

Stakeholder Comments Template

Subject: On-Peak Generation Deliverability Study Generation Dispatch Assumptions

Submitted by (name and phone number):	Company or Entity:	Date Submitted:
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EDF-R renewables appreciates this opportunity to provide comments on CAISO's proposal to change on-peak generation deliverability study generation dispatch assumptions.

EDF-R appreciated the level of detail CAISO provided for the proposal to shift the cutover time from secondary system need (SSN) to high system need (HSN) from 17:00 to 18:00. EDF-R the supports this portion of the CAISO's proposal.

EDF-R is concerned about the ripple impacts of CAISO's proposal to change the dispatch of energy storage in its deliverability study assumptions from 100% to 80% and does not support the change at this time for the following reasons:

- 1. CAISO's shift to 80% dispatch for energy storage will increase renewable curtailment**
Allowing more generation to be designated as having Full Capacity Deliverability Status (FCDS) on the existing approved and built transmission will exacerbate existing congestion. The CAISO already sees high levels of renewable energy curtailment (2,000 GWh of curtailments totaled up by the CAISO year-to-date in 2022.) Interconnection capacity and deliverability is a finite supply and allowing more generation to interconnect with FCDS in already congested areas will increase congestion.
- 2. CAISO's proposal has the effect of disincentivizing the approval of transmission to support deliverability via the Transmission Planning Process (TPP)**
The CAISO board approved new policy driven transmission projects for the first time in seven (7) years in the 2021-2022 TPP report. It is abundantly clear based on California law mandating additional renewables as well as the CAISO's 20-year transmission plan that significant transmission development is needed to support the aforementioned, as well as the interim goals between now and 2040. Changing the energy storage dispatch to 80% creates an immediate "headroom" in the existing base case and will slow the velocity of the processes that trigger that transmission development.

**3. Changing the storage dispatch from 100% to 80% will exacerbate the supercluster drivers
CAISO seeks to remedy in its IPE 2021 stakeholder initiative**

Implementation of this proposal will encourage a queue “goldrush” because the change creates newly available transmission plan deliverability (TPD) in places where it has historically been limited. In response interconnection customers will undertake enthusiastic efforts to seek to receive the allocation of that deliverability in the 2022-2023 allocation process as well as Cluster 15.

4. The CAISO should offer the same keep-whole opportunity now that it provided during the CAISO’s 2019 effort to change the deliverability dispatch amounts

In 2019 the CAISO lowered the study amounts for wind and solar projects, thus limiting the opportunity to “transfer” deliverability. In 2019 the CAISO changed the solar dispatch from ~90% to ~10% and, in coordination with that effort, afforded interconnection requests studied under the ~90% dispatch methodology an opportunity to add energy storage (but not interconnection capacity) via MMA applications and transfer deliverability from solar to storage. EDF-R believes the CAISO should make an equivalent opportunity in this case, and give interconnection customers the opportunity to keep their existing deliverability. EDF-R proposes that storage projects that are already FCDS could bring their 20% with them to Cluster 15, and projects that have PCDS could elect to keep their 20% and increase their PCDS %/ MW value.

5. CAISO may need Board and FERC approval for this change, topic may not be sufficiently socialized among market participants

CAISO proposed and received approval for the equivalent changes in 2019 via a formal stakeholder process, which included approval from its Board and FERC. Will this effort require similar treatment, or will it be vetted through the CAISO’s Business Practice Manual (BPM) process? EDF-Renewables suggests that if the answer to both questions is “no” then this topic has not received sufficient socialization among affected market participants because it was announced via one market notice and was reviewed under the “miscellaneous stakeholder meetings” banner. EDF-Renewables suggests that the remedy to that discrepancy in audience size could be rectified by issuing a targeted email to interconnection customers or to the participant list for the 2019 stakeholder effort, consistent with CAISO’s stakeholder affairs emails that announce paper posting etc.

EDF-R requests that the CAISO provide a response to each of the five concerns above.

Finally, on the June 6 call to discuss this change, CAISO explained that it expects dispatch percentages for generation to change every 2-3 years as the generation fleet undergoes the significant changes expected in the next decade. If that is to be the case, EDF-Renewables request that the CAISO establish in its BPM a consistent process for notifying interconnection customers of the proposed change(s) and their expected affects.

Thank you for your time and consideration.