

DOCKETED

Docket Number:	19-SB-100
Project Title:	SB 100 Joint Agency Report: Charting a path to a 100% Clean Energy Future
TN #:	236064
Document Title:	Southern California Edison Company Comments Comments on Draft SB 100 Joint Agency Report
Description:	N/A
Filer:	System
Organization:	Southern California Edison Company
Submitter Role:	Public
Submission Date:	12/18/2020 5:03:39 PM
Docketed Date:	12/18/2020

*Comment Received From: Southern California Edison Company
Submitted On: 12/18/2020
Docket Number: 19-SB-100*

**Southern California Edison Company Comments on Draft SB 100
Joint Agency Report**

Additional submitted attachment is included below.

December 18, 2020

California Energy Commission
Docket Office, MS-4
Re: Docket No. 19-SB-100
1516 Ninth Street
Sacramento, CA 95814-5512
docket@energy.ca.gov

Re: Southern California Edison Company's Comments on the California Energy Commission
Docket No. 19-SB-100: Senate Bill 100 Draft Report Workshop

Dear Commissioners:

On December 4, 2020, the California Energy Commission (CEC), the California Public Utilities Commission (CPUC), and the California Air Resources Board (CARB) (Joint Agencies) conducted the *Senate Bill 100 Draft Report Workshop* (Workshop). Staff presented an overview of the draft report, including modeling results, key takeaways from the assessment, next steps for analytical work, and recommended actions. Southern California Edison (SCE) appreciates the opportunity to submit comments on the Workshop for consideration by the Joint Agencies as they finalize the *SB 100 Joint Agency Report*. SCE generally agrees with and supports the analyzed scenarios and findings of the draft report along with the associated 13 recommendations and opportunities for further analysis. SCE offers additional insight for consideration in implementing these recommendations.

Recommendation 1 of the draft *SB 100 Joint Agency Report* calls for preparation of a comprehensive reliability assessment to help ensure that a future high-renewables grid scenario can meet system reliability requirements and enable better utility understanding of long-term resource planning needs. The California Independent System Operator (CAISO), the CPUC, and the CEC are conducting a root cause analysis following this summer's heat events and identifying actions to address near-term reliability concerns. However, the long-term reliability assessment called for in Recommendation 1 is necessary to assess the ability of a future zero-carbon, SB 100-compliant resource portfolio to operate reliably. The core scenario in the draft *SB 100 Joint Agency Report* assumes high-electrification demand supplied almost entirely by a high-renewables energy portfolio. Though this scenario demonstrates that achieving the goals of SB 100 is possible, it does not address the ability of such a portfolio to meet future grid reliability requirements, especially for significantly larger electricity demand. If utilities are to undergo long-term resource procurement and grid planning efforts to satisfy SB 100 goals, a comprehensive assessment evaluating grid performance and function in a high-renewables future is essential.

Recommendation 6 directs the Joint Agencies to conduct annual SB 100 workshops in years between the quadrennial SB 100 Joint Agency Reports. Since kicking-off the public process in September 2019, the Joint Agencies have effectively engaged a broad set of

stakeholders to inform the development of the *SB 100 Joint Agency Report*, a key step in helping the state reach the goals of SB 100. Regularly scheduled workshops in intervening years between SB 100 Joint Agency Reports will help maintain the momentum of this progress. The annual Integrated Energy Policy Report (IEPR) process provides another venue by which the Joint Agencies can maintain progress given the IEPR's role in informing state policy and planning efforts. SCE understands that the upcoming 2021 IEPR will build upon the analysis and findings of the *SB 100 Joint Agency Report*. This model should be applied to future IEPRs after 2021 to ensure continued progress is made on SB 100-enabling activities.

SCE applauds the Joint Agencies' Recommendation 7 which aims to align the SB 100 efforts with transmission planning efforts. SCE further recommends that the Joint Agencies develop a process by which the information found in the *SB 100 Joint Agency Report* can be used in the state's various transmission planning efforts such as the CAISO's transmission planning process (TPP) and how those transmission results can be reincorporated into future SB 100 Joint Agency Reports. SCE believes that longer-term planning for decarbonization will need to assess: (1) the magnitude and timing of transmission investment needed for the resource portfolios and load forecasts developed in the *SB 100 Joint Agency Report*; and (2) the impact of these investments on customer rates. This process would provide the Joint Agencies with a more holistic view on both the resource and grid infrastructure needs and the cost of those investments.

In addition, SCE appreciates the Joint Agencies' efforts to align the SB 100 analysis with other state planning efforts, such as the CEC's IEPR load forecasting, as described in Recommendation 7. Given that multiple concurrent system planning efforts are being undertaken across state entities to address future energy demand trends, consistency and cohesion among these efforts with SB 100 planning will help provide clearer direction for long-term utility resource procurement and system planning. However, there are currently discrepancies between the planning assumptions used in the *SB 100 Joint Agency Report* and those used in other state energy planning proceedings, such as the CPUC's Integrated Resource Plan (IRP) and Distribution Resources Plan (DRP). For example, as stated above, the core scenario used in the *SB 100 Joint Agency Report* employs a high-electrification demand forecast requiring a tripling of renewable generation resource capacity. Yet current IEPR load forecasting, which the CPUC requires utilities to use for procurement and grid planning, does not reflect the level of clean energy deployment and electrification necessary to meet the state's environmental goals, including SB 100. To enable utilities to make the requisite investments to realize the future envisioned in the *SB 100 Joint Agency Report*, that future must be reflected in the load forecasting the utilities are expected to use to justify resource and grid investments in CPUC proceedings.

Lastly, grid investments have very long lead times from planning to construction and availability for service. For California to conduct longer-term planning, including SB 100 analysis, there will need to be a single source for electricity load forecasting that extends beyond the current IEPR's 10-year time horizon. Though the draft *SB 100 Joint Agency Report* uses demand forecasts from the CEC's *Deep Decarbonization in a High Renewables Future*, which extends to 2045, this forecast will need to be updated at regular intervals to incorporate new information on energy supply and demand forecasts. To inform longer-term resource and grid planning efforts, in addition to incorporating the vision of SB 100 as discussed above, IEPR load

forecasting should also extend to a 20-year time horizon, or longer. This will provide a regularly updated, state-sanctioned source of foundational input for use across the state's various planning efforts, including future SB 100 Joint Agency Reports. This would also enable development of the comprehensive reliability assessment called for in Recommendation 1.

SCE thanks the Joint Agencies for consideration of the above comments and looks forward to continuing its partnership with stakeholders in assessing the SB 100 policy of a carbon-free electricity system by 2045. Please do not hesitate to contact me at (415) 929-5518 with any questions or concerns you may have. I am available to discuss these matters further at your convenience.

Very truly yours,

/s/

Dawn Anaiscourt