

**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.

Rulemaking 16-02-007  
(Filed February 11, 2016)

**COMMENTS OF THE CALIFORNIA ENERGY STORAGE ALLIANCE  
ON THE BASELINE RESOURCES LIST ASSOCIATED WITH THE DECISION  
REQUIRING ELECTRIC SYSTEM RELIABILITY PROCUREMENT FOR 2021-2023**

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In accordance with the Rules of Practice and Procedure of the California Public Utilities Commission (“Commission”), the California Energy Storage Alliance (“CESA”) hereby submits these comments on the baseline resource list associated with the *Decision Requiring Electric System Reliability Procurement for 2021-2023*, Decision (“D.”) 19-11-016, issued by Administrative Law Judge (“ALJ”) Julie A. Fitch on November 13, 2019, and pursuant to the e-mail instructions provided by ALJ Fitch on December 2, 2019.

**I. INTRODUCTION.**

CESA commends the Commission for providing a detailed list that includes the resources considered as baseline to the compliance of the 3,300 MW procurement target established in D.19-11-016, which supports transparency and certainty to buyers and sellers on resource eligibility for procurement and avoids miscalculations that could fail to address the identified system capacity shortfalls. However, CESA has a few areas of comments and recommendations to provide clarification to stakeholders relative to the use of this baseline list of resources, as well as the potential unintended consequences that can come with its usage. First, CESA urges the Commission to provide clarification on the eligibility of certain power plants that are currently included in the baseline list of resources, but are at risk of retirement due to the expiration of their

power-purchase agreements (“PPAs”). Second, CESA is concerned that the baseline list of resources, as currently presented, reflects resources in a manner that is inconsistent with the latest net qualifying capacity (“NQC”) list provided by the California Independent System Operator (“CAISO”). Differences between these two lists, especially those related to NQC values, could lead to misestimation of needs and, ultimately, capacity shortfalls.

## **II. THE COMMISSION SHOULD CLARIFY THE ELIGIBILITY OF RESOURCES WITH CONTRACTS THAT ARE EXPECTED TO EXPIRE.**

CESA requests clarification of the eligibility of resources with PPAs that are expected to expire during the 2021-2023 period that are included in the baseline list. CESA observes that the current baseline list of resources includes existing renewable and fossil-fueled resources that currently provide resource adequacy (“RA”) by means of long-term bilateral contracts. D.19-11-016 established that the 3,300 MW procurement target shall be incremental to all resources included in the baseline list;<sup>1</sup> hence, CESA assumes that all resources included in the list would be ineligible to count for the fulfillment of said target. Given that, CESA notes that there is an implicit assumption that these baseline resources will be re-contracted. CESA agrees with the Commission’s assumption that these resources should not be eligible for the D.19-11-016 directed procurement, which should seek to procure incremental RA capacity that can support long-term system needs. These expiring resources may, however, still be eligible for short-term procurement through the RA Program to maintain the baseline.

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<sup>1</sup> D. 19-11-016 at 81-82.

**III. THE COMMISSION SHOULD CLARIFY INCONSISTENCIES BETWEEN THE BASELINE RESOURCES LIST AND NET QUALIFYING CAPACITY LIST.**

The baseline list of resources currently represents units using their nameplate capacity and their CAISO identification numbers at the time of the IRP baseline formation for the 2017-2018 IRP cycle. While this representation is in line with the directives and considerations stipulated in D.19-11-016, CESA observed differences between this baseline and the latest NQC list provided by the CAISO, which needs to be reconciled. In reviewing the baseline list of resources, CESA encountered that some resources have experienced modification in the CAISO 2020 NQC list relative to the baseline list of resources, which was based on past NQC lists.

Furthermore, CESA finds it challenging to use the nameplate capacity of resources in the baseline resources list as a means of representation of generating units since it is not in line with the present counting convention employed in the RA Program or the CAISO's NQC list. Such representation could lead to further confusion with regards to the procurement target and its compliance. Hence, CESA recommends that the Commission represent baseline resources as currently regarded by the CAISO in its NQC list. This modification would enhance stakeholder understanding of the baseline and support accurate procurement of incremental resources.

**IV. CONCLUSION.**

CESA appreciates the opportunity to submit these comments to the baseline resources list and looks forward to working with the Commission and stakeholders in this proceeding.

Respectfully submitted,



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CALIFORNIA ENERGY STORAGE ALLIANCE

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