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BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Oversee the
Resource Adequacy Program, Consider
Program Refinements, and Establish Annual
Local and Flexible Procurement Obligations
for the 2019 and 2020 Compliance Years.

R.17-09-020

**COMMENTS OF THE
CALIFORNIA COMMUNITY CHOICE ASSOCIATION
ON TRACK 3 PROPOSED DECISION**

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**COMMENTS OF THE
CALIFORNIA COMMUNITY CHOICE ASSOCIATION
ON TRACK 3 WORKSHOP AND PROPOSALS**

Pursuant to the Rule 14.3 of the Commission’s Rules of Practice and Procedure, the California Community Choice Association (CalCCA) submits these Comments on the proposed *Decision Adopting Local Capacity Obligations for 2020-2022, Adopting Flexible Capacity Obligations for 2020, and Refining the Resource Adequacy Program*, mailed on May 24, 2019 (Proposed Decision).

I. INTRODUCTION

The Proposed Decision appropriately observes that the load forecasting process underlying resource adequacy (RA) requirements has become increasingly complicated.¹ The process has also generated unexpected requirements and, in some cases, requirements in excess of a load-serving entity’s (LSE’s) own estimation of the RA resources required to serve its load. CalCCA thus supports the Commission’s efforts to improve the load forecasting process.

In framing these improvements, the Proposed Decision concludes that “it is critical to standardize the assumptions used to develop initial load forecasts.” The Proposed Decision, toward this end, establishes that load migration can be the only allowable reason for divergence between an LSE’s

¹ Proposed Decision at 22.

initial and final year-ahead load forecasts. It further defines “load migration,”² specifying both the types of events or information that may and may not be used to modify an initial forecast.

While a more detailed definition of “load migration” could improve forecasting, further refinement is required to deliver that benefit. CalCCA thus requests clarification that an initial forecast may be modified to include *any* data – even data in the Proposed Decision’s list of exclusions – if the change could not have been predicted or included in the initial forecast. A modified Conclusion of Law is provided in Appendix A.

II. COMMENTS

The Proposed Decision concludes that “[l]oad migration should be the only allowable reason for differences between initial and final year ahead load forecasts.”³ To implement this principle, it adopts a more detailed definition of “load migration.” It defines this term to include: “(1) load effects resulting from one or more customers’ retail electric service transferring directly from one LSE to another LSE in the same TAC area, and (2) load effects that an LSE cannot reasonably predict and include in an implementation plan or in an initial year ahead load forecast.”⁴ It further provides a “non-exhaustive list” of exclusions from the definition: “[C]hanges to approved implementation plans, changes to customer class load profiles, changes to weather assumptions, changes resulting from the receipt of new or updated customer meter data, new service requests, losses due to disconnects or force majeure events, transfers of load out of the TAC area, or forecasting errors.”⁵

This definition leaves open questions in the context of CCA load transitions. Consider the following example. In April of 2021, a CCA will need to file its 2022 year ahead forecast. Assume that, also in April, the CCA begins to provide service to a new group of customers. At the time of its initial

² *Id.* at 26.

³ *Id.*, Conclusion of Law 9 at 58.

⁴ *Id.*, Conclusion of Law 10 at 59.

⁵ *Id.*, Conclusion of Law 11 at 59.

2022 forecast, the data available to the CCA will be limited to the historical data provided by the investor owned utility (IOU), and the CCA has no basis upon which to reasonably predict any divergence from those data. If the CCA thereafter gains additional information regarding these customers that diverges from historical data, the Proposed Decision leaves uncertainty regarding whether the CCA could use the new information in its final forecast. The list of exclusions – particularly an exclusion for “new and updated customer meter data” – could be read to prevent the CCA from updating its forecast to include the new information. Alternatively, however, the same set of facts could be read to address “load effects that an LSE cannot reasonably predict and include in an initial year-ahead load forecast,” which may be included in an updated forecast.

Similarly, consider an LSE serving an area prone to wildfire. Under the definition of “load migration,” if customer meters and load are destroyed by wildfire in July, between the initial and final forecast, the LSE could not update its load forecast to address these circumstances. The Proposed Decision rejects permitting changes in load forecasts to address such force majeure events on grounds that somehow, unexplained, this could expose “all LSEs to potential backstop procurement.”⁶ There is no reasonable basis for such exclusion.

Consequently, CalCCA proposes a modification of the Proposed Decision to address these issues. The general principle in the definition of “load migration” – the reasonable ability to predict – should govern changes between the initial and final year ahead forecast *even if* such information is presumed to be excluded by the “load migration” definition.

III. CONCLUSION

For all of the foregoing reasons, CalCCA requests that the Commission modify the Proposed Decision as provided in Appendix A.

⁶ Proposed Decision at 26.

June 13, 2019

Respectfully submitted,

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APPENDIX A

Modified Conclusion of Law

11. ~~“Load migration” should not include the~~ The following non-exhaustive list of events shall be presumed to be excluded from “load migration” unless an LSE can demonstrate that the events could not reasonably have been predicted in the implementation plan or year-ahead forecast: changes to approved implementation plans, changes to customer class load profiles, changes to weather assumptions, changes resulting from the receipt of new or updated customer meter data, new service requests, losses due to disconnects or force majeure events, transfers of load out of the TAC area, or forecasting errors.