



**Phase 2 Proposal**

**R.21-10-002**

**February 4, 2022 Workshop**

## Phase 2 Proposal

- D.19-02-022 directed that the CAISO’s one-year forward and five-year forward Local Capacity Technical Analyses would set the multi-year forward (“MYF”) Local Capacity Requirements (“LCR”)
  - “As proposed by Energy Division, the one-year ahead study will form the basis for local requirements for Years 1 and 2 and the five-year study will inform the Year 3 requirements. If CAISO management approves any transmission upgrades for Years 2 and 3, the CAISO shall incorporate such projects into the associated year’s studies through engineer-managed adjustments.”  
D.19-02-022, page 24
- More recently, the Commission has used the CAISO’s “non-technical” LCR estimates instead of the 5-year technical study to set the LCR for years 2 and 3
  - These “non-technical” studies involve adjustments other than for new transmission projects
- MRP proposes that the Commission clarify the process by which the multi-year LCR will be set
  - The Commission should clearly state why it elects to use non-technical studies to set MYF LCR if it chooses to do so