

MINUTES

REGULAR MEETING of the Energy Planning & Resources Committee

of the Clean Power Alliance of Southern California

Wednesday, July 28, 2021, 12:15 p.m.

The Energy Planning & Resources Committee conducted this meeting in accordance with California Governor Newsom's Executive Order N-29-20 and COVID-19 pandemic protocols.

CALL TO ORDER & ROLL CALL

Committee Chair Parkhurst called the meeting to order at 12:17 p.m. and Clerk of the Board, Gabriela Monzon, conducted roll call.

ROLL CALL			
Alhambra	Jeffrey Maloney	Committee Member	Remote
Arcadia	Tom Tait	Committee Member	Remote
Carson	Reata Kulcsar	Committee Member	Remote
Sierra Madre	Robert Parkhurst	Chair	Remote
Thousand Oaks	Helen Cox	Committee Member	Remote
Ventura County	Carmen Ramirez	Committee Member	Remote

All votes are unanimous, unless otherwise stated.

GENERAL PUBLIC COMMENT

There was no public comment.

CONSENT AGENDA

1. Approve Minutes from May 26 and June 23, 2021, Energy Committee Meetings
2. Receive and File May and June 2021 Risk Management Team Reports

Motion: Committee Member Tait, Arcadia

Second: Committee Member Kulcsar, Carson

Vote: The consent agenda was approved by a roll call vote.

REGULAR AGENDA

3. Review the California Public Utilities Commission Diablo Canyon Decision & Proposed CPA Request for Offers (RFO)

Natasha Keefer, Vice President of Power Supply, provided an overview of the California Public Utilities Commission's (CPUC) Diablo Canyon decision which orders load serving entities (LSEs), including CPA, to procure 11,500 MW of new capacity statewide to come online between 2023-2026. The capacity is intended to replace the capacity retiring from the Diablo Canyon Power Plant as well as several once-through-cooling (OTC) thermal power plants. CPA is expecting to

release a Reliability Request for Offers (RFO) in September to seek offers for eligible projects to fully comply. Ms. Keefer explained that under the decision, CPA is required to procure a total of 679 MW of new reliable capacity between 2023-2026; discussed types of resources required to come online and defined long lead time resources in further detail. Long duration storage is defined as able to deliver a maximum capacity for at least eight hours from a single resource; firm zero emitting generation resources is defined as generation capacity that has no on-site emissions or is eligible under the RPS program and has at least an 80% capacity factor. The decision specifically states the resources can't be use-limited or weather dependent, making the options for technology geothermal or biomass. LSEs will have to submit evidence of a good faith effort by February 1, 2023, to the CPUC that demonstrates an effort to procure long lead time resources. Staff assessed CPA's compliance under the decision; CPA has a robust portfolio of resources that qualify. The compliance position incorporates conservative assumptions of project failures and successful power purchase agreement negotiations and CPA will not require any additional resources in the 2023-2025 timeframe; however, if PPA negotiations fall through, CPA will be short 161 MW. CPA is seeking to launch a 2021 Reliability RFO targeted towards meeting the procurement obligations under this decision. Additional procurement targets will be assessed in 2022 along with CPA's integrated resources planning (IRP) process. Three key procurement drivers to consider during planning are CPA's long-term product content strategy, the 2022 IRP process, and additional resources available through the PCIA allocation. Ms. Keefer concluded with a review of the 2021 Reliability RFO Schedule and other upcoming solicitations.

Chair Parkhurst asked why the Reliability RFO will be open longer than typical and the likelihood of procuring resources in CPA's service territory. Ms. Keefer explained that the RFO will stay open only slightly longer than usual and will give developers a head start to encourage a robust response; it may be likely that CPA does not receive a lot of responses to the RFO due to the nature of the resources required. Offers may include long duration storage and alternative long duration storage technologies, but there may not be a lot of availability for new geothermal and biomass facilities which can make it challenging to fill the entire compliance requirement. It is unlikely that new base load resources and renewables paired with storage will be located within CPA service territory. Standalone storage, though located in CPA's territory, is more expensive than storage paired with the generation resource. Committee Member Ramirez noted that there is some concern that about the grid's ability to handle the electrification happening throughout the state; Ms. Keefer explained that the planning at the CPUC over the next decade does include assumptions around electrification and development of behind the meter solar and storage. Committee Member Kulcsar asked about changes to the accounting methodology and thanked staff for the opportunity to review the 2021 Power Share DAC RFO requirements at the August Energy Committee meeting. Ms. Keefer noted that CPA's requirement will not change, but the contracting and pending megawatts will change after the accounting methodology determines what resources will count towards the requirement. Ted Bardacke, Executive Director, added that if current PPA negotiations are not successful, the 2021 Reliability RFO may include some regular renewables to make up for a shortfall. Responding to Committee Member Maloney's comments, Mr. Bardacke noted that because CPA has done so much early procurement, it is in good share to fill its renewables position for the Diablo Canyon decision.

COMMITTEE MEMBER COMMENTS

Committee Member Ramirez noted that a San Luis Obispo County Supervisor shared the possibility of using Diablo Canyon to create, store, and distribute hydrogen; Mr. Bardacke explained that hydrogen is very popular politically at the moment but has some implementation and environmental challenges to overcome.

ADJOURN

Chair Parkhurst adjourned the meeting at 1:03 p.m.