From: CJ.Jing@sce.com [mailto:CJ.Jing@sce.com]
Sent: Wednesday, January 18, 2012 4:00 PM

To: Price, James

Subject: Fw: CAISO: Issue Paper and Straw Proposal for Transmission Reliability Margin

Hello,

Our comments are below in green:

In the presentation (Page 5), it reads:

The following components of uncertainty may establish TRM:

- •Allowances for parallel path (loop flow) impacts.
- •Forecast uncertainty in Transmission system topology (including, but not limited to, forced or unplanned outages and maintenance outages).
- •Allowances for simultaneous path interactions.
- ·Aggregate Load forecast.
- Load distribution uncertainty.
- •Variations in generation dispatch (including, but not limited to, forced or unplanned outages, maintenance outages and location of future generation).
- •Short-term System Operator response (Operating Reserve actions).
- •Reserve sharing requirements.
- •Inertial response and frequency bias.

ISO proposes to implement TRM for the above three highlighted items

- 1. What is ISO's justification to implement TRM only for the above three highlighted items?
- 2. As Renewable Portfolio Standard (RPS) reaches 33%, the renewable energy will have higher impact on TRM. What is the reason not to consider the impact of the uncertainty caused by the high penetration of renewable energy?

Thanks.

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