CALIFORNIA ENERGY COMMISSION
1516 Ninth Street
Sacramento, California 95814

Main website: www.energy.ca.gov

DOCKET
11-IEP-1D
DATE RECD. MAR 07 2011

In the matter of,	)	Docket No. 11-IEP-1D
	)	
Preparation of the	)	NOTICE OF STAFF WORKSHOP
2011 Integrated Energy Policy Report	)	
_____	)	

Staff Workshop on the Proposed Method to Calculate the Amount of New Renewable Generation Required to Meet Policy Targets

The California Energy Commission staff will conduct a workshop to solicit comments on the staff draft paper, *Proposed Method to Calculate the Amount of New Renewable Generation Required to Meet Policy Targets for the 2011 Integrated Energy Policy Report* (*2011 IEPR*). This amount is frequently referred to as the renewable net short. This work is overseen by the Energy Commission's IEPR Committee, Chair Robert Weisenmiller, Presiding Member, and Commissioner Karen Douglas, Associate Member. Although this is a staff workshop, commissioners may attend and participate.

The workshop will be held:

TUESDAY, March 8, 2011
Beginning at 10 a.m.
CALIFORNIA ENERGY COMMISSION
1516 Ninth Street
First Floor, Hearing Room A
Sacramento, California
(Wheelchair Accessible)

Remote Attendance

Web Conferencing - Presentations and audio from the meeting will be broadcast via our WebEx web conferencing system. For details on how to participate via WebEx, please see the "Participation through WebEx" section at the end of this notice.

Purpose

This workshop will provide the Energy Commission and the public with an opportunity to review the variables, methods, and data sources that should be considered for estimating the amount of new renewable generation needed to meet statewide policy

goals. The purpose of this analytical effort is to develop a single method and coordinated set of rules for choosing assumptions to promote consistency and facilitate an analytical link between the different infrastructure studies, leading to better informed policy development. A standardized set of renewable net short calculations can then be used for electricity infrastructure studies to evaluate system requirements, such as new transmission lines or back-up facilities.

The Energy Commission staff seeks comments, questions, and suggestions on the proposed renewable net short method that is described in the staff paper titled, *Proposed Method to Calculate the Amount of New Renewable Generation Required to Meet Policy Targets*. The staff paper will be posted at www.energy.ca.gov/2011_energypolicy/index.html

Background

Determining the types of resources necessary to integrate high levels of variable and baseline renewables into the California electricity grid is complicated and fast-moving that studies are being conducted in multiple forums. Ideally, stakeholders should be able to transfer the detailed information from one proceeding into another proceeding. This is difficult if the studies start from different assumptions.

In 2009 and 2010, several studies evaluated the integration requirements for implementing a 33 percent renewable energy generation policy goal. Each of these studies used different methods of accounting conventions and assumptions about the implementation of future load reduction programs to estimate the need for incremental new renewable generation. Some of the studies did not include key policy goals and programs that will reduce electricity retail sales in the future, thereby overstating the likely amounts of renewable energy needed to satisfy the policy goal. A fundamental question to consider is what it means when assumptions about the amount of needed incremental renewables differ by plus or minus 25 terawatt hours (TWh), the equivalent of the potential generation from over 10,300 megawatt (MW) solar-thermal or 8,200 MW wind projects?

Energy Commission staff present a policy-driven equation and bookend set of assumptions to use for estimating the renewable net short. The report also includes a discussion of the key variables that should be considered in the calculation. There are also important uncertainties regarding how these variables can be measured or assumed to exist in the future. The preliminary estimates for the renewable net short to meet a 33 percent policy goal by the year 2020 ranges from 28.1 TWh to 53.2 TWh. This represents a 25.1 TWh difference in the estimates, an even wider range than compared to the renewable net short assumptions in the earlier electricity system infrastructure studies.

Given the resulting range of the calculated renewable net short, it is very important to understand the underlying set of input variables and corresponding array of associated uncertainties affecting the estimates. Efforts to resolve the described uncertainties and

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improve the confidence in selected assumptions will minimize the risks for stranded infrastructure investments, lead to a more realistic measure of resource needs for system reliability and procurement decisions, and ensure that environmental goals are achieved.

Workshop Participation and Comments

The Energy Commission staff is seeking the active participation and comments from utilities, generators, other state agencies, and other stakeholders. The Committee encourages interested parties to present their views either orally at the workshop or through written comments. Staff will take oral comments immediately following the staff presentation at the workshop.

Written comments are encouraged before the workshop; final written comments should be submitted no later than 5 p.m. on **March 18, 2011**. Comments submitted before the workshop will be used to facilitate the discussion. Please include the docket number "**Docket #11-IEP-1D Reliability**" in the subject line or first paragraph of your comments. Please hand deliver or mail an **original copy** to:

California Energy Commission
Dockets Office, MS-4
Re: Docket No. 11-IEP-1D
1516 Ninth Street
Sacramento, CA 95814-5512

The Energy Commission encourages comments by e-mail. Please include your name or organization's in the name of the file. Those submitting attached comments by electronic mail should provide them in either Microsoft Word format or as a Portable Document (PDF) to [docket@energy.state.ca.us]. One paper copy must also be sent to the Energy Commission's Docket Unit.

Participants may also provide an original and 10 copies at the beginning of the workshop. All written materials relating to this workshop will be filed with the Dockets Unit and become part of the public record in this proceeding.

Public Participation

The Energy Commission's Public Adviser's Office provides the public assistance in participating in Energy Commission activities. If you want information on how to participate in this forum, please contact the Public Adviser's Office at (916) 654-4489 or toll free at (800) 822-6228, by FAX at (916) 654-4493, or by e-mail at [PublicAdviser@energy.state.ca.us]. If you have a disability and require assistance to participate, please contact Lou Quiroz at (916) 654-5146 at least five days in advance.

Please direct all news media inquiries to the Media and Public Communications Office at (916) 654-4989, or by e-mail at [mediaoffice@energy.state.ca.us].

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If you have questions on the technical subject matter of this forum, please contact Al Alvarado by e-mail at [aalvarad@energy.state.ca.us] or (916) 654-5180. For general questions regarding the IEPR proceeding, please contact Lynette Esternon Green, IEPR project manager, by phone at (916) 653-2728 or by e-mail at [lesterno@energy.state.ca.us].

The service list for the *2011 IEPR* is handled electronically. Notices and documents for this proceeding are posted to the Energy Commission website at [www.energy.ca.gov/2011_energypolicy/index.html]. When new information is posted, an e-mail is sent to those on the energy policy e-mail list server. We encourage those who are interested in receiving these notices to sign up for the list server through the website [www.energy.ca.gov/listservers/index.html].

Participation through WebEx, the Energy Commission's on-line meeting service

Computer Log on with a Direct Phone Number:

- Please go to [https://energy.webex.com] and enter the unique meeting number **922 586 170**.
- When prompted, enter your information and the following meeting password **CEC@030811**. (Please note that password is case sensitive.)
- After you log in, a prompt will appear on-screen for you to provide your phone number. In the Number box, type your area code and phone number and click OK to receive a call back on your phone for the audio of the meeting. International callers can use the "Country/Region" button to help make their connection.

Computer Log on for Callers with an Extension Phone Number, etc.:

- Please go to [https://energy.webex.com] and enter the unique meeting number **922 586 170**.
- When prompted, enter your information and the following meeting password **CEC@030811**. (Please note that password is case sensitive.)
- After you log in, a prompt will ask for your phone number. **CLICK CANCEL**.
- Instead call 1-866-469-3239 (toll-free in the U.S. and Canada). When prompted, enter the meeting number above and your unique Attendee ID number which is listed in the top left area of your screen after you log in. International callers can dial in using the "Show all global call-in numbers" link (also in the top left area).

Telephone Only (No Computer Access):
Call 1-866-469-3239 (toll-free in the U.S. and Canada) and when prompted enter the unique meeting number above. International callers can select their number from [https://energy.webex.com/energy/globalcallin.php]

If you have difficulty joining the meeting, please call the WebEx Technical Support number at 1-866-229-3239. Please be aware that the meeting's WebEx audio and on-screen activity may be recorded.

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Mail Lists: energy policy, electricity, renewable, 33 by 2020

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