



## Stakeholder Comments Template

### Effective Load Carrying Capability (ELCC) Study Results for Demand Response (DR) Resources

This template has been created for submission of stakeholder comments on the updated ELCC study results for DR resources, which was published on June 18, 2021. The Stakeholder meeting presentation and other information related to the discussion, may be found on the initiative webpage at:

<http://www.caiso.com/informed/Pages/MeetingsEvents/MiscellaneousStakeholderMeetings/Default.aspx>.

Upon completion of this template, please submit it to [initiativecomments@caiso.com](mailto:initiativecomments@caiso.com). Submissions are requested by close of business on **June 28, 2021**.

Submitted by	Organization	Date Submitted
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**Please provide your organization's comments on the following issues and questions.**

The California Efficiency + Demand Management Council (Council) appreciates this opportunity to provide these brief comments on the June 24, 2021 Effective Load Carrying Capability (ELCC) Study Results and Working Group. This working group was convened following the California Public Utilities Commission's (Commission) June 3 Assigned Commissioner's Ruling (June 3 ACR) in Rulemaking (R.) 19-11-009 that directed a workshop to review the CAISO's updated Effective Load Carrying Capability (ELCC) analysis. The CAISO and IOUs would then submit the following to the Commission by July 1 in order for the Commission to consider reflecting the updated study results in the IOUs' demand response (DR) Net Qualifying Capacity (NQC) values:

- Refreshed study results based upon 2020 bid data from Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE), as well as from San Diego Gas & Electric Company (SDG&E);
- Thorough documentation of study methodology and assumptions, and explanation of how data from Load Impact Protocol (LIP) filings, if any, were utilized in or informed the study, as well as updated runs of the study (as needed);

- A summary of the key differences between LIP inputs and calculations versus the proposed ELCC method; and
- A workshop report that summarizes parties' comments on the study methodology and results, and attaches parties' comments. CAISO and/or an IOU shall provide parties (via the service list in this proceeding): (1) a minimum 7 days' notice of any workshop, and (2) a minimum of 10 days' notice to provide written comments to CAISO and the IOUs on the study results.

## 1. ELCC Updated Study Results

### A. The CAISO did not comply with the process specified in the June 3 ACR.

The CAISO has not complied with the timeline that was specified in the June 3 ACR which specifically states that parties shall be provided a minimum of 10 days' notice to provide written comments on the updated ELCC study results.<sup>1</sup> The CAISO held its workshop on June 24 but required stakeholder comments by June 28. This allowed for only four days to develop comments (half of which fell on a weekend) rather than the ten days specified in the June 3 ACR. It appears that the CAISO may have interpreted this ten-day window to begin once the workshop slides were distributed among stakeholder on June 17. If so, this is an incorrect assumption not supported by the June 3 ACR because it has always been both Commission and CAISO practice to "start the clock" on comments only after a workshop or stakeholder meeting. Furthermore, the workshop slides, which bear noting were subsequently revised the day prior to the workshop, are so vague as to have little meaning absent the critical context that could only have been provided by a presentation of the slides by the E3 consultants who performed the updated study. Consistent with the directions in the June 3 ACR, the CAISO should have provided parties with ten days following the workshop to develop comments on the updated analysis. Based on the June 24 workshop date, parties should have been given until July 5 to comment; therefore, they were deprived of seven days to inform the Commission with their feedback.<sup>2</sup>

### B. It is unclear exactly what the CAISO proposes in its updated analysis.

Even with the benefit of E3's June 24 presentation, it is still unclear exactly how the CAISO proposes its ELCC methodology be applied and how it would impact IOU DR NQC values. For instance, at the workshop, E3 discussed the pros and cons of treating DR as a "first-in" or "last-in" resource in the ELCC analysis, provided some vague assumptions about how DR is assumed to dispatch in 2030, and provided no recommended approach on exactly how the ELCC methodology should be applied to the IOU DR programs. During the workshop, the CAISO stated that it is up to the Energy Division to decide how to use the CAISO's analysis, yet it would seem reasonable to submit a transparent proposal so that parties can have a clear understanding of the

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<sup>1</sup> *Assigned Commissioner's Ruling on Submission of Refreshed Effective Load Carrying Capability Study Results*, R.19-11-009, June 3, 2021, at p. 3.

<sup>2</sup> Ten days after the June 24 workshop equates to July 4.

impact on IOU DR NQC values. It is possible that the heat maps of incremental and average ELCC to reflect the 2020 DR bids in Slides 35 and 36 of the presentation can be useful in this regard because they can act as a clear visual indicator of the reliability value, from the LOLE perspective, of DR based on its call constraints. Unfortunately, these slides were not updated to include the IOUs' 2020 bids.

The CAISO could have eliminated a great deal of the ambiguity surrounding its ELCC methodology if it had provided parties with a written paper consisting of a complete narrative that clearly explained its methodology and how it would interact with the DR Load Impact Protocol (LIP)-based NQC values. Absent that, it is difficult to provide any substantive feedback on the June 24 workshop.