



# Decision on request for reliability must-run designations

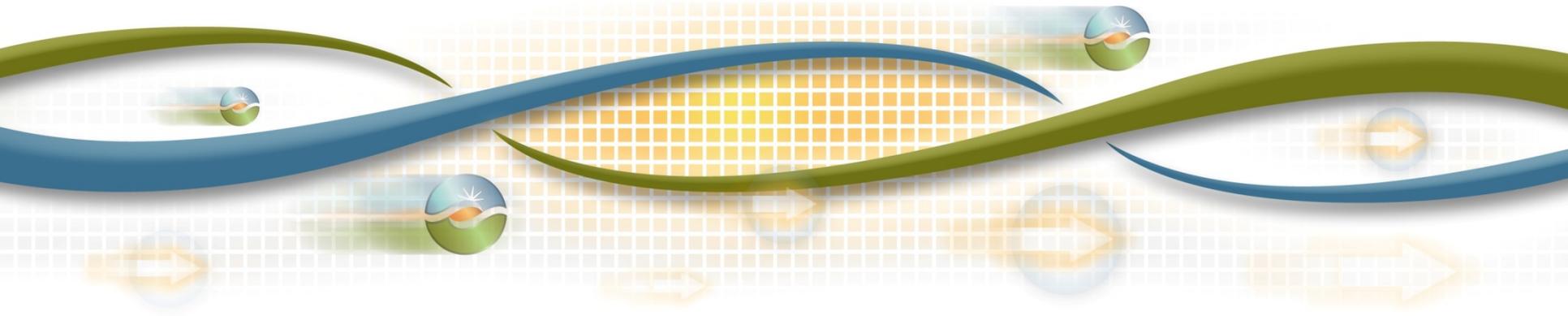
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Calpine has identified four 47 MW “peaker” plants that will be unavailable in 2018 absent a capacity contract.

- The four generating stations are:
  - Yuba City Energy Center
  - Feather River Energy Center (also in Yuba City)
  - King City Energy Center
  - Wolfskill Energy Center (in Suisun)
- Calpine cited timing concerns with CPM mechanism due to capital outlay and resource planning requirements.
- ISO undertook the necessary studies to confirm whether these units would create unacceptable reliability impacts

# Assessment Summary

Peaker Unit	Needed for Reliability?
Yuba City	✓
Feather River (Bogue)	✓
King City	✗
Wolfskill	✗

# Yuba City Energy Center

- Yuba CEC provides local capacity for in the Pease sub-area
- The Pease sub-area local capacity requirement 100 MW
- Only 82 MW of capacity is available from other generators in the sub-area
- The area will be local capacity deficient without Yuba City Energy Center

# Feather River Energy Center

- Feather River is not needed to address local capacity issues
- However, Feather River is required for reliability reasons as it is effective in addressing voltage issues in the area by absorbing reactive power from the system
  - 115 kV bus voltages are often significantly beyond upper limit of normal range
  - Longer term mitigation options exist and will be pursued in coordination with PG&E in future transmission planning cycles.

# King City Energy Center and Wolfskill Energy Center

- There is no reliability need for King City Energy Center or the Wolfskill Energy Center from a capacity or voltage support perspective.

Stakeholder call was held on March 6 with questions focusing on:

- Process for development and review of costs.
- The voltage support requirement for the Feather River generation.
- Process and the mechanics of the RMR designation, of CPM processes, and risk-of-retirement mechanisms.

## Management requests Board authorization to designate the Yuba City Energy Center and Feather River Energy Center for reliability must run:

- Calpine would then be expected to develop its proposed cost of service.
- ISO staff would then work with Calpine along with the responsible utility and the CPUC to review Calpine's proposed cost of service, including any proposed capital investments.
- The RMR agreement would only be executed and then filed with FERC in Q4 2017 if the resource adequacy showings in Q3 2017 do not address the identified need.