

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

Order Instituting Investigation pursuant to Senate Bill 380 to determine the feasibility of minimizing or eliminating the use of the Aliso Canyon natural gas storage facility located in the County of Los Angeles while still maintaining energy and electric reliability for the region.

Investigation 17-02-002
(Filed February 9, 2017)

**NOTICE OF EX PARTE MEETING OF THE
CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION**

Pursuant to Article 8.4 of the Commission’s Rules of Practice and Procedure, the California Independent System Operator Corporation (CAISO) hereby provides notice of oral ex parte communication in the above captioned proceeding. The ex parte communication addressed potential CAISO transmission planning studies to inform the Commission regarding its ability to minimize use of the Aliso Canyon natural gas storage facility (Aliso Canyon).

This filing provides a summary of the CAISO’s August 20, 2021 ex parte discussion from 2:30 p.m. to 3:00 p.m. with Jonathan Koltz, Maria Sotero, and Kerry Fleisher, Chief of Staff and Energy Advisors to Commissioner Guzman-Aceves, respectively. Neil Millar, Vice President, Infrastructure and Operations Planning, Jeff Billinton, Director, Transmission Infrastructure Planning, Robert Sparks, Senior Manager, Regional Transmission, David Le, Senior Advisor, Regional Transmission Engineer, Delphine Hou, Director, California Regulatory Affairs, Erik Lagerquist, California Regulatory Affairs Associate, and Jordan Pinjuv, Senior Counsel, participated by Webex on behalf of the CAISO. Energy Division staff members Simon Baker, Jean Spencer, Eileen Hlavka, and Nathan Barcic also participated in the discussion.

Mr. Millar began the discussion on behalf of the CAISO by noting that local capacity requirements studies have implications for Aliso Canyon but are part of a broader picture of gas needs. The CAISO acknowledged that Aliso Canyon provides natural gas for electric generation needs in the Los Angeles Basin, but noted that non-electric generation needs are the primary drivers for Aliso Canyon usage. Mr. Millar also noted the CAISO’s openness to conduct additional studies to determine the level of electric generation necessary to support Los Angeles Basin area electricity needs. Mr. Millar explained the need for clarity regarding the Commission’s goals for additional studies, noting that the studies could be designed to determine

the infrastructure necessary to maintain electric reliability in the event Aliso Canyon retires or, in the alternative, options to reduce reliance on Aliso Canyon to meet electric generation needs.

Mr. Millar also noted that electric storage resources could be a valuable solution to meet Los Angeles Basin electric needs in conjunction with transmission solutions. The CAISO emphasized the need for timely transmission infrastructure enhancements to increase charging capacity into the Los Angeles Basin, noting that transmission upgrade benefits both improve capability to meet on-peak demand and supplement off-peak charging capabilities. Mr. Le noted that Southern California Edison Company and San Diego Gas & Electric Company areas both impact the need for electric generation after the retirement of the San Onofre Nuclear Generating Station. Mr. Le stressed the need to consider the system holistically, ensuring there are sufficient electric resources for different seasonal needs. Mr. Millar also noted that reducing use of gas-fired generation could reduce the economic case to retain these resources to meet local needs, but cautioned that resources may continue to be needed to meet system needs.

The CAISO indicated that it will produce five-year forward local capacity requirement studies between March and May 2022 and that the models for these studies will be developed in the coming months. The CAISO indicated its intent to help frame the studies needed for the Aliso Canyon proceeding going forward.

Respectfully submitted,

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