

## 2015–2016 Transmission Planning Process (TPP)

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### Comments on Draft 2015–2016 Transmission Plan

PG&E appreciates this opportunity to comment on the Draft Transmission Plan in the 2015–16 TPP, which was discussed at the stakeholder meeting on February 18, 2016.

PG&E supports the conclusions and recommendations in this year’s Draft Plan. Specifically, PG&E supports the CAISO’s recommended approval of the seven new reliability-oriented transmission projects in PG&E’s service territory. PG&E also supports the continuing review of PG&E’s proposed Round Mountain 500kV, Tesla 230 kV, and Gold Hill 230 kV substation shunt reactor projects in the 2016–17 TPP. We also appreciate the CAISO’s sensitivity analysis of the local reliability issues associated with aging generation in the East Bay Area, and look forward to the development of long-term recommendations in the 2016–17 TPP.

PG&E also would like to thank the CAISO for beginning the process of re-evaluating projects that were approved in previous planning cycles, but for which the need is no longer present due to changed circumstances. PG&E supports the CAISO’s recommended cancelation of the 13 identified projects in PG&E’s service territory.

PG&E supports the CAISO’s undertaking of the 50% RPS Special Study and believes the Special Study provided useful information regarding the possible procurement of Energy Only resources. PG&E especially appreciates that the CAISO sought to distinguish between curtailment from over-generation and curtailment from congestion. The CAISO should work together with the CPUC to update the RPS Calculator based on the results and recommendations in the Special Study in order to continue refining the creation of RPS portfolios with energy only resources for future TPP cycles. As stated in prior comments, PG&E does not believe there is a requirement that all generation procured to meet RPS targets needs to be fully deliverable. Partially deliverable and energy only contracts are currently a viable option for some renewable resources. PG&E encourages the CAISO to continue to work closely with the CPUC and the CEC to clarify the intended state policies for the level of deliverability for resources within its portfolios. The Special Study is a useful first step in evaluating Energy Only



resources, but the CAISO should now start to address the practical implications of what Energy Only procurement would mean for the TPP and GIDAP processes.

PG&E also supports the CAISO's continued undertaking of the frequency response issue and associated efforts such as this year's special study. PG&E agrees with CAISO that as renewable resources increase and conventional generators are being displaced a broader range of issues need to be considered. One such issue directly related to frequency response for instance is the loss of physical inertia from synchronous generators being replaced by renewable resources without physical inertia which can potentially lead to reliability concerns during transmission system disturbances and if the response of the remaining units is insufficient. The CAISO should continue its work to investigate measures to improve the CAISO frequency response particularly as the State is moving to a 50% RPS target.