Potential reliability must-run designation – Agnews Power Plant

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Stakeholder Call
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Potential reliability-must-run designation for the remainder of 2021 (Nov-Dec) and 2022:

Agnews Power Plant (Pmax 28.56 MW)

- Owned by O.L.S. Energy-Agnews, Inc.
- Requested retirement/mothball date: November 1, 2021 - Denied
- Found to be required to meet the local capacity requirements in the San Jose sub-area of the Bay Area local area.
- No RMR contract will be executed if the resource secures an RA contract in the meantime, satisfying the reliability need.
San Jose Sub-area: One-line diagram

[Diagram of the San Jose sub-area showing various substations and power lines.]

- Monta Vista
- San Jose subarea
- Newark
- Tesla
- Metcalf
- Moss Landing
- Los Banos
- To Panoche

Legend:
- 500 kV
- 230 kV
- 115 kV
- Contingency
- Overload

California ISO
# San Jose Sub-area: Load and Resources

<table>
<thead>
<tr>
<th>Load (MW)</th>
<th>2022</th>
<th>Generation (MW)</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Load</td>
<td>2664</td>
<td>Market</td>
<td>575</td>
</tr>
<tr>
<td>AAEE</td>
<td>-21</td>
<td>Wind</td>
<td>0</td>
</tr>
<tr>
<td>Behind the meter DG</td>
<td>-56</td>
<td>Muni</td>
<td>198</td>
</tr>
<tr>
<td><strong>Net Load</strong></td>
<td>2587</td>
<td>QF</td>
<td>0</td>
</tr>
<tr>
<td>Transmission Losses</td>
<td>95</td>
<td>Future preferred resource and energy storage</td>
<td>75</td>
</tr>
<tr>
<td>Pumps</td>
<td>0</td>
<td><strong>Total Qualifying Capacity</strong></td>
<td>848</td>
</tr>
<tr>
<td>Load + Losses + Pumps</td>
<td>2682</td>
<td>***</td>
<td></td>
</tr>
</tbody>
</table>
San Jose Sub-area: Requirements

<table>
<thead>
<tr>
<th>Year</th>
<th>Category</th>
<th>Limiting Facility</th>
<th>Contingency</th>
<th>LCR (MW) (deficiency)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2022</td>
<td>P2-4</td>
<td>Metcalf 230/115 kV transformer # 1 or # 3</td>
<td>METCALF 230 kV - Section 2D &amp; 2E</td>
<td>989 (141)</td>
</tr>
</tbody>
</table>

• Agnews Power Plant is located in the San Jose sub-area and required to meet expected local needs during 2022.

• No new transmission project can mitigate this need in 2022.

• No new resource is projected to mitigate this need in 2022.
Stakeholder engagement:

- By posting the Announced Retirement and Mothball List in November 2020, the CAISO has made public the mothball/retirement intention of Agnews Power Plant.
- Need justification for Agnews Power Plant was already presented to stakeholders during the March 11, 2021 call to discuss draft 2022 LCR results and April 7, 2021 call to discuss final 2022 LCR results.
- No stakeholder has raised issue with the need determination in the San Jose sub-area.
CAISO recommends designation of reliability must-run services as set out below:

- Establish must-run contracts for remainder of 2021 and year 2022 based on local capacity requirements for Agnews Power Plant.

- While it is possible for this resource to also be needed from a system wide perspective (depending on 2022 NQC values, amount and technology of new resources and magnitude of RA imports), the CAISO considers the already established local capacity requirement to supersede any other requirement and therefore the RMR designation (and its cost allocation) will be assigned as “local”.
Next Steps

• Comments due by end of day June 1, 2021.

• Submit comments to: regionaltransmission@caiso.com

• CAISO intends to take the conditional RMR designation to the July 14-15, 2021 Board meeting.

Thank you for your participation.