

Integrated Resource Planning (IRP, R.20-05-003)

Instructions and Templates for IRP Procurement Baseline Swap Processes

The Commission has two processes for LSEs to “swap” baseline resources in order to count towards IRP procurement Decisions [D.] 19-11-016¹, 21-06-035², and 23-02-040³. This Energy Division staff document lays out the background and necessary steps LSEs need to pursue either of these processes:

- 1) LSEs Substituting Delayed Excess D.19-11-016 Procurement Capacity for D.21-06-035 Mid-Term Reliability (MTR) Procurement (D.19-11-016 Replacement Swap)**
- 2) Delayed Baseline (Add 2025 Capacity Swap) Procurement**

Parties with questions about either process should contact Energy Division staff at IRPdatarequest@cpuc.ca.gov.

¹ Decision available here:
<https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M319/K825/319825388.PDF>

² Decision available here:
<https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M389/K603/389603637.PDF>

³ Decision available here:
<https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M502/K956/502956567.PDF>

1) D.19-11-016 Replacement Swap

Energy Division staff recognizes that some LSEs signed contracts for resources to meet their D.19-11-016 procurement obligations before June 30, 2020, that are now facing delays and will no longer come online in time to meet the D.19-11-016's milestone compliance dates. In some cases, LSEs have entered into new contracts with different resources to meet these obligations. This disconnect is jeopardizing the ability of those delayed resources to come online at all for two key reasons:

- 1) They are no longer needed by the LSE to meet their D.19-11-016 obligations; and
- 2) They are not eligible to count toward MTR because their contract execution date makes them a MTR baseline resource and they were included on the Baseline Generator List for D.21-06-035.

To address any potential disconnect between resource counting and development, LSEs can provide information to Energy Division staff about the changes they are requesting in how their D.19-11-016 resources are being counted for compliance. Resources eligible for this reconsideration are those that LSEs procured in excess of their D.19-11-016 obligations, and which meet all requirements for an LSE's D.21-06-035 obligations except that they are included in the Baseline Generator List of resources (thus currently excluding it from counting toward D.21-06-035 compliance).

Staff's guidance is that LSEs with such a resource can request to swap it with a replacement resource/s they contracted to meet their D.19-11-016 obligations, such that the delayed resource would now be in excess of its D.19-11-016 requirements. The delayed resource now in excess of D.19-11-016 obligations would be removed from the D.21-06-035 Baseline Generator List, and the new resource that the LSE is procuring to replace that capacity would be added in its place. This process allows the LSE to keep the original delayed resource in its portfolio and use it towards compliance with D.21-06-035 or D.23-02-040 procurement while identifying the resources it will use to meet their D.19-11-016 compliance. To pursue this process, staff requests LSEs to fill out the LSE Swap Template below demonstrating that the D.19-11-016 excess capacity is incremental to their D.19-11-016 obligations and was procured to replace the delayed resource's capacity to meet their D.19-11-016 procurement obligations. Completed templates should be submitted to IRPDataRequest@cpuc.ca.gov. For a sample of how to complete this template, please see the Sample Complete Template below. LSEs must have submitted sufficient supplemental documentation through regular compliance filings such that staff is able to verify the details provided on this form, as well as submitted a remediation plan that includes specific documentation of the cause of the delay. If supplemental documentation is missing, staff may not be able to grant the request. Upon submission of the LSE Swap Template, staff may request additional documentation of the cause of the delay. Resources eligible for consideration must be both D.19-11-016 excess procurement, which are allowed to count toward D.21-06-035, and D.21-06-035 baseline resources that are excluded from counting towards the decision's requirements. Parties can contact Energy Division staff at

IRPDataRequest@cpuc.ca.gov if they have questions about whether resources are eligible for this swap.

LSE Swap Template – D.19-11-016 Replacement Swap

LSE Name: _____

Description of Swap:

LSE should provide a short description of the changes it is proposing, including a description of the nature of the request, especially if it is due to a resource's development being delayed.

Full list of resources fulfilling LSE's D.19-11-016 requirements

Project Name	Project CAISO Resource ID (if different)	Project CAISO Queue/WDAT #	D.19-11-016 NQC MW	Contracted Nameplate MW	Contract Status ⁴	COD

List of resources previously reported as fulfilling LSE's D.19-11-016 requirements that are now excess and intended for MTR (i.e., resources that should be removed from the Baseline Generator List for D.21-06-035)

SERVM ID ⁵	Project Name	Project CAISO Resource ID (if different)	Project CAISO Queue/WDAT #	D.19-11-016 NQC	Contracted Nameplate MW	Contract Status	COD

⁴ LSEs should follow the instructions included in the Resource Data Template. For the most recent instructions, please check the [CPUC's Integrated Resource Plan and Long Term Procurement Plan](#) page. Please include contract status as of the date of your baseline swap request.

⁵ The SERVM ID is available in the Baseline Generator List of resources file. For the most updated version of that file, please visit the CPUC's IRP Procurement Track website: <https://www.cpuc.ca.gov/industries-and-topics/electrical-energy/electric-power-procurement/long-term-procurement-planning/more-information-on-authorizing-procurement/irp-procurement-track>

Sample Complete Template – D.19-11-016 Replacement Swap

LSE Name: LSE 1

Description of Swap:

Sample_2 and Sample_3 were delayed due to COVID-19 supply chain disruptions and will no longer be online by August 1, 2022, as required by D.19-11-016. LSE 1 is planning on substituting Sample_1 in its place, which is currently online. LSE 1 is currently in discussions with both resources' developers regularly, and these projects are currently facing no additional delays.

Full list of resources fulfilling LSE's D.19-11-016 requirements

Project Name	Project CAISO Resource ID (if different)	Project CAISO Queue/WDAT #	D.19-11-016 NQC MW	Contracted Nameplate MW	Contract Status	COD
Sample_1	SMPL_1	1234	100 MW	150 MW	Online	4/6/2022

List of resources previously reported as fulfilling LSE's D.19-11-016 requirements that are now excess and intended for MTR (i.e., resources that should be removed from the Baseline Generator List for D.21-06-035)

SERVM ID	Project Name	Project CAISO Resource ID (if different)	Project CAISO Queue/WDAT #	D.19-11-016 NQC MW	Contracted Nameplate MW	Contract Status	COD
SMPL_2	Sample_2	SMPL_2	4321	50 MW	75 MW	Development	4/6/2024
SMPL_3	Sample_3	SMPL_3	5678	50 MW	75 MW	Development	4/6/2024

2) Add 2025 Capacity Swap

On September 8, 2022, an Administrative Law Judge's (ALJ) ruling was issued seeking comments on, among other things, potential near-term actions the Commission could take to encourage additional procurement to meet or exceed the requirements of Decision (D.) 19-11-016 and D.21-06-035. The ruling also sought ideas for the Commission to remove any barriers to additional procurement. Among the options discussed in the ruling were modifications to the way D.19-11-016 and D.21-06-035 treated "baseline" resources. Subsequently, in D.23-02-040, the Commission adopted a "swap" process that allows an LSE to nominate a project on the D.19-11-016 and/or D.21-06-035 Baseline Generator List to be considered for removal. An equal amount of procurement obligation (in NQC) will then be added to the LSE's 2025 procurement obligation under the provisions of D.21-06-035, which Energy Division staff are referring to as the "Add 2025 Capacity Swap" process.

D.23-02-040 requires that LSE seeking to pursue the Add 2025 Capacity Swap need to file a Tier 2 Advice Letter with its request. Additionally, staff's guidance is that LSEs filing Tier 2 Advice Letters should include the information included in LSE Swap Template – Add 2025 Capacity Swap below, in addition to the other information that the Commission typically requires for Tier 2 Advice Letters. To the extent that information included in the request is confidential, LSEs should take the requisite steps to submit this information as a confidential attachment to their Tier 2 Advice Letter. For a sample of how to complete this template, please see the Sample Complete Template – Add 2025 Capacity Swap below. Staff expects that an LSE's compliance filings, as required by D.19-11-016, D.21-06-035, and D.23-02-040, will include confidential information about the nature of a specific project delay that will support the LSE's swap. Regardless, staff may request additional documentation of the cause of delay.

In general, a "Add 2025 Capacity Swap" will involve the following steps:

- 1) The LSE identifies a resource that is in the D.19-11-016 or D.21-06-035 Baseline Generator List. The LSE identifies this resource by submitting the relevant baseline file with the resource highlighted. For the most up-to-date versions of both decision's Baseline Generator Lists, LSEs should visit the CPUC's IRP Procurement Track [site](#).
- 2) The LSE identifies the contracted nameplate of that resource that Energy Division Staff should remove from the appropriate Baseline Generator List. Please note that LSEs may submit just a portion of a resource for this "Add 2025 Capacity Swap" process; it is not necessary for the entirety of a resource to be identified. The portion of the project not identified will remain in the baseline.
- 3) LSE multiplies this contracted nameplate by the 2023 or 2024 ELCC value that applies to the resource type.⁶ This is how much NQC they get to use toward their 2023 or 2024 MTR Obligation. Use of either 2023 or 2024 ELCCs depends on when the resource is coming online, which tranche obligation the LSE is meeting, and

⁶ For more information on ELCCs applicable to IRP procurement, LSEs should reference the staff memos available on the IRP Procurement Track [site](#).

how the rest of the resources in the LSE's portfolio fill the 2023 and 2024 ELCC tranches.

- 4) Next, IRP Staff adds the appropriate quantity to the LSE's 2025 procurement obligation. This will be the same NQC value that the LSE is claiming in either 2023 or 2024. The LSE must procure this additional NQC, and it will be considered using 2025 (tranche 3) ELCC values, which must align with the contract cutoff dates specified in both the [2021](#) and the [2023](#) Staff Transmittal Memos. Specifically, contracts that LSEs signed on or before November 30, 2022, should use the ELCC values provided in the 2021 Incremental ELCC Study for Mid-Term Reliability Procurement by E3 and [Astrapé](#) and contracts entered in after this date should use the values in the [Incremental ELCC Study for Mid-Term Reliability Procurement \(January 2023 Update\)](#).

This means that, depending on resource type, any resource they procure to meet this NQC will likely be larger in nameplate than the resource removed from the baseline because of the dilution of ELCC values in 2025.

- 5) LSE will identify the resource they plan to procure to meet their additional 2025 NQC obligation. This resource will be valued using tranche 3/ 2025 ELCCs.

LSEs must submit information regarding steps 1-4 in their tier 2 ALs requesting this baseline swap. Step 5 (information on the additional procurement) is not required, but should be included if known.

Parties can contact Energy Division staff at IRPDataRequest@cpuc.ca.gov if they have questions about this process.

LSE Swap Template – Add 2025 Capacity Swap

LSE Name: _____

Description of Add 2025 Capacity Swap:

LSE should provide a short description of which current “baseline” resource it is proposing to have removed from either of the baselines, the reason it is requesting that this resource be removed, and which procurement order and obligation year this baseline resource would support.

Resource currently on CPUC Baseline Generator List that LSE would like to count for its IRP procurement obligation

SERV M ID	Generator Name in Baseline Generator List	Project CAISO ID (if different)	Project CAISO Queue/WDAT #	Project’s original baseline ⁷	Contract Status	Online Date listed in Baseline Generator List	Currently expected COD	Proposed “swap” capacity (NQC)	Tranche or Year the Resource is meeting (2023 or 2024)	Proposed “swap” capacity (nameplate)

List of resources LSE is proposing to procure for additional 2025 procurement obligation (if known). Use 2025 (tranche 3) ELCCs for these resources. This table is not required but this information should be included if known.

Project Name	Project CAISO ID (if different)	Project CAISO Queue/WDAT #	Contract Status	Currently expected COD	Contracted NQC

⁷ LSEs should choose between either the D.19-11-016 or the D.21-06-035 Baseline Generator List.

Sample Complete Template – Add 2025 Capacity Swap

LSE Name: LSE 1

Description of Swap: SMPL_1, a 200 MW (nameplate) storage resource, was included on the D.19-11-016 Baseline Generator List of resources. LSE 1 had contracted the resource in 2015 and expected it online by 2019. However, due to development delays, the contract was terminated prior to the resource coming online. If development is resumed, the resource could be online by January 1, 2024.

Resource currently on CPUC Baseline Generator List that LSE would like to count for its IRP procurement obligation

SER VM ID	Generator Name in Baseline Generator List	Project CAISO ID (if different)	Project CAISO Queue/WDAT #	Project's original baseline ⁸	Contract Status	Online Date listed in Baseline Generator List	Currently expected COD	Proposed "swap" capacity (NQC)	Tranche or Year the Resource is meeting (2023 or 2024)	Proposed "swap" capacity (nameplate)
SMP L_1	Sample Resource 1	SMPL_1	47	D.19-11-016	Development	1/01/2019	01/01/2024	20	2024	200

List of resources LSE is proposing to add to 2025 procurement obligation. Use 2025 (tranche 3) ELCCs for these resources.

Project Name	Project CAISO ID (if different)	Project CAISO Queue/WDAT #	Contract Status	Currently expected COD	Contracted NQC
Sample A Wind	SMPL_A	2	Development	6/01/2025	20

⁸ LSEs should choose between either the D.19-11-016 or the D.21-06-035 Baseline Generator List.