## BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA



Order Instituting Rulemaking to Develop an Electricity Integrated Resource Planning Framework and to Coordinate and Refine Long-Term Procurement Planning Requirements

R.16-02-007 (Filed February 11, 2016)

## REPLY COMMENTS OF GRIDLIANCE WEST LLC ON PROPOSED DECISION ON ADOPTING PREFERRED SYSTEM PORTFOLIO FOR 2017-2018 INTEGRATED RESOURCE PLANNING CYCLE

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In accordance with Rule 14.3 of the California Public Utilities Commission's (Commission or CPUC) Rules of Practice and Procedure, GridLiance West LLC (GridLiance West) hereby submits these limited reply comments in response to opening comments on Administrative Law Judge (ALJ) Julie A. Fitch's March 18, 2019 proposed decision (PD) adopting the Preferred System Portfolio (PSP) for the 2017-2018 Integrated Resource Planning (IRP) cycle.

In addition to GridLiance West, several other parties expressed concerns in their opening comments regarding a reoccurring aspect of the Commission's IRP process: the Commission's ongoing preference to choose certain specific solutions, rather than simply allowing the most optimal mix of renewable energy and infrastructure solutions to emerge and be considered. GridLiance West believes ratepayers and California's energy policy goals would be better served by a more objective and unbiased approach to long-term resource planning. Other parties have similarly urged the Commission to adhere to a more neutral and inclusive planning process:

- Quoting the PD's own assertion that "[t]he IRP process should continue to focus on all types of resources, including renewables and nonrenewables, as well as existing and new resources, in an integrated manner,"¹ the Large-Scale Solar Association (LSA) adds that transmission should also be included in that set of resources which can most effectively meet California's needs. LSA states that "Transmission additions, both within California and regional transmission, allow for access to resource options that are lower cost, enhance the integration of renewables and carbon-free resources on the grid, and provide for greater system reliability. A failure in this IRP iteration is the exclusion of transmission as a resource to meet requirements."²
- Commenting on the PD's proposal to open a procurement track, Southern California Edison Company (SCE) recommends the Commission consider whether the focus should be on portfolio attributes rather than specific technologies: "In addition to considering whether it may make sense for LSEs to show they are procuring a resource mix proportional to the RSP or PSP resource mix, the Commission should consider whether there are better approaches to ensuring that LSEs procure the resources needed to satisfy reliability and environmental goals, including considering whether the focus should be on portfolio attributes rather than specific resources."

<sup>&</sup>lt;sup>1</sup> PD at 161, Conclusion of Law 16.

<sup>&</sup>lt;sup>2</sup> LSA Comments, p. 4.

<sup>&</sup>lt;sup>3</sup> SCE Comments, pp. 7-8.

- Also commenting on the PD's procurement track proposal, Range Energy Storage criticizes the inclusion of only one type of long-duration storage, pumped hydro, in the 2017-2018 IRP process and urges the Commission to allow technologies to compete against one another in the procurement track without unnecessary restrictions.<sup>4</sup>
- Also critiquing the Preferred System Portfolio's treatment of long-duration storage, LS Power argues for technology neutrality with respect to treatment of storage in the proposed procurement track.<sup>5</sup> LS Power also argues that out-of-state wind should not be limited to consideration of just Wyoming and New Mexico wind, noting that "[t]here are also renewable resources being developed in Nevada and Pacific Northwest that could access CAISO along with potential Montana and Wyoming resources."6
- Solar Energy Industries Association (SEIA) expresses concern at the Commission's characterization of wind and geothermal resources as "higher value" resources, arguing that California will benefit from allowing the competition of all types of renewable resources to serve the state, and encouraging the Commission to study other transmission options able to connect low-cost resources throughout the west.<sup>7</sup>

<sup>&</sup>lt;sup>4</sup> RES Comments, p. 4.

<sup>&</sup>lt;sup>5</sup> LS Power Comments, pp. 1-2.

<sup>&</sup>lt;sup>6</sup> *Id.*, p. 5.

<sup>&</sup>lt;sup>7</sup> SEIA Comments, pp. 4 and 5.

GridLiance West shares the aforesaid commenters' concerns and generally agrees with their recommendations. The goal of the IRP should be to identify and enable the best solutions across the range of transmission, generating, and storage technologies. To that end, GridLiance West again urges the Commission to reduce process distortions to the greatest extent possible.

In its opening comments, GridLiance West stated its concerns regarding the adverse impacts of excluding viable GridLiance West-footprint solar from consideration and the Commission's seeming aversion to studying possible transmission upgrades that would support more cost-effective renewable buildout in this area. GridLiance West strongly urges the Commission to immediately direct the resolution of this pre-determined bias to non-transmission solutions, as well as considering other steps to not bias the IRP process against possible efficient solution sets.

Respectfully Submitted,

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April 15, 2019