

*Comment Received From: Debran Jones Reed  
Submitted On: 12/18/2020  
Docket Number: 19-SB-100*

**Joint Load-Serving Entities Comments on the SB 100 Joint Agency Report's Draft Report Workshop**

*Additional submitted attachment is included below.*



December 18, 2020

California Energy Commission  
Docket Office  
1516 Ninth Street  
Sacramento, CA 95814-5512

Joint Agencies: California Energy Commission (CEC), California Public Utilities Commission (CPUC),  
and California Air Resources Board (CARB)

**RE: Joint Load Serving Entities Comments on the SB 100 Joint Agency Report's December 4, 2020  
Draft Report Workshop; Docket No. 19-SB-100**

Dear Commissioners and Board Members:

San Diego Gas & Electric, Pacific Gas & Electric, the California Community Choice Association, the California Municipal Utilities Association, and Turlock Irrigation District, hereby referred to as Joint Load Serving Entities (“Joint LSEs”), are a diverse group of electricity providers serving the majority of electricity delivered in California. The Joint LSEs appreciate the Joint Agencies’ on-going efforts to model California’s future decarbonized energy system as required by Senate Bill (SB) 100. The Joint LSEs appreciate the thoughtful approach to scenario analysis and are generally supportive of the draft report shared at the workshop. We also appreciate the opportunity to submit the following comments regarding the December 4, 2020, Draft Report Workshop on the SB 100 Joint Agency Report.

The Joint LSE’s October 22, 2020, comments on the Modeling Results workshop made strong recommendations to the Joint Agencies including: how to better assess reliability, how to quantitatively consider affordability impacts, and how to interpret the results of a modeling exercise which, while informative, has yet to resolve structural questions regarding its accuracy and precision on a topic of considerable uncertainty. The Joint LSEs recognize and appreciate the work of Joint Agency staff to address and incorporate these concerns in the draft report. The report’s candor and transparency helps stakeholders understand the ongoing work necessary to improve confidence in SB 100 modeling results and the need for improvements for future analysis.

*With that said, the Joint LSEs strongly recommend the Joint Agencies make the following changes to the SB 100 report prior to finalizing it: identify and articulate limitations of the current modeling, discuss implications for accuracy and precision of the current modeling exercise, and include commitments to a more time efficient schedule and process for executing improvements identified in the draft report.*

The August 2020 heat wave and associated reliability events only serve to underscore the importance of incorporating robust, informed, and conservative reliability analysis into every stage of the state’s energy resource planning processes.

While the Joint LSEs are supportive of the direction taken in the draft report, in this new set of comments, the Joint LSEs wish to re-emphasize the importance of prioritizing energy system reliability and affordability in each of the SB 100 scenarios. Further, the Joint LSEs appreciate that the Joint Agencies continue to emphasize that the SB 100 report’s conclusions should be viewed as directional and illustrative rather than specific in their policy guidance. The conclusions cannot be considered a fully

vettted strategy to reliably decarbonize the electric sector without significant enhancements to meaningfully assess portfolio reliability. Lastly, the Joint LSEs request a more detailed timeline on steps taken after the first report is issued, such as including specific milestones for completing additional analysis and prescribed next steps between this report and the subsequent 2025 SB 100 report. The Joint LSEs urge the Joint Agencies to enact the following four recommendations for the next modeling iteration:

1. Review and assess the soundness and plausibility of SB 100 modeling inputs, assumptions, and methodologies;
2. Ensure SB 100 portfolios are rigorously tested with industry-standard tools for reliability assessment, such as stochastic production cost modeling and loss of load expectation studies;
3. Ensure SB 100 modeling and cost accounting consider the full portfolio of generation and delivery infrastructure necessary to serve California energy needs with careful consideration of reliability standards and resource deliverability needs; and
4. Incorporate economic and affordability assessments currently under development in other proceedings.

The Joint LSEs look forward to partnering with the state to design the policies and plan necessary to make SB 100 a reality and would be pleased to discuss these recommendations further with the Joint Agency SB 100 team. Finally, the Joint LSEs wish to reiterate their support of this continued body of work and look forward to seeing how comments are incorporated in the final report and subsequent SB 100 efforts.

Cordially,



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