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Docket Number:	21-IEPR-04
Project Title:	Energy Reliability
TN #:	239340
Document Title:	Transcript - Session 2 IEPR Joint Agency Workshop on Summer 2021 Reliability - Summer Reliability Partners
Description:	Transcript - Session 2 IEPR Joint Agency Workshop on Summer 2021 Reliability - Summer Reliability Partners
Filer:	Raquel Kravitz
Organization:	California Energy Commission
Submitter Role:	Commission Staff
Submission Date:	8/17/2021 11:57:58 AM
Docketed Date:	8/17/2021

CALIFORNIA ENERGY COMMISSION
IEPR LEAD COMMISSIONER WORKSHOP

In the Matter of:)	Docket No. 21-IEPR-04
)	
)	
)	
RE: <i>IEPR Joint Agency Workshop</i>)	RELIABILITY WORKSHOP
<i>on Summer 2021 Energy</i>)	
<i>Reliability Session 2</i>)	Re: Energy
_____)	Reliability

IEPR JOINT AGENCY WORKSHOP ON
SUMMER 2021 ENERGY RELIABILITY

REMOTE ACCESS ONLY

MAY 4, 2021
SESSION 2: 2:00 P.M

Reported By:
Martha Nelson

APPEARANCES

CEC Commissioners: (Via Remote)

David Hochschild, Chair California Energy Commission
(CEC)

Karen Douglas, Commissioner CEC

Andrew McAllister, Commissioner CEC

Patricia Monahan, Commissioner CEC

Siva Gunda, Commissioner CEC

Joint Agency Commissioners: (Via Remote)

Marybel Batjer, President, California Public Utilities
Commission (CPUC)

Elliot Mainzer, President and CEO, California Independent
System Operator

Matthew Baker, Deputy Secretary, California Natural
Resources Agency

Karla Nemeth, Department of Water Resources

Staff: (Via Remote)

Heather Raitt, IEPR Program Manager CEC

RoseMary Avalos, Public Advisor's Office CEC

David Erne, CEC

F. Tuan Bui, California Department of Water Resources

Tony Zimmer, Northern California Power Authority

Reiko Kerr, Los Angeles Department of Water and Power

Jim Shetler, Balancing Authority of Northern California
(BANC)

Lana Wong, CEC

Also Present: (Via Remote)

Cindy Messer, Deputy Director, Delta Stewardship Council

Public Comment: (Via Remote)

Samuel Golding, Community Choice Partners

Keshava Prasad, Camp Pendleton

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1 P R O C E E D I N G S

2 MAY 4, 2021

2:00 p.m.

3 (On the record at 2:00 p.m.)

4 MS. RAITT: Hi, good afternoon everybody.

5 Welcome to Session 2 of today's Joint Agency Workshop on
6 Energy Reliability for Summer of 2021. I am Heather Raitt,
7 the Program Manager for the Integrated Energy Policy
8 Report, which we refer to as the IEPR.

9 Today's workshop is being held remotely
10 consistent with Executive Orders N-25-20 and N-29-20 and
11 the recommendations from the California Department of
12 Public Health to encourage physical distancing to slow the
13 spread of COVID-19.

14 To follow along with today's discussion the
15 workshop schedule and presentations are available on the
16 Energy Commission's website, just go to the 2021 IEPR and
17 you should be able to find it.

18 All IEPR workshops are recorded. And both a
19 recording and written transcript will be available on our
20 website within a couple weeks.

21 Attendees are going to have an opportunity to
22 participate today in a few different ways. You may ask
23 questions or upload questions submitted by others using the
24 Zoom's Q&A feature. You are also welcomed to make comments
25 during the public comment period at the end of the

1 afternoon.

2 And finally written comments always welcome and
3 they are due May 18th and the notice provides instructions
4 for how to do that. So with that I am pleased to turn it
5 over to Commissioner Gunda for opening comments. Thank
6 you.

7 COMMISSIONER GUNDA: Yes. Thank you, Heather,
8 thanks for everything. I welcome everybody back from
9 lunch. You know, we had a pretty good turnout this morning
10 in terms of attendees as well as the joint agencies, so
11 thank you to everyone for taking time to join today to be a
12 part of this conversation.

13 I just want to provide a little quick summary of
14 what we did this morning. We had a couple of panels this
15 morning to discuss some of the analysis that CAISO and CEC
16 have collected to establish how the outlook is looking for
17 summer under both normal conditions and extreme conditions.
18 And we were able to discuss that.

19 The second panel was focused on talking through
20 the collective actions that agencies have taken that since
21 last summer to prepare for this summer. And what we're
22 going to try and go into now is kind of highlight some of
23 the work we are doing with some of our reliability
24 partners. I want to especially thank partners that are
25 available today: DWR, NCPA, LADWP and BANC. All of you,

1 thank you so much for being here and kind of sharing the
2 actions that you are taking in order to help support the
3 summer reliability.

4 We are not able to discuss every single
5 contingency that we have thought about, but this gives us a
6 representative sample of how we are trying to prepare for
7 this summer.

8 I know I've used up a lot of time this morning,
9 so I'm going to try and pass on to open up the dais for any
10 other comment. We'll start with Commissioner Monahan, see
11 if she might have anything. Commissioner?

12 COMMISSIONER MONAHAN: Thank you. Yes, I think
13 that the fact that all the agencies are here together with
14 CNRA really is indicative of how seriously we are taking
15 this reliability issue.

16 And for me as Lead for Transportation really
17 trying to think through how we use other transportation and
18 other potentially substitute energy resources to be able to
19 enhance reliability. And particularly introduce questions
20 as we scale up battery deployment in the state and how we
21 have all these batteries on wheels as well to supplement
22 how they all can work together, how we can create the right
23 market signals for those investments to happen.

24 COMMISSIONER GUNDA: Thank you, Commissioner.

25 MR. ERNE: So sorry I need to jump in. So

1 Commissioner Monahan they can't hear you, so I think we're
2 having the same problem this afternoon that we had this
3 morning. So if you could jump over to the computer that
4 might help.

5 COMMISSIONER GUNDA: Okay.

6 MR. ERNE: So for those who weren't on this
7 morning there were some problems with those who were
8 calling in and Zoom recognizing those voices. And so if
9 you're going to be making comments you might need to jump
10 over to computer audio to make your comments.

11 COMMISSIONER GUNDA: Thank you, David.

12 I'll circle back to Commissioner Monahan towards
13 the end, so going to President Batjer.

14 PRESIDENT BATJER: All right, let me press my
15 unmute button again. No, thank you very much. It was an
16 exciting morning and I'm very much looking forward to the
17 discussion this afternoon. Thank you, Commissioner Gunda.

18 COMMISSIONER GUNDA: Thank you, President Batjer.
19 To President Mainzer.

20 PRESIDENT MAINZER: Yes, thanks Commissioner.
21 Nothing else to add just really excited to have our guests
22 here this afternoon and talk about additional collaboration
23 for summer readiness. So thank you very much.

24 COMMISSIONER GUNDA: Thank you. Deputy Secretary
25 Baker?

1 D/SECRETARY BAKER: Yes, I'm very excited about
2 this afternoon. I just want to highlight that Secretary
3 Crowfoot, who could not be here for the Natural Resources
4 Agency, is also very appreciative of all the work that
5 everybody has put together here. And I guess with that I
6 will also pass.

7 COMMISSIONER GUNDA: Thank you, Deputy Secretary.
8 I just want to take a moment to thank you for your
9 leadership in helping work with DWR. Thank you so much for
10 all your work on it.

11 So with that, to Deputy Director Messer.

12 D/DIRECTOR MESSER: Hi. Good afternoon everyone,
13 hopefully you can hear me okay. I think I signed in on
14 computer audio for the audio.

15 So I just want to echo thank you for the
16 invitation to be here today. We're very excited to be part
17 of this conversation, other conversations that have been
18 happening as we move into the summer months so that we do
19 have a degree of readiness. As we all know it's been a
20 challenging year so far, and getting through the summer
21 months is going to bring more challenges with it, but we
22 are very grateful to be part of this kind of early
23 planning, if you will, conversations. So thank you.

24 COMMISSIONER GUNDA: Thank you so much.

25 I'm going to circle back to Commissioner Monahan

1 quickly.

2 COMMISSIONER MONAHAN: Okay, and before I say
3 anything just maybe chat to let me know that you can hear
4 me or Heather can you let me know?

5 (Panel members indicate they can hear her.)

6 Okay, well at least on the panel you can hear me.
7 I don't think you could hear me before though. I've got to
8 say I'm like the Zoom's biggest fan, but not today, not
9 today Zoom.

10 So I'll just say really briefly that I really
11 kind of appreciate this conversation, and especially the
12 deep collaboration with all the agencies. And as the Lead
13 for Transportation at the Energy Commission I am
14 particularly interested in how we can use vehicles and
15 other distributed energy resources to help with
16 reliability. And especially this question as we scale up
17 more battery deployment, how can battery deployment be
18 supplemented with these batteries on wheels and other DER
19 to help with reliability?

20 COMMISSIONER GUNDA: Thank you so much,
21 Commissioner Monahan. You did beautifully there again.

22 So going to Commissioner Douglas.

23 COMMISSIONER DOUGLAS: Yes, hello. I hope you
24 can hear me. I'm just using computer audio, so that should
25 work.

1 But I'm excited to hear these presentations. The
2 partnerships that we have within the state have been and
3 were extremely valuable last summer. And it's clear that
4 we need to be planning together to understand how to make
5 the most advantage of the assets that we have in California
6 to help us withstand these extreme weather and other
7 events. And so I'm really looking forward to seeing the
8 presentations today, thank you.

9 COMMISSIONER GUNDA: Commissioner Douglas, thank
10 you for your leadership on SB 100 and the continued
11 planning on the long term. I really appreciate your work
12 on that.

13 COMMISSIONER DOUGLAS: Thank you.

14 COMMISSIONER GUNDA: From there, we go to
15 Commissioner McAllister.

16 COMMISSIONER MCALLISTER: Just really quickly, I
17 want to circle back to something from the first thing this
18 morning, which is just that we're absolutely focused on
19 this summer. And figuring out what resources can be
20 relevant and online in helping us if there are capacity
21 issues. But also with an eye towards multiple years out
22 front with the following year and long term, so hopefully
23 can learn for that larger project to really systematize the
24 solutions that we find. So I'm really excited to hear all
25 of the partners and what they have to do and what they're

1 thinking about how they can contribute more in the future.

2 COMMISSIONER GUNDA: Thank you, Commissioner
3 McAllister. So I wanted to recognize your leadership on
4 the DER conversation and the long-term load management.
5 Thank you.

6 I believe the Chair has joined. Chair
7 Hochschild, if you are able to hear us do you want to say
8 anything?

9 CHAIR HOCHSCHILD: Thank you, Siva. Yeah, no
10 additional comments, just looking forward to the discussion

11 COMMISSIONER GUNDA: Thank you, Chair. With that
12 I will pass it back to Heather.

13 MS. RAITT: Great, thank you, Commissioner.

14 So yeah, we will go ahead and start our panel --
15 excuse me -- our summer reliability partners. And David
16 Erne is joining us again this afternoon to moderate. He is
17 the Manager of the Supply Analysis Office from the Energy
18 Commission. Thanks, David, go ahead.

19 MR. ERNE: Thank you, Heather. And good
20 afternoon to our members on the dais and our own
21 participants, appreciate you joining this afternoon. For
22 those of you who missed the morning session there was some
23 recap comments made. But if you go back and look at the
24 content that was presented this morning there was a
25 substantial number of activities that are being initiated

1 or have been initiated by the larger state energy
2 institutions. But there are number other partners that are
3 actively engaged in preparing for summer reliability,
4 supported last year are issues statewide but also looking
5 to support this year. And so this panel is looking at
6 those other, what we call reliability partners, to help
7 look for opportunities for the state to have better
8 reliability planning as we move forward into this summer.

9 We have four panelists who will be presenting
10 today or speaking. I'll introduce each one of them. And
11 then we will go back and have each one of them give
12 comments, they have about 10 minutes comments from each one
13 of our participants. And they will be followed by
14 questions from the dais and then questions that can be
15 submitted through Zoom. And that will be followed by a
16 public comment period.

17 So let me first go through the four speakers and
18 announce them. So Tuan Bui is the Chief of the State Water
19 Project Operations Office, that's the California Department
20 of Water Resources. He'll be followed by Tony Zimmer, the
21 Senior Assistant General Manager for Power Management in
22 the Northern California Power Authority. Reiko Kerr is the
23 Senior Assistant General Manager of Power System
24 Engineering, Planning and Technical Services in LADWP. And
25 Jim Shetler is the General Manager of the Balancing

1 Authority of Northern California.

2 So each of them will be making their comments.
3 I'll help with segues in between each of the speakers. But
4 we can turn over now to Tuan and he can start with his
5 presentation about DWR.

6 MR. BUI: Thank you, David. Good afternoon
7 Commissioners and Executives. My name is Tuan Bui and I'm
8 the Chief of the State Water Project Operations Office.
9 Thank you for the opportunity to present today. Next
10 slide, please.

11 I have about 10 minutes to go over the overview
12 of the State Water Project. Actions that we took last
13 summer in August 2020. And the outlook for the summer
14 coming of 2021. Next slide, please.

15 The primary purposes of the state water projects
16 are water supply and flood control. We (indiscernible)
17 designs to develop to 4.2 million-acre-feet to our 29
18 contractors who then distribute the water to farms,
19 residential and industry.

20 For flood control, we have about 750,000 acre-
21 feet reserved for winter storage in Lake Oroville for flood
22 control purposes. And there are additional benefits that
23 we have designed for, such as environmental power
24 generation and recreation. Next slide.

25 Facilities, we rely on our facilities to deliver

1 wattage to more than 29 million Californians and irrigate
2 about 750,000 acres of farmland. We have 34 storage
3 facilities with two largest reservoirs, Orville being the
4 largest, 3.5 million- acre-feet. And San Luis Reservoir, a
5 joint-use facility. This is between the state water
6 project and the Central Valley project.

7 We have 29 pumping and generating plants with
8 Edmonston being the highest pump lift, 1926 feet. We have
9 3 pump/gen facilities, that being Hyatt, Thermalito and
10 Gianelli. And we have over 700 miles of canal in pipelines
11 to convey water to our customers. Next slide.

12 The State Water Project headquarters and the
13 project operation San Jose and Sacramento, with the five
14 field divisions are located throughout Northern California
15 and Southern California. In the north, we have Oroville
16 Field Division and Delta Field Division. Oroville Field
17 Division is where the Hyatt/Thermalito complex is located.
18 And Delta Field Division is the home of Banks Pumping Plant
19 where water is diverted into the aqueduct.

20 In Central California we have San Luis Field
21 Division. This is a joint-use facility between the federal
22 and the state.

23 And for the south we have San Joaquin Field
24 Division. This is where all of the major pumping plants
25 with the State Water Project are located. And in the South

1 we have Southern Field Division. This is where all the
2 State Water Project power recovery plants are. And that I
3 believe wraps up the overview of the State Water Project.

4 Now I'm going to move into the State Water
5 Project operations during the August 2020 heat wave. So
6 first the objectives, the objectives of the State Water
7 Project during last year was to help the CAISO grid
8 operations. And we used a limited flexibility that we have
9 to generate more and pump less during peak hours. But we
10 also must maintain water deliveries to our contractors and
11 state compliance with all of the regulatory requirements,
12 both including NERC, WEC reliability standards as well as
13 environmental requirements. Next slide.

14 So what action did we take in real time when we
15 responded to the CAISO's exceptional dispatches? During
16 peak hours, we reduced our discretionary pump load and
17 increased Oroville's generation in the north and increased
18 Devil Canyon generation in the south.

19 In the day-ahead timeframe, we set up ours
20 afterbay storages at Oroville and Devil Canyons to add more
21 generations to peak hours. We also used pump storage
22 capability at Gianelli, that would be in San Luis Field
23 Division, to provide additional generations to the grid.

24 We also drafted the aqueduct storage and terminal
25 reservoirs to meet our water deliveries. This action

1 helped us reduce pump load during the peak hours at our
2 Valley String pumping plants.

3 In the afterbay, the second afterbay at Devil
4 Canyon was getting full after two days of additional
5 generation. So we reached out to one of our contractors,
6 the MWD Metropolitan Water District, to increase their
7 demands to help drain the afterbay, so that we can get it
8 ready for additional generations.

9 We also worked with our operating partners the
10 Central Valley Project to shift some of the federal peak
11 pumping to non-peak pumping to a state facility. And our
12 (indiscernible) has continued to make available generations
13 reserved for back peak pumping into the grid. That was
14 quite a bit of effort to coordinate. Next slide, please.

15 Here are the results of all of the coordination.
16 On the generation side in the north, Oroville has generated
17 an additional 60 to 260 megawatts during peak hours.

18 San Luis Field Division, San Luis has added
19 between 35 to 90 megawatts to the grid.

20 And in Southern California, Devil Canyon power
21 plant added between 60 to 100 -- between 30 to 160 more of
22 generations into the grid. On the load reduction side,
23 BANC's combination of reducing and shifting pump load were
24 able to reduce consumption between 6 to 70 megawatts. And
25 Edmonston and the supporting plants reducing load between

1 90 to 210 megawatts. Next slide, please.

2 Moving into 2021, I borrowed these two pictures
3 from my coworkers to show this year's hydrologic
4 conditions. The purpose is to compare the percentage of
5 the average precipitation between Water Year 2020 on the
6 left-hand side and 2021 on the right-hand side.

7 In 2020, the precipitation in the north ranged
8 between 50 to 70 percent of historical average. It was the
9 ninth driest record on records for Northern California.
10 And for 2021 to date, precipitation is between 20 to 50
11 percent of normal throughout the state. And the year 2020
12 and 2021 is the second driest two-year period on record.

13 Next slide.

14 The State Water Project system is definitely very
15 highly dependent on hydrology and the operations vary from
16 year to year. The picture on the right is Oroville towards
17 the end of April.

18 The dry conditions so far definitely shows up in
19 the State Water Project operation outlook for 2021. We
20 have less water for generation and 5 percent lower water
21 allocation this year, resulting less water being released
22 for generation. 2021 generation is estimated to be about a
23 third or 30 -- roughly a third of 2020 level. And the pump
24 loads for 2021 are available for reduction is estimated to
25 be about 25 percent of the 2020 level. Definitely, last

1 year's performance is not a good indication of this year's
2 capability. Next slide, please.

3 So to prepare for this summer we have been
4 working with the California ISO on the communication
5 protocol for early alerts and system preparations. We also
6 participated in the CAISO summer readiness tabletop
7 exercises. And as so far as possible we tried to schedule
8 all generator outages during non-summer months and make
9 sure that we have enough capacity for the hot summer.

10 And that is the end of my presentation. Back to
11 you, David.

12 MR. ERNE: Thank you, Tuan.

13 We will now move to Tony Zimmer from Northern
14 California Power Authority.

15 MR. ZIMMER: Great. Thank you very much. And
16 good afternoon Commissioners appreciate the opportunity to
17 have this discussion with you today. It's an important
18 topic obviously. And I think all of us are working hard
19 and working together to ensure we can be successful this
20 summer.

21 Just to provide a little bit of background
22 regarding NCPA. NCPA is a joint powers authority who works
23 on behalf of 16 of our member utilities. Each of our
24 members are located throughout Northern and Central
25 California and we serve approximately 700,000 customers in

1 that area. NCPA does own and operate a number of large-
2 scale power generation facilities consisting of a variety
3 of technologies, and I'll speak to that as one strategy
4 we're using for planning and preparing for these type of
5 events.

6 NCPA is also a registered scheduling coordinator
7 in the California ISO and we currently manage and operate
8 over 15 generating -- excuse me, 50 generating resources
9 located throughout California. And in the context of this
10 discussion NCPA's primary role is focused on planning and
11 operational activities for our membership.

12 We obviously take the summer of 2021 reliability
13 and readiness very seriously. It is one of our top
14 priorities that we're currently working on here on behalf
15 of our members. Especially in light of the events of 2020,
16 we are studying kind of outcomes and our experience from
17 that period of time to determine how we can learn from that
18 experience. And help try to ensure that we build the
19 resilience in our system to help avoid that type of
20 situation in the future.

21 For example, in 2020 NCPA did actively support
22 reliable operations of the grid. For example, we did
23 maximize generation output in a variety of our facilities
24 based on direction and coordination with the California
25 ISO.

1 We also worked actively with our customers to
2 look for opportunities to increase the availability of
3 distributed generation resources, or non-kind of registered
4 units. And we're very successful at reducing the amount of
5 load in our systems by increasing the amount of generation
6 produced by backup generation sources.

7 We also worked actively in real time to try to
8 coordinate with our customers to really encourage
9 additional conservation when possible to reduce loading on
10 the system. And ultimately, we did actively participate in
11 the coordinated load-shedding that took place last year
12 that we're all hoping to avoid coming 2021.

13 As we plan for 2021 and looking forward there's
14 really kind of three key areas that we've been focused and
15 I'm going to walk through each somewhat quickly to try to
16 preserve time for questions and answers where we might get
17 the greatest benefit out of this discussion.

18 But first in the context of planning activities
19 as POUs we are responsible for planning for the needs of
20 our various customers who have distinct and different
21 needs. As part of our strategy, we actively work to ensure
22 that we have a high level of diversity in our resource mix
23 and in our portfolios. For example, in the context of
24 NCPA's members we own and operate hydroelectric facilities,
25 geothermal facilities, natural gas facilities, solar, wind

1 imports, landfill gas and other technologies. Really, the
2 strategy behind that approach is to ensure that our
3 resources have a very diverse operating profile and provide
4 a variety of different operating characteristics to meet
5 the needs of our load serving requirements. And that
6 includes the ability to provide ramping services, operating
7 reserves, obviously energy production, load-following
8 regulation support.

9 And we also worked to diversify the actual
10 production profile of our portfolio focused on building
11 baseload generation as well as dispatchable and fast
12 ramping resources, so that we can not only meet kind of the
13 total planned forecasted demand of our members and
14 customers over a long duration of time, but on an hour-by-
15 hour basis from an operational standpoint. And we think
16 based on that focus on portfolio diversity and how that's
17 supportive for our planning efforts will really position us
18 well to support grid reliability going into 2021.

19 Another area that we've really focused on more
20 specifically in the short term is ensuring that all of our
21 facilities are properly maintained. And so we do focus a
22 lot on developing very coordinated, planned outage
23 schedules to ensure that we can perform the maintenance
24 that is required for each of our units, so that they're
25 ultimately available and ready to respond to the needs of

1 the system during high-load events.

2 As far as in addition to just regular
3 maintenance, we are also working currently to ensure that
4 we can position our resources in a way that they are ready
5 to respond to high-load events.

6 And a good example is we do own and operate a
7 number of large-scale hydroelectric facilities that have
8 dispatchable capability with water storage. And so we are
9 currently working to operate those facilities in a way to
10 preserve as much of that discretionary generation as
11 possible for later this year and so it can respond to the
12 needs of the system.

13 And also in the context of other resource types,
14 including our natural gas fleet, ensuring that we are
15 coordinating actively with our fuel suppliers to ensure
16 that we have a continuity in terms of our fuel supply so
17 that we can operate when needed.

18 In addition to that, we are actually also working
19 actively to try to mitigate exposure risk associated with
20 wildfire. In the past, we did have a number of experiences
21 where generation assets became unavailable at critical
22 times as a result of impacts associated with wildfire. So
23 we have developed a very thorough mitigation plan and in
24 each of our facilities they're actively working to try to
25 harden those facilities to limit the potential that their

1 production could be interrupted as result of wildfire risk.
2 And a good example at our geothermal facilities located up
3 near Clear Lake we do a lot of vegetation management and
4 other activities to ensure that those facilities are
5 protected from a resiliency perspective.

6 And the third area that we're really focused on
7 as far as 2021 preparedness is coordination with all the
8 key stakeholders that are involved in this process
9 including the California ISO and the various state
10 agencies.

11 In the context of the California ISO where I
12 perform most of my business we've really focused more from
13 an operational coordination standpoint to ensure that all
14 the various lines of communication that will be necessary
15 and important to ensure that we can manage the system when
16 loading is expected to be high. We've gone through the
17 process of ensuring that all those lines of communication
18 have been tested and that all of our staff are trained and
19 prepared to coordinate using those tools.

20 Also actively working with the California ISO to
21 review all of our various operational procedures to ensure
22 that those procedures are clearly understood and
23 coordinated, so we can execute those procedures effectively
24 when needed.

25 Also focusing a lot on active coordination with

1 our customers, one of the key things that we discovered
2 during the 2020 experience is that if we can coordinate in
3 a timely fashion and an effective fashion with our
4 customers. They tend to be pretty responsive in terms of
5 looking for opportunities to conserve and reduce loading
6 requirements. So we have worked to establish additional
7 lines of communication using various techniques such as
8 Twitter or otherwise to ensure that we can coordinate with
9 our customers in real time and coordinate with them to seek
10 a response.

11 And lastly, in addition to that coordination
12 effort also looking for new opportunities to find
13 additional potential backup or distributed generation
14 sources in our customer base. Many of our customers do own
15 and operate backup generation, so ensuring that we can
16 identify that upfront and have a procedure in place where
17 we can reach out to those customers to seek assistance when
18 necessary.

19 So in the interest of time, I'll pause there, but
20 I'm happy to engage in further discussion there in the Q&A
21 session.

22 MR. ERNE: Thank you, Tony, for your review and
23 all of the things that NCPA is doing.

24 I will now turn to Reiko Kerr from LADWP.

25 MS. KERR: Good afternoon. First, I'd like to

1 thank you for the opportunity to address such an esteemed
2 group of commissioners and executives. These are important
3 initiatives and help highlight the critical concerns for
4 this summer. LADWP was an important power reliability
5 partner from the state last year and we will continue to do
6 so this year.

7 We were invited to the summer reliability
8 shortage party last year late in the game, and that limited
9 some of the solutions that we could offer and the
10 assistance we could provide. Even with that LADWP still
11 provided over 10,000 megawatt hours over the August
12 heatwave, primarily over key coordinate peak load periods.

13 And by September there was much better advanced
14 coordination, it was just markedly improved. And when
15 needed there were daily calls in advance with the
16 Governor's Office, with the CEC, with CAISO, so it helped
17 tremendously to help ensure that DWP could plan and provide
18 the most assistance possible. And during the September
19 event L.A. provided almost 13,000 megawatt hours so a vast
20 majority through the CAISO, but also to other utilities
21 under emergency conditions or when there was unexpected
22 loss of generation.

23 During that time, and in order to support the
24 state we really challenged our staff to find every single
25 megawatt we could come up with, because we understood

1 during tight conditions every little -- every single
2 megawatt counts. And so from LADWP's perspective we will
3 continue to look to serve LADWP's customers first and then
4 maximizing the support that we have available to the state
5 as well as other utilities under emergency conditions.

6 We do not expect supply shortages this summer
7 either, but we still have some reliability concerns. Last
8 year due to COVID our commercial load was down about 20
9 percent. That was offset by some uptick in the
10 residential, but not nearly as much as what commercial,
11 industrial were down. I want to caveat this, because
12 portions of our fleet are aging and very temperamental. So
13 it isn't unusual to have startup issues despite best
14 efforts and maintenance activities, so some of those items
15 that staff came up with last year that will continue this
16 year.

17 So again, no shortage of supplies but for DWP the
18 issues were on the distribution system and that could maybe
19 be the same for this year. Although with these outages on
20 the distribution system, because for those not aware, we
21 operated a pretty low voltage in basin. It's 4.8 kV, so a
22 lot of our circuits are overloaded. We do a big push for
23 summer reliability, but when we have those outages that
24 just obviously makes more supply available on the wholesale
25 side.

1 Once we were made aware of this shortage of
2 supply and reliability issues we knew that LADWP had to
3 help. And we used maximum effort to get a couple of the
4 units that were already offline, to get them back online.
5 And it took extraordinary measures for us, which means we
6 had all hands-on-deck. And even recognizing it wasn't for
7 DWP's needs, it was to help the state. So we had numerous
8 failed attempts to start, but we even took a starter out of
9 a previously decommissioned unit that hadn't been
10 demolished. And those efforts were very successful and we
11 got those units to start after multiple failed attempts.
12 So that provided several hundred megawatts available that
13 we otherwise would not have had.

14 The other thing we did, we stopped the day-ahead
15 sales once we were aware that there was a shortage.
16 Because we wanted to make sure we were able to help the
17 state stay to the maximum extent possible, taking care of
18 our own backyard first. So we had very close coordination
19 with other sister city agencies including the Port of L.A.,
20 L.A. Sanitation; that allowed tens of megawatts. And
21 again, looking for every megawatt we could help, that we
22 could find. And it helped that the Governor had an
23 emergency declaration so that allowed temporary
24 restrictions on the air permits.

25 We also have a number of customers as Tony

1 mentioned, that have customer-sited cogen (phonetic) and
2 recognizing the more they use their onsite load that
3 provides more that we can assist the state.

4 We worked with our water system to modifying our
5 pump loads and that was really challenging during wildfire
6 season, because we also have a critical need to keep the
7 reservoirs full for firefighting capabilities. We
8 implemented our demand-reduction program, so there were
9 tens of megawatts of demand from there. We worked through
10 premier accounts on the messaging, and again, getting folks
11 to help.

12 A significant effort was we had some transmission
13 availability so we were able to import power from other
14 regions and deliver it to CAISO to provide 4 to 700
15 megawatts of import capabilities. We also did some reserve
16 sharing, so we had non-firm energy sales that we could
17 curtail if needed. And fortunately we didn't need it but
18 that allowed us 400 to 700 megawatts of additional non-firm
19 energy sales to CAISO.

20 And social media campaigns, even though we
21 weren't in shortage we participated and will continue to
22 participate just to raise public awareness. It's always
23 better to get more messaging. So overall there were
24 periods so that was over 1,000 megawatts during peak and
25 net peak-hour periods.

1 So what's new this year? Things that we're
2 doing to prepare for this summer so this year, April 1st,
3 LADWP joined the Energy Imbalance Market. I think this
4 year there's a much better aligned coordination between the
5 agencies' communications. And thank you for this effort,
6 this is really important and very helpful to make sure that
7 there is a clear understanding of all the assistance that's
8 needed. We know this year that much of the load that
9 disappeared last year from COVID we expect some of that to
10 come back.

11 Better advanced planning, we have an annual
12 summer readiness program typically focused internally on
13 the distribution system on overloaded circuits and
14 transformer replacements and getting the distribution
15 system ready for the summer. This year we expanded the
16 readiness program to also focus on the supply side in
17 ensuring that we have the maximum amount of generation
18 available for the summer. So this summer it looks like we
19 are going have 8 more units available than we had last
20 summer. And that's up to potentially another 1000
21 megawatts.

22 We had an additional 71 megawatts come online
23 this year for geothermal. We have increased our planning
24 reserve margins. One of the things we are looking at we
25 had some underperforming renewables during that peak

1 period, so considering curtailing and getting a more
2 certainty of supply so we can maximize the use of that
3 transmission so it doesn't end up unloading if those units
4 aren't performing.

5 And then we started a new demand response for a
6 thermostat program, about 25 megawatts more that we didn't
7 have.

8 We do have one area of concern, particularly in
9 Southern California. I know that there was a recent
10 Southern California gas filing with the PUC on the summer
11 of 2021 technical assessments under worst-case scenarios.
12 And that stated that non-core curtailments this summer
13 would be maybe needed to fill storage capacity needed for
14 core reliability in the winter of 2122. And if this is
15 needed to meet that November minimum monthly inventory
16 level specified in Aliso Canyon Withdrawal Protocol. I

17 In that report it says approximately 14 BCF of
18 non-core curtailments over the summer season will be needed
19 under those worst-case conditions. So it goes without
20 saying this requires close coordination amongst the
21 agencies, so balancing authority areas to ensure that gas
22 system winter-readiness is not at the expense of electric
23 system summer reliability. And given the already
24 heightened interest and concerns this summer it warrants
25 additional attention.

1 But just a reminder that despite the best
2 planning efforts, things happen. Tony mentioned this too,
3 but two years ago, we lost 75 percent of our transmission
4 import capabilities due to wildfires. And we were
5 fortunate, because it was doing low-load conditions. But
6 that could just as easily have happened during the summer
7 heatwave despite our best efforts.

8 Fast forward to 2021 and Texas is another example
9 where better planning and preparation and implementation of
10 recommendations from the 2011 freeze could have avoided
11 much of the extreme hardship, loss of life and property,
12 and economic devastation that occurred. And it just
13 highlights the importance of these type of planning
14 efforts. And at least if the items that are within our
15 control are properly planned for and we don't wait until
16 it's too late.

17 So the bottom line the POU's can play a big role
18 in helping the state, being a good reliability partner, and
19 help keeping the lights on. Our commitments are aligned as
20 we all seek to ensure summer grid reliability. Simply I'd
21 like to just reinforce the coordination communication and
22 clearly this forum does that, as well as the CAISO hosted
23 also a forum a couple weeks ago. So I would recommend that
24 we over-communicate and coordinate to prevent a repeat.

25 And encourage providing that information as early

1 as possible whether or not there is a shortage. Because
2 for DWP we are voluntarily foregoing those forward sales of
3 excess energy to provide maximum assistance to the state
4 and those wholesale sales are critical components, because
5 they offset rate increases. And that's especially
6 important to the 47 percent of our customers that reside in
7 environmental justice communities. So our ask is that the
8 communication and coordination happens whether or not there
9 are anticipated shortages with as much notice as possible.

10 So again I want to thank this panel for convening
11 this, I think it's a very important workshop. And LADWP
12 looks forward to working with the agencies and CAISO to
13 help ensuring summer reliability for all of California.
14 And with that, that's all my comments.

15 MR. ERNE: Thank you, Reiko. And thank you for
16 the overview of all of the support that you gave the state
17 last year, quite impressive. And I agree that the
18 coordination and communication is critical as we're moving
19 forward. And we heard a lot of that this morning as well.

20 So now I'll turn to our last speaker, Jim Shetler
21 from BANC, who will be (indiscernible).

22 MR. SHETLER: Good afternoon. Thank you for
23 having me today, commissioners and agency executives. We
24 appreciate the opportunity to speak today. And clearly
25 reliability is a focus for us.

1 BANC is a balancing authority operator. We
2 oversee the transmission of our six members, which includes
3 SMUD, Modesto, Redding, Roseville, Trinity PUD, and the
4 City of Shasta Lake. As well as contractual relationships
5 overseeing transmission for the Western Area Power
6 Administration, Sierra Nevada region and the Transmission
7 Agency in Northern California.

8 In looking at reliability, I want to jump back on
9 what happened in 2020. For BANC we saw our peak day in
10 August 16th. It came in at about 45,75 megawatts and we
11 had two members who set all-time record peaks that day.
12 Having said that, for BANC it was about 300 megawatts shy
13 of our all-time record and so we did have capacity
14 available to serve load. We did not have to get any load-
15 shedding scenarios last summer. We did issue conservation
16 notices to our members in order to minimize any usage. And
17 we did make excess capacity available to the California
18 ISO, anywhere from 100 to 300 megawatts in a given hour
19 when we had it available.

20 So from our perspective last year was acceptable,
21 but we also know that there are challenges for all of us.
22 And in looking at 2021 we took a very hard look at what
23 does it look like for us to ensure reliability for our
24 members and customer base, and therefore be able to ensure
25 that we have capacity when it's available to support

1 others. And so we did a much deeper, more critical dive
2 into our summer assessment we just completed. And it was
3 presented to our Commission last week. We took a very hard
4 look at our peak-load day forecast for this summer, both on
5 a gross and net peak over the critical hours from 4:00 to
6 9:00 o'clock. We went through and took a hard look at all
7 of our generation and we have about over 5,400 megawatts of
8 generation in the BANC footprint. And looked at that from
9 a historical generation and made sure that we're not over-
10 planning what's going to be available to us and can
11 realistic forecasts.

12 The other thing that's important to us, the peak
13 hour about 25 percent of our load is served from imports
14 and those imports are either coming from the ISO footprint
15 or the Pacific Northwest. And so we wanted to ensure that
16 we understood the firmness of those imports and how much we
17 could count on them.

18 And then we did a lot of scenario analysis
19 looking at just different probability risks and different
20 scenarios to ensure that we felt comfortable we could serve
21 the load for this coming summer. And we did such things as
22 that looking at a loss of a 500 kV line on the Pacific
23 Intertie. Watched the impact on wildfire smoke on solar
24 generation and how that impacts us. And what if we had a
25 west-wide heatwave and which we looked at in a 1-in-20

1 probability load event and how would that impact us. The
2 results of all that are we're comfortable that we're going
3 to be able to serve our load in 2021 and still meet the
4 NERC and WECC reliability standards.

5 We have also ensured that our facilities have
6 been maintained over the winter and spring, so that they're
7 available this summer. We don't have any major outages
8 that are forecasted or planned for this summer, either for
9 generation or transmission. And you want to make sure that
10 the interties are maintained open for our use and our
11 neighbors use.

12 We will also be continuing to do conservation
13 throughout our area when the time is -- or when it is
14 appropriate to do so. We also took a very hard look at our
15 demand response programs and made sure that they were valid
16 and that we can count on them when needed.

17 We are prepared to support adjacent balancing
18 authorities in the coming summer. We will be able to do
19 that with excess capacity that we have on any given hour
20 assuming we're not using it.

21 And then from our perspective looking forward,
22 and this has been mentioned by a couple of the other
23 speakers, I think there are probably the three C's is what
24 I call them: communication, coordination, and
25 collaboration. And historically I think balancing

1 authorities have done very well at that. And I applaud the
2 ISO being proactive this spring with outreach to the
3 adjacent balancing authorities in the west to make sure
4 we're communicating and understanding what's coming our
5 way. And though we've done that traditionally well I think
6 one of the keys is making sure that we continue to do that
7 and we're doing that in anticipation of what might be
8 coming. And looking ahead and making sure that we are
9 coordinating and what those responses need to be if we see
10 a heatwave coming or there's fire impacts that we need to
11 address. And that we're collaborating on what those
12 solutions will be.

13 We're prepared to do that and we look forward to
14 working with the ISO and the other balancing authorities
15 and the agencies as the summer comes.

16 One thing that I would leave you with is we look
17 from our perspective going forward. We're comfortable for
18 2021, we're probably comfortable for 2022. But as we start
19 looking at mid-decade we realized that, and as I mentioned
20 earlier 25 percent of our load is served from imports.
21 That capacity in our areas that we normally import from are
22 going to be decreasing. The ISO is looking at some major,
23 or ISO footprint is looking at some major capacity
24 shutdowns by mid-decade. The Pacific Northwest is seeing
25 that capacity shutdowns as well. And so I think for all of

1 us who rely on imports in order to meet load I think the
2 next three to five years is going to be telling as to what
3 might be in our future.

4 With that I'll yield back any of my time. And I
5 look forward to comments and questions.

6 MR. ERNE: Thank you, Jim. And thank you to all
7 the speakers, I appreciate your work and comments and
8 review of not only last year, but planning this year and
9 beyond.

10 So at this point, I think we'll turn it over to
11 Commissioner Gunda who will be coordinating questions from
12 the dais.

13 COMMISSIONER GUNDA: Yeah, thank you so much,
14 David.

15 Before I jump into questions, I just want to
16 share a couple comments. I had with the difficulty as well
17 as the pleasure last year, in working day-to-day with Jim
18 and Reiko as well as DWR through Secretary Baker. So I
19 just want to take a moment again and just say thank you so
20 much for all of the support that you provided. I cannot
21 count the number of text messages we all exchanged during
22 those five, six days but thanks again for all of your help
23 and coming in with some of the thoughts you have.

24 Also I wanted to just share for the broader
25 audience here, so what you've heard on this panel is the

1 coordination that's been happening in terms of some of our
2 reliability partners as Ed Randolph in the previous panel
3 kind of mentioned around the demand, around the
4 modernization of Flex Alert and the opportunities there.
5 As well as some of the work that CAISO is doing in terms of
6 improving the emergency generator limits. As well as kind
7 of looking towards opportunities that might exist in the
8 real time for more economic imports.

9 We are looking at contingencies holistically and
10 we hope to have enough arrows in the quiver, for lack of a
11 better word, hopefully to tackle this summer in case an
12 extreme event. But as Reiko pointed out as smartly, we can
13 do everything that is in our control. And as an
14 interagency team we are planning to do that and hope we are
15 not throwing out curve ball, we don't have a spit
16 (phonetic) right now.

17 With that I have one question to DWR, Tuan, so on
18 your presentation you mentioned the overall generation to
19 be in the third of what we've seen last year. And the
20 demand reduction in kind of like of a quarter, is that the
21 overall over a year? Does that mean it's both capacity and
22 energy or is it purely energy and we can still count on
23 those extreme days? Anything you might be able to share
24 to comment on, that would be great.

25 MR. BUI: Sure. The percentage that I present,

1 35 percent of compared to 2020, were the average over the
2 summer months and the load reductions this all depends on,
3 because this year is a very dry year. And we don't have
4 much of a discretionary pumping. Most of the pumping that
5 we put online during the peak hours are necessary to supply
6 to our contractors' water. So that's in that context is
7 the 35 percent of generations compared to 2020 and to
8 quarter 25 percent of the pump load.

9 COMMISSIONER GUNDA: Thank you, Tuan. Thank you
10 for the clarification. I look forward to continuing the
11 discussions on that.

12 With that, anybody else from the dais have
13 questions? Yeah, I'll go to Commissioner Douglas.

14 COMMISSIONER DOUGLAS: Hi, yeah thank you. Thank
15 you, Commissioner Gunda.

16 First of all I have to say to Reiko that I really
17 like your background. I have wind turbines in my
18 background too. They aren't floating though, and yours are
19 quite nice there.

20 So I just wanted to make really a brief comment.
21 We're obviously focused on the very short term here and
22 there's a huge amount of potential in this kind of
23 collaboration in the short term.

24 Also as we think a couple of years out more
25 medium term and longer term just keeping up the

1 communication and the dialogue in doing, planning as much
2 as we can together and with communication I think will help
3 all of us as we move forward. So it's really great to have
4 you here and I appreciate all the presentations.

5 COMMISSIONER GUNDA: Thank you, Commissioner.

6 Let's go to Deputy Secretary Baker and then to
7 President Batjer and President Mainzer. You're muted.

8 D/SECRETARY BAKER: Thanks. I say my best things
9 when I muted.

10 I also wanted to bestow kudos on the folks who
11 were just speaking. My experience directly has been with
12 DWR who I think really rose to the occasion this summer.
13 And I want to thank Chief Deputy Messer and Deputy Ted
14 Craddock over at the SWP. But I also want to thank you
15 Siva, who really coordinated this effort across sectors and
16 I think you did a fantastic job.

17 My question is to also Tuan and maybe to Chief
18 Deputy Messer. Are there things that either the state
19 and/or the energy agencies can do to try to help
20 institutionalize some of the coordination that we saw last
21 summer between federal water agencies and state water
22 agencies and local water agencies and even some of the
23 major users that could be helpful, either in the short term
24 or in the medium term?

25 D/DIRECTOR MESSER: Okay. Well I can start,

1 Tuan, and would definitely welcome thoughts that you might
2 have as well. So thank you again for just the
3 acknowledgement. I want to say on behalf of the Department
4 we were very happy to be able to jump in last summer and
5 help out, and did very much and do very much welcome the
6 coordination.

7 I would say maybe short answer, maybe not
8 completely satisfactory to your question, but I think this
9 degree of coordination I think just having the Department
10 invited into these different venues, ongoing meetings I
11 know there are I believe, a tabletop exercise that we'll be
12 doing over the summer. I think that when we were part of a
13 roundtable that CAISO had several weeks back, this
14 workshop, I think this -- we have obviously a lot of our
15 technical staff, and I know our Deputy Ted Craddock for the
16 State Water Project is pretty well plugged in with a lot of
17 the venues on the energy side of the world.

18 But I think last summer took it to a whole
19 different level, if you will, for the Department. I think
20 planning, I think any sort of early warning that we might
21 get that would allow us to be in a more creative space if
22 you will to start to think about possible solutions and
23 really kind of working maybe with some small groups. And
24 how do we leverage each other's resources, infrastructure
25 abilities? How do we collaborate around that? Those are

1 the kind of opportunities I think that come to mind for me.
2 I think it's really kind of can we get ahead of things?
3 And then as I mentioned just being more in that creative
4 kind of space to problem solve.

5 Unfortunately -- and I think Tuan did a really
6 good job of kind of laying out the challenges that DWR,
7 well frankly the whole state is facing this year with the
8 second critically dry year -- it is going to limit some of
9 the creative solutions we came up with last summer. But
10 again, we stand ready to engage and help wherever we can.

11 So, Tuan, I'd offer if you have any additional
12 thoughts on this?

13 MR. BUI: Thank you, Cindy.

14 We have been working with CAISO on the
15 communication protocol to make sure that we
16 institutionalize the channel that outside of the real time
17 communication between control to control (indiscernible)
18 type of communications. We will be able to tap into the
19 planning stages, planning staff over CAISO for early
20 warning and early system preparations that would be helpful
21 in the coming -- for this year and the coming years.

22 COMMISSIONER GUNDA: Thank you, Tuan.

23 We will go to President Batjer.

24 PRESIDENT BATJER: Thanks Commissioner, Gunda.

25 I really want to add my voice of thanks to Cindy

1 and Tuan and Reiko and Jim. Living in real time during
2 those days in August and September as we were dialing for
3 megawatts, we could not and we would not have survived and
4 gotten through as well as we did even though we had two
5 days of rolling blackouts without you all. And to hear all
6 that LADWP, as an example did during those hours, it's
7 quite extraordinary. And I just can't thank you all enough
8 on behalf of the people of California.

9 But at any rate, it -- just like this morning
10 hearing some of the coordination and all that each of the
11 three agencies has done, even though I've lived through it,
12 hearing it and sort of categorizing it and taking note of
13 it is really quite something. And I think we learned an
14 awful lot in those tough days. And hopefully the lessons
15 learned will do us all well in the future.

16 But that coordination is extraordinarily
17 important. And thank you Cindy for raising how important
18 that is that we involve everyone early and often in this
19 effort to essentially keep the lights on in California for
20 all of us. So I'm thinking that's being done fairly well,
21 but I'm sure it can always be done more. So I'm sure that
22 Chair Hochschild and President Mainzer and I can try and
23 even double those efforts. So thank you again, all of you
24 thank you.

25 COMMISSIONER GUNDA: Thank you, President Batjer.

1 Go to President Mainzer.

2 PRESIDENT MAINZER: Yeah, thank you very much.
3 So I really appreciate the dialogue today. Thank you guys
4 for joining us. I agree that reliability really takes a
5 village. You guys were incredibly helpful last year and I
6 know it's going to be the same this year.

7 I want to just emphasize one point from this
8 particular panel that I think also was touched earlier
9 that's so critical and we're all talking about the
10 importance of advanced communication. Just being able to
11 think several days ahead, both in terms of anticipating
12 when you actually think something bad is going to happen,
13 being able to get everything in order, and being able to
14 dispatch or re-dispatch or get infrastructure set, or get
15 the big demand response program to get consumers mobilized
16 is so critical.

17 And with the support, conversely if it looks like
18 things are going to be okay that's equally important
19 information in terms of asset utilization. If we hear
20 Reiko talk about hey if it looks like things are going to
21 be fine, I'm going to use my system as previously intended
22 and not hold out capability for local needs.

23 So that advance information of the ISO, we're
24 going to really be trying to kind of operate on almost some
25 sort of a seven-day advanced warning kind of signal to get

1 ahead of the heat. And I just think across the board we'll
2 -- thank you so much for that info. We will do everything
3 we can. I know that the PUC and the CEC are equally
4 committed working with DWR and the adjacent utilities to
5 get the communication just a steady state of good
6 information, so we can run the system as effectively.

7 And then just that spirit of collaboration within
8 California, we know our balancing authority covers 80
9 percent of the state. But these other entities, the big
10 POUs and others within California have important
11 reliability responsibilities. They've also been an
12 important part of our broader western conversation. We
13 talked today about how critical; how much California
14 continues to depend on imports from around the west. Those
15 partnerships across the west with our EIM partners and our
16 adjacent balancing authority are all working together to
17 maintain reliability.

18 So thank you guys so much for your contribution
19 to the dialogue this afternoon.

20 COMMISSIONER GUNDA: Thank you, President
21 Mainzer.

22 I'm just kind of taking a quick look for anybody
23 else that might have questions from the dais. It doesn't
24 look so.

25 Yes, I want to provide a quick heads up. So as

1 we go into the rest of the reliability workshops this year
2 we are, as I mentioned in the morning, going to spend some
3 time in workshops to tackle demand response and
4 opportunities to really maximize that resource for the
5 state. And then we're going to try and do them jointly
6 between CPUC and CAISO.

7 And we also are going to look at other key
8 variables such as imports. And as everybody pointed out we
9 are hoping to double up a dialogue around that to figure
10 out what are some of the common planning assumptions moving
11 forward and how do we think about imports. So this has
12 been tremendous conversation.

13 With that, I will pass it to David to get going
14 on the questions.

15 MR. ERNE: Actually, we have Lana Wong who will
16 be covering the Q&A. So Lana, over to you.

17 MS. WONG: Hi. So I have a few questions that
18 came in. The first is from Evelyn Loya (phonetic).

19 "During the 2020 August heat wave it was my
20 understanding that the ISO is the only California balancing
21 authority that had blackouts. There has been discussions
22 in the past for the balancing authorities to explore better
23 interconnectivity between their systems. What efforts are
24 underway, if any, are there to increase the
25 interconnectivity between say LADWP or BANC and the ISO to

1 allow for greater capacity swaps between balancing
2 authorities during dire times of need?"

3 MR. SHETLER: Well maybe I'll start. So this is
4 Jim Shetler with BANC. I can say that the interconnection
5 between the ISO and the BANC footprint is very robust. We
6 probably have a couple thousand megawatts in transfer
7 capability, maybe more between us. So interconnectivity is
8 not the issue, it is our loads and our resource commitments
9 to serve our load is usually the limiting factor on how
10 much we can share with others.

11 MS. KERR: Yeah, Jim, I would agree with that. I
12 think DWP has a number of interconnections with CAISO, but
13 our focus has always been serving our native load. And up
14 until this last year when we really made a major push to
15 see how we could help the state out that's when we looked
16 to maximize the use of whether it's excess generation or
17 excess transmission. And of course we joined the EIM so
18 that alone will allow sharing a lot of those resources too
19 into the future.

20 MS. WONG: Okay, next question from Chris McLain.

21 "For the EIM participants, could these parties
22 comment on the respective transmission capabilities planned
23 to be volunteered to the EIM in real time?"

24 MR. SHETLER: Well again speaking for the BANC
25 footprint, as I mentioned earlier we have a couple thousand

1 megawatts in transfer capability between us and the ISO.
2 And currently most all of that is open and available for
3 EIM transfers.

4 MS. KERR: Yeah, and for LADWP we have
5 significant capabilities too, but we're getting more and
6 more renewables from outside the basin. Obviously to hit
7 our high levels of RPS, it's not going to be with
8 significant utility-scale resources in basin. That
9 requires the import capability from outside the basin.

10 But it also requires the upgrade of the
11 downstream transmission to allow that import capability.
12 Our system has been built around local generation that is
13 required to maintain grid reliability. And as we shift our
14 system towards decarbonizing our grid and we use more and
15 more of those external resources, well it's a real fine
16 balancing act of getting the outage as necessary.

17 So I can't tell you because we have the most
18 complex outage schedule that changes daily, or certainly
19 weekly. And I can't tell you three months from now or two
20 months from now what is going to be available based on a
21 series of transmission upgrades that have to occur for us
22 to reach our high-level RPS goals.

23 PRESIDENT MAINZER: I'll just mention very
24 briefly one of the key principles for transmission planning
25 in the west is we try to build on and reinforce the

1 strength of the networks that enable the economic
2 environmental (indiscernible) EIM, is look at the resource
3 needs of the utilities as they build out. And also think
4 about additional transfer capacity that we can build in the
5 system to further reinforce air regional trades. That's
6 something that we'll be looking at, both within the ISO and
7 in cooperation with adjacent utilities for transmission
8 planning.

9 MS. WONG: Great.

10 Next question from Mike Petoohah. (phonetic)

11 "When DWR modulates generation does it impact
12 downstream flow? And what are the limits there?

13 MR. BUI: This is Tuan Bui. The generation
14 facility at the State Water Project all have an afterbay
15 attached to it. So during the heatwave we set up our
16 afterbay storages in such a way that it will be able to
17 absorb the extra -- peak generations to generations during
18 super peak hours and so on. So this all depends on how
19 long the heat wave would last. If it's a shorter heat wave
20 it won't have any impact to downstream releases and so on.

21 MS. WONG: Great.

22 So last question, and I did try to get some
23 clarification on it, this is from Keshava Prasad -- I'm
24 pronouncing that correctly.

25 "In order to compensate for reduced water

1 generation due to hydrologic dry year are there plans for
2 using technology such as seawater desalination?"

3 MS. KERR: Not from DWP's perspective.

4 MS. WONG: Okay, would anyone else like to
5 comment?

6 (No audible response.)

7 MS. WONG: Okay that is the last question. Thank
8 you.

9 COMMISSIONER GUNDA: Great, Lana. Thank you for
10 helping moderate those questions.

11 I did forget to mention or respond to one thing
12 that Reiko mentioned in terms of the natural gas planning.
13 And we initially intended this workshop to be on
14 reliability on electric and the natural gas system. But as
15 you all saw from earlier today, it would have been really
16 crammed. But we are planning to convene a workshop
17 specifically on the natural gas impacts pretty soon so in
18 kind of collaboration with CPUC and some of the analysis
19 that we have jointly have done. So I think we'll kind of
20 keep you informed on that as well.

21 And back to Heather.

22 MS. RAITT: Yes, okay. Thank you, Commissioner.

23 So if there are no more questions and no more
24 discussion on this then we will go ahead and move on to
25 public comment. And Rosemary Avalos from the Energy

1 Commission's Public Advisor's Office is here to help us
2 with that. Go ahead, Rosemary.

3 MS. AVALOS: Thank you, Heather.

4 I will first call on the attendees using the
5 raised hand feature on Zoom. And please state your name
6 and affiliation and spell your first and last name. Also
7 do not use the speakerphone feature, because we may not be
8 able to hear you clearly.

9 Let's see here. We have one raised hand, Keshava
10 Prasad. You may have to unmute on your end, go ahead.

11 (No audible response.)

12 MS. AVALOS: We're having a little bit of
13 technical difficulty here. Keshava, if you can unmute on
14 your end go ahead and speak.

15 So I just want to remind those that are on the
16 phone to dial *9 to raise your hand, and to speak, dial *6
17 to mute and unmute your phone line.

18 We're having a bit of technical difficulty with
19 the mic for Keshava Prasad. So there are no other raised
20 hands at the moment.

21 Oh, I'm sorry, we have Samuel Golding. Samuel,
22 go ahead and unmute your line.

23 (No audible response.)

24 MS. AVALOS: I believe we're having some
25 technical difficulty with the audio. One moment, we're

1 trying to look into that.

2 COMMISSIONER GUNDA: Heather or Rosemary, is it
3 feasible to potentially move speakers into the panelists to
4 kind of allow for them to speak more easily?

5 MS. AVALOS: I'll defer to Heather on that
6 question.

7 (Overlapping colloquy.)

8 MR. GOLDING: Are you able to hear me now?

9 MS. RAITT: Yeah, we can hear you now.

10 MS. AVALOS: Go ahead, Samuel. We're having some
11 kind of technical difficulty. I'm going to defer --

12 MR. GOLDING: Are you able to hear me now?

13 MR. PRASAD: Can you hear me?

14 MS. AVALOS: Yes. Is this Samuel Golding?

15 MR. GOLDING: MR. GOLDING: Yes.

16 MR. PRASAD: No, this is Keshava Prasad.

17 MS. AVALOS: Okay, go ahead. Go ahead, Keshava.

18 MR. PRASAD: I was the one who had the question
19 on seawater desalination plant. I don't know if you are
20 aware of a plant like that exists in in Carlsbad,
21 California. The city has got a plant and they generate
22 potable water using seawater. And this, the cost of this
23 plant used to be not very competitive, because the water
24 was cheap at the time. But however the cost of water is
25 getting more expensive and also the availability has become

1 more and more scarce. So you might want to look into that
2 technology.

3 And it is also possible to power a seawater
4 desalination plant using solar power, solar
5 (indiscernible). And so it's like blessing, doubly
6 blesses. You have water, an additional water supply coming
7 from the seawater generation. And then you're also getting
8 energy from renewable sources, so that's a combination of
9 two good things. So I'm sure you can find information on
10 this online. And also I can provide more information on
11 the technology itself because some of these things have
12 been tried on military bases.

13 So what my point on bringing this up is to ask
14 you if you would consider supporting financially projects
15 like that if tried on military bases. See I work at Camp
16 Pendleton. I'm the Regional Energy Manager. And they
17 always look for funding opportunities for trying things
18 like this where we can save water, where we can save
19 energy. And that's the reason why I brought it up.

20 MS. AVALOS: Okay, thank you, Mr. Prasad.

21 I want to give another reminder for those that
22 are on the phone, to dial *9 and to raise your hand. I'll
23 give a few more moments.

24 COMMISSIONER GUNDA: Rosemary, do we have Mr.
25 Golding?

1 MS. AVALOS: No, I don't see his name on the
2 list.

3 MR. GOLDING: Oh, can you hear me?

4 MS. AVALOS: Oh yes, we can hear you. Go ahead
5 Mr. Golding.

6 MR. GOLDING: Okay, thank you very much. Samuel
7 Golding, President of Community Choice Partners. And by
8 way of introduction I ask a lot of questions about smart
9 meter data access and I've been asking those questions for
10 a number of years now. But more recently I've been
11 supporting the Utility Consumer Action Network, UCAN, a
12 nonprofit ratepayer advocate in San Diego, intervening in
13 the reliability 2021 proceeding and before that the PCIA
14 reform proceeding.

15 And I have to tell you that the way that the CPUC
16 has been approaching this issue I don't think will lead to
17 satisfactory resolution. The utilities and I, in the chat
18 I identified a folder where our reply briefs, our testimony
19 and our exhibits were filed in the proceeding, everything
20 that I said in my comments that Ed Randolph kind of glossed
21 over by paraphrasing them, is actually based on documented
22 evidence on the record.

23 The utilities advanced metering infrastructure
24 networks have been built to work, collect the data from all
25 of the smart meters and verify it and load it into their

1 meter data management systems by 8:00 o'clock in the
2 morning every day. And they do that with a high degree of
3 reliability, 98 percent-plus of the data is there to be
4 used. They use it on that day. They send it to third
5 parties, the vendors that support their own operations.
6 But they refused to provide it to the CCAs. And the CCAs
7 have been asking for this for years. Now these are
8 nonprofit, democratically controlled load-serving entities
9 providing electricity to 40 percent or more on the market.

10 And it should be very concerning to everybody
11 here that this simple problem hasn't been fixed long ago
12 because it's holding back a lot. And it's costing everyone
13 in this state quite a lot of money. Through the
14 inefficiency it's impacted market operations, it's impacted
15 reliability because of the nature of how the rolling
16 blackouts played out in the CAISO markets. But it also
17 just suppresses retail innovation statewide. And we could
18 be doing a whole lot more if we just put the infrastructure
19 we all paid millions of dollars for to good use.

20 So don't rely on the utilities. And at this
21 point I'd say don't rely on the CPUC either to come up with
22 these solutions, because this stuff that they've implanted
23 even for a third-party DR company, this has never worked
24 well. I mean, they're just architecting it wrong and
25 they've architected it wrong because they were relying on

1 the utilities to do so. So come and bring some independent
2 experts in and figure it out. It's not -- and you can
3 figure it out. Thank you.

4 COMMISSIONER GUNDA: Thank you, Mr. Golding.

5 Rosemary, I'm not sure if we have anybody else on
6 the line? Yeah, I don't see any more raised hands either.
7 So with that I'm passing it back to Heather.

8 MS. RAITT: Yeah, so thank you.

9 Just to say that we have written comments are
10 welcome and they're due on the 18th. And that's all I
11 have. I don't know if you have any closing remarks.
12 Commissioner, go ahead.

13 COMMISSIONER GUNDA: Thank you, Heather. I just
14 want to say thank you to your team first of all for making
15 this happen. I think (indiscernible) the comments over and
16 over, but I think it's just incredible coordination. Thank
17 you for everybody that participated today and helping
18 advance this conversation.

19 One of the things that I want to make sure that
20 we do as has been suggested by several of the speakers, is
21 continue the dialogue not just for this summer, but for the
22 future to ensure that we're really thinking through a long-
23 term reliability and planning as we go into this inflection
24 of clean energy transition.

25 And with that, I don't know if you have anybody

1 else from the dais for any closing comments? President
2 Mainzer, okay I see you shaking your head.

3 PRESIDENT MAINZER: Thank you. Thank you all.

4 COMMISSIONER GUNDA: Yeah, thank you. Deputy
5 Secretary Baker, did you have anything you want to say?
6 President Batjer, how about I give you the last word to
7 just say.

8 PRESIDENT BATJER: My last word is thank you all
9 very much. It's been a very interesting and informative
10 and thoughtful day. And I appreciate so much the CEC
11 putting this on. I know the types of logistics that have
12 to be considered to do this. And I thank all the
13 participants and the panelists and the commenters, so thank
14 you all very much.

15 COMMISSIONER GUNDA: Thank you, Heather. We can
16 close now.

17 (The workshop was adjourned at 3:22 p.m.)
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CERTIFICATE OF REPORTER

I do hereby certify that the testimony in the foregoing hearing was taken at the time and place therein stated; that the testimony of said witnesses were reported by me, a certified electronic court reporter and a disinterested person, and was under my supervision thereafter transcribed into typewriting.

And I further certify that I am not of counsel or attorney for either or any of the parties to said hearing nor in any way interested in the outcome of the cause named in said caption.

IN WITNESS WHEREOF, I have hereunto set my hand this 17th day of August, 2021.



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