

**DOCKETED**

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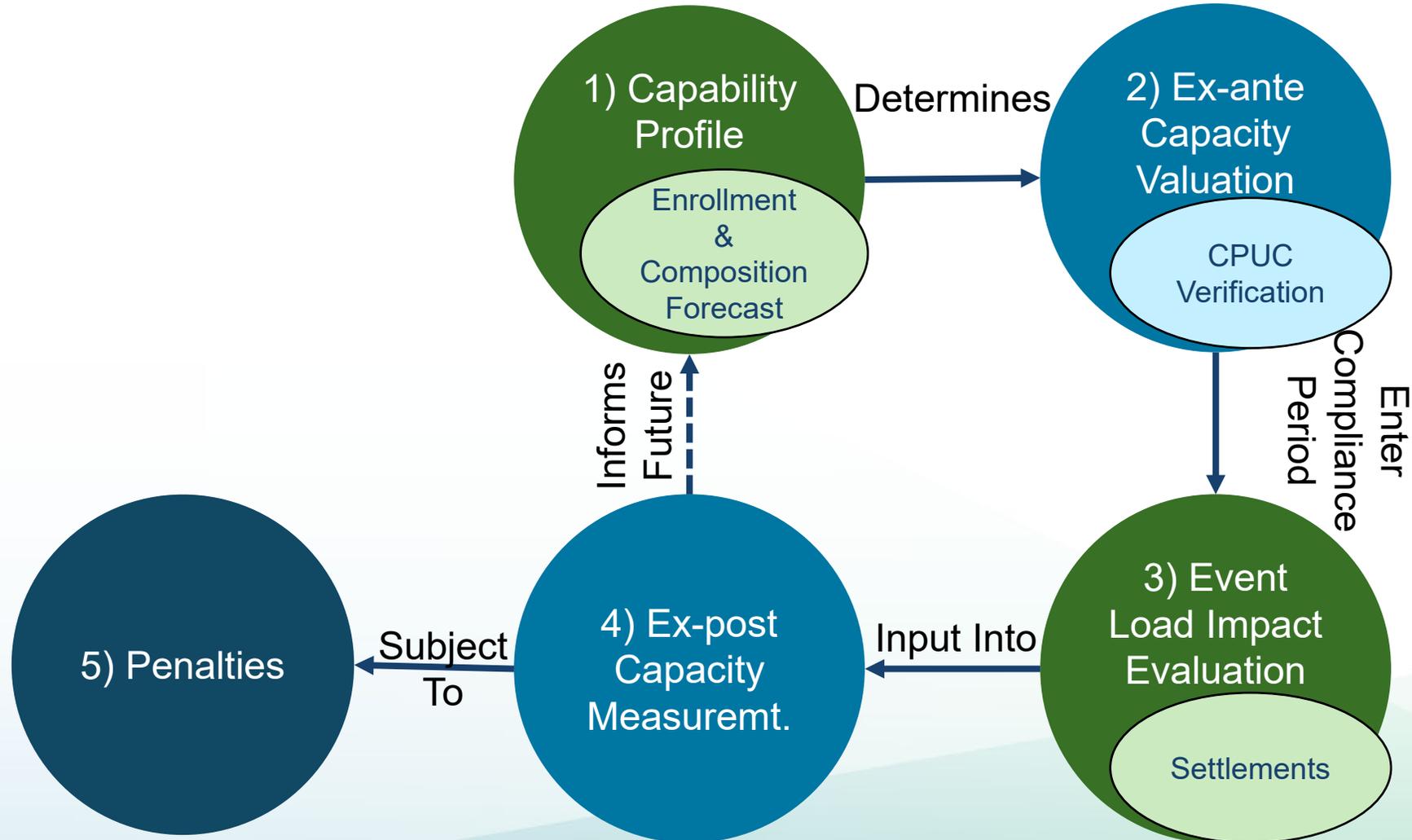
# 24-Slice QC Methodology Proposal

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# Ex-ante & Ex-post Cycle





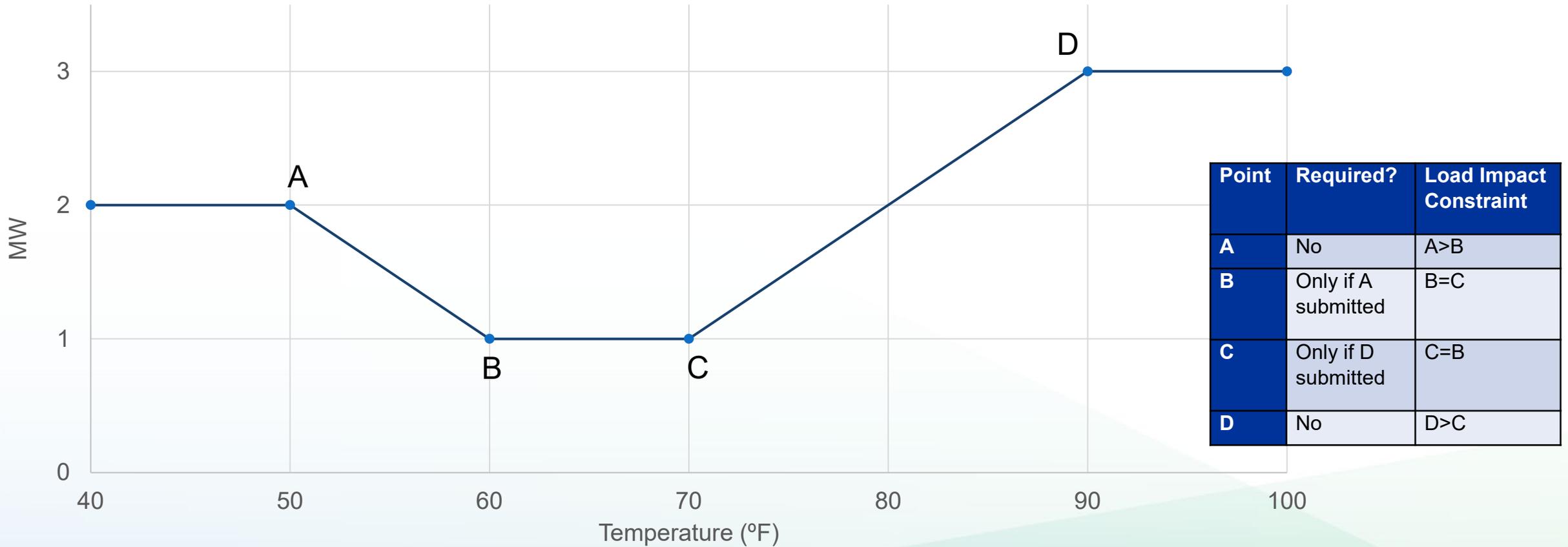
# 1) Hourly Capability Profile

- Determined by DR provider in standardized format
  - Optional series of change points
- Determined based on knowledge of how ex-post results will be determined and penalties assessed in upcoming year
  - May also consider ex-post performance of previous year
- Requires profile for each hour and month seeking RA value
  - Plus adjacent hours with takeback
  - Profiles can be reused across months or hours
  - Example: Winter and Summer profiles for 5–9:  $2 \times 4 = 8$  profiles



# 1) Hourly Capability

For hour x and month y

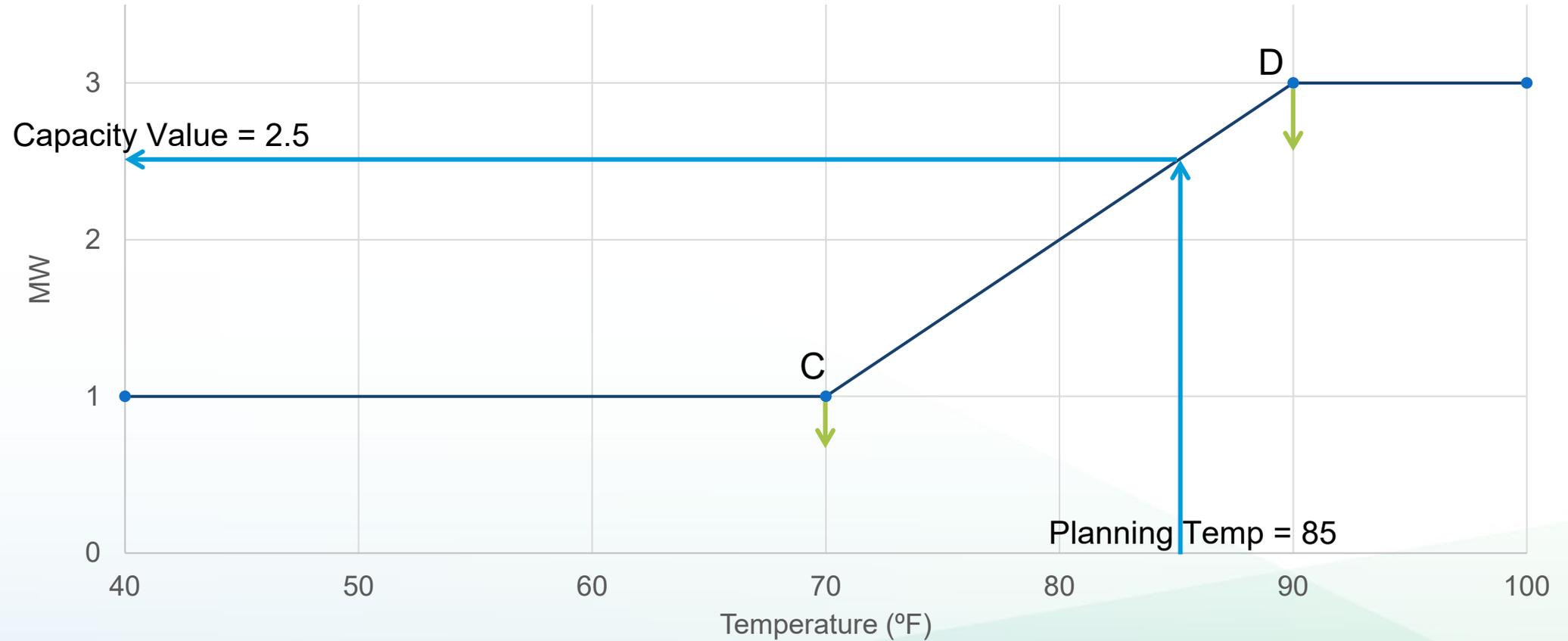


$$A < B \leq C < D$$



# 2) Ex-ante Capacity Valuation

Hourly capacity determination from capability profile is unambiguous  
CPUC staff adjustments made through capability profile





## 2) Ex-ante Capacity Valuation

- CPUC retains review and oversight of QC values
- CPUC staff may waive prerogative for detailed review and adjustment based on two conditions:
  - DR provider delivered  $\geq 90\%$  of committed capacity over hours with RA obligations
  - QC value sought in each hour is  $\leq 25\%$  greater than demonstrated capacity in the previous year



# 3) Hourly Capability

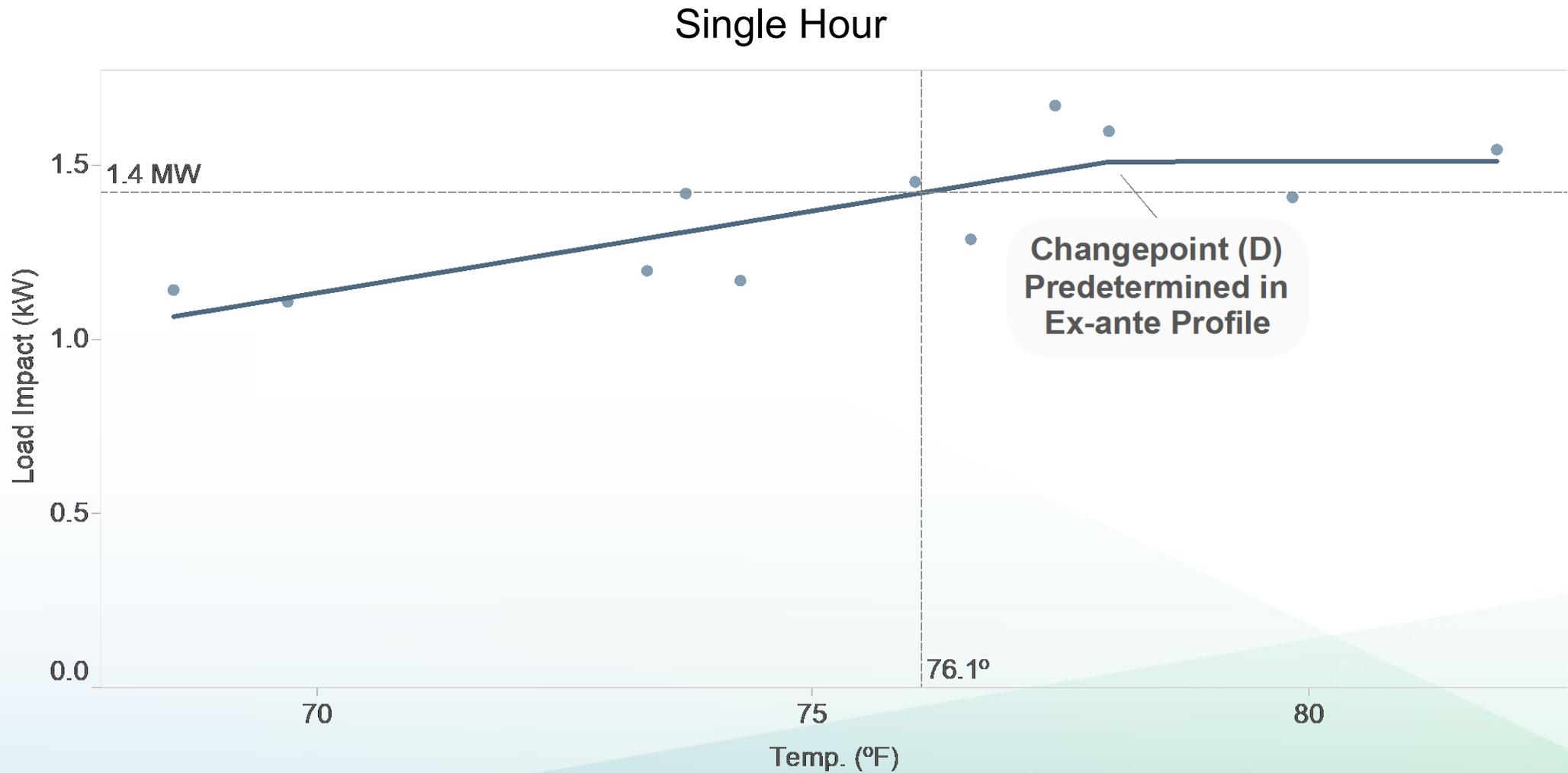
- Customer energy baseline same as CAISO settlement baseline, **unless**:
  1. Alternate baseline is more accurate, **and**
  2. Alternate baseline is infeasible for use in CAISO settlement
- Partial dispatches normalized to bid amounts:



- 0 if no bid

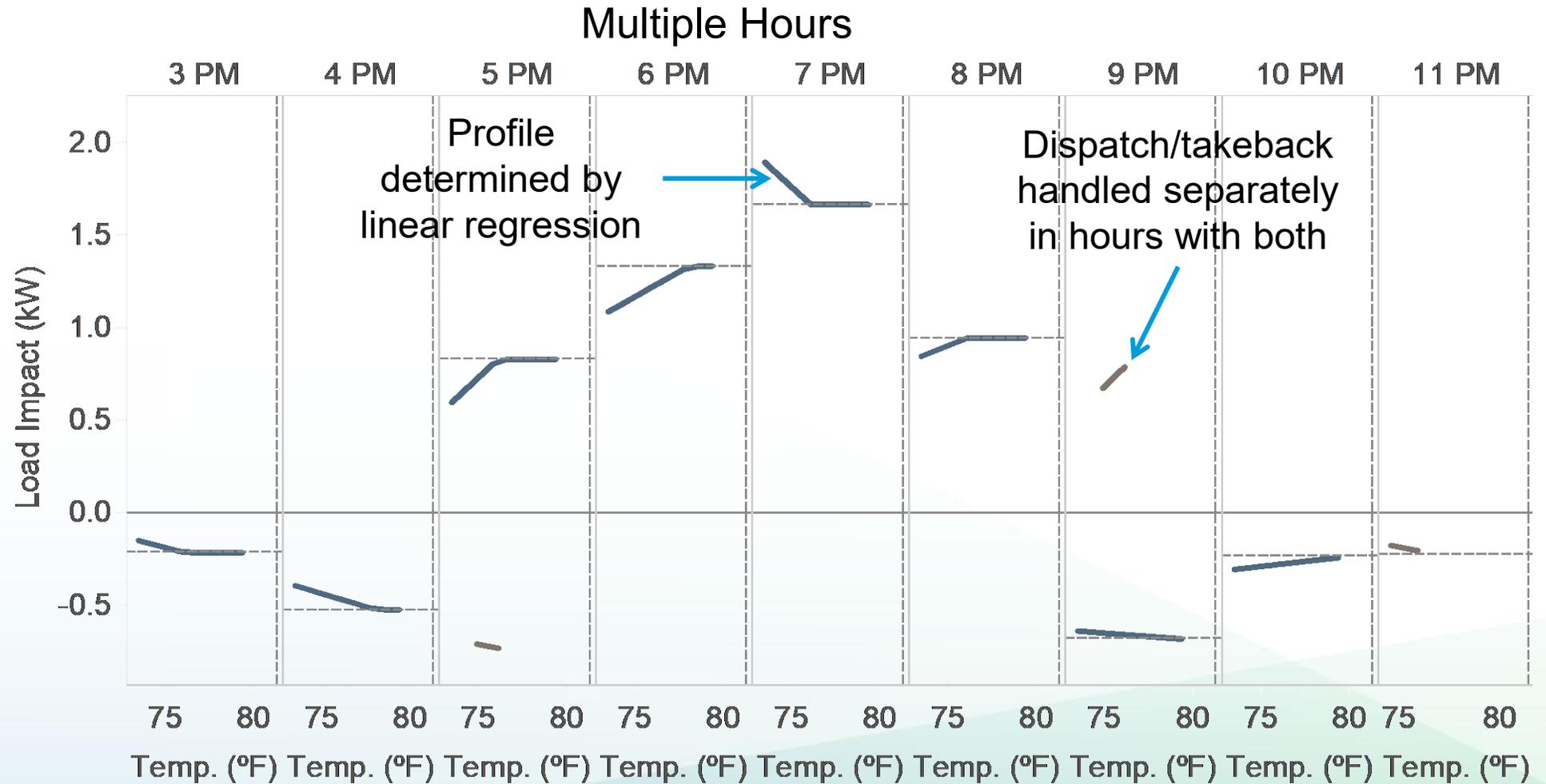


# 4) Ex-Post Capacity Calculation



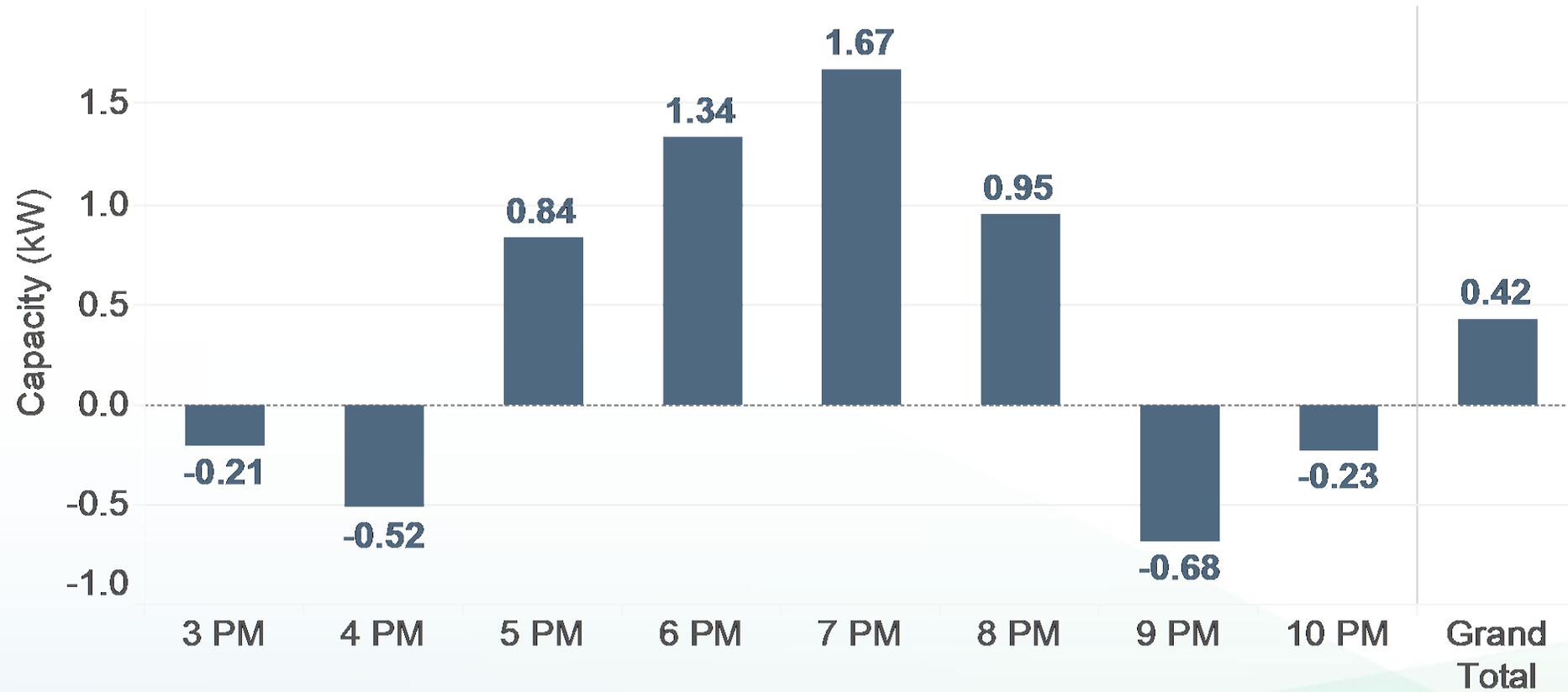


# 4) Ex-Post Capacity Calculation





# 4) Ex-Post Capacity Calculation





# 4) Ex-Post Capacity Calculation

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- Exceptions for infrequent dispatch
  - 0: Zero capacity value
  - 1: Single value across all temperatures



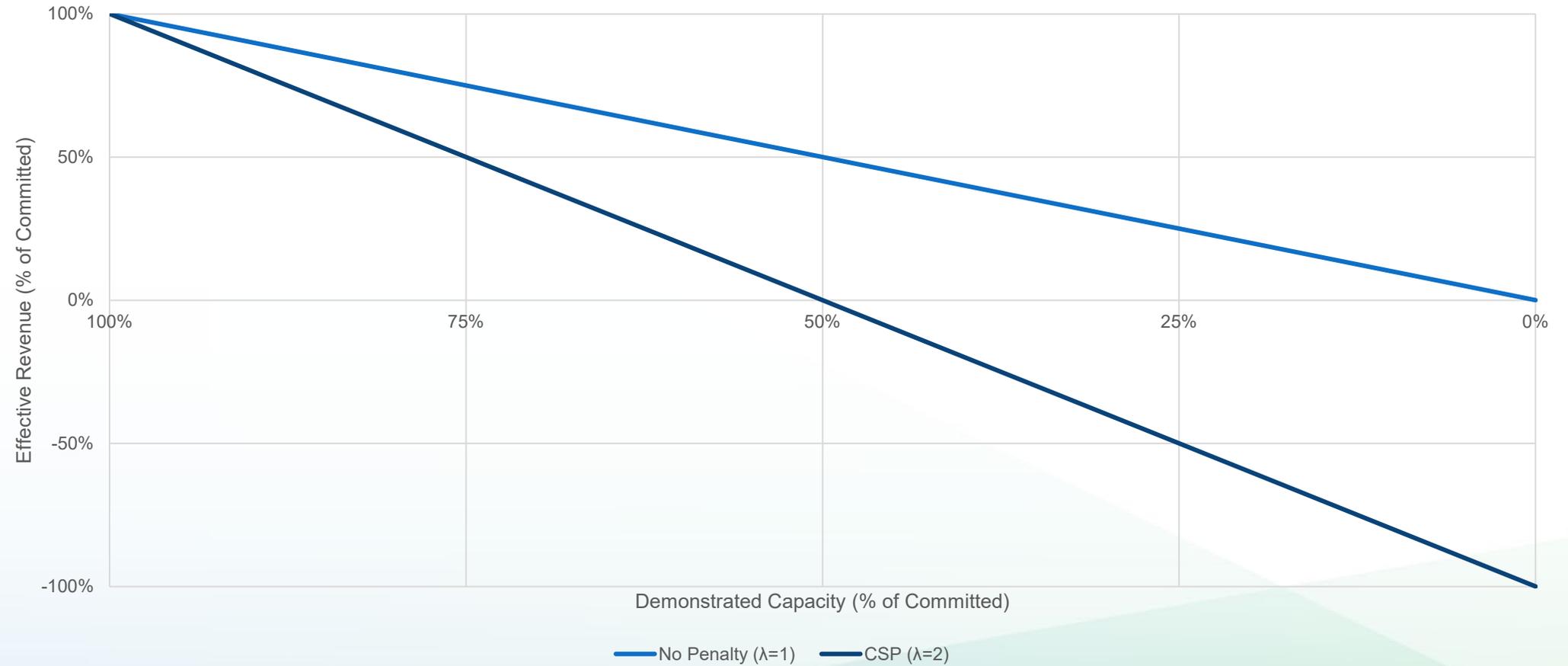
# 5) Capacity Shortfall Penalty (CSP)

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- Compares committed capacity to delivered capacity
  - Committed capacity = lesser of awarded QC and contracted capacity



# 5) Capacity Shortfall Penalty (CSP)





# Questions?

