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PRESS RELEASE

CPUC Continues Efforts to Ensure Grid Reliability

SAN FRANCISCO, Oct. 12, 2023 – The California Public Utilities Commission (CPUC) today opened a new proceeding to continue its efforts to ensure the availability of reliable and cost-effective electricity supply in California through implementation and administration of its Resource Adequacy program.

The preliminary scope of issues for the new proceeding includes:

- Adoption of Local and Flexible capacity procurement requirements for 2025-2028 for entities that provide power to the grid.
- Consideration of modifications to the new, 24-hour Slice-of-Day planning framework. This framework seeks to ensure reliability during each individual hour of the peak load day each month; 2024 is a test year for Slice-of-Day, allowing parties to assess how newly developed filing tools are working before fully implementing them.
- Consideration of modifications to the Resource Adequacy penalty structure and other ways to incent compliance with requirements.
- Coordination with <u>Integrated Resource Plan</u> activities, including the appropriate Planning Reserve Margin requirements for short-term planning compared with the longer timeframe for the Integrated Resource Plan proceeding.
- Exploration of changes to Qualifying Capacity counting methods, including for Demand Response resources.
- Consideration of other potential changes to the Resource Adequacy program that parties may offer.

"Reliability is a critical priority for California's electric system. Resource Adequacy ensures reliability in real time, and I look forward to building on the work we've done in recent years to refine the program and support the achievement of our ambitious climate goals," said CPUC President Alice Reynolds.

"It is important to continue to develop and refine the Resource Adequacy program to ensure a reliable and resilient energy supply when and where it is needed," said Commissioner Genevieve Shiroma.

"As California moves towards achieving its ambitious climate and clean energy goals, I look forward to this Rulemaking that continues the oversight and further enhancements to our Resource Adequacy Program," said Commissioner Darcie L. Houck. "California's Resource Adequacy process is critical to ensuring sufficient resources are available to the California Independent System Operator for the safe and reliable operation of the grid, to advance our clean energy goals, and to minimize costs to ratepayers."

Resource Adequacy is the venue where the CPUC ensures the safe and reliable operation of the electric grid in real-time, providing sufficient resources to the California Independent System Operator when and where needed.

The new proceeding opened today is a successor proceeding to Rulemaking 21-10-002.

The proposal voted on is available here.

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About the California Public Utilities Commission

The CPUC regulates services and utilities, protects consumers, safeguards the environment, and assures Californians access to safe and reliable utility infrastructure and services. Visit <u>www.cpuc.ca.gov</u> for more information.