

DOCKETED

Docket Number:	21-OIR-01
Project Title:	Rulemaking to Amend Regulations Governing the Power Source Disclosure Program
TN #:	249707
Document Title:	SDG&E Comments - Response to CEC RFI on Implementation of SB 1158 and the Power Source Disclosure Program
Description:	N/A
Filer:	System
Organization:	San Diego Gas & Electric Company (SDG&E)
Submitter Role:	Public
Submission Date:	4/14/2023 4:34:08 PM
Docketed Date:	4/14/2023

*Comment Received From: San Diego Gas & Electric Company (SDG&E)
Submitted On: 4/14/2023
Docket Number: 21-OIR-01*

SDG&E Response to CEC RFI on Implementation of SB 1158 and the Power Source Disclosure Program

Please find SDG&E's comments in response to the CEC's RFI on Implementation of SB 1158 and the Power Source Disclosure Program attached.

Additional submitted attachment is included below.



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April 14, 2023

California Energy Commission
Docket Unit, MS-4
Docket No. 21-OIR-01
715 P Street
Sacramento, CA 95814

RE: SDG&E Response to Request for Information Related to Implementation of SB 1158 and the Power Source Disclosure Program (Docket No. 21-OIR-01)

San Diego Gas & Electric Company (SDG&E) appreciates the opportunity to provide feedback in response to the California Energy Commission (CEC) March 22, 2023, Request for Information (“RFI”) on the Implementation of SB 1158 and the Power Source Disclosure Program. Given the complexity of the existing Power Source Disclosure program and the direction provided in SB 1158, SDG&E acknowledges that discussion around feasibility and financial impact of implementing certain provisions is critical to achieving workable solutions. Indeed, continued discussion with CEC staff and stakeholders will be essential to ensuring that proposed modifications to the program are cost-effective, feasible to implement, and crafted in a way that addresses the intended goals of SB 1158.

SDG&E provides responses to specific questions posed in the RFI below.

Questions for Electricity Sellers from Generation or Storage Facilities

- 1) Discuss the feasibility and financial impact of providing each purchaser from your generation facility with the purchaser’s hourly share of electricity that is scheduled into a California balancing authority.**

SDG&E Response: SDG&E recognized several concerns regarding this requirement, including: 1) MWh rounding issues that may affect WREGIS or other reporting; 2) hourly data sent to load serving entities (LSEs) is going to be complex and require automation, which may have significant financial impacts; 3) there may be potential timing lags due to renewable energy credit (REC) generation processes, and if the LSE is counting on SDG&E’s data for its renewables reporting the timing may be an issue, and; 4) the investor-owned utilities (IOUs) have recently implemented Power Charge Indifference Adjustment (PCIA) Voluntary Allocation and Market Offer sales transactions, which would be on an hourly basis. Determining the slice of generation sold to each counterparty would be time consuming, because each LSE is sold a percentage of the entire portfolio of contracts.

- 2) Discuss the feasibility and financial impact of providing each purchaser with its hourly share of exported electricity from your energy storage facility and the hourly electricity consumed by your facility in prior hours necessary to export that electricity after taking into account round-trip storage losses.**

SDG&E Response: SDG&E can provide the load and supply for energy storage units separately on an hourly basis. SDG&E currently sells the energy to CAISO and does not resell the energy to other LSEs. If SDG&E were to eventually sell energy from storage units to other LSEs, the requirement of determining the specific charging hours that provided the stored energy that was sold does not seem feasible. For example, the unit may already be partially charged when it is charged again, making it impossible to determine which MWh belong to the specific energy that is later released onto the grid and sold.

Questions for Retail Electricity Suppliers

- 1) Discuss the feasibility and financial impact of obtaining hourly delivery data for each specified procurement for each hour of the year, organizing that hourly data into an Excel template provided by the CEC, and reporting that data to the CEC annually.**

SDG&E Response: SDG&E will be able to provide hourly data for each resource it procures and can organize the data into a template provided by the CEC annually. The financial impact of doing so will vary depending on the required level of information. Specifically, providing this information for purchases only is expected to have minimal financial impact. If, however, the hourly data is required to be net of resales, calculating the sales allocations will be complex and may require costly automation in order for it to be feasible, due to recently implemented PCIA Voluntary Allocation and Market Offer transactions.

- 2) Discuss the feasibility and financial impact of obtaining and reporting hourly settlement data from your retailer's balancing authority.**

SDG&E Response: SDG&E assumes this question is N/A.

General Questions

- 1) Under an hourly load matching framework, what should be the load order for determining which resources are matched to load first? In other words, which resource types should be deemed to be overprocured/overdelivered during hours in which a retailer's specified procurements exceed its hourly loss-adjusted load?**

SDG&E Response: This question would be better directed to CAISO, because they determine the dispatch order of resources.

2) How will hourly load matching affect grid reliability in the state, particularly during emergency events?

SDG&E Response: Please refer to response in question 1 above.

3) How should in-state and out-of-state line losses be calculated for determining loss-adjusted load?

SDG&E Response: Please refer to response in question 1 above.

Conclusion

Thank you for your consideration of SDG&E's comments. Please do not hesitate to contact me should you have any questions or wish to discuss our comments in greater detail. We look forward to continued discussion as CEC considers subsequent updates to the Power Source Disclosure program regulations.

Sincerely,

/s/ Sarah M. Taheri

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