

**DOCKETED**

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**Vistra Corp Comments on Gas Fleet Resiliency Workshop**

*Additional submitted attachment is included below.*



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California Energy Commission  
Docket Unit, MS-4  
Docket No. 20-SIT-01  
1516 Ninth Street  
Sacramento, CA 95814-5512

**SUBJECT: Workshop on Incremental Efficiency Improvements to the Natural Gas Powerplant Fleet**

Vistra Corporation (“Vistra”) appreciates the opportunity to comment on the Lead Commissioner workshop on Incremental Efficiency Improvements to the Natural Gas Powerplant Fleet held on December 2, 2020. We appreciate the efforts taken by the California Energy Commission (“CEC”) to lead this workshop exploring the practical implications of CEC jurisdictional thermal fleet pursuing enhancements to attempt to support reliability in the near-term – Summer 2021. We were encouraged by the CEC leadership to provide this venue to explore the technical practical of facility modifications as well as the viability of procurement opportunities. We found it particularly effective that the workshop led by CEC included participation by CPUC President Batjer and the facilitation of the final panel by California Public Utility Commission (“CPUC”) Energy Division. Vistra supports a balanced, reasoned approach to ensuring reliability to meet the near-term needs in 2021 while not making investment decisions that could controvert state’s long-term environmental and clean energy goals.

This exploration is particularly relevant to Vistra. We provide 1,185 MW thermal generation capacity to the state via facilities under CEC jurisdiction located in Moss Landing and Oakland. We also serve retail natural gas products to California consumers within the state. In addition, Vistra is expanding our fleet to include battery energy storage systems at our Moss Landing and Oakland sites. Once these projects reach commercial operations in 2021, this will bring our total battery energy storage capacity to 436.25 MW/1,745 MWh of battery energy storage under contract in California. We continue to explore further battery energy storage expansion opportunities.

As a generator owner, operator, and developer active in California, we find this issue particularly complex. Our efforts further in part state’s progress toward achieving its Renewable Portfolio Standards (“RPS”) and its Senate Bill 100 clean energy standard by the applicable state mandated milestones under the Public Utility Code. As well as developing storage to support meeting Assembly Bill 2514’s storage mandates to facilitate renewable integration under RPS. We understand the need and urgency behind state efforts to ensure sufficient capacity is available to mitigate risk of rotating outages in Summer 2021. Our primary concern is that in pursuing efforts to ensure reliability for 2021 that these efforts do not undermine the progress towards transitioning to 100% clean energy future. We can support efforts to explore short-term solutions to ensure reliability that do not interfere with meeting long-term environmental and clean energy goals. Vistra respectfully requests the CEC consider the scope of enhancements, expansions, or modifications to its jurisdictional fleet be restricted to enhancements that can be implemented by Summer 2021 and that can be incentivized through a single year procurement with contract expiration date of December 31, 2021.

The December 2<sup>nd</sup> workshop was an important step towards exploring realistic short-term solutions to enhance the gas fleet to offset ambient de-rates during summer conditions or through hybridizing existing facilities

with energy storage. There is a need to continue exploring how to expedite these efforts not only under licensing and environmental permitting processes but also under the CAISO's processes.

Vistra requests the CEC hold additional workshops and ask that the CEC include a California ISO moderated panel focusing on what solutions are realistically feasible under the processes by Summer 2021. Debi Levine's contributions in the December workshop highlighted the important role the CAISO plays in determining which efforts can realistically be completed by 2021. We believe additional discussions on this topic are essential to identify feasible solutions.

Vistra respectfully request the CEC consider our suggestion for additional workshops and proposed panel material. We look forward to engaging in future discussions on this topic.

Sincerely,

**Cathleen Colbert**

Director, CAISO Market Policy