

Executive Appeals Committee Hearing

PG&E's Comments for the 2021 Executive Appeals Committee Hearing on PRR 1280

Pacific Gas and Electric Company (PG&E) appreciates the opportunity to provide a written statement regarding proposed revision request (PRR) 1280 and the progress that has been made regarding the issues discussed during the hearing in December 2020. PG&E appreciates the extensive efforts by the California Public Utilities Commission (CPUC), the California Independent System Operator (CAISO), Southern California Edison Company, and San Diego Gas & Electric Company to seek alignment on the issue of resource adequacy (RA) for demand response (DR) resources. These efforts include the consideration of refinements to the qualifying capacity (QC) methodology for DR resources, which would be applied on an interim basis for the 2022 RA compliance year and exemption from the CAISO's RA availability incentive mechanism (RAAIM).

PG&E acknowledges Decision 21-06-029 in the CPUC's RA proceeding has requested the California Energy Commission (CEC) to lead workshops contemplating a permanent QC methodology for DR resources - beginning with the 2023 RA compliance year - that appropriately account for the variable nature of DR.

Accordingly, PG&E's comments herein reflect its position on PRR 1280 solely for the 2022 RA compliance year.

- If the CPUC adopts an effective load carrying capability (ELCC)-based approach for the 2022 RA compliance year - as an interim QC methodology, PG&E supports PRR 1280 as a reasonable step forward to address CAISO's concerns of placing all RA resources, including DR, on a CAISO supply plan with the exemption from the CAISO's RAIM applied accordingly.
- If the CPUC does not adopt an ELCC-based approach for the 2022 RA compliance year and continues with the existing load impact protocols, PG&E is concerned the existing LIP does not appear to meet the CAISO's criteria for RAIM exemption.
 - PG&E is seeking RA program alignment on DR resources
 - PG&E would oppose or seek a continued abeyance of PRR 1280 until the 2023 RA compliance year when the CEC workshop efforts are completed establishing a permanent QC methodology for DR resources that appropriately account for the variable nature of DR.

PG&E looks forward to working with stakeholders on DR-related matters and appreciates the on-going efforts and discussions by all parties.