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IID comments on July 20, 2016 CAISO Regional Resource Adequacy stakeholders

Submitted by the Imperial Irrigation District

Imperial Irrigation District (IID) appreciates the opportunity to provide these comments to the July 20, 2016 CAISO workshop on Regional Resource Adequacy. It is clear that a significant amount of effort has gone in to this initiative to date.

There are two existing interties between CAISO and IID systems that provide the needed bridges between these two energy producing and energy consuming areas. These bridges also provide efficient and effective pathways that can enable California to achieve a significant percentage of its renewable energy goals at a cost that is significantly lower than the cost associated with projects that would interconnect directly into the CAISO grid. IID serves 99% of Imperial county and a sizable portion of southern Riverside county.

IID has some observations regarding the Regional Resource Adequacy process and some suggestions that may provide additional clarity. These suggestions were driven primarily from the experience IID had in helping the state achieve its 33% RPS goals. There were many accomplishments made and few “lessons learned”. IID major concern is that CAISO Maximum Import Capability (MIC) calculation is prohibiting development of renewable resources in IID Balancing Area since the MIC is based on historical value and ignore critical elements such as resource availability and increase in transmission capacity. Below are some observations and comments:

1. The CAISO current historically-based study is overly conservative in that it does not anticipate significant changes in loads, resources, and operations which could result in greater MIC. IID has long-recommended, the MIC should be based on forward looking power flow taking into account the actual physics of the system today, tomorrow and not yesterday. These studies would establish the MIC based on anticipated changes in future loads, resources, and operations. According to IID studies, this would result in increased import levels and patterns which differ considerably from historical levels and patterns.

2. IID is concerned that the CAISO’s current methodology to measure MIC remained flawed also because it does not take into account new intertie transmission capacity upgrades. For instance, IID /CAISO MIC at Mirage substation is less than 300 MW where new upgraded capacity on the 2x230kv lines was increased from 600 MW to 1400 MW. Current MIC does not take into account the new transmission capacity which is a deterrent to regional markets which is the objective of this stakeholder’s

initiative.

3. The increase in solar and wind penetration has resulted in a significant shift in generation pattern leaving the current MIC methodology obsolete. At a minimum, MIC should be based on hours when the net load not the load is 90% of the net load peak.

IID promotes regional collaboration and strongly recommends that MIC methodology need to be reformed to take into account major changes we have seen in the last 5 -10 yrs. Historical flows are no longer relevant. Layering regional resources adequacy on a flawed MIC foundation will not be effective and will impede regional participations.

Thanks you for your efforts.