# BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Oversee the Resource Adequacy Program, Consider Program Refinements, and Establish Forward Resource Adequacy Procurement Obligations

Rulemaking 19-11-009 (Filed November 7, 2019)

# REPLY COMMENTS ON PROPOSED DECISION ON TRACK 3B.2 ISSUES: RESTRUCTURE OF THE RESOURCE ADEQUACY PROGRAM OF THE CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION

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Date: July 6, 2021

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#### I. Introduction

The California Independent System Operator Corporation (CAISO) provides reply comments on the proposed *Decision on Track 3B.2 Issues: Restructure of the Resource Adequacy Program* (Proposed Decision). The CAISO appreciates the opportunity to provide reply comments and looks forward to working with the Commission to refine the resource adequacy program to meet evolving grid needs.

### II. Discussion

A. The Commission Should Modify the Proposed Decision to Allow Parties to Consider Elements of Both Slice-of-Day Proposal and the Joint Proposal to Ensure the Restructured Resource Adequacy Program Can Cover Multi-Day Reliability Events.

The CAISO agrees with parties¹ recommending the Commission continue to consider the Southern California Edison/California Community Choice Association (SCE/CalCCA) joint proposal as a viable option during the next phase in this proceeding. Furthermore, the CAISO agrees with parties² stating the SCE/CalCCA joint proposal more appropriately addresses multi-day reliability events compared to the single representative day in the Pacific Gas and Electric's Slice-of-Day framework. To create a durable future resource adequacy program, it is increasingly necessary to consider and plan for multi-day

<sup>&</sup>lt;sup>1</sup> California Community Choice Association, Opening Comments on Resource Adequacy Track 3B.2 Proposed Decision, R.19-11-009, June 30, 2021, pp. 3-4; California Energy Storage Alliance, Opening Comments on Resource Adequacy Track 3B.2 Proposed Decision, R.19-11-009, June 30, 2021, pp. 3-7 (CESA Opening Comments); Hydrostor, Opening Comments on Resource Adequacy Track 3B.2 Proposed Decision, R.19-11-009, June 30, 2021, p. 7. (Hydrostor Opening Comments).

<sup>&</sup>lt;sup>2</sup> CESA Opening Comments, p.7; Hydrostor Opening Comments, p. 3.

reliability events with little to no solar and/or wind production and to incentivize resource procurement to maintain reliability during these events. Therefore, the Commission should modify the Proposed Decision to allow parties additional time to consider fully which elements of each proposal can best address the four key principles noted in the Proposed Decision<sup>3</sup>, rather than prematurely foreclosing such consideration.

## III. Conclusion

The CAISO appreciates the opportunity to provide comments on the Proposed Decision and looks forward to working with the Commission and parties in workshops to discuss these critical issues.

Respectfully submitted

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<sup>&</sup>lt;sup>3</sup> California Public Utilities Commission, *Proposed Decision on Resource Adequacy Track 3B.2 Issues: Restructure of the Resource Adequacy Program*, R.19-11-009, June 10, 2021, pp. 25-26.