

## Submit comment on draft summary report

Initiative: Assembly Concurrent Resolution 188

The ISO values stakeholder input on this preliminary draft and plans to incorporate feedback received during the January 20 stakeholder call, and in written comments submitted by the deadline on February 3, into future iterations to ensure the accuracy and value of the final report. Please submit written comments to <a href="mailto:infoACR188@caiso.com">infoACR188@caiso.com</a>.

## **Submitter information**

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1. Provide a summary of your organization's comments on the draft summary report and January 20, 2023, stakeholder call discussion:

## The Clean Energy Buyers Association (CEBA)

CEBA is a national association for large-scale energy buyers with 368 members spanning the commercial and industrial sectors, non-profit organizations, as well as energy providers and service providers. CEBA's members are actively working toward the creation of a resilient, zero-carbon energy system and have contracted for more than 57.5 GW of carbon-free energy since 2014, of which 5 GW were in the Western region.

CEBA applauds the stakeholder outreach associated with the development of this report, including stakeholder call discussions and review of early drafts. The current draft summary report is comprehensive and has effectively distilled the narrative consistently found across the literature. The report authors have clearly defined and listed the well-known benefits of regional cooperation including production cost savings, resource capacity savings, emission reductions, and enhanced reliability. The literature reviewed frequently demonstrates that larger market footprints and more comprehensive structures for cooperation could maximize benefits for Western States. While there are several design issues to be addressed, additional benefits such as greater transparency, greater stakeholder participation and more efficient transmission utilization can be achieved as well.

2. Provide your organization's comments on the regional cooperation efforts in the West, as described in section 2 of the draft report:

CEBA appreciates the review of current regional cooperation in Section 2, specifically the descriptions of how each effort differs from each other in scope and function. The clear listing of functions provided by Regional Transmission Organizations (RTOs), compared to less comprehensive options, as well as the focus on both market design and governance for each effort are helpful.



The list of regional efforts currently includes Western Market Exploratory Group (WMEG) though there is little public information on that effort. Adding more detail to that description would be valuable to stakeholders. This effort also does not fit into the category of a Regional Framework for Cooperation or a State Effort. It would best fit into its own category of Utility-led Explorations.

3. Provide your organization's comments on the literature included in the review, as described in section 3 of the draft report:

Overall, CEBA supports the current list of studies and resources utilized for the report. The authors have been effective in creating digestible synopses for the materials that recognize the timing/content of each piece and any limitations of the technical studies. We suggest the new Jan 25<sup>th</sup> report *Western RTO Economic Impact Study for California*<sup>1</sup> be added as well.

In description #34 of the *Renewable Energy Policy Pathways Report* (2020), CEBA would like to emphasize the report's finding that participation in centrally organized wholesale markets makes any of the report's examined policy pathways cheaper and is key to increasing customer options, reducing costs, and facilitating greater renewable energy integration.<sup>2</sup> This finding is not covered by the summary but may be one of the most relevant to the objectives of CAISO's regional cooperation report.

4. Provide your organization's comments on the annotated summary of the literature, as described in section 4 of the draft report:

CEBA looks forward to reviewing the report's forthcoming expanded text on the RTO model and supports the current draft text of section 4. When discussing the impacts that different market options will have on state-level benefits, the report makes an important point that "any path towards greater regional cooperation would involve multistate collaboration based on consensus and common interests." The authors are correct that there are many interdependent factors that influence modeling and that finding clarity on the willingness of states to maximize the value of their transmission resources, allow Power Purchase Agreements to supply load, and accept higher interdependence to decrease costs will be needed to fully understand future benefits.

5. Provide your organization's comments on SB 100 and relevant updates, as described in section 5 of the draft report:

CEBA appreciates the comments on SB 100 in section 5 and looks forward to the forthcoming Joint Agency Report in 2025.

6. Provide any additional comments on the draft summary report and January 20, 2023, stakeholder call discussion:

Overall, CEBA thanks CAISO for its objective approach and use of a third party to develop an objective synthesis of proposals, studies, and papers dealing with regional cooperation in

<sup>&</sup>lt;sup>1</sup> Western RTO Economic Impact Study\_California.pdf (aee.net)

<sup>&</sup>lt;sup>2</sup> Renewable-Energy-Policy-Pathways-Report.pdf (cebi.org) (page 12)

<sup>&</sup>lt;sup>3</sup> NREL Technical Report Template (caiso.com) page 87



California and the West. The current draft summary is clear in its findings, well organized and easy to understand.