BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

03/29/19 04:59 PM

Order Instituting Rulemaking to Oversee the Resource Adequacy Program, Consider Program Refinements, and Establish Annual Local and Flexible Procurement Obligations for the 2019 and 2020 Compliance Years.

Rulemaking 17-09-020 (Filed September 28, 2017)

REPLY COMMENTS OF THE LARGE-SCALE SOLAR ASSOCIATION ON GENERATION RESOURCE ADEQUACY PROGRAM TRACK 3 PROPOSALS AND ENERGY DIVISION EFFECTIVE LOAD CARRYING CAPABILITY PROPOSAL

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Date: March 29, 2019

REPLY COMMENTS OF THE LARGE-SCALE SOLAR ASSOCIATION ON GENERATION RESOURCE ADEQUACY PROGRAM TRACK 3 PROPOSALS AND ENERGY DIVISION EFFECTIVE LOAD CARRYING CAPABILITY PROPOSAL

I. Overview and Purpose

Pursuant to the Amended Scoping Memo and Ruling of Commissioner Randolph of January 29, 2019 in CPUC Resource Adequacy (RA) proceeding (R.17-09-020), and Administrative Law Judge Allen's Ruling on Effective Load Carrying Capability (ELCC) in R.17-09-029 dated February 13, 2019, the Large-scale Solar Association (LSA) respectfully submits these Reply Comments on the Resource Adequacy Program Track 3 Proposals and Energy Division Effective Load Carrying Capability Proposal.

II. Commission Should adopt the Energy Division ELCC Methodology

In Comments submitted on March 22, numerous parties commented on the proposed Energy Division ELCC methodology to allocate the diversity benefit of storage resources to solar. Several parties endorsed this, while some oppose the allocation of any diversity benefit to resources, and others proposing the benefit should be allocated to various combinations of generating resources or to load.

LSA agrees with the Energy Division and parties that the diversity benefits of storage should be allocated to solar, as solar is the primary generating resource that will provide the energy to the storage resources. Based on Commission modeling, as detailed in the February 13 ALJ Ruling, battery charging is highly correlated to solar production, and shows no correlation to wind or variable gas production, or to baseload resource operation. While other resources can be used to charge batteries, the modeling is conclusive it is solar generating the energy used by batteries and should receive the diversity benefit that storage provides.

III. Behind-the Meter Resources Should Not Treated as Supply Resources

LSA agrees with CAISO that Behind-the Meter Photovoltaics (BTM PV) should not be treated as RA resources, and disagree with PG&E, Sun Run, and Middle River Power that Distributed Energy Resources (DER) ERs and BTM PV should have supply capacity value. As

LSA has previously noted under the current CAISO RA construct DER and BTM PV resources do not possess the characteristics to be RA resources. The CAISO's glossary defines resource adequacy as:

The program that ensures that adequate physical generating capacity dedicated to serving all load requirements is available to meet peak demand and planning and operating reserves, at or deliverable to locations and at times as may be necessary to ensure local area reliability and system reliability.¹

BTM resources are widely distributed and are neither "at or deliverable to locations and at times as may be necessary to ensure local area reliability and system reliability." The system needs RA resources that are responsive to system requirements and counting resources as RA that are incapable of responding to grid requirements will denigrate, not improve, reliability.

LSA recommends the Commission should, in a future RA proceeding and in conjunction with the CAISO, examine how DER and BTM PV should be considered in establishing both system RA requirements and RA resource counting rules.

III. Conclusion

LSA appreciates the opportunity to offer these Reply Comments on Generation Resource Adequacy Track 3 Proposals and Energy Division Effective Load Carrying Capability Proposal.

Date: March 29, 2019 /s/ Tim Mason

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2

http://www.caiso.com/Pages/glossary.aspx?SortField=Acronym&View={8034109d-e87a-4203-90dc-41ff59ca116e}&FilterField1=Letter&FilterValue1=R&SortDir=Asc&FilterField2=Acronym&FilterValue2=RA

VERIFICATION

I, Tim Mason, am the Policy Director of the Large-scale Solar Association. I am authorized to make this Verification on its behalf. I declare that the statements in the foregoing copy of these Reply Comments of the Large-scale Solar Association on Generation Resource Adequacy Track 3 Proposals and Energy Division Effective Load Carrying Capability Proposal are true of my own knowledge, except as to the matters, which are therein stated on information and belief, and as to those matters I believe them to be true.

I declare under penalty of perjury that the foregoing is true and correct. Executed on March 29, 2019 at Berkeley, California.

/s/ Tim Mason

Tim Mason Policy Director Large-scale Solar Association