

DOCKETED	
Docket Number:	20-SIT-01
Project Title:	Incremental Efficiency Improvements to the Natural Gas Fleet for Electric System Reliability and Resiliency
TN #:	235828
Document Title:	December 2, 2020 Lead Commissioner Workshop PowerPoint - Afternoon Session
Description:	Lead Commissioner Workshop on Incremental Efficiency Improvements to The Natural Gas Powerplant Fleet for Electric System Reliability and Resiliency Afternoon Session, 1:30 pm (PST)
Filer:	Cody Goldthrite
Organization:	California Energy Commission
Submitter Role:	Commission Staff
Submission Date:	12/2/2020 10:48:44 AM
Docketed Date:	12/2/2020



December 2, 2020

Lead Commissioner Workshop on Incremental Efficiency Improvements to The Natural Gas Powerplant Fleet for Electric System Reliability and Resiliency

Afternoon Session, 1:30 pm (PST)

<https://energy.zoom.us/j/93781267870?pwd=Ykl1MFZ0TC9uanVaSUxsWm9rcFpvQT09>.

Phone: +1 (669) 219-2599 or (877) 853-5257 (Toll Free)

Meeting ID: 937 8126 7870. **Meeting password:** 296858.



Today's Agenda

Morning Session

- Opening Remarks
- Workshop Overview
- Staff Presentation of Possible Technology Upgrades
- Panel 1: Incremental Technology Improvements and Benefits
- Panel 2: Opportunities, Challenges and Process Modifications
- Public Comments

Afternoon Session

- Panel 3: Discussion of Finance and Governance Opportunities
- Public Comments
- Closing Remarks



Remote Compliance

This workshop is being held remotely, consistent with **Executive Orders N-25-20 and N-29-20** and the recommendations from **California Department of Public Health** to encourage physical distancing to slow spread of COVID-19.

Telephone access

- Dial (669) 219-2599 or (877) 853-5257
- Afternoon Session ID: 937 8126 7870

Remote participation instructions can be found in the Workshop Notice at: **energy.ca.gov** under "events" or

<https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=20-SIT-01>



Keep California Healthy



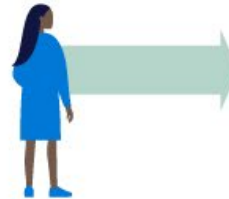
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Cover



6 Feet

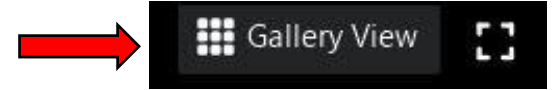


covid19.ca.gov

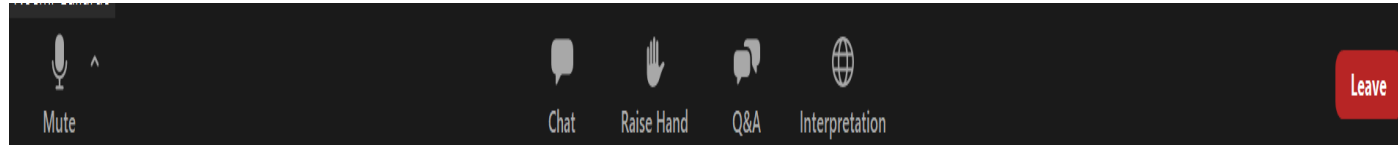


Zoom Instructions

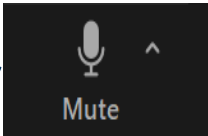
- Click on “Gallery View” in upper right corner of screen to see all speakers simultaneously or “Speaker View” to see one speaker at a time



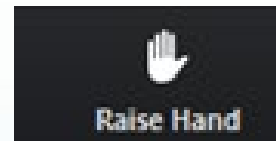
- For participation options, look for black bar at bottom of screen



- To un/mute, click on microphone/phone/headphones icon in lower left corner



- Use “Raise Hand” to comment





Public Comment Instructions

Rules

- 3 minutes per person
- 1 person per organization

Zoom

- Click “raise hand”

Telephone

- Press *9 to raise hand
- Press *6 to (un)mute

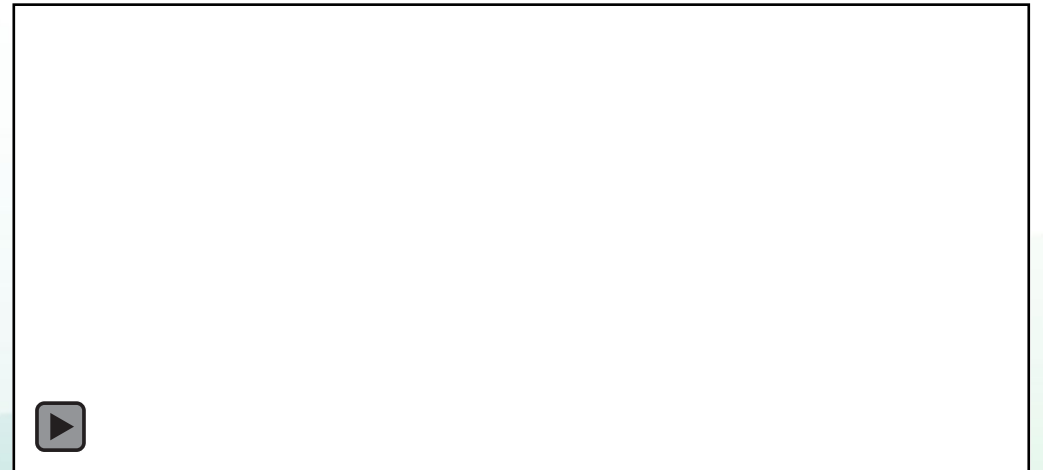
When called upon

- Zoom hosts will open your line
- Unmute, spell name and state affiliation, if any, for the record, then begin your comments

Written Comments:

- Due December 16, 2020 by 5:00 pm (PST)
- Visit: <https://efiling.energy.ca.gov/EComment/EComment.aspx?docketnumber=20-SIT-01>
- Click: <https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=20-SIT-01>

3-MINUTE TIMER





Panel 3

Discussion of Finance and Governance Opportunities

- Michele Kito, California Public Utilities Commission
- Mark Irwin, SCE
- Elsa Valay-Paz, San Diego Gas & Electric
- Scott Ranzal, Pacific Gas & Electric
- Katie Ramsey, Sierra Club



Michele Kito

California Public Utilities

Commission

Incremental Capacity Additions for 2021: Opportunities and Challenges

California Energy Commission Workshop
December 2, 2020



California Public
Utilities Commission

Overview

- Existing opportunities exist for procuring incremental capacity and new opportunities may arise with additional procurement requirements from the Commission.
- Challenges exist for bringing on the incremental capacity.

CPUC Current Authorizations Address Incremental Gas Additions

- The CPUC's Integrated Resource Planning (IRP) decision, D.19-11-016 authorized procurement of an additional 3,300 MW of new resources to replace the once-through cooling facilities.
- This decision specifically allowed for incremental additions at gas-fired facilities:
 - “If there are existing fossil-fueled resources that may have the ability to make modifications or produce incrementally more to serve reliability needs, those may still be considered, even if the units were part of the baseline, but only for the incremental capacity added.”
- To date, no load serving entity has chosen to procure this type of incremental capacity to meet the identified IRP need, at least as reported in filing with the CPUC.

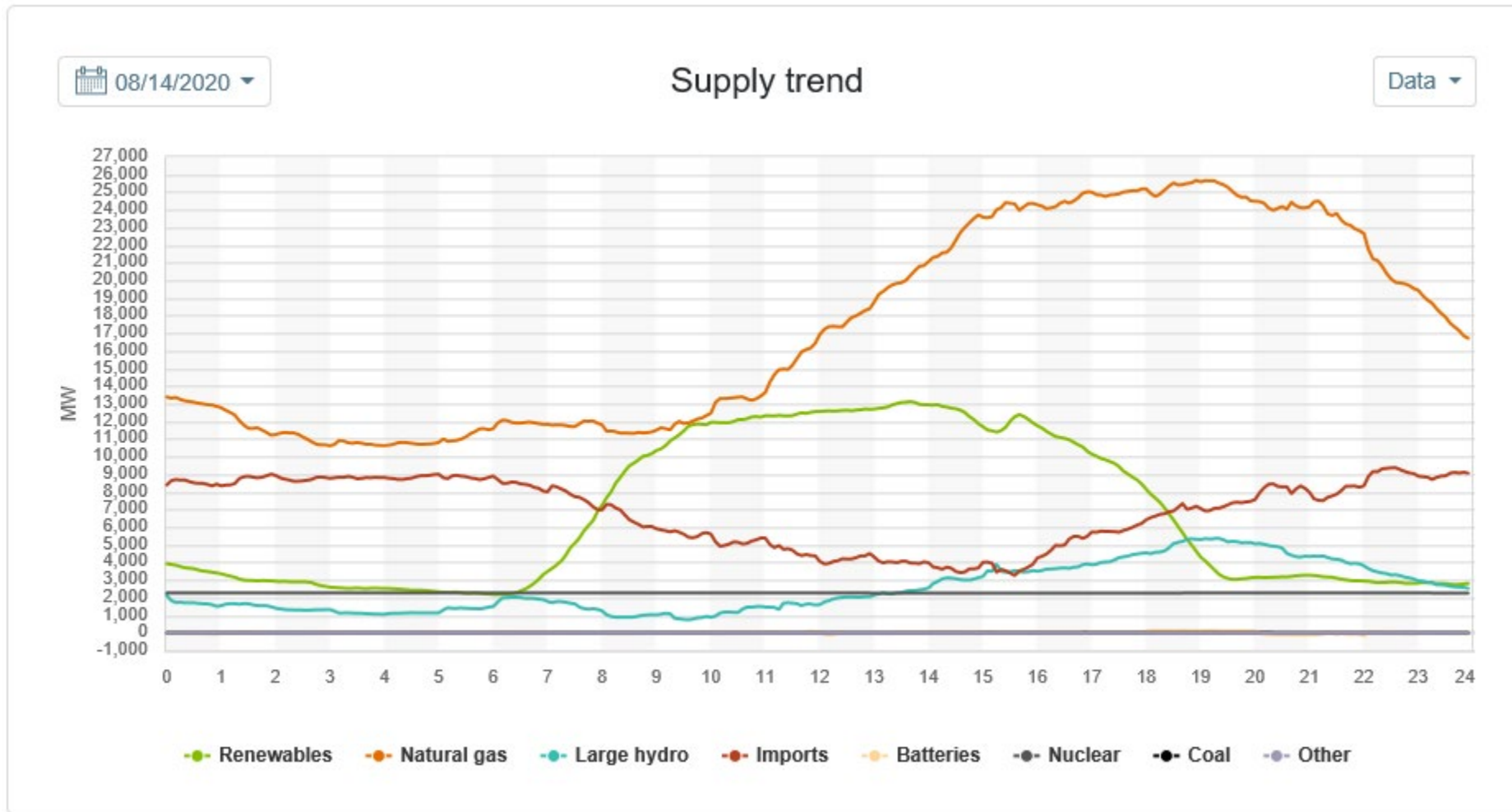
CPUC Recently Opened a New Reliability OIR (Order Instituting Rulemaking)

- In response to the August heat storm events, the CPUC recently opened a new rulemaking (R.20-11-003) to address reliability needs for the summer 2021.
- The purpose of the OIR is to consider measures, including procurement, to “increase energy supply and demand during the peak and net demand peak hours in the summer of 2021 if needed.”
- Further, the OIR specifically asks,
 - “Should the Commission consider expedited procurement, including through the cost allocation mechanism for additional reliability procurement (e.g., expansion of existing gas-fired resources) that could be online for Summer 2021 and 2022? If so, how could this occur in order for the additional capacity to be online on time to address summer reliability needs?”

Additional Procurement Requirements to Replace Diablo Canyon

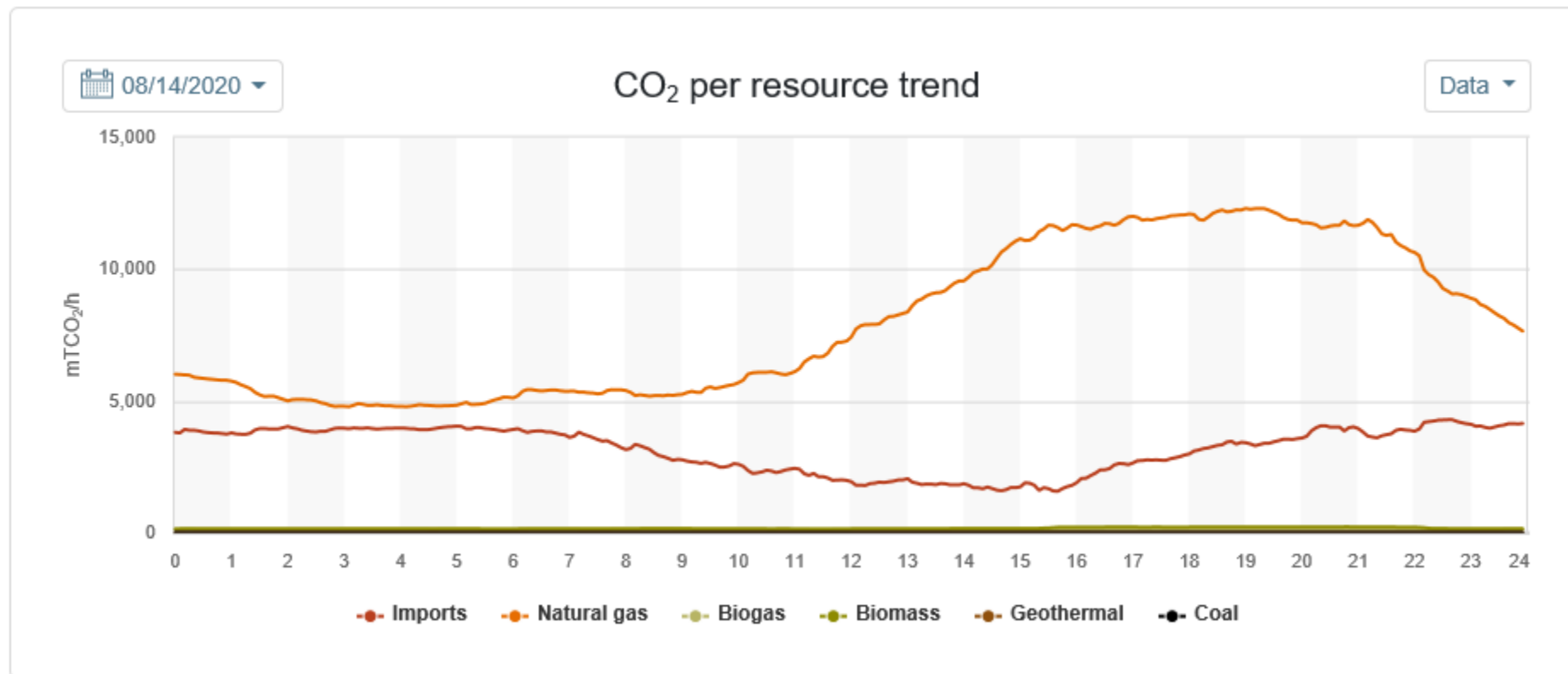
- The CPUC's IRP proceeding also has scoped in the ability to require additional procurement to address the retirement of Diablo Canyon in 2024 and 2025.
- The scoping ruling in that proceeding currently includes a schedule for the following:
 - Staff analysis of individual IRP plans
 - Ruling regarding Diablo Canyon replacement power and possible workshops – January 2021
 - Comments and replies – February and March 2021
 - Proposed decision and final decision – April and May 2021

Resources Available on August 14, 2020



Source: CAISO

Emissions Profile for Gas Fleet and Imports on August 14, 2020



Source: CAISO

Opportunities and Challenges

- Opportunities:
 - Additional procurement required to reliability operate the grid
 - The Commission has specifically authorized incremental procurement at existing gas-fired facilities
- Challenges:
 - Likely opposition from a variety of organizations
 - May be considered contrary to SB 350 (de León, Chapter 547, 2015) goals
 - There may be timing and/or cost issues



Mark Irwin

Southern California Edison



Elsa Valay-Paz

San Diego Gas & Electric



Scott Ranzal

Pacific Gas & Electric



Katie Ramsey

Sierra Club



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Thank You!