Review of LADWP Compliance Filings to SWRCB

SACCWIS Meeting
July 5, 2011
Inter-Agency Working Group
# LADWP’s Proposed Schedule

<table>
<thead>
<tr>
<th>Facility</th>
<th>Existing Units</th>
<th>Adopted OTC Schedule</th>
<th>LADWP Proposed Schedule</th>
<th>Replacement Capacity (MW)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Facility</strong></td>
<td><strong>Unit</strong></td>
<td><strong>Capacity (MW)</strong></td>
<td></td>
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</tr>
<tr>
<td><strong>Haynes</strong></td>
<td>Units 5 &amp; 6</td>
<td>535</td>
<td>2019</td>
<td>2013</td>
</tr>
<tr>
<td></td>
<td>Units 1 &amp; 2</td>
<td>444</td>
<td>2019</td>
<td>2027</td>
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<td>Unit 8</td>
<td>250</td>
<td>2019</td>
<td>2035</td>
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<tr>
<td><strong>Harbor</strong></td>
<td>Unit 5</td>
<td>65</td>
<td>2015</td>
<td>2031</td>
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<tr>
<td><strong>Scattergood</strong></td>
<td>Unit 3</td>
<td>450</td>
<td>2020</td>
<td>2015</td>
</tr>
<tr>
<td></td>
<td>Units 1 &amp; 2</td>
<td>367</td>
<td>2020</td>
<td>2024</td>
</tr>
</tbody>
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OTC Process

• October 1, 2010 – OTC policy effective
• November 1 – SWRCB issues compliance plan instructions to generators
• February 2011 – LADWP submits its reliability study
• April 1 – generators submit compliance plans
• April 8 – SACCWIS formation meeting
• May – June – LADWP discussions with SACCWIS members
• July 5 – SACCWIS meeting to address schedule
State Energy Policy

• SB 1368 (2006) restricts construction or contracting for coal power generation
• California Clean Energy Future (Sept 2010) establishes joint energy policy, encompassing resource preferences and maintenance of reliability
• ARB AB32 Scoping Plan has some similar goals
• Governor Brown Jobs/Energy Plan accentuates distributed renewables
• SB1X-2 (2011) codifies 33% renewables by 2020
LADWP Implementation Plan

• Accelerated repowering for Harbor 5-6 and and a Scattergood unit are already required by SCAQMD
• Coal power backout and renewable development are being pursued
• Repowering schedule for other LADWP units are substantially delayed
• “Rate shock” seems to be a substantial constraint
Analysis of LADWP Plan

- IAWG has relied upon a CEC staff summary of detailed discussions with LADWP
- Local reliability considerations justify retaining some utility capacity, or its equivalent, at Haynes, Harbor and Scattergood
- Staged repowering of selected units at existing plant sites is likely to be necessary
- Transmission as a substitute is not explored
- The role of energy efficiency, DG and CHP are not documented in LADWP’s Plan
Conclusion

- Despite large volume of detailed information, LADWP’s long-term plan is still under development
- System or local reliability concerns need to be demonstrated to justify a change in the compliance schedule
- Numerous uncertainties make a long-term schedule problematic, and hopefully in later updates LADWP can make more informed choices
- While accelerating some repowering schedules can be applauded, an integrated utility has alternatives to large-scale power plants, including DG, CHP and energy efficiency