



ALJ/DBB/fzs/smt 2/18/2022

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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 Reforms
and Refinements, and Establish
Forward Resource Adequacy
Procurement Obligations.

Rulemaking 21-10-002

**ADMINISTRATIVE LAW JUDGE'S RULING ON
LOSS OF LOAD EXPECTATION STUDY AND SUPPLY-SIDE DEMAND
RESPONSE REPORT, AND SETTING COMMENT SCHEDULE**

Summary

Attached to this ruling is Energy Division's loss of load expectation (LOLE) study and the California Energy Commission's (CEC) Qualifying Capacity of Supply-Side Demand Response Working Group Report. This ruling also (1) establishes a comment and workshop schedule for the LOLE study and a comment schedule for the CEC Report, and (2) modifies the Phase 2 schedule for comments on the draft Local Capacity Requirement report.

1. Loss of Load Expectation Study

On February 3, 2022, an Administrative Law Judge (ALJ) ruling stated that Energy Division's LOLE study was delayed and would be issued via a forthcoming ruling. Energy Division's LOLE study is attached to this ruling as Appendix A.

Energy Division will conduct a workshop on the LOLE study on March 3, 2022 at 1:00 p.m. Comments on Energy Division's LOLE study and the

workshop shall be filed by March 14, 2022. Reply comments shall be filed by March 22, 2022.

2. Supply-Side Demand Response Working Group Report

In Decision (D.) 21-06-029, the Commission requested that the CEC develop recommendations for a comprehensive and consistent measurement and verification strategy, including a new qualifying capacity (QC) counting methodology for demand response (DR) resources.¹ The CEC's Working Group Report is attached to this ruling as Appendix B.

Comments on the CEC's Working Group Report shall be filed by March 14, 2022. Reply comments shall be filed by March 22, 2022. In addition to commenting on the merits of the CEC Report recommendations (including the back-up recommendation), the Commission seeks comments on the technical and timeline implementation feasibility of each recommendation.

3. Phase 2 LCR/FCR Comment Schedule

The Assigned Commissioner's Scoping Memo and Ruling, issued on December 2, 2021, set forth the Phase 2 schedule for Flexible Capacity Requirement (FCR) and Local Capacity Requirement (LCR) issues. The following schedule was adopted:

Phase 2 Schedule for FCR and LCR Issues	
CAISO draft 2023 LCR Report filed	April 15, 2022
Comments on draft 2023 LCR Report filed	April 15, 2022
CAISO final 2023 LCR and FCR Report filed	April 29, 2022
Comments on final 2023 LCR and FCR Report	May 6, 2022
Reply comments on final 2023 LCR and FCR Report	May 13, 2022

¹ D.21-06-029 at Ordering Paragraph 11.

The above schedule inadvertently included the same deadline for the California Independent System Operator (CAISO) draft LCR Report and comments on the draft LCR Report. As such, the schedule is modified as follows:

Modified Phase 2 Schedule for FCR and LCR Issues	
CAISO draft 2023 LCR Report filed	April 15, 2022
Comments on draft 2023 LCR Report filed	April 22, 2022
CAISO final 2023 LCR and FCR Report filed	April 29, 2022
Comments on final 2023 LCR and FCR Report	May 6, 2022
Reply comments on final 2023 LCR and FCR Report	May 13, 2022

IT IS RULED that:

1. Energy Division's loss of load expectation study is attached to this ruling as Appendix A.
2. The California Energy Commission's Qualifying Capacity of Supply-Side Demand Response Working Group Report is attached to this ruling as Appendix B.
3. Opening comments on the California Energy Commission's Working Group Report and Energy Division's loss of load expectation study are due March 14, 2022. Reply comments are due March 22, 2022.

APPENDIX A
(2024 Monthly PRM & ELCC Report)

APPENDIX B
(SSDR QC Methodology)