

[9:57 AM] Wan, Lisa

Good morning everyone! Friendly reminders: This meeting is being recorded. Please mute yourself. If necessary, I will mute your line if there's excessive background noise. This is the final workshop. The last set of informal comments will now be due Friday 2/4. Parties are asked to provide their comments to all topics and a Position Matrix will be circulated to the service list for parties to fill out. Please note that these comments will be included in the Final Working Group Report.

[10:06 AM] Barbara Barkovich (Guest)

Please remember to state your name and affiliation when you speak. Thank you.

[10:08 AM] Paul Nelson-CLECA (Guest)

[Click here to join the meeting](#)

[10:17 AM] Carrie Bentley

Are these total outages (forced and planned) or just forced?

[10:23 AM] Donald (Guest)

Hello - my question is are these capacity weighted averages or simple averages? Second question - can you break these outage rates down by CT versus CCGT versus cogen? That is an important distinction.

[10:25 AM] Navis, Kyle

On slide 13, re: "maximum outage rates can exceed the 15% PRM in certain hours"--do you mean the 15% PRM for full fleet, or 15% of the thermal fleet?

like 1

[10:39 AM] Navis, Kyle

Cal Advocates

[10:46 AM] Griffes, Peter

Is the proposal to calculate UCAP on a seasonal (summer/winter) basis or on a monthly basis?

[10:49 AM] Griffes, Peter

My question was answered on Slide 20.

[10:55 AM] Cunningham, Patrick

(Patrick Cunningham, Public Advocates Office) CAISO developed a lot of UCAP implementation details at its RA Enhancements initiative, such as the removal of RAAIM. Is the CAISO still intending to handle implementation details at RA Enhancements concurrently to RA reform, and does the CAISO still propose to remove RAAIM if UCAP is adopted here?

[11:00 AM] Griffes, Peter

What are the supply cushion hour distributions within each of the seasons? Are they concentrated in particular months? Would it be possible to calculate UCAPs on a monthly basis? What are the pros/cons of calculating UCAP on a more granular timeframe?

[11:01 AM] Ward, Claudia J.

hi claudia at chevron can you please send me presentation? i was not on the original email list. address is wardcj2@chevron.con... thanks

[11:07 AM] Wan, Lisa

Hi Claudia, all decks were served to the service list and will be made available on the Commission's RA History page. I've forwarded the decks to you.

[11:07 AM] Ward, Claudia J.

got them thanks

[11:08 AM] Gregg Morris (Guest)

Major overhauls can certainly improve future availability. How does that fit into UCAP?

[11:11 AM] Griffes, Peter

On slide 9, is the 2021 data tainted by the change in CAISO's "planned to forced" policy?

[11:11 AM] Nuo Tang

yes, it's impacted by the change in rules

[11:14 AM] Carrie Bentley

And by the tightness of the market and inability to get replacement RA

[11:19 AM] Pasquito, Joe J - Mktg Affil-E&FP

if a resource is out due to transmission line outage or a similar reason, will that be included in the UCAP calc?

[11:20 AM] McIntosh, Henry

If the transmission line is its gen tie then that outage pattern should be part of the assessment for success for the resource. Otherwise, not.

[11:22 AM] Kikuyama, Rhett

I will capture these questions in the chat and we can address them during the Q&A session

[11:22 AM] Christian Lambert (Cal Advocates) (Guest)

per slide 21: transmission-induced outages are not included in the UCAP proposal

[11:26 AM] Wan, Lisa

Colbert, Cathleen - FYI: I muted your line to minimize the audio feedback

like 1

[11:28 AM] Kikuyama, Rhett

Sergio and Nuo, please feel to send me your questions via chat or email. I am capturing all of the questions for Bridget.

[11:29 AM] Nuo Tang

How does UCAP impact storage under 24-Slices if storage is shown in various slices and not the entire day.

[11:32 AM] Lynch, Mary:(BSC)

Donald is hard to hear....

[11:36 AM] Matthew Barmack

Partha Malvadkar (CAISO) (Guest), really glad that you brought up replacement. Not sure how it would work under the 24 slice approach. Interested to hear others' thoughts.

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[11:41 AM] Bridget Sparks (CAISO) (Guest)

Cunningham, Patrick- Yes, we are still planning to get rid of RAAIM if we adopted UCAP. CAISO would also be open to considering additional penalties as a complement to UCAP. We will continue to discuss implementation details in the CAISO's RA Enhancements initiative, but to keep CPUC and CAISO RA Program aligned we are proposing it during this RA Reform

[11:41 AM] Bridget Sparks (CAISO) (Guest)

Cunningham, Patrick- Yes, we are still planning to get rid of RAAIM if we adopted UCAP. CAISO would also be open to considering additional penalties as a complement to UCAP. We will continue to discuss implementation details in the CAISO's RA Enhancements initiative, but to keep CPUC and CAISO RA Program aligned we are proposing it during this RA Reform

[11:43 AM] Bridget Sparks (CAISO) (Guest)

Nuo Tang Storage would still have 24x7 MOO, so even if they are shown in a subset of hours, they would have to bid in in all hours and let the market optimize their dispatch. So UCAP would still be assessed in all hours

like 1

[11:46 AM] Bridget Sparks (CAISO) (Guest)

Donald (Guest) The Outage rates are simple averages. They aren't weighted by Pmax

[12:25 PM] Kikuyama, Rhett

As a friendly reminder, below is the remaining workshop schedule for the day.

[12:25 PM] Kikuyama, Rhett

[12:35 PM] Bridget Sparks (CAISO) (Guest)

You wouldn't have hourly UCAP. You would have the same UCAP for the whole season. The MOO would be at their full deliverable capacity in all hours

[12:48 PM] Colbert, Cathleen

Jeff Nelson, Sergio Dueñas My suggestion is to keep it flexible in the contract negotiation where the assumptions can be agreed to between parties based on confidential exchange of resource specific information.

[12:48 PM] Chris Devon

Matthew Barmack, System and Local CPM costs are allocated to LSEs.. Flex are allocated to LRAs
like 1

[12:51 PM] Chris Devon

I think the CAISO Tariff would need changes... Adding additional CPM categories and/or adjustments to the method for identifying the individual LSE hourly type of deficiency

[12:52 PM] Cunningham, Patrick

I agree with Chris. The CAISO is currently resisting the notion that the CPUC as an LRA can re-allocate CPM costs regarding how the CPE functions. It's good to prevent LSEs from dodging CAISO CPM backstops, but CPM backstops are not intended to look at any hours other than the peak hour, and CPM'd resources generally have a 24x7 MOO.

heart 1

[12:54 PM] Meck, Alan L - E&FP

I see your point Patrick, but the point of the allocation isn't reliability, at least not as a first order goal. It's to punish the deficient entity, and the second order goal is reliability. I agree with Jeff; the most important thing is to make sure the deficient entity doesn't dodge responsibility.

[12:56 PM] Colbert, Cathleen

Cunningham, Patrick I agree with Chris. The CAISO is currently resisting the notion that the CPUC as an LRA can re-allocate CPM costs regarding how the CPE functions. It's good to prevent LSEs from dodging CAISO CPM backstops, but CPM backstops are not intended to look at any hours other than the peak hour, and CPM'd ...Thanks for this Patrick. I've been sitting here pondering what the appropriate purpose of CAISO's backstop process should be and what resonates for me is that it should test for meeting reliability. For system collective deficiency, that would include all capacity shown to support the reliability need (currently gross peak) from both CPUC and non-CPUC LSEs. This seems like the discussion may be asking the wrong question - not how CAISO would do this but if CAISO should.

[12:58 PM] Cunningham, Patrick

If a 24-slice system is not going to try to reflect market operations and the CAISO's obligations, I don't think it makes sense to re-direct CPM costs based on CPUC deficiencies. It seems like 24-slice really is only looking at energy sufficiency, which isn't what the CAISO's obligations are based on. If the CAISO's tariff is adjusted to consider what 24-slice is getting at, I think SCE's structure would make more sense though.

like 2

[1:01 PM] Colbert, Cathleen

Cunningham, Patrick If a 24-slice system is not going to try to reflect market operations and the CAISO's obligations, I don't think it makes sense to re-direct CPM costs based on CPUC deficiencies. It seems like 24-slice really is only looking at energy sufficiency, which isn't what the CAISO's obligations are based ...To your last sentence, something embedded in there is an implication that if CAISO's rules changed to assess 24-hour energy sufficiency it would result from identifying a reliability need to do so, and then I agree 24-hour slices would be more rational. At this time, the only additional reliability need I am aware the CAISO has highlighted in the net peak, low solar or wind profiles during that period. That in my mind is why two-slices better maps to actual reliability needs and better aligns with CAISO processes.

[1:06 PM] Chris Devon

Any CPM discussion for testing for hourly sufficiency must be premised on the concept that CAISO will develop a effective study/validation process that actually tests each hour. The CAISO has said several times that they don't want to be changing CIRA or other systems to do 24 hourly validations, thus CAISO wouldn't be able to do a 24 hourly CPM assessment. So unless CAISO will change how it validates the

program the CPM methods/approaches wont be able to change also. - FERC has been clear that CAISO has demonstrate the deficiency/CPM need

like 1

[1:14 PM] Colbert, Cathleen

Matthew Barmack Completely agree with your point here that the proposal for solar counting by CAISO would result in a less stringent test that does not seem to further our reliability goals. Thanks for bringing that articulation up.

like 2

[1:21 PM] Colbert, Cathleen

Partha Malvadkar (CAISO) (Guest) I see your point about what the FCDS amount is needed to support in contract. Can you put it here in the chat for us to think about more? I heard this as if >NQC is going to be needed to support deliverability for each 24 hours which will exceed the single NQC, that FCDS would be needed for the highest hour showing that the resource would be eligible for? Under two-slices, it's a single NQC for both slices where I'd expect FCDS to be there to support it, so don't see that as a two-slice issue. Did I capture that correctly?

[1:36 PM] Doug Karpa (Peninsula Clean Energy)) (Guest)

Actually, I think that the PRM and exceedence value depend on each other, so that whatever value you pick for exceedence, the PRM will shift to get the LOLE that we decide is needed. (Personally, I think as a policy matter 0.1 is too high, given how outage adverse California seems to be)

like 1

[1:46 PM] Nuo Tang

Doesn't the aversion to outages mean that we need 0.1 LOLE?

[1:47 PM] Meck, Alan L - E&FP

he's saying maybe it needs to be a bit lower to reflect where CA seems to be at policy-wise. Like maybe .05 or something.

[1:48 PM] Olson, Scott

Per the IRP we are planning for 0.0005.

laugh 1

[1:49 PM] Scott Murtishaw

One outage every 2,000 years sounds about right...

heart 1

[1:50 PM] Nuo Tang

Olson, Scott Per the IRP we are planning for 0.0005. What is it for emergency procurement? remind me?

[1:50 PM] Doug Karpa (Peninsula Clean Energy)) (Guest)

yes. I think a 1 in 33 (0.03) might be nearer the mark

[1:52 PM] Doug Karpa (Peninsula Clean Energy)) (Guest)

lol, yes, a one in two thousand year standard. One outage since the assassination of Julius Caesar, roughly

[1:54 PM] Doug Karpa (Peninsula Clean Energy)) (Guest)

Which is better than we had at one point, which would have been one outage since the reign of the Pharaoh Khufu, 2500 years before Julius Caesar's birth.

[2:17 PM] Griffes, Peter

With local RA having multi-year requirements and being a significant portion of the RA fleet, what analysis is there that multi-year requirements should apply to the entire RA fleet?

[2:21 PM] Colbert, Cathleen

Griffes, Peter With local RA having multi-year requirements and being a significant portion of the RA fleet, what analysis is there that multi-year requirements should apply to the entire RA fleet? I believe the crux of the issue is more about not unduly discriminating against local versus resource's picked up through CPE versus not. CPE can procure multi-year system up to local but other procurers cannot?

[2:22 PM] Gregory Klatt

There is still a large chunk of the thermal fleet that isn't local. Nor does a thermal unit being a local resource ensure that you get picked up (see PG&E CPE 2021 compliance report). As everything points to a need to keep virtually all thermal plants around for next 15-20+ years, we think it's a good idea to make sure they have the revenue certainty to stick around (and run reliably and efficiently when needed).

heart 1

[2:37 PM] Olson, Scott

With the IRP mandating 14.8 GW of new RA resources under 10 year contracts from the 2 IRP procurement decisions, does this reduce the need for multi-year LSE RA showings? Between this requirement and multi-year local, a large amount of capacity will already be under multi-year contracts.

[2:37 PM] Nuo Tang

Isn't the lack of refresh issue resolved by the RA proposals to that propose to refresh ELCC, LOLE and PRM every few years?

[2:39 PM] Nuo Tang

Olson, Scott With the IRP mandating 14.8 GW of new RA resources under 10 year contracts from the 2 IRP procurement decisions, does this reduce the need for multi-year LSE RA showings? Between this requirement and multi-year local, a large amount of capacity will already be under multi-year contracts. If we already have the majority under contract, then what's the issue of establishing MYR to show those resources?

[2:42 PM] Olson, Scott

Nuo Tang If we already have the majority under contract, then what's the issue of establishing MYR to show those resources? Back to the cons issue presented by IEP, especially load migration. If for reliability purposes we already have sufficient resources under long term contract, then adding a administrative showing is unnecessary.

[2:45 PM] Nuo Tang

It would put some accountability to ensure longer term reliability to which the IRP process doesn't have

[2:45 PM] Nuo Tang

so I think the administrative showing would be a benefit

[2:46 PM] Scott Murtishaw

Olson, Scott Back to the cons issue presented by IEP, especially load migration. If for reliability purposes we already have sufficient resources under long term contract, then adding a administrative showing is unnecessary. The RA obligation is much greater than the IRP-mandated capacity. There are other benefits of MYR for existing resources that we explained in the presentation and which the CPUC has acknowledged in prior decisions.

[2:47 PM] Barbara Barkovich (Guest)

Can everyone please mute?

[2:56 PM] Kikuyama, Rhett

All: I have to step away at 3pm and will be handing over the facilitator role to Lisa Wan now. Thank you for the discussion.

[2:58 PM] Julia souder Prochnik

Thank you again Barbara for all the great note taking!

like 5

[3:14 PM] David (Guest)

Distribution list for Feb. 4 informal comments - is it the 2 service groups?

[3:14 PM] Nuo Tang

when is the 1st draft of the report expected?

[3:14 PM] David (Guest)

... the 2 service lists?

[3:16 PM] Wan, Lisa

yes, please serve informal comments to the service list - the R.19 service list at a minimum

[3:16 PM] David (Guest)

Thanks Lisa - the reason I am asking is I think they need to go to both because R.19 is formally closed

[3:18 PM] David (Guest)

More specifically, I don't think a party can join R.19 since it is closed, so they would be excluded from the informal comments.

[3:18 PM] David (Guest)

Unless the comments go to both lists.

[3:18 PM] Wan, Lisa

good point!

[3:18 PM] Wan, Lisa

i'll note that in the email

[3:22 PM] David (Guest)

Thanks Lisa!!!

like 1

[3:22 PM] Barbara Barkovich (Guest)

Thank you, Lisa!

[3:23 PM] Paul Nelson-CLECA (Guest)

Thanks you Lisa, and Barbara!

[3:23 PM] David (Guest)

Thanks Barbara also!

like 1