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**on the June 2, 2021 Joint Agency Workshops on Next Steps to Plan
for SB 100 Resource Build**

Additional submitted attachment is included below.

STATE OF CALIFORNIA ENERGY RESOURCES CONSERVATION
AND DEVELOPMENT COMMISSION

In the Matter of:
SB 100 Implementation Planning for SB 100
Resource Build

Docket No. 21-SIT-01

**COMMENTS OF THE
JOINT PUBLICLY OWNED BALANCING AUTHORITY AREAS
ON THE JUNE 2, 2021 JOINT AGENCY WORKSHOP ON
NEXT STEPS TO PLAN FOR SENATE BILL 100 RESOURCE BUILD**

I. INTRODUCTION

The Balancing Authority of Northern California (“BANC”), Imperial Irrigation District (“IID”), Los Angeles Department of Water and Power (“LADWP”), and Turlock Irrigation District (“TID”) (collectively “Joint POU BAAs”) provide these brief written comments on the Joint Agency Workshop on Next Steps to Plan for Senate Bill 100 Resource Build, held June 2, 2021.

In prior Comments on the Draft 2021 SB 100 Joint Agency Report (“Report”) as well as in recommendations for how best to achieve the goals of Senate Bill (“SB”) 100, the POU BAAs emphasized the need to maintain grid reliability and affordability of rates while striving to meet the state’s decarbonization goals. Our positions here remain the same. These brief Comments focus on how the Joint Agency efforts can drill down on the aforementioned issues (particularly reliability), including process suggestions to increase the focus on and ensure adequate rigor of the reliability analysis as part of this process.

II. COMMENTS

The Joint POU BAAs support the state’s decarbonization goals as articulated in SB 100.¹ Indeed, certain Joint POU BAAs have adopted plans that either accelerate or provide more specificity on how these goals may be accomplished for those specific publicly owned utilities (“POUs”).² The Joint POU BAAs are leading the development of decarbonization plans in California. Yet, it is critical that we not lose sight of the need to maintain grid reliability when developing cross-sector decarbonization plans. The events of Summer 2020 and associated power outages, and the reminder we recently received this month with extreme weather conditions, reinforce the need to prioritize reliable grid operations as we continue to lower emissions from the electric sector.

A. The Joint Agencies Should Define an End Work Product for the Joint Agency Process.

Each of the Joint Agencies, as well as POU governing bodies, have key roles and individual proceedings that shape the overall direction of state energy policy. Nevertheless, it is paramount that the Joint Agency process have an “end goal” as well. This will provide better focus for the considerable effort that agencies, BAAs, and stakeholders will be expending on this matter.

The Joint POU BAAs suggest that the role of the Joint Agency process be to provide interim reports that update the 4-year study cycles mandated by SB 100.³ To this end, the Joint POU BAAs recommend that the Joint Agencies conduct an annual or biannual assessment on

¹ Cal. Pub. Util. Code § 454.53.

² LADWP, *LA100 – The Los Angeles 100% Renewable Energy Study* (March 2021), available at: <https://maps.nrel.gov/la100/report>; Sacramento Municipal Utility District, *2030 Zero Carbon Plan* (April 2021), available at: <https://www.smud.org/-/media/Documents/Corporate/Environmental-Leadership/ZeroCarbon/2030-Zero-Carbon-Plan-Technical-Report.ashx>.

³ Cal. Pub. Util. Code § 454.53(d)(2).

policy, technology, and operational changes that could impact achievement of the SB 100 goals. There are enough rapidly evolving issues to warrant an annual update, including technology changes, regional resource assessments, evolving clean energy policies in other states, and a host of other changes. More frequent assessment would not be wasted time and effort. Indeed, failure to adequately assess and quickly adjust to changing circumstances would imperil the achievement of SB 100 goals.

B. The Joint Agencies Should Schedule a Summer Workshop Focused on Reliability.

The Joint POU BAAs are strong supporters of the greenhouse gas reduction goals reflected in SB 100; we also recognize that their implementation must be balanced against the equally important goals of safety, reliability, and affordability. In terms of reliability, the Joint POU BAAs urge the Joint Agencies to prioritize a reliability assessment, which is admittedly missing from the current report.⁴ The importance of reliability to maintain the longer-term trajectory of decarbonization goals is evident in the wake of the August 2020 heat wave events and California’s recent resource adequacy discussions. These recent resource adequacy discussions included proposals for additional fossil-fueled resource procurement in recent California Public Utilities Commission Proposed and Alternate Proposed Decisions.⁵ The Joint Agencies should commence the proposed reliability assessment immediately, starting with a workshop as soon as possible, in partnership and collaboration with the California BAAs as SB 100 intended.

⁴ 2021 SB 100 Joint Agency Report at 62.

⁵ Proposed Decision of ALJ Fitch, *Decision Requiring Procurement to Address Mid-Term Reliability (2023-2026)* (May 21, 2021); Alternate Proposed Decision of Commissioner Rechtschaffen, *Decision Requiring Procurement to Address Mid-Term Reliability (2023-2026)* (May 21, 2021).

Such an assessment may provide the benefit of identifying additional resources that can assist reliability while meeting other economic and decarbonization policy objectives. These additional resources may include geothermal resources, green hydrogen, biofuels, and other resources that meet zero carbon requirements while supporting grid reliability. Exploration of the use of green hydrogen in existing thermal resources, greater opportunity for biofuels, and geothermal development in the Imperial Valley may support the California grid and potentially help maintain system reliability by providing clean and firm resources. Such resources may also alleviate other issues including the provision of economic benefits to disadvantaged communities. Until a detailed reliability assessment is completed, we will not have a complete picture of how California will achieve its decarbonization goals. The Joint POU BAAs stand ready to work side-by-side with the Joint Agencies, as the statute contemplates, to complete this necessary task.

C. Steering and/or Technical Committees Should be Considered to Augment any Workshop Schedule.

The Joint POU BAAs anticipate that reliability and other technical assessments will require continuous input from the BAs and other stakeholders to inform the study process. We are concerned that *ad hoc* and periodic workshops will not get the job done. Also, due to the distinct makeup of each BA in terms of geography and transmission available for imports, each BA must individually evaluate how resource conditions may affect its ability to fulfill its reliability obligations. A statewide evaluation will likely not provide an accurate assessment of each individual BA's situation. Granular efforts by each of the Joint POU BAAs are necessary to achieve that result.

While certainly a staff resource commitment, it seems likely that a project structure will be required to get the most out of our collaborative process. Drawing on experience from the

Renewable Energy Transmission Initiative (“RETI”) and RETI 2.0, the Joint Agencies should consider a regularized executive and technical committee process to help shape the work around the agency staff efforts and inform future workshops. This could include both Steering Committee (executive) and Technical Committee structures to work through data sets and sensitivities that may be considered as the reliability and other analyses are developed. We are not wedded to this particular project structure, but make this suggestion based on the success of RETI in developing consensus and producing well-supported work products through collaboration across agencies, the California Independent System Operator, and POU transmission service providers. With an underlying support structure, the benefits of collaboration called for in SB100 could be maximized.

III. CONCLUSION

The Joint POU BAAs appreciate the opportunity to provide these comments and look forward to continuing to work with the Agencies in this proceeding.

Dated: June 22, 2021

Respectfully submitted,

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