BAMX Comments on the CAISO 2018-19 Transmission Planning Process Draft Study Scope for Increased Transfers between the Pacific NW and California

The Bay Area Municipal Transmission group (BAMx)¹ appreciates the opportunity to comment on the CAISO Draft 2018-19 Transmission Planning Process (TPP) draft Study Scope for "Increased Capabilities for Transfers of Low Carbon Electricity between the Pacific Northwest and California Informational Study." The comments below address the Study Scope posted on April 12, 2018 and discussed during the April 18th stakeholder meeting.

BAMx generally supports the investigation of low cost/no cost methods of increasing the transmission system capability. This appears to be the focus of the short-term study. The study will focus on transfer capability under favorable system conditions. While this method is consistent with the WECC Patch Rating Process, it is also helpful to understand how the transfer capability may be impacted by less favorable conditions, such as though the development of an operational nomogram. This would be valuable to understanding the full benefits of any proposed improvements.

The long-term study will consider capital improvements to upgrade the either the Pacific AC and/or DC Intertie as well as other upgrades or third party proposals. This appears overly broad, possible due to ill defined objectives. The general objective is to "Increase the Capacity of the AC and DC Intertie" sufficent to fully utilize the Pacific NW hydro resources. BAMx recommends that the study be phased where the first phase of the long term study would be to define the amount of transmission capacity that would be needed to fully utilize the Pacific NW hydro resources, after which a report to stakeholders would be informed of the findings. Based upon these findings, the subsequent study of increasing the AC or DC transmission capability could be better defined.² We understand that, appropriately, the CAISO has indicated that obtaining major Out-of-State (OOS) resources through the construction of new transmission should be dictated by interest from procuring entities as exhibited in resource plans of those entities as studied through the IRP process. BAMx presumes that this informational study is to better inform those processes. Otherwise BAMx does not understand why the CAISO dependency on the IRP would change when considering new transmission to obtain resources from the Northwest.

The potential treatment of common corridor contengencies in study marks a change from past planning practices. While the current practice is to consider the simultaneous loss of the two Pacific AC Intertie 500 kV lines (N-2) in setting the Path Rating, the study scope raises the question of whether planning studies should switch to considering this contingency as an extreme event except under certain condiitions (such as immenient fire danger). BAMx generally supports such efforts to increase the utilization of the transmission system by better

¹ BAMx consists of City of Palo Alto Utilities and City of Santa Clara, Silicon Valley Power.

² For example, the scope of the study would be expected to be much different if only 500 MW of additional transfer capability were found to be needed versus, say, 3000 MW. If the latter, the study could be structured to identify stages of increased capacity as the benefits of increased transfers are unlikely to be uniform over the entire range.

defining its limitations, but requests that the final informational study provide more background information concerning this potential change and, if uniformly applied, whether there may be opportunities for its application to other transmission paths.

BAMx also supports that this study being approached as informational only. It is helpful to understand the barriers to increased transfers and the options for pushing out such barriers. If major capital improvements are ultimately considered to increase inter-regional transfers, BAMx believes that such proposals should proceed a FERC Order 1000 compliant process to fully identify all potential beneficiaries.

If you have any questions concerning these comments, please contact Kathleen Hughes (khughes@SantaClaraCA.gov or (408) 615-6632).