

**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 Rules 8.3(c) and 8.4(a) of the California Public Utilities Commission (Commission) Rules of Practice and Procedure, the California Independent System Operator Corporation (CAISO) hereby files this notice of oral ex parte communication in the above captioned proceeding. The ex parte communication occurred during a presentation a conference at which at Commission decisionmaker attended.

On October 29, 2019, CAISO Vice President of Infrastructure and Market Development, Keith Casey, Ph.D., presented the attached power point slides as part of a panel titled “Challenging the Grid: Planning for a Reliable, Carbon-free Energy Future.” The panel was scheduled from 9:30 am to 10:30 am and was part of the Conference of California Public Utility Counsel’s Annual Meeting, which took place at 400 Cannery Row, Monterey, California. Rachel Peterson, Chief of Staff for Commissioner Randolph, attended the conference and presented on the same panel.

During the panel, Dr. Casey presented the PowerPoint slides included as Attachment A to this notice. Dr. Casey discussed the recently released Integrated Resource Plan (IRP) preliminary modeling results. Specifically, Dr. Casey noted the predominance of solar and storage in the IRP’s preliminary 46 million metric ton (MMT) carbon dioxide output scenario and expressed concern regarding the operability of a predominantly solar and storage portfolio. Dr. Casey further recommended that the proposed IRP portfolios be subject to more rigorous operational analysis before being adopted and that stakeholders should consider keeping the existing gas fleet resources as a safety-net in case the new planned portfolios of solar and storage are not operationally

reliable. Finally, Dr. Casey described the current trend of declining imports and noted that if California is going to depend on imports, it needs to execute long-term contracts for such resources.

Respectfully submitted,

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Dated: November 1, 2019

Attachment A



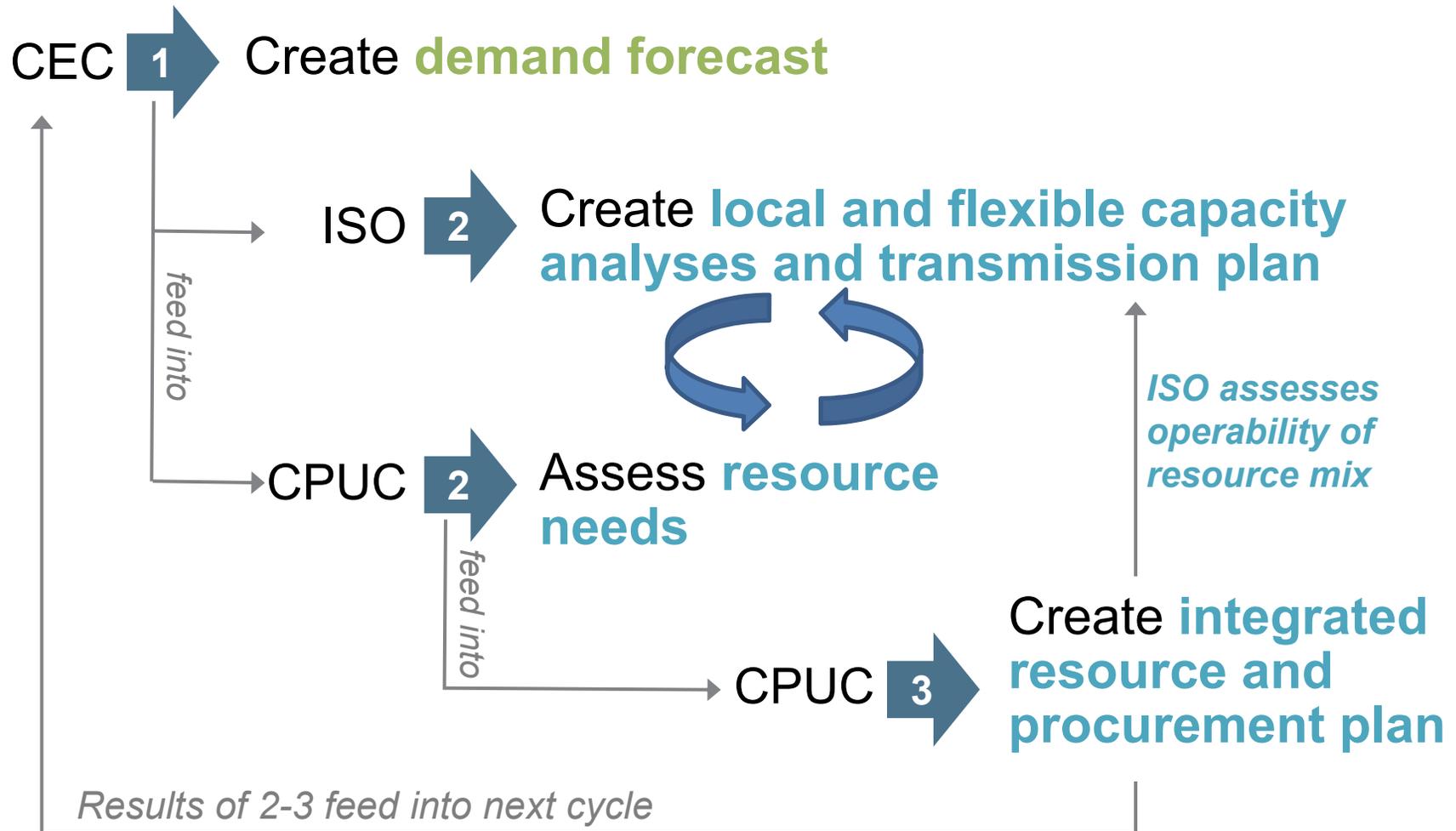
Planning for a Reliable, Carbon-free Energy Future

Keith E. Casey, Ph.D.

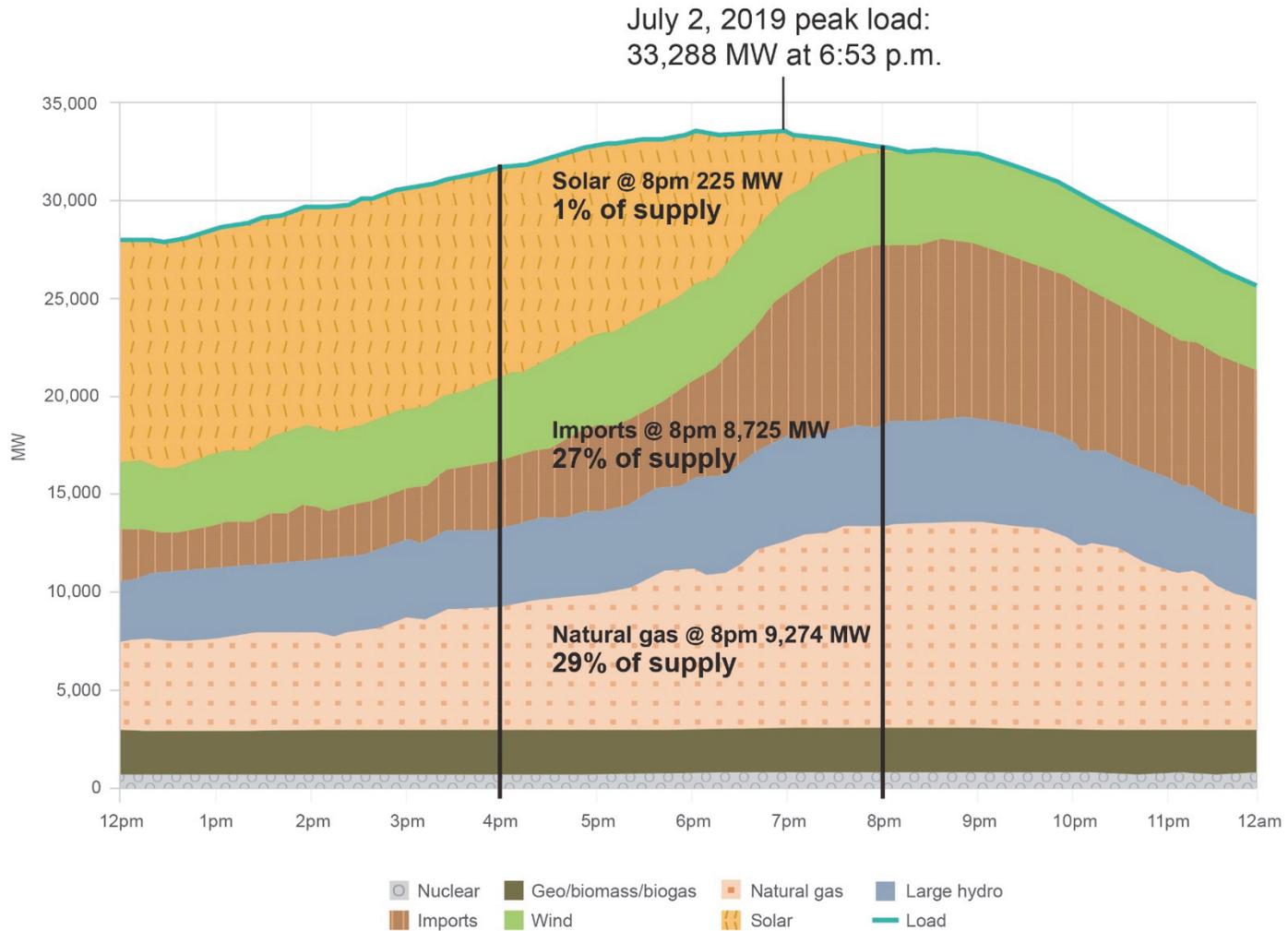
Vice President, Market & Infrastructure Development
California Independent System Operator

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

Coordination with state processes

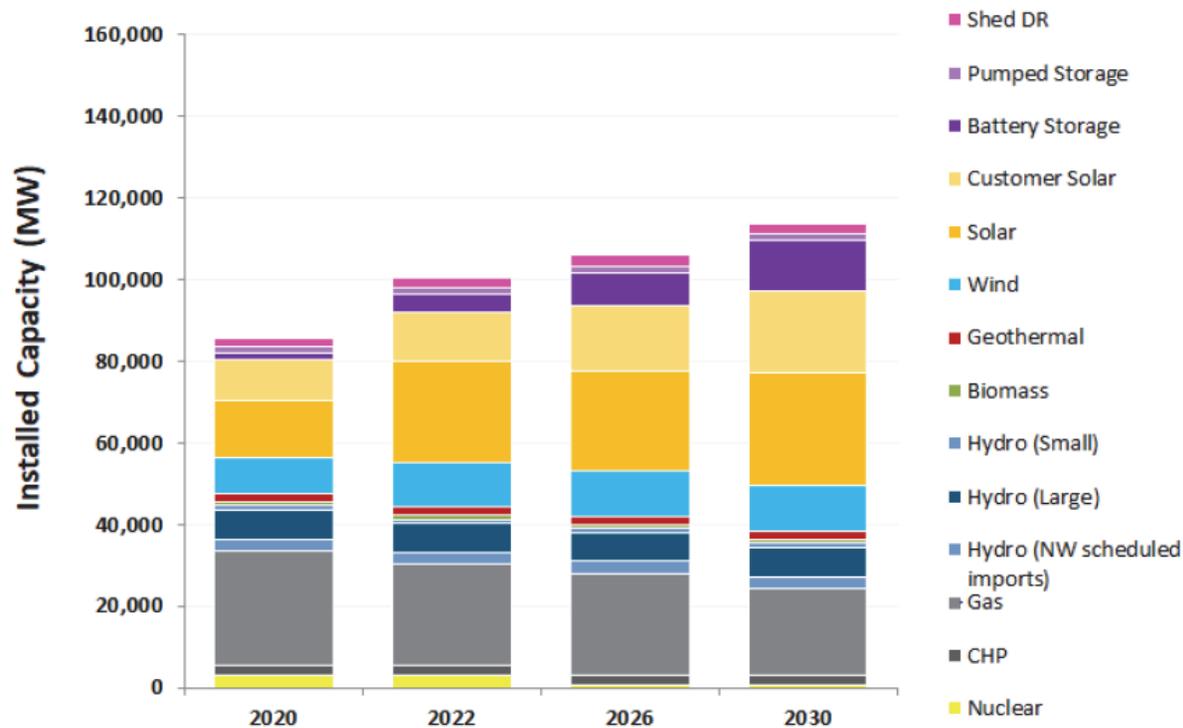


Gas and imports support high loads after sun sets



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
<https://www.cpuc.ca.gov/General.aspx?id=6442459770>

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.”³*
- *“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)