

March 3, 2017

## GridLiance Comments on the CAISO 2016 – 2017 Draft Transmission Plan

GridLiance West Transco LLC (GridLiance) appreciates the opportunity to submit comments on the CAISO's 2016-2017 Transmission Plan draft dated January 31, 2017 (Draft Plan). GridLiance has interest in this issue both because of GridLiance's partnership as the future owner of the Valley Electric Association, Inc. (VEA)-area high voltage transmission facilities (HVTS) and because of the fundamental policy issues related to the transmission plan recommendations.

In particular, GridLiance both seeks more information about, and offers comments regarding, the CAISO's noted congested element between the Bob Tap Substation (Bob SS) and the Mead Substation, once the VEA system is physically interconnected with the balance of the CAISO grid at the Eldorado Substation.

The CAISO draft identifies nearly \$24 million of expected congestion annually, affecting approximately 600 hours, in its 2026 study year on the Bob Substation (Bob SS) to Mead line.<sup>1</sup> The path is also shown in the CAISO's preliminary 50% in-state results to be overloaded under N-0 and N-1 conditions,<sup>2</sup> and the study shows that the number of congested hours increase to 1,229 hours under higher level of renewables.<sup>3</sup> The draft also seems to suggest that significant renewable curtailment would result without upgrades.<sup>4</sup>

The draft recognizes that this is the first time that the congestion on this path has arisen in the CAISO's Transmission Planning Process (TPP). This is due to the fact that the bulk of the CAISO system will not be physically interconnected to VEA until the Bob SS is energized, which is expected to occur in 2018.

The draft indicates that CAISO did not study this congestion in detail as part of its 2016-2017 TPP. Of particular interest is the explanation offered by the CAISO, that "...[m]itigating the congestion will not bring benefit to ISO's ratepayers." [Draft plan p. 178]. GridLiance's understanding of the economic assessment approach is that the CAISO will examine both the WECC-wide benefits and the CA-participant benefits. In the case when there are WECC benefits but not CA-participant benefits, the CAISO coordinates with the adjacent balancing area authorities. In its draft plan the CAISO has reported that the benefits to CA *ratepayers* does not warrant a path upgrade. The CAISO does not report on the benefits to CA *participants*, where *participants include both loads and suppliers*, even though the CAISO Transmission and Economic Assessment Methodology (TEAM) approach calls for assessing benefits to *participants*.<sup>5</sup> Given that without

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<sup>1</sup> See for example the Draft Plan table 4.6-2, p. 177.

<sup>2</sup> The 50% in-state results were presented briefly at the February 17, 2017 stakeholder meeting. See the CAISO's presentation materials slide 25 (<http://www.caiso.com/Documents/Presentation-2016-2017TransmissionPlanUpdate.pdf>).

<sup>3</sup> *Id.*, slide 137.

<sup>4</sup> *Id.*, slide 141, suggest shows curtailment results for the VEA and East of Pisgah areas combined. The presentation seems to have a typographical error; GridLiance assumes the intent was to reflect 1,000 MWs of curtailment in the study hour. It is unclear whether this curtailment is due to the same Bob SS to Mead congestion.

<sup>5</sup> See, for example, the TEAM methodology document, p. ES-6 and p. ES-20 which defines "CAISO Participant" as ISO Ratepayers plus the CA IPP Producer Benefit (<http://www.caiso.com/Documents/TransmissionEconomicAssessmentMethodology.pdf>).



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upgrading the constraint renewable curtailment results, GridLiance expects that there would be significant benefits to CAISO suppliers if the path were upgraded under the CAISO study conditions.

GridLiance requests that the CAISO include in its final 2016 – 2017 Transmission Plan further and more comprehensive details about the benefits of addressing the identified congestion, including CAISO load, supplier, and participant benefits.

GridLiance appreciates the CAISO's further consideration about this constraint that seems of particular value to the grid.

Respectfully submitted,

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