

## **ESA Comments to SPP SAWG on Hybrid ELCC Approaches**

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At the 12/16/20 SAWG meeting, staff proposed using a “sum of parts” for hybrids. ESA is in favor of this approach because it is both straightforward and has shown through the Astrape studies to provide sufficiently accurate results up to modest levels of hybrid resource penetration expected in SPP in the next 4 to 6 years. As a result, the sum of parts approach would be fairly easy to implement in the near-term compared to other much more complex approaches presented. Regarding concerns raised about the possibility of over-accreditation, the SAWG Chair noted during the 12/16 meeting that Astrape said this situation would not present issues in the near-term when penetration levels of hybrids on the system are relatively low. Therefore, ESA recommends a more evidence-based approach with the sum of parts methodology, where a re-evaluation could either be triggered after a certain period of time (e.g. 5 years), or when a particular level of installed megawatts of hybrids is reached.

At the 1/28/21 SAWG meeting, one stakeholder proposed a new “hybrid ratio” approach. Compared to the sum of parts approach, the hybrid ratio methodology adds staff time, ELCC iterations (including separate seasonal assessments for hybrids), and much more complexity, but provides little to no additional accuracy or reliability benefit. The hybrid ratio approach would likely add new requirements in other processes unrelated to supply adequacy; for example solar site design details (e.g. DC/AC ratios) may need to be submitted in the interconnection request process to properly account for solar clipping capture. As a second example, it would seem that the use of an asset’s market registration models would be needed to determine whether two resources are a “hybrid” or are simply “co-located”. This may force new asset owners to select a participation model much further ahead of commercial operation than is required today. Additionally, once operational, asset owners are permitted today to periodically (with 45-day’s notice) modify the resource type in their market registration; if such changes are done in between ELCC studies, this would introduce even more complexity. Finally, the market participation model selected by an asset owner is not a criterion that is used today in determining capacity accreditation for a specific asset; setting a precedence here to begin doing this could result in challenges at FERC. Taken together, these issues could effectively disincentivize asset owners from selecting the hybrid participation model since they have more certainty in accreditation value when choosing the co-located model, with the exact same physical assets. For these reasons, ESA does not support adoption of the hybrid ratio approach.

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