



## **Evaluation Report of Load Serving Entities' Compliance with 2020 Local and System Resource Adequacy Requirements (November 12, 2019)**

The ISO has reviewed and evaluated the aggregate 2020 annual Resource Adequacy (RA) Plans of load serving entities (LSEs) received as of November 5, 2019 and to assess compliance with annual Local, System and Flex Resource Adequacy requirements. In addition, the ISO has evaluated the effectiveness of the Resource Adequacy Resources and RMR resources that have been procured by LSEs to assess compliance in Local Capacity Areas with the Local Capacity Technical Study criteria as required by Tariff Sections 43.2.1.1 and 43.2.2. The ISO's evaluation has identified individual LSE and collective capacity deficiencies in several Local Capacity Areas in the PG&E and SCE TAC Areas. The ISO's evaluation shows aggregate compliance with the LCR criteria in the SDG&E, VEA and MWD TAC Areas. A deficiency occurs when the aggregate portfolio of Resource Adequacy Resources that has been procured, including RMR resources, fails to satisfy the adopted reliability criteria in a Local Capacity Area. The tariff provides an opportunity for LSEs to cure individual or collective deficiencies before the ISO can engage in any backstop procurement.

The ISO notes that the deficient LSEs are not required to purchase capacity from specific units, which are identified as being able to satisfy the LCR criteria for purposes of meeting individual deficiencies. LSEs (including those deficient at this time) can purchase capacity from any resources with a local attribute in the TAC Area. However, to the extent that the aggregate LSE showings do not comprise the right mix of resources that meet the LCR criteria and ISO effectiveness needs, a deficiency may exist that would cause the ISO to procure individual and/or collective backstop capacity.

### **System Resource Adequacy requirements**

The ISO's evaluation shows aggregate compliance with the year ahead RA requirement (90% of the monthly resource adequacy requirement) for the five summer months.

### **Flex Resource Adequacy requirements**

The ISO's evaluation shows aggregate compliance with the year ahead flex RA requirement for all months.

### **Local Resource Adequacy requirements**

The LSEs year-ahead RA showings evaluation was performed with the same assumptions as the 2020 LCR report that was used to give LSEs their LCR allocations, namely the LCR report dated May 1, 2019 <http://www.caiso.com/Documents/Final2020LocalCapacityTechnicalReport.pdf>. The LSEs and suppliers are subject to the RA replacement requirement and are subject to ISO capacity procurement mechanism backstop authority as approved by FERC.

### **SDG&E TAC Area**

The ISO's evaluation shows aggregate compliance with the LCR criteria.

### **SCE TAC Area**

1. Remaining technical need in the SCE TAC Area totals 108.35 MW.
2. At this time, individual LSE deficiencies in the SCE TAC Area total 125.33 MW.
3. At this time, the collective deficiency can only be given as a range (see page 1 paragraph 2 above) from a minimum deficiency of 0 MW to a maximum deficiency of 108.35 MW. If the individual deficient LSE purchase capacity from local resources to fill their shortfall and at the same time those resources meet the remaining technical need than collective deficiency will be minimized, but if not, then the collective deficiency could reach the maximum.

#### Need explanation by non-compliant area(s) and sub-area(s):

Big Creek/Ventura Area: an additional 108.35 MW is needed, from the relevant resources listed in Appendix A, in order to satisfy the LCR criteria. The remaining technical need is driven by one sub-area:

Santa Clara – with remaining need of 108.35 MW

### **PG&E TAC Area**

1. Remaining technical need in the PG&E TAC Area totals 332.89 MW.
2. At this time, individual LSE deficiencies in the PG&E TAC Area total 118.97 MW.
3. At this time, the collective deficiency can only be given as a range (see page 1 paragraph 2 above) from a minimum deficiency of 213.92 MW to a maximum deficiency of 332.89 MW. If the individual deficient LSE purchase capacity from local resources to fill their shortfall and at the same time those resources meet the remaining technical need than collective deficiency will be minimized, but if not, then the collective deficiency could reach the maximum.

#### Need explanation by non-compliant area(s) and sub-area(s):

Sierra Area: an additional 276.76 MW is needed, from the relevant resources listed in Appendix A, in order to satisfy the LCR criteria. The entire remaining technical need is driven by these sub-areas:

Drum-Rio Oso – with remaining need of 43.99 MW  
South of Palermo – with remaining need of 232.77 MW

Stockton Area: an additional 44.37 MW is needed, from the relevant resources listed in Appendix A, in order to satisfy the LCR criteria. The remaining technical need is driven by one sub-area:

Tesla-Bellota – with remaining need of 44.37 MW

Fresno Area: an additional 4.67 MW is needed, from the relevant resources listed in Appendix A, in order to satisfy the LCR criteria. The remaining technical need is driven by one sub-area:

Borden – with remaining need of 4.67 MW

Kern Area: an additional 7.09 MW is needed, from the relevant resources listed in Appendix A, in order to satisfy the LCR criteria. The remaining technical need is driven by one sub-area:

Kern 70 kV – with remaining need of 7.09 MW

### **Process for curing a Collective Deficiency:**

For purposes of curing a collective deficiency, a Scheduling Coordinator for an LSE may submit a revised annual Resource Adequacy Plan by **December 13, 2019**, to demonstrate the procurement of additional Local Capacity Area Resources consistent with this notice in order to resolve the collective deficiency as provided by Tariff Section 43.2.2.1. Any Scheduling Coordinator for an LSE that provides such additional

Local Capacity Area Resources consistent with this market notice shall have its share of any backstop procurement costs reduced on a proportionate basis in accordance with the Tariff. If the full quantity of capacity in the deficient Local Capacity Areas is not reported to the ISO under revised annual Resource Adequacy Plans, the ISO may engage in backstop procurement sufficient to alleviate the collective deficiency.

Scheduling Coordinators for LSEs are further reminded of the ISO BPM Appeals Committee's Decision on Appeal of PRR 854:

*"While this stakeholder process is underway, the ISO will continue to conduct its Local Capacity Technical Study as required by Section 40.3.1.1 of its tariff, but the ISO will use its discretion not to exercise its Capacity Procurement Mechanism authority to address annual resource deficiencies that are directly attributable to a discrepancy between a local regulatory authority's resource adequacy counting rules for demand response resources and ISO's Local Capacity Technical Study."*

**Appendix A – List of physical resources by TAC area, local area, sub-area and market ID**

<u>TAC Area</u>	<u>Mkt./Physical Res. ID</u>	<u>Physical Resource Name</u>	<u>NQC (MW)</u>	<u>Available (MW)</u>	<u>Local Area</u>	<u>LCR Need</u>
PG&E	CRNEVL_6_SJQN 2	San Joaquin 2	0.01	0.01	Fresno	Borden
PG&E	WISHON_6_UNITS	Wishon/San Joaquin #1-A Agg	18.40	18.40	Fresno	Borden
PG&E	OLDRIV_6_BIOGAS	Bidart Old River 1	1.69	1.69	Kern	Kern 70 kV
PG&E	SKERN_6_SOLAR1	South Kern Solar PV Plant	5.40	5.40	Kern	Kern 70 kV
PG&E	GRNLF2_1_UNIT	Greenleaf II Cogen	38.99	38.99	Sierra	Drum-Rio Oso
PG&E	KELYRG_6_UNIT	Kelly Ridge Hydro	11.00	2.00	Sierra	Drum-Rio Oso
PG&E	SLYCRK_1_UNIT 1	Sly Creek Hydro	13.00	3.00	Sierra	Drum-Rio Oso
PG&E	BELDEN_7_UNIT 1	Belden Hydro	119.00	113.13	Sierra	South of Palermo
PG&E	BIOMAS_1_UNIT 1	Woodland Biomass	24.31	24.31	Sierra	South of Palermo
PG&E	BNNIEN_7_ALTA PH	Alta Power House	0.68	0.68	Sierra	South of Palermo
PG&E	BOWMN_6_HYDRO	NID Bowman Powerhouse	2.54	2.54	Sierra	South of Palermo
PG&E	BUCKCK_2_HYDRO	Lassen Station Hydro	0.04	0.04	Sierra	South of Palermo
PG&E	BUCKCK_7_OAKFLT	Oak Flat	1.30	1.30	Sierra	South of Palermo
PG&E	DAVIS_7_MNMETH	MM Yolo Power LLC	1.76	1.76	Sierra	South of Palermo
PG&E	DEERCR_6_UNIT 1	Deer Creek	2.98	2.98	Sierra	South of Palermo
PG&E	FMEADO_6_HELLHL	FMEADO_6_HELLHL	0.43	0.43	Sierra	South of Palermo
PG&E	HAYPRS_6_QFUNTS	Haypress Hydro QF Units	0.09	0.09	Sierra	South of Palermo
PG&E	HIGGNS_1_COMBIE	Combie South	0.22	0.22	Sierra	South of Palermo
PG&E	HIGGNS_7_QFUNTS	HIGGNS_7_QFUNTS	0.24	0.24	Sierra	South of Palermo
PG&E	LODIEC_2_PL1X2	Lodi Energy Center	302.58	33.18	Sierra	South of Palermo
PG&E	NWCSTL_7_UNIT 1	New castle Hydro	0.51	0.51	Sierra	South of Palermo
PG&E	OXBOW_6_DRUM	Oxbow Hydro	3.62	3.62	Sierra	South of Palermo
PG&E	PLACVL_1_CHILIB	Chili Bar Hydro	8.40	6.84	Sierra	South of Palermo
PG&E	STIGCT_2_LODI	Lodi STIG Unit	49.50	18.07	Sierra	South of Palermo
PG&E	ULTRCK_2_UNIT	Rio Bravo Rocklin	22.83	22.83	Sierra	South of Palermo
PG&E	FROGTN_1_UTICAA	Angels Powerhouse	1.40	1.40	Stockton	Tesla-Bellota
PG&E	LOCKFD_1_BEARCK	Bear Creek Solar	0.41	0.41	Stockton	Tesla-Bellota
PG&E	LOCKFD_1_KSOLAR	Kettleman Solar	0.27	0.27	Stockton	Tesla-Bellota
PG&E	PEORIA_1_SOLAR	Sonora 1	0.41	0.41	Stockton	Tesla-Bellota
PG&E	PHOENX_1_UNIT	Phoenix PH	0.84	0.84	Stockton	Tesla-Bellota
PG&E	SCHLTE_1_PL1X3	Tracy Combined Cycle Plant	309.51	1.00	Stockton	Tesla-Bellota
PG&E	SPRGAP_1_UNIT 1	Spring Gap Hydro	0.01	0.01	Stockton	Tesla-Bellota
PG&E	STANIS_7_UNIT 1	Stanislaus Hydro	91.00	22.93	Stockton	Tesla-Bellota
PG&E	STNRES_1_UNIT	Covanta Stanislaus	18.26	0.26	Stockton	Tesla-Bellota
PG&E	ULTPCH_1_UNIT 1	Pacific Ultrapower Chinese St	16.19	16.19	Stockton	Tesla-Bellota
PG&E	VLYHOM_7_SSJID	Woodward Power Plant	0.65	0.65	Stockton	Tesla-Bellota
SCE	SNCLRA_2_UNIT	Channel Islands Power	27.50	27.50	Big Creek/Ventura	Santa Clara
SCE	SNCLRA_6_OXGEN	E.F. Oxnard Incorporated	35.38	35.38	Big Creek/Ventura	Santa Clara
SCE	SNCLRA_6_PROCGN	Procter & Gamble Oxnard II	45.47	45.47	Big Creek/Ventura	Santa Clara