SMUD Strategic Development Committee

Summer Preparedness

Jim Shetler
BANC General Manager
5/11/21
AGENDA

• Background on BANC and Jim Shetler
• BANC Summer 2021 Assessment
• Regional Collaboration
Balancing Authority of Northern California

- Joint Powers Agency
  - 6 members (MID, Redding, Roseville, SMUD, Shasta Lake, & TPUD)
- Contractual Relationship with WAPA-SNR & TANC
- Formed in 2010, Operations go live 5/1/2011
- Services: Balancing Authority, Planning Coordinator, EIM Entity
- Services provided via third party contracts/no permanent staff
Jim Shetler – BANC General Manager

- In the electric power industry since 1971
- Primary background in operations with focus on reliability
- General Manager at BANC since 12/2013
- SMUD for 27 years in various positions
- Western Electricity Coordinating Council (WECC)
  - Board Member (2011-2013)
  - Chair, Member Advisory Committee (2013-2014)
- Peak Reliability Coordinator
  - Chair, Member Advisory Committee (2016-2019)
- Actively engaged in EIM Entity stakeholder groups
- Western Electricity Industry Leaders (WEIL)
  - Steering Committee member (2020-Present)
BANC Summer 2021 Assessment

• Summer 2020 Performance
  • Peak demand = 4575 MW on 8/16/20 at 16:46 hours
    • 2 members set record peaks
    • BANC footprint below all-time record peak of 4906 MW in 2006
  • No rotating outages required in BANC footprint
  • Did issue conservation requests
  • Provided support to CAISO when available
  • Recognized ability to meet load was tight
  • Initiated a deeper dive summer 2021 assessment for BANC
BANC Summer 2021 Assessment - 2

• Highlights
  • Assessed 6 critical hours HE16-HE21 on peak load day
  • Evaluated both gross and net peak
  • Updated generator capabilities based upon actual historical data
  • Evaluated hourly import availability considering both firm imports and non-dependable imports
  • Updated Demand Response Program capabilities
  • Performed Loss of Load Probability analysis & ran special operating scenarios (e.g. – wildfire impacts; dry hydro year)
  • Calculated Operating Margins for 1:2 and 1:10 load forecast probabilities
BANC Summer 2021 Assessment - 3

• Conclusions
  • BANC can serve expected 2021 summer loads while meeting NERC/WECC reliability standards
  • Facility maintenance has been completed; no planned major outages over the summer
  • Will call on conservation and demand response as needed
  • Operating Margins are tight in heat wave situations
  • Still prepared to support adjacent BAAs to the extent we have capacity available

• Longer-term Concerns
  • Continued reductions in operating capacity by mid-decade
    – CAISO (Diablo Canyon, OTC plants)
    – PNW (Early coal retirements, avoidance of new NG)
    – BANC (planned reductions)
Regional Collaboration

• Common theme in the West is that collaboration is key to meeting renewable and GHG reduction goals
  • Sharing load, resource, and region diversity will assist in ensuring a reliable and cost-effective transition

• BANC Efforts
  • NWPP Reserve Sharing Group
  • Energy Imbalance Market (EIM)
    • Phase 1 – SMUD only; April 2019
    • Phase 2 – SMUD /MID/Redding/Roseville/WAPA-SNR; March 2021
  • Extended Day Ahead Market (EDAM) development
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Supplemental Information