

## Agenda

### UM 2011 August 20, 2020 Workshop

The purpose of this workshop is to narrow the issues to be initially addressed. We also plan to discuss a procedural schedule for UM 2011.

Staff's proposed issues list focuses on valuing capacity for purposes of PURPA implementation. Staff acknowledges that this docket was initiated for the purpose of determining a methodology that could value capacity for several different applications. After several months of analysis, Staff concludes that it is inefficient at this point to attempt to design a methodology that works as well for PURPA implementation as it does for valuing energy efficiency or DSM. Accordingly, Staff proposes to focus on the application that would provide the most immediate benefit.

Additionally, this investigation will not address locational capacity value. Staff proposes to address transmission and distribution components in a future docket after this docket has closed.

If you have objections to Staff's proposed issues list or docket schedule and/or proposed changes, please circulate your objections/recommendations to the UM 2011 service list by August 17 so that other parties can consider them and are prepared to discuss at the August 20 workshop.

Following the workshop, Staff will ask AHD to schedule a prehearing conference to establish a procedural schedule. A proposed procedural schedule is included below that starts with Staff and E3 making the first filing.

#### **Staff's proposed Issues List**

- How much capacity can a resource provide? (E3's July 9 slides #5-17)
  1. Derivation of Capacity Contribution of Renewables
  2. Capacity valuation across applications
- What is the value of capacity? (E3's July 9 slides #18-24)
  3. Basis for capacity marginal cost estimates
- What compensation framework should be used? (E3's July 9 slides #25-46)
  4. Identifying Peak Periods
  5. Pricing of capacity in sufficiency periods and whether to retain sufficiency/deficiency demarcation

#### **Staff's proposed docket Schedule**

Informational Workshop 2: exploring issues list	August 20, 2020
Prehearing Conference	Late Sept./Early Oct.
Staff opening comments due	October 30, 2020
Utilities and intervenors' reply comments due	November 24, 2020
Workshop 3: discussion of opening and reply comments	December 17, 2020
All parties' response comments due	January 22, 2021
Potential Workshop 4: discussion of response comments	February 10, 2021
Public Meeting Acknowledgement of Proposed Methodology	March 23, 2021

### August 20, 2020 Workshop Agenda

2:30 – 2:40pm	Introductions
2:40- 3:00pm	Stakeholders proposed additions to Staff's circulated issues list
3:00 – 4:30pm	<ul style="list-style-type: none"><li>• Staff identifies desired issues to address</li><li>• utilities respond/identify desired issues to address</li><li>• capacity resource owners/developers respond/identify desired issues to address</li><li>• other stakeholders respond/identify desired issues to address</li><li>• all parties discuss</li></ul> <p>Issue #1: Derivation of Capacity Contribution of Renewables Issue #2: Capacity valuation across applications Issue #3: Basis for capacity marginal cost estimates Issue #4: Identifying Peak Periods Issue #5: Pricing of capacity in sufficiency periods and whether to retain sufficiency/deficiency demarcation</p>
4:30 – 5:00pm	Stakeholders proposed additions to Staff's circulated docket schedule