



# Presentation to the State Water Resources Control Board on Item 5

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# Overview of Comments

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- CPUC is one of seven organizations represented on the SACCWIS.
  - This presentation is on behalf of the CPUC, not the SACCWIS.
- Speaking to Section 5 of the Draft Staff Report (System-Wide Grid Reliability Compliance Date Extensions).
- Support Water Board staff’s preferred approach, as discussed in staff presentation.
- Extensions are in the public interest and are necessary to “bridge the gap” until new resources are online.



# SACCWIS Recommendation

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- Extend Alamitos Units 3, 4, and 5 for 3 years.
- Extend Huntington Beach Unit 2 for 3 years.
- Extend Ormond Beach Units 1 and 2 for 3 years.
- Extend Redondo Beach Units 5, 6, and 8 for 1 year.



# Joint Letter to State Water Board

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- May 27, 2020 Joint Letter
  - Continue to support analysis behind SACCWIS recommendation.
  - OTC extensions are an insurance policy in case of delays in procurement.
  - COVID-19 at least exacerbates existing uncertainty that led to the CPUC and SACCWIS recommendations.
  - Low capacity factors do not indicate lack of need for OTC generators.
- Additional Considerations
  - Energy agencies are committed to retiring the OTC generators.
  - CPUC has identified potential delays in online dates for a small number of projects.
  - Energy agencies will continue to monitor and may request further extension of resources retiring at the end of 2021, if absolutely necessary.



# OTC Operation

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- Low capacity factors do not mean OTCs are not needed.
- OTC generators dispatched during the few times each year when demand is extremely high and there are limited other options to maintain grid reliability.
- OTC generators tend to operate at similar times or simultaneously.
  - In peak hours during recent heat wave, all OTCs were needed to serve load.
- One OTC generator cannot simply “ramp up” to replace others.



# Availability of Supply

