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**PGE Comments SB100 Scoping Workshop**

*Additional submitted attachment is included below.*



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California Energy Commission  
Docket Unit, MS-4  
Re: Docket No. 19-SB-100  
1516 Ninth Street  
Sacramento, California 95814-5512

Re: Pacific Gas and Electric Company Comments on SB 100 Joint Agency Report: Charting a Path to a 100% Clean Energy Future

Pacific Gas and Electric Company (PG&E) appreciates the opportunity to submit these comments on the California Energy Commission's (CEC) Scoping Workshops as part of the public process for developing the Joint Agency Report required by Senate Bill 100 (SB 100). PG&E supports California's clean energy goals, and is committed to partnering with the CEC, California Public Utilities Commission (CPUC), California Air Resources Board (CARB) and other energy agencies to chart a cost-effective and sustainable path to SB 100's goal of meeting 100 percent of the state's retail sales with renewable and zero-carbon resources by 2045. The Joint Agency Report required by SB 100 is a critical step in working to achieve SB 100's goal and PG&E recognizes the challenges in this undertaking.

PG&E offers the following comments in response to the energy agency's questions.

1. How should the SB 100 Report approach and address system and local reliability? What key factors should be considered?

PG&E supports the CEC's intent to leverage and build upon the CPUC's current SB 100 work within the Integrated Resource Planning proceeding in order to develop a more robust and more aligned reliability assessment. California's electric portfolio will need to undergo drastic change in order to meet the SB 100 goal by 2045. This includes acquiring and integrating far more renewable resources than are present in today's electricity supply. As such, a robust reliability assessment framework for an SB 100 study must be expanded beyond today's resource planning paradigm. PG&E suggests this robust assessment include:

- A resource adequacy assessment to determine whether the system has sufficient resources to meet load under various system conditions while considering any transmission constraints or limitations.
- An operational reliability assessment to determine whether changes in the resource mix (resource types and locations) create operational reliability challenges.

A robust reliability assessment for SB 100 would necessitate increased aligned collaboration among CAISO, energy agencies and their processes.

2. How should issues around equity (environmental, economic, social) and affordability be addressed?

In order to address issues around equity and affordability, it is critical for the joint agencies to consider various policy scenarios and technology pathways in how to implement SB 100. Each alternative should be evaluated on its cost impact to electric rates and its cost-effectiveness in reducing GHG emissions (e.g., \$/ton of GHG reduction), as well as its impact on reliability and safety.

We believe customers must be protected from unreasonable rate impacts. Additionally, any new policies must treat all load-serving entities the same in implementing the planning and procurement requirements under the new policy. That is to say, all load-serving entities serving California load should equally contribute to meeting SB 100's goals.

Prescriptive procurement mandates for specific technologies or project sizes would severely restrict load-serving entities' flexibility to meet the SB 100's goals. As a result, mandates do not encourage a competitive market for renewables and can increase customer costs.

California is looking to leverage decarbonized electricity to reduce GHG emissions in other sectors, including transportation and buildings. Electrification of end-uses will need to be cost-competitive for the state to meet its broader GHG reduction goals. Ultimately, for the low-carbon economy to be sustainable, we must get there as cost-effectively as possible and we must ensure that the electric system continues to be safe and reliable. Towards that end, we also encourage the joint agencies to include a broad set of low-carbon resources as candidate technologies in its scenario analysis, including firm low-carbon resources as described in Sepulveda et al 2018<sup>1</sup>.

PG&E supports California's climate goals and understands that flexible resources will be necessary for successfully reaching the SB 100 goal by 2045. PG&E would like to emphasize the importance of continued dialogue with the utilities, energy agencies, and stakeholders as the Joint Agency Report is being developed. It is critical that we all work together to ensure that California can continue to reach its bold clean energy goals in a way that manages costs for customers and ensures electric and gas reliability and safety.

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<sup>1</sup> Nestor A. Sepulveda, Jesse D. Jenkins, Fernando J. de Sisternes, Richard K. Lester. The Role of Firm Low-Carbon Electricity Resources in Deep Decarbonization of Power Generation. *Joule*: Volume 2, Issue, 11, November 2018, Pages 2403-2420. Available at: <https://doi.org/10.1016/j.joule.2018.08.006>

Thank you for the opportunity to comment on the SB 100 report development process. PG&E looks forward to continued engagement in the development of this report and at the upcoming technical workshops.

Sincerely,  
Jessica M Melton