



SAN FRANCISCO PUBLIC UTILITIES COMMISSION

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Comments of the San Francisco Public Utilities Commission (SFPUC) on the California ISO's Draft 2010 Transmission Plan

San Francisco Reliability Issues and the Closure of Potrero

The SFPUC strongly supports the ISO's conclusion that all of the generating units at the Potrero power plant are not needed for reliability and therefore can be closed once the Trans Bay Cable (TBC) becomes operational and PG&E completes the recabling of its underground transmission lines between Martin, Bayshore, Potrero substations. The SFPUC appreciates the analytical work done by the ISO that supports this conclusion, as well as the ISO's willingness to work closely with the City and County of San Francisco (CCSF) to thoroughly consider this issue.

The SFPUC remains concerned over the reliability of the 230 kV system that serves downtown San Francisco. Although, as noted at the ISO's February 15th workshop, this system has been highly reliable, the ISO also noted that the loss of both 230 kV lines serving downtown would result in 95% of load being dropped. While this result may be consistent with the ISO's planning criteria, we are highly concerned about the public safety and economic consequences should such an event occur given the high density and critical regional importance of San Francisco's downtown area. While PG&E's proposed Embarcadero-Potrero project may not be the best approach to address this concern, the SFPUC encourages the ISO to continue to study this issue with the goal of identifying economical solutions to improve reliability.

To date, the ISO has yet to release the actual San Francisco reliability study results, only releasing a power point summary at the February 15th workshop. We urge the ISO to release the final study as soon as possible. ISO staff stated at the workshop that there would be an additional opportunity to comment on the San Francisco portion of the ISO's Transmission Plan once the results are available. The SFPUC may offer additional comments at that time.

Greater Bay Area Reliability Concerns

The draft plan concludes that for the Greater Bay Area (GBA):

“...[T]he system does not appear to have an urgent need for a large upgrade for reliability” [with sufficient thermal capability to 2024 assuming some minor upgrades] and “sufficient (voltage) capability until 2019 with approximately 300 Mvar of voltage support....These conclusions are drawn strictly from the reliability planning perspective... Additional studies may be needed to evaluate...upgrade needs from the economic or renewable perspective” which will be looked at as part of the ISO’s 33% renewable studies.

The SFPUC urges the ISO to perform these economic and renewable studies for the GBA, as well as reviewing and refining the need for, and location of voltage support facilities. The SFPUC has previously suggested the formation of another Bay Area stakeholder group to address these concerns. The ISO appears to be stating in the plan that all future economic project proposals will only be considered “as part of the ISO’s 33% renewable studies.” This raises a concern that proposed projects that provide economic benefits may not be fully considered relative to renewable projects in the ISO’s planning process.

Methodological Issues with the 2010 Draft Transmission Plan

In general, the SFPUC supports the comments of the Bay Area Municipal Transmission Group (BAMX) regarding the process and methodological issues associated with the 2010 plan.

This is particularly true, as noted in BAMX’s comments, regarding the significant change in forecasted congestion costs previously identified along the Contra-Costa to Moraga transmission lines.

Interaction Between Generator Interconnection Rules and Transmission Planning

The draft plan (p. 86) notes that there will be “Category B and C potential overloads” at Hatch[et] Ridge “tied to the new generation resource in-service date.” Since one of the purposes of the ISO’s interconnection rules is to ensure that the connection of new generation to the grid will not result in the imposition of cost or reliability issues on existing users, the draft plan does not sufficiently explain either why this occurred or why the costs of solving this reliability issue should be included in the 2010 plan.

Sincerely,

/s/ James Hendry
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