BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Develop an Electricity Integrated Resource Planning Framework and to Coordinate and Refine Long-Term Procurement Planning Requirements.

Rulemaking 16-02-007 (Filed February 11, 2016)

NOTICE OF EX PARTE COMMUNICATION BY THE CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION

Pursuant to Article 8.2 of the California Public Utilities Commission (Commission) Rules of Practice and Procedure, the California Independent System Operator Corporation (CAISO) hereby files this notice of written ex parte communication in the above captioned proceeding.

On October 17, 2019, CAISO Vice President of Infrastructure and Market Development, Keith Case, Ph.D., sent the attached power point presentation via email (Attachment A) to Rachel Peterson, Chief of Staff for Commissioner Randolph; Nora Sheriff of Buchalter Law Firm, counsel for California Community Choice Association; Mark Smith of Calpine Corporation; and Samantha Ficklin, Executive Assistant to Assemblywoman Autumn Burke.

Respectfully submitted,

By: /s/ Jordan Pinjuv

Roger E. Collanton General Counsel Anthony J. Ivancovich Deputy General Counsel Anna A. McKenna Assistant General Counsel Jordan Pinjuv Senior Counsel California Independent System 250 Outcropping Way Folsom, CA 95630 Tel: (916) 351-4429 Fax: (916) 608-7222 Email: jpinjuv@caiso.com

Attorneys for the California Independent System Operator Corporation

Dated: October 17, 2019

Attachment A

From:	Casey, Keith
То:	"Sheriff, Nora"; Peterson, Rachel A.; Smith, Mark A.; Ficklin, Samantha
Cc:	Pinjuv, Jordan; Hou, Delphine
Subject:	RE: CCPUC Grid Challenges Panel - coordination call
Date:	Thursday, October 17, 2019 2:30:48 PM
Attachments:	CCPUC Oct 29 2019.pptx

All,

Here are the draft slides for my opening comments. I welcome your feedback and will look to finalize them by COB tomorrow.

Best, Keith

Keith E. Casey, Ph.D, VP, Market and Infrastructure Development California Independent System Operator (916) 608-7125 (O) (916) 802-4585 (C)

----Original Appointment----From: Sheriff, Nora <nsheriff@buchalter.com>
Sent: Friday, October 11, 2019 5:23 PM
To: Peterson, Rachel A.; Casey, Keith; Smith, Mark A.; Ficklin, Samantha; Smit, Denise
Subject: [EXTERNAL] CCPUC Grid Challenges Panel - coordination call
When: Wednesday, October 16, 2019 11:00 AM-11:30 AM (UTC-08:00) Pacific Time (US & Canada).
Where: Tel://8776994804.*,,974205#

Assemblywoman Burke, Rachel & Keith,

Thank you all again for participating on the panel, Challenging the Grid: Planning for a Reliable, Carbon-free Energy Future, *and* for making yourselves available for this 30 minute call to coordinate the panel discussion.

Call-in number: 877-699-4804 Guest code: 974205 #

One-touch dialing: <u>Tel://8776994804.*,,974205#</u>

The context for the discussion is SB 100 and the state's intertwined climate and energy goals – with an eye towards 2045. After a 2-3 minute intro (and ex parte statement) by me, each panelist could give a 5-7 minute overview with your perspective and accompanied by some slides, leaving us about 30 minutes for a panel discussion and 10 minutes for questions from the audience.

I would like for the panel to address reliability, renewables integration, catastrophic wildfires, the

challenges these all pose to actually operating the grid (Keith), procuring for the grid (Rachel), and the public safety and affordability concerns (Assemblywoman Burke). Please add/edit as you see fit.

I look forward to our coordination discussion next week and very much look forward to our panel on Oct. 29, 2019. I will try to come up with some interesting questions and share them in advance. For example, for Assemblywoman Burke, is there anything you see as missing from SB 901 from last year and AB 1054 and AB 1513 this year? It might also be interesting for you to ask each other questions, too.

Potential lighter questions I may ask at the end of the panel:

- What is something you used to believe and now do not?
- What task do you procrastinate doing?
- What was your worst idea ever?

Thank you!

Best,

Nora

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Planning for a Reliable, Carbon-free Energy Future

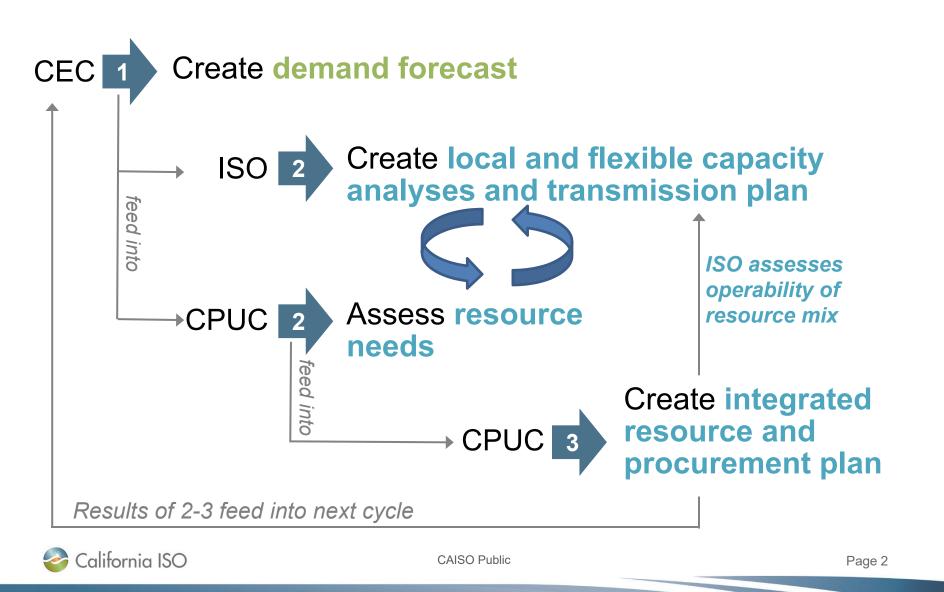
Keith E. Casey, Ph.D.

Vice President, Market & Infrastructure Development California Independent System Operator

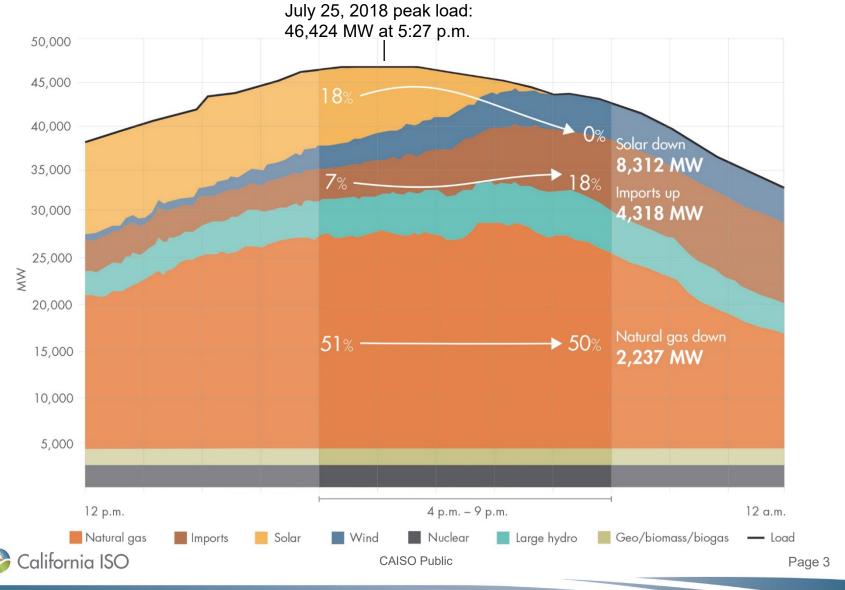
Conference of California Public Utility Counsel Monterey, California October 27-29, 2019

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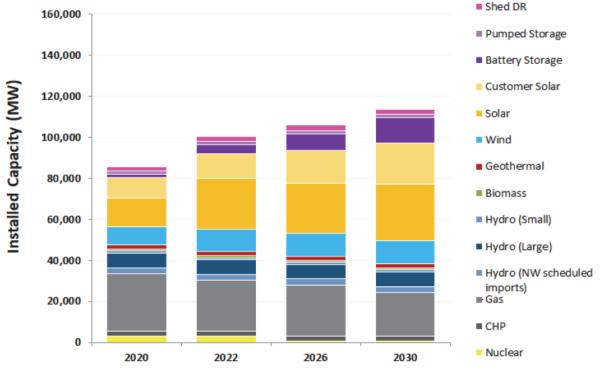
Coordination with state processes



Gas and imports support high loads after sun sets



CPUC IRP preliminary analysis suggests 2030 buildout will be predominately solar + storage with 4 GW of gas retirement.



Total Resource Stack: 46 MMT Case

Source: 2019-2020 IRP Preliminary Results, CPUC Energy Division, October 4, 2019 <u>https://www.cpuc.ca.gov/General.aspx?id=6442459770</u>



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Proposed portfolio raises significant operability questions that will require more rigorous analysis.

- *"Batteries + solar is an untested reliability paradigm and the combined capacity contribution of these resources has significant uncertainty."*¹
- *"Under more stringent GHG targets, gas plants are increasingly retained for capacity rather than energy and are dispatched less frequently."*²
- *"The 2045 studies generally retain more gas capacity than in the 2030 Core Policy Cases, particularly the 38 and 30 MMT cases."*
- *"This suggests that context outside of the 2030 Core Planning Cases should be used to inform any decision making regarding the optimal portfolio of resources for 2030."*³
 - 1. 2019-2020 IRP Preliminary Results, CPUC Energy Division, October 4, 2019 (slide 76)
 - 2. 2019-2020 IRP Preliminary Results, CPUC Energy Division, October 4, 2019 (slide 69)
 - 3. 2019-2020 IRP Preliminary Results, CPUC Energy Division, October 4, 2019 (slide 56)



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