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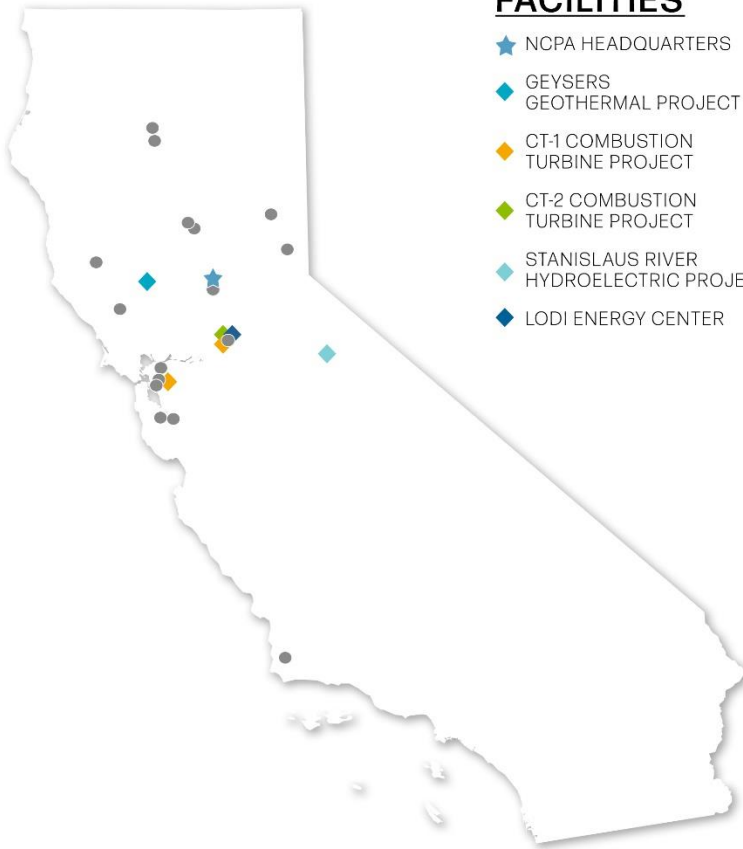
Resource Adequacy Program Overview & PRM Goals

November 16, 2023

NCPA Overview

MEMBERS

- ALAMEDA
- SAN FRANCISCO BART
- BIGGS
- GRIDLEY
- HEALDSBURG
- LODI
- LOMPOC
- PALO ALTO
- PLUMAS-SIERRA REC
- PORT OF OAKLAND
- REDDING
- ROSEVILLE
- SANTA CLARA
- SHASTA LAKE
- TRUCKEE DONNER PUD
- UKIAH



FACILITIES

- ★ NCPA HEADQUARTERS
- ◆ GEYSERS GEOTHERMAL PROJECT
- ◆ CT-1 COMBUSTION TURBINE PROJECT
- ◆ CT-2 COMBUSTION TURBINE PROJECT
- ◆ STANISLAUS RIVER HYDROELECTRIC PROJECTS
- ◆ LODI ENERGY CENTER

- California Joint Powers Agency
- 15 Members and 1 associate Member serving 700,000 residents in communities throughout Northern California (city-owned and special districts)
- Builds and operates jointly owned power plants and operates a power pool for Members
- Represents Members before legislative and regulatory bodies
- Provides Power Management Services to non-Members

•Established in 1968

Resource Adequacy Program Overview

- NCPA Members are non-CPUC jurisdictional Load Serving Entities (LSEs)
- Each NCPA Members' Local Regulatory Authority (LRA) has adopted a formal Resource Adequacy (RA) Program
- Goals of NCPA Member RA Programs:
 - Achieve a high degree of reliability in the electric service supplied to NCPA Member customers
 - Secure sufficient capacity to serve immediate load, permit maintenance, and account for load forecasting errors

Summary of RA Program Elements

- Established Planning Reserve Margin (PRM)
 - Current PRM = 15% of coincident peak demand
- Demand forecast
 - Coincident peak demand (MW), established in coordination with annual CEC administered load forecasting process
- Established Qualifying Capacity (QC) rules and criteria
 - Focused on actual operating characteristics of NCPA Member generation resources
- Reporting requirements
 - Submit annual and month-ahead RA demonstration to CAISO
- LRA Program oversight

Reliable Operations

- NCPA's Members schedule and operate in the CAISO BAA as an aggregated Power Pool, where all loads and resources are scheduled as a single aggregated portfolio
 - Improved reliability through diversification and complementary load shapes
 - Enables greater diversification of resource mix: thermal, hydroelectric, geothermal, solar, wind, landfill bio-gas, etc.
 - Coordinated planning focused on short-term and long-term reliable electric service
 - Greater efficiencies to support reasonable cost of service
- NCPA's Members also schedule and operate in the CAISO BAA as Load-Following Metered Subsystems
 - Contractual requirement to balance load and supply in real-time

PRM Goals and Objectives

- Support reliable operations of the applicable BAA
- Account for current operating environment – realistic and implementable
- Important element to support reliable service, but should not take the place of long-term planning efforts
 - NCPA Member LRAs are engage in active long-term planning, with focus on new resource development and efficiency goals
- Key near term issues for consideration:
 - Challenges associated with constructing and interconnecting new generation
 - Near-term supply shortages and retirements
 - Reasonable cost of service to California customers

Questions / Discussion