RA_Assessment_Review_Final_10-23.2019.pdf

Balancing Authority of Northern California (BANC) Comments

SB 100 Workshop
Redding, CA

October 25, 2019

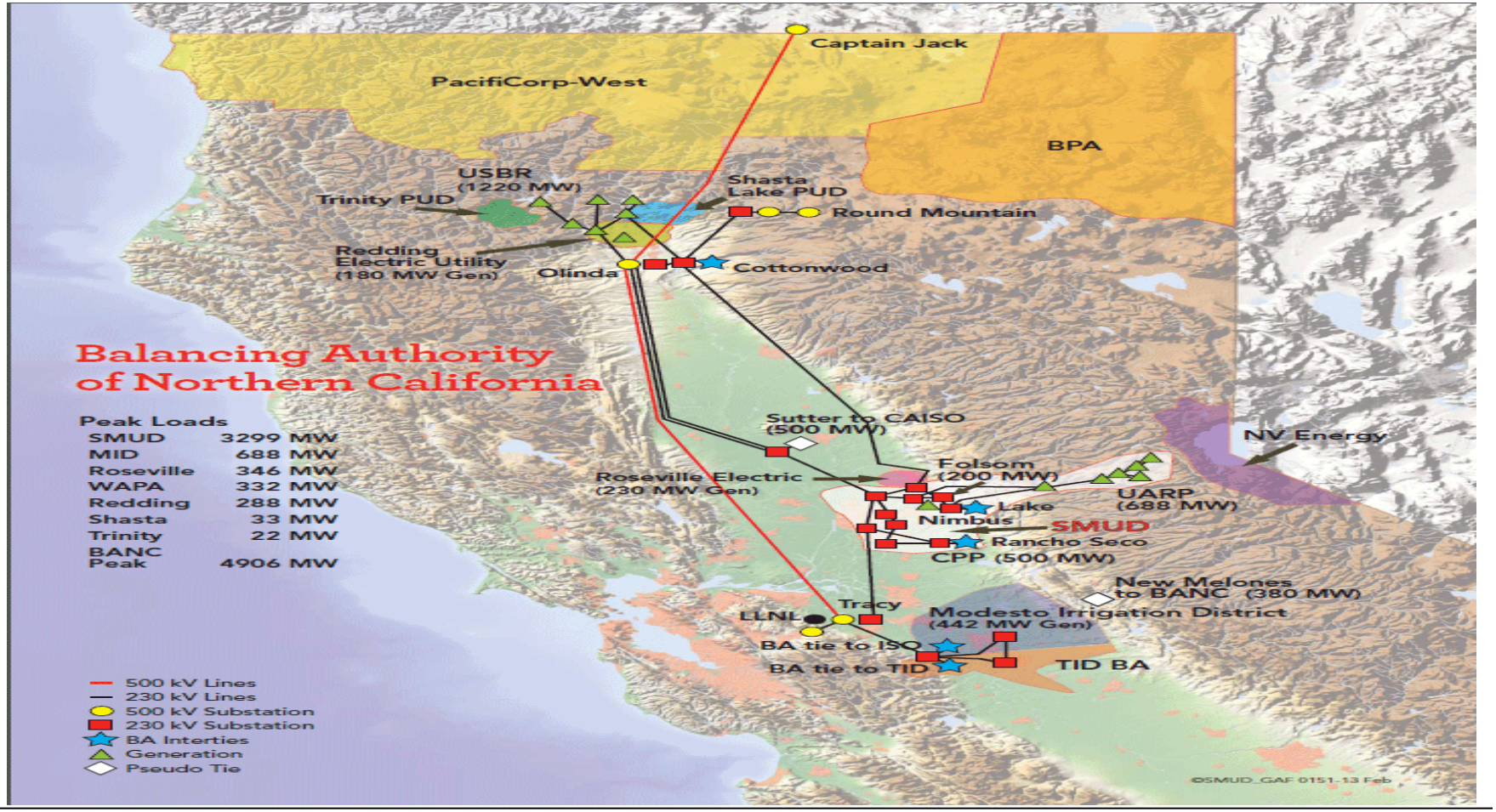
BANC Background

- Group of N. CA POUs
  - Members
    - Modesto Irrigation District
    - City of Redding
    - City of Roseville
    - Sacramento Municipal Utility District
    - Trinity Public Utilities District
    - City of Shasta Lake
  - Contract Relationships
    - WAPA – SNR: 230kV system that interconnects the Central Valley Project (CVP)
    - Transmission Agency of Northern California (TANC): 500kV California-Oregon Transmission Project (COTP)

BANC Background (cont'd)

- Joint Powers Agency formed by its members
- Provides Balancing Authority Area services to its members and contracted parties and Planning Coordinator services to members requesting the service
  - Complies with applicable NERC Reliability Standards
- Serves as the EIM Entity to facilitate participation in CAISO EIM for those within the BANC BAA
  - Phase 1 EIM participation (SMUD Only) – April 3, 2019
  - Phase 2 EIM participation (remaining members + WAPA) – April 2021
- ~5000 MW Peak Load BA
  - 16th largest in West; 3rd largest in CA

BANC Footprint



Comments on SB100

- BANC members = POU load serving entities – fiduciary responsibility to balance customer/owner expectations
  - Safety
  - Reliability
  - Affordability
  - Environmental Sustainability
- BANC and its members support SB100 goals
  - Current approach focused around “zero” net carbon, with adjustments based upon cost effective, proven technologies
  - Need clear articulation of near-term vs. long-term goals
    - 100% Renewables/“zero” carbon/ “zero” net carbon
      - Each can have a very different impact on how reliable operations are met

Comments on SB100 (2)

- BANC as BAA is focused on reliability
  - Basic expectation of our customer-owners
  - Inherent in NERC defined role of BAA
    - NERC standards demand and require compliance
  - Results in conservative approach to ensuring reliable BAA operations
    - Balancing load and resources in the BAA footprint requires responsive resources to meet ramping and real-time fluctuation requirements
    - Promotes diverse resource mix
    - Promotes use of proven resources

Comments on SB100 (3)

- Considerations Going Forward
  - Need a clear, flexible transition plan
    - Avoid frequent changes in direction
      - Changes in direction based upon proven technology and sound decisions
    - New technology proven and in place before old technology is abandoned
  - Diverse resource mix
    - Hydro has to count
    - Proper mix of in-state and regional resources
      - Need to factor in potential CAISO and PNW capacity shortfalls
    - Validated Demand Response and Distributed Generation
    - Mix of short-term and long-term storage essential to transition
  - Need to plan for worst case scenarios (weather/fire)
  - Expansion of EIM and development of EDAM part of solution

Jim Shetler – BANC General Manager
E-mail: jimshetler@thebanc.org
Phone: (916) 870-3774