



# Decision on reliability must-run designation for Ellwood and Ormond Beach Generating Stations

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Ellwood and one Ormond Beach unit are required in 2019 to meet local reliability needs in the Moorpark sub-area.

- The needs identified in the 2017-2018 Transmission Plan were confirmed by the more recent 2019 local capacity technical study.
- A reliability must-run designation for these units:
  - does not necessarily lead to an agreement being executed
  - does not bar load-serving entities from entering into bilateral contracts

## Ellwood and one Ormond Beach unit will also likely be needed in 2020

- Upgrades are underway, aligned with the December 31, 2020 OTC compliance dates of Ormond Beach and Mandalay 1 & 2.
  - The Pardee-Moorpark 230 kV transmission project has an in-service date of December 31, 2020.
  - SCE is in the early stages of procuring preferred resources, expected to be online in 2021.
- All three Mandalay units were retired as of February 6, 2018.
- NRG has announced both units of Ormond Beach and Ellwood will be retired by the end of 2018.

# Coordination with the CPUC

- CPUC was informed on the need to retain Ellwood and at least one Ormond Beach unit through:
  - The market notice posting the 2019 local capacity technical study report
  - The ISO's submission of the report to the CPUC on May 15
- The CPUC's proposed 2019 Resource Adequacy decision directed SCE to seek negotiating a contract for the resources.
- No RA contracts are in place at this time

Management requests Board authorization to designate the Ellwood Generating Station and one unit at the Ormond Beach Generating Station for reliability must-run.

- Units are needed to meet local reliability needs in the Moorpark sub-area
- Following Board authorization:
  - NRG would be expected to develop its proposed cost of service.
  - ISO staff would then work with NRG, the responsible utility, and the CPUC to review NRG's proposed cost of service.
  - The ISO will continue to coordinate with SCE on any efforts they may have to procure these resources under RA.