

# CPUC Public Agenda 3478

Thursday, January 14, 2021 10:00 a.m.  
Remotely



**Commissioners:**  
**Marybel Batjer, President**  
**Martha Guzman Aceves**  
**Clifford Rechtschaffen**  
**Genevieve Shiroma**

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California Public  
Utilities Commission

# CPUC Mission

We Empower California through:

- Assuring utility services are clean and safe.
- Providing for critical services and infrastructure.
- Designing rates that are fair and reasonable.
- Protecting the interests of consumers and ratepayers.



# CPUC Core Values

Accountability  
Excellence  
Integrity  
Open Communication  
Stewardship



California Public  
Utilities Commission

# Commissioner Code of Conduct

- **I. Commissioners should conduct themselves in a manner that demonstrates respect for the public, for fellow Commissioners, and for Commission staff.**
- **II. Commission meetings should be opportunities for a full and respectful exchange of ideas and the responsible execution of Commission duties.**
- **III. Serving on the Commission is an honor and Commissioners should treat their colleagues at the Commission with respect for the varied backgrounds, skills and interests that each one brings.**
- **IV. Commissioners are public officials who should uphold the integrity of their office at all times.**



# Public Comment

- Per Resolution ALJ-252, any member of the public (excluding parties and their representatives) who wishes to address the CPUC about matters before the Commission must call in to toll-free number: 1-800-857-1917
- Passcode: 9899501
- Once called, each speaker has up to 2 minutes at the discretion of the Commission President. Depending on the number of speakers, the time limit may be reduced to 1 minute.
- A bell will ring when time has expired.

## **Public Comment is not permitted on the following items:**

- All items on the Closed Session Agenda
- 9, 44



# Management Reports

**Item #46 [19072]**

## **Management Report on Administrative Activities**

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# Final Root Cause Analysis of the Mid-August 2020 Extreme Heat Wave

A joint report of the CAISO, CPUC and CEC

**January 14, 2021, CPUC Business Meeting Management Report**  
**Pete Skala, Director of Efficiency, Electrification, and Procurement**  
**Energy Division**



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# Root Causes

- The climate change-induced extreme heat wave across the western United States resulted in demand for electricity exceeding existing Resource Adequacy and planning targets
- Planning targets in the transition to a reliable, clean and affordable resource mix have not resulted in sufficient resources to meet demand in the early evening hours of extremely hot days
- Several practices in the energy markets exacerbated the supply challenges under highly stressed conditions

# Notable Modifications Included in Final Root Cause Analysis Report

- Discussion of the Labor Day weekend heat wave
- Additional analysis of resource performance by resource type, including Demand Response based on customer meter settlement data
- Scheduling/bidding of load into the Day Ahead market by type of load serving entity
- References to analysis provided in the Department of Market Monitoring report on the rotating outages
- Revised and updated recommendations

## **Actions Underway for Summer 2021**

- Continue to track and approve projects currently under development to help ensure project completion by their target online dates
- CPUC Emergency Reliability rulemaking (R.20-11-003)
- CAISO expedited stakeholder process on market rules and practices
- CEC conducting probabilistic studies that evaluate the loss of load expectation on the California system
- CAISO, CEC, and CPUC improvements to future coordination, including communication protocols and development of a contingency plan

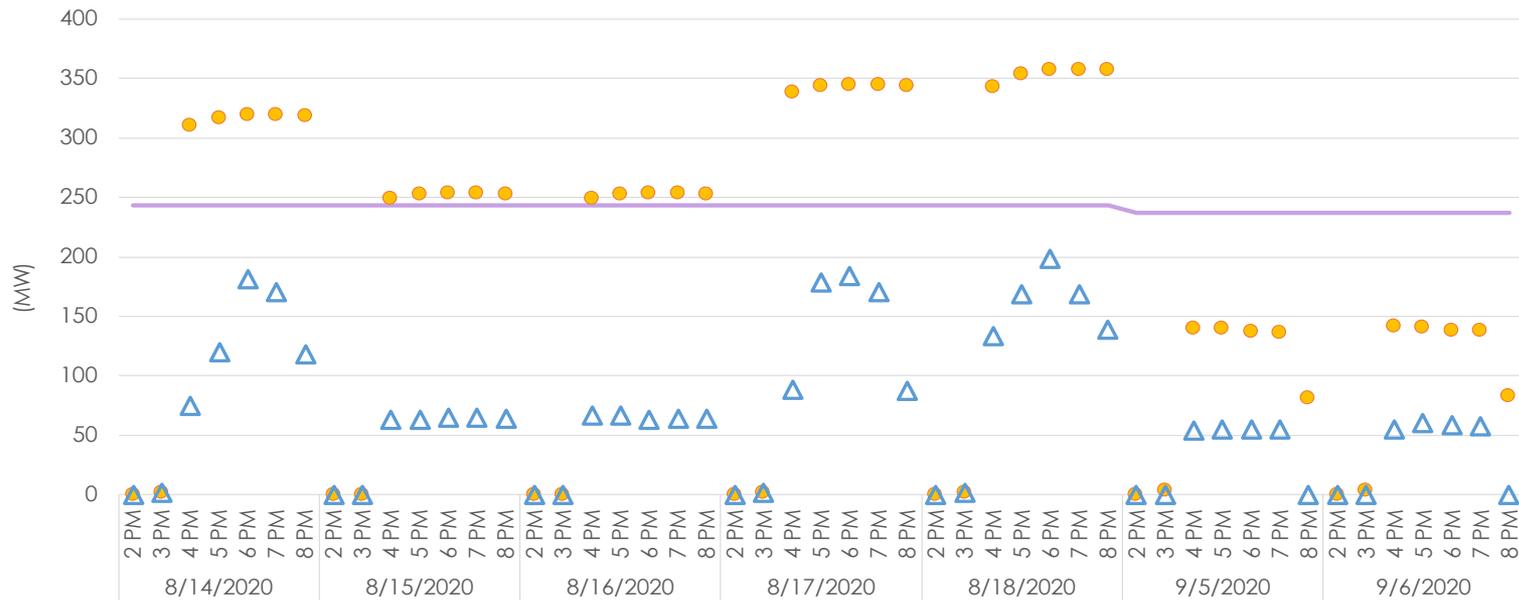
## **Additional Actions for Summer 2021:**

- CEC and CAISO to coordinate with non-CPUC-jurisdictional entities to encourage additional necessary procurement
- CAISO, CPUC, and CEC planning to enhance the efficacy of Flex Alerts

# Real Time Performance of Demand Response

	Metered load drop	RDRR dispatched or PDR real-time awards	% metered load drop	Credited (w/o losses or PRM gross up) or shown RA	% metered load drop	% metered load drop	Credited (w/ losses and PRM gross up)	% metered load drop	
<b>During 8/14 Stage 3</b>									
IOU RDRR (credited)	762	935	81%	904	84%	978	1,115	68%	
PDR (credited)	69	101	68%	288	24%	311	368	19%	
PDR (RA)	79	191	41%	243	33%	n/a	n/a	n/a	
<b>During 8/15 Stage 3</b>									
IOU RDRR (credited)	722	846	85%	904	80%	978	1,115	65%	
PDR (credited)	2	8	30%	288	1%	311	368	1%	
PDR (RA)	32	127	25%	243	13%	n/a	n/a	n/a	

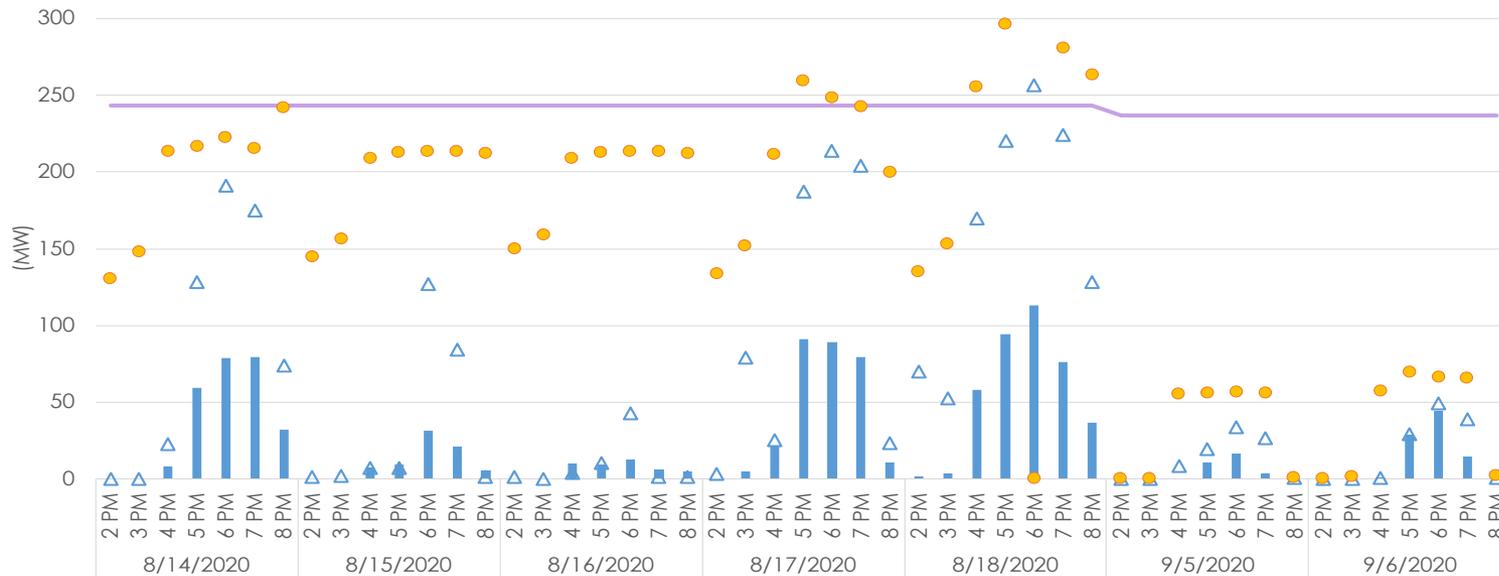
# Day Ahead Results for Proxy Demand Response shown on LSE Supply Plans (i.e., non-credited)



All times shown are at the start of the hour

● Max. RA PDR day-ahead bids    ▲ Max. RA PDR day-ahead awards    — Total RA PDR capacity shown

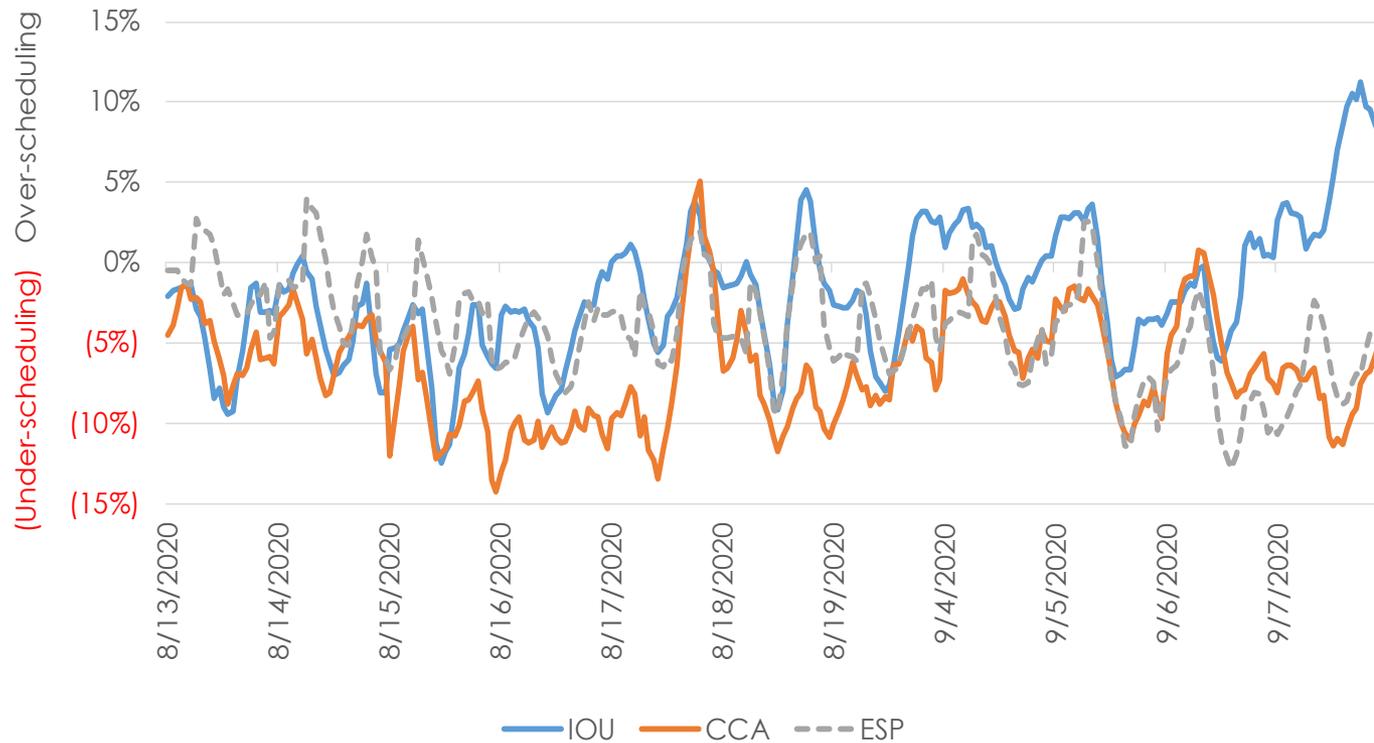
# Real Time Results for Proxy Demand Response shown on LSE Supply Plans (i.e., non-credited)



All times shown are at the start of the hour

- Total RA PDR actual metered load drop
- ▲ Max. RA PDR real-time awards
- Total RA PDR capacity shown
- Max. RA PDR real-time bids

# Additional Day Ahead Load Scheduling Granularity



# Questions?



# Management Reports

**Item #46 [19072]**

## **Management Report on Administrative Activities**

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# Public Agenda Changes

Items shown on the Consent Agenda will be taken up and voted on as a group in one of the first items of business of each CPUC meeting.

- Items on Today's Consent Agenda are: 1, 2, 3, 5, 7, 10, 11, 12, 13, 14, 16, 17, 18, 19, 20, 21, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, and 36.
- Any Commissioner, with consent of the other Commissioners, may request an item from the Regular Agenda be moved to the Consent Agenda prior to the meeting.
- **No Item** from the Regular Agenda has been added to the Consent Agenda.
- Any Commissioner may request an item be removed from the Consent Agenda for discussion on the Regular Agenda prior to the meeting.
- **No Item** has been moved to the Regular Agenda.
- **Items 9 and 42** have been withdrawn.
- The following items have been held to future Commission Meetings:

**Held to 2/11/21: 4, 6, 8, 15, 22, 35, and 39.**



# Regular Agenda

- Each item on the Regular Agenda (and its alternate if any) will be introduced by the assigned Commissioner or CPUC staff and discussed before it is moved for a vote.
- For each agenda item, a summary of the proposed action is included on the agenda; the CPUC's final decision may, however, differ from that proposed.
- The complete text of every Proposed Decision or Draft Resolution is available for download on the CPUC's website: [www.cpuc.ca.gov](http://www.cpuc.ca.gov)
- Late changes to agenda items are available on the Virtual Escutia Table.



## Regular Agenda – Energy Orders

### Item #37 [19032] – 2021 Electric Procurement Revenue Requirement Forecasts and Greenhouse Gas-Related Forecasts for San Diego Gas & Electric Company

#### A.20-04-014

Application of San Diego Gas & Electric Company for Approval of its 2021 Electric Procurement Revenue Requirement Forecasts and GHG-Related Forecasts.

**Quasi-Legislative**

**Comr Guzman Aceves - Judge Wercinski**

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#### **PROPOSED OUTCOME:**

- Adopts 2021 electric procurement revenue requirements for San Diego Gas & Electric Company (SDG&E).
- Approves SDG&E's 2021 greenhouse gas (GHG) related forecasts.
- Approves SDG&E's proposed 2021 Power Charge Indifference Adjustment rates.
- Approves SDG&E's proposed 2021 rate components for Green Tariff Shared Renewables program.
- Closes the proceeding.

#### **SAFETY CONSIDERATIONS:**

- Decision facilitates reduction of GHGs and will improve health and safety of California residents.

#### **ESTIMATED COST:**

- \$1,161.437 million 2021 forecast electric procurement revenue requirement.

## Regular Agenda – Energy Orders (continued)

### Item #37A [19099] – 2021 Electric Procurement Revenue Requirement Forecasts and Greenhouse Gas-Related Forecasts for San Diego Gas & Electric Company

#### A.20-04-014

Application of San Diego Gas & Electric Company for Approval of its 2021 Electric Procurement Revenue Requirement Forecasts and GHG-Related Forecasts.

**Quasi-Legislative**

**Comr Guzman Aceves**

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#### **PROPOSED OUTCOME:**

- Adopts 2021 electric procurement revenue requirements for San Diego Gas & Electric Company (SDG&E).
- Approves SDG&E's 2021 greenhouse gas (GHG) related forecasts.
- Approves SDG&E's proposed 2021 Power Charge Indifference Adjustment rates.
- Approves SDG&E's proposed 2021 rate components for Green Tariff Shared Renewables program.
- Directs SDG&E to implement rates based upon its 2021 energy requirements sales forecast.
- Closes the proceeding.

#### **SAFETY CONSIDERATIONS:**

- Decision facilitates reduction of GHGs and will improve health and safety of California residents.

#### **ESTIMATED COST:**

- \$1,161.437 million 2021 forecast electric procurement revenue requirement.

## Regular Agenda – Energy Orders (continued)

### Item #38 [19048] – Rates, Tariffs, and Rules Facilitating the Commercialization of Microgrids Pursuant to Senate Bill 1339 and Resiliency Strategies

**R.19-09-009**

Order Instituting Rulemaking Regarding Microgrids Pursuant to Senate Bill 1339 and Resiliency Strategies.

**Ratesetting**

**Comr Shiroma - Judge Rizzo**

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#### **PROPOSED OUTCOME:**

- Adopts rates, tariffs, and rules that facilitate commercialization of microgrids pursuant to Senate Bill 1339.
- Also frames resiliency strategies for 2021 and beyond.

#### **SAFETY CONSIDERATIONS:**

- The microgrid programs, resiliency projects, and requirements of this decision will promote the public health and welfare in preparation for future wildfire seasons and potential commercial grid outages.

#### **ESTIMATED COST:**

- No specific revenue requirement is adopted; implementation costs will be subject to future reasonableness review.

# Regular Agenda – Orders Extending Statutory Deadline

## Item #40 [19060] – Order Extending Statutory Deadline

### A.19-07-021

Application of Southern California Edison Company for Authorization to Recover Costs Related to 2017-2018 Drought and 2017 Firestorms and Recorded in the Catastrophic Event Memorandum Account.

**Ratesetting**

**Comr Batjer - Judge Toy**

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### PROPOSED OUTCOME:

- Extends Statutory Deadline for completion of this proceeding until July 29, 2021.

### SAFETY CONSIDERATIONS:

- There are no safety considerations implicated with this Order Extending Statutory Deadline.

### ESTIMATED COST:

- There are no costs associated with this Order Extending Statutory Deadline.

# Regular Agenda – Orders Extending Statutory Deadline (continued)

## Item #41 [19083] – Order Extending Statutory Deadline

### A.19-08-004

Application of the Metro Gold Line Foothill Extension Construction Authority for an order authorizing construction of one light rail track at the La Verne Station east pedestrian at-grade rail crossing in the City of La Verne in Los Angeles County, California.

**Ratesetting**

**Comr Batjer - Judge Goldberg**

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### PROPOSED OUTCOME:

- Extends Statutory Deadline for completion of this proceeding until August 3, 2021.

### SAFETY CONSIDERATIONS:

- There are no safety considerations implicated with this Order Extending Statutory Deadline.

### ESTIMATED COST:

- There are no costs associated with this Order Extending Statutory Deadline.

# Regular Agenda – Orders Extending Statutory Deadline (continued)

## Item #43 [19090] – Order Extending Statutory Deadline

### A.19-07-019

Application of Pacific Gas and Electric Company for Approval of its Mobile Application and Supporting Systems Pilot.

**Ratesetting**

**Comr Rechtschaffen - Judge DeAngelis**

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### **PROPOSED OUTCOME:**

- Extends Statutory Deadline for completion of this proceeding until January 27, 2024.

### **SAFETY CONSIDERATIONS:**

- There are no safety considerations implicated with this Order Extending Statutory Deadline.

### **ESTIMATED COST:**

- There are no costs associated with this Order Extending Statutory Deadline.

# Regular Agenda – Orders Extending Statutory Deadline (continued)

## Item #44 [19095] – Order Extending Statutory Deadline

**C.20-02-002**

James Keeney vs. Pacific Gas and Electric Company.

**Ratesetting**

**Comr Guzman Aceves - Judge Goldberg**

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### **PROPOSED OUTCOME:**

- Extends statutory deadline for completion of this proceeding until August 9, 2021.

### **SAFETY CONSIDERATIONS:**

- There are no safety considerations implicated with this Order Extending Statutory Deadline.

### **ESTIMATED COST:**

- There are no costs associated with this Order Extending Statutory Deadline.

# Management Reports



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# Management Reports

**Item #45 [19049]**

## **Report and Discussion on Recent Consumer Protection and Safety Activities**

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# Electric Safety and Reliability Branch

August 2020 Outage Investigations  
Safety and Enforcement Division



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# Background

- In mid-August 2020, the State of California experienced an unprecedented and widespread heat storm forcing electrical demand to exceed available resources.
- The resulting stage 3 power alerts culminated into rolling outages throughout the CAISO control area on August 14<sup>th</sup> and August 15<sup>th</sup> and resulted in more than 2,700 MW of derates at electric generating facilities.
- In response to the situation, the Electric Safety and Reliability Branch (ESRB) initiated an investigation into the forced outages that occurred at electric generating facilities throughout the CAISO's control area.

# Overview

- ESRB issued a data request to all 130 Generating Asset Owners (GAOs) in California.
- ESRB requested responses for any outage that was two (2) hours or longer and 50 MW or greater that occurred between August 12<sup>th</sup> and August 20<sup>th</sup>.
- From the GAO responses received:
  - 23 plants experienced forced outages that met ESRB's criteria;
  - The total number of electric generating outages resulted in a combined loss of over 8,300 MW during the two-week time period.

# Overview of ESRB's Investigations

ESRB inspected 12 electric generating facilities that met its defined criteria.

No.	Facility Name	Type of Investigation
1.	Sutter Energy Center	In-person inspection
2.	Redondo Beach	In-person inspection
3.	Ormond Beach	In-person inspection
4.	Mountainview Generating Station	In-person inspection
5.	Sunrise Energy Center	In-person inspection
6.	Oakland Power Station	In-person inspection
7.	Panoche Energy Center (PG&E)	Tabletop exercise
8.	Alamitos	Tabletop exercise
9.	Moss Landing	Tabletop exercise
10.	Desert Stateline Solar Facility	Tabletop exercise
11.	Harbor Cogeneration Facility	Data request
12.	Blythe Energy Center	Data request

# General Order 167 and ESRB's Investigations

- The purpose of GO 167 is to implement and enforce standards that focus on safety, operational practices and preventative maintenance for maintaining reliability and availability of generating facilities.
- While ESRB enforces GO 167, it lacks citation authority to fine GAOs for violations and/or noncompliance with GO 167.
- ESRB can issue notices of violations (NOVs) to incentivize corrective actions and can recommend a formal investigation (e.g., OII) for GAO noncompliance.
- SED is currently exploring the options available that would enable SED to have citation authority for GO 167.

# ESRB Corrective Actions Issued

Facility	Violations Found	Corrective Action Issued
<b>Sutter Energy Center</b>	Three (3) violations of GO 167	Notice of Violation (NOV)
<b>Sunrise Energy Center</b>	Two (2) violations of GO 167 One (1) violation of NFPA	NOV
<b>Mountainview Generating Station</b>	Four (4) violations of GO 167	CAP

# ESRB Action Items & Recommendations

- **Continue to Monitor Electric Generating Outages**

- ESRB will continue to monitor daily Power Plant Outage Reports in order to flag any unusual outages reported and conduct follow up.

- **Start Early Preparation for Summer 2021**

- Issue a data request to electric generators before the summer months instructing GAOs to submit any derates or outages for June-September that meet ESRB's defined criteria\*.

- **Strengthen Inter-Agency Coordination**

- Between the CAISO and GAOs' scheduling coordinators to prevent longer, catastrophic derates from occurring.

\*defined criteria in this context is any outage two (2) hours and longer in duration and 50 MW and greater in derate.

# Backup Slides

# Overview of In-Person Investigations

Facility Name	Outage Information	Cause of Outage
<b>Sutter Energy Center</b>	Forced Outage 8/12-8/13; 25 hours, 275 MW	Gasket Leak
	Forced Outage 8/17; 4 hours 574 MW	Turbine trip
<b>Redondo Beach</b>	Forced Outage 8/9-8/12; 178.87 MW	Control Valve Gasket, Boiler Tube Leak, Derate
	Forced Outage 8/13-8/16; 178.87 MW	Boiler Tube Leak
	Forced Outage 8/16-8/28; 73.87 MW	Derate because of Boiler Tube Leak
	Forced Outage 8/17-8/18; 178.87 MW	Thrust Bearing
<b>Ormond Beach</b>	Forced Outage 8/27 -8/30; 750 MW	Boiling Casing Leak
	Forced Outage 8/25-9/13; 91 MW	Expansion Joint Failure
<b>Mountainview Generating Station</b>	Forced Outage 08/12; 305 MW	Digital control system (DCS) on Unit 4B Combustion Turbine tripped the unit offline
	Forced Outage 09/06; 250 MW	Main steam valve actuator developed a hydraulic leak that caught fire
<b>Sunrise Energy Center</b>	Forced Outage 08/18 – 08/20; 300 MW	Ground fault relay of rotor field relay
	Forced Outage 9/27-10/05; 150-170 MW	Hot reheat tube leak

# Overview of In-Person Investigations cont'd

Facility Name	Outage Information	Cause of Outage
<b>Oakland Power Station</b>	Forced Outage 8/14: 54 – 61 MW	High inlet air temp / air pressure
	Forced Outage 8/15 – 8/16: 83 - 103 MW	High inlet air temp / air pressure
	Forced Outage 8/17: 83 – 94 MW	High inlet air temp / low fuel flow
	Forced Outage 8/18 – 8/19: 52 – 74 MW	High inlet air temp / low fuel flow

# ESRB Corrective Actions Issued

Facility	GO 167 or Other Violations	Status
<b>Sutter Energy Center</b>	<ol style="list-style-type: none"> <li>GO 167, Section 10.3.6.4</li> <li>GO 167, Operation Standard (OS) 6</li> <li>GO 167, OS 7</li> </ol>	<p><b>Closed.</b> NOV response received November 16, 2020.</p> <p>2 violations corrected and 1 corrective action to be completed during the spring planned outage.</p>
<b>Sunrise Energy Center</b>	<ol style="list-style-type: none"> <li>GO 167, Sections 10.A &amp; 20.B.2</li> <li>GO 167, Sections 7.D2 &amp; 8.B.11</li> <li>NFPA 79e S.90.2 &amp; S.130.5.H</li> </ol>	<p><b>Closed.</b> NOV is closed and the outstanding corrective action regarding the Arc Flash will be completed by January 31, 2021. Plant provided appropriate and sufficient evidence that GO 167 violations have been corrected.</p>
<b>Mountainview Generating Station</b>	<ol style="list-style-type: none"> <li>GO 167, OS 1.A</li> <li>GO 167, OS 8.A</li> <li>GO 167, OS 8B.11</li> <li>GO 167, OS 13</li> </ol>	<p><b>Open.</b> CAP response due October 30, 2020 (originally) – extended to February 26, 2021.</p>

# Management Reports

**Item #45 [19049]**

## **Report and Discussion on Recent Consumer Protection and Safety Activities**

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# Management Reports



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# Commissioners' Reports



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# The CPUC Thanks You For Participating in Today's Meeting

**The next Public Meeting will be:**

**February 11, 2021 at 10:00 a.m.**

**Remote**

