

Comments on 2020 – 2021 Transmission Planning Process Study Plan

Submitted by	Company	Date Submitted
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SouthWestern Power Group appreciates the opportunity to provide comments on the CAISO 2020–2021 Transmission Planning Process Study Plan.

Introduction

Southwestern Power Group (SWPG) is currently developing the SunZia Southwest Transmission project (SunZia), a merchant high-voltage transmission project in development for the import of New Mexico wind energy. SWPG's anchor tenant Pattern Energy (Pattern), has executed power purchase agreements (PPAs) with several California LSEs for the firm delivery of resource-specific energy and RA from its New Mexico wind farms and is currently delivering capacity from these resources.¹ In these comments SWPG encourages the CAISO in its 2020/2021 TPP to focus particularly on the ability for the CAISO grid to accept substantial levels of out of state renewable energy into southern California and to ensure the grid is equipped to transport that energy to load centers.

Significant Out of State Deliveries Expected to Southern California; SWPG Supports the CAISO Study of These Resources in the Base Case

Based on the CPUC's February 2020 Integrated Resource Plan (IRP) portfolio release², SWPG expects that significant imports of renewable resources will be studied as part of the 2020/2021 reliability and policy base case. These renewable resources include approximately 600 MWs of New Mexico wind as base resources and another 600 MWs of presumed New Mexico wind build out by 2030. Additionally, significant levels of other renewable resources are expected to be delivered to the Riverside East/Palm Springs transmission zone as well as projects to be built elsewhere in the greater Southern California region. SWPG is encouraged that by including New Mexico wind and these other resources in the base case, the CAISO will ensure that the grid has the necessary upgrades to accept New Mexico's cost-effective and portfolio-diversifying wind energy that the CPUC's IRP process has continually shown to be productive toward meeting California's carbon goals. To delay any upgrades required by this portfolio beyond this cycle will simply raise costs as a result of higher levels of expected curtailment.

¹Pattern has already developed and built the 324 MW Broadview and 220 MW Grady New Mexico wind projects which are both currently delivering out of state capacity to California LSEs. See <https://renewablesnow.com/news/pattern-development-starts-ops-at-220-mw-grady-wind-in-new-mexico-667807> and <https://www.windpowerengineering.com/pattern-energy-acquires-new-mexicos-324-mw-broadview-wind-transmission-line-project/>.

² The detailed files are available at <https://www.cpuc.ca.gov/General.aspx?id=6442464143>.

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CAISO's study of the Energy-Only Sensitivity Portfolio Will be Key for Southern California Deliveries

SWPG also supports the CAISO's study of the anticipated Energy-Only (EO) IRP portfolio from the CPUC as one of the CAISO policy sensitivity cases. The CAISO has previously established the EO limits to ensure portfolios do not create excessive congestion. The Riverside East / Palm Springs zone is the import zone for New Mexico wind, Arizona solar, and both Baja solar and wind. Additionally, this area contains significant desirable California renewable potential. It is often the EO limit for Riverside East, or its surrounding (parent) transmission area – Southern California Desert Southern Nevada (SCASNV) – which is binding in the CPUC's RESOLVE model renewable siting. When this area is binding it increases the build cost in the CPUC's IRP buildout by forcing capacity expansion to occur in more expensive areas. In short, this area warrants careful attention during the upcoming TPP.

Further, the CAISO's 2019-2020 TPP draft plan shows that while renewable portfolios create congestion throughout much of the grid Riverside East did not show significant reliability issues, and the congestion from the economic study of this area was lower than that of other adjacent areas such as Greater Imperial. In fact, when the CAISO relaxed the export limit and studied Sensitivity Case 2 – the one with New Mexico wind – essentially no congestion resulted, an outcome SWPG would question due to the high volume of anticipated imports to this zone (refer to Draft 2019/2020 TPP Plan, Table 3.9 - 1). The CPUC has asked the CAISO to study a portfolio where the EO limits for Riverside East / Palm Springs and for the greater parent area are significantly expanded. SWPG supports this study, encouraging the CAISO to consider enacting that expanded limit for the next IRP cycle. In fact, SWPG encourages the CAISO to study in detail a Riverside East EO expansion and potential SCASNV EO expansion, given the high volume of expected renewable imports to the area.

Path 26 Warrants Study in the TPP

The CAISO's 2019/20 TPP showed (Table 4.7 - 1) that Path 26 was by far the most constrained path in the CAISO system with congestion at \$14M per year. As the Southern California area and adjacent import points are becoming more attractive for renewable build out, Path 26 is more constrained. The CAISO did not study possible Path 26 upgrades in its 2019/20 TPP and therefore SWPG strongly encourages that the CAISO study do so in its 2020/21 TPP economic studies.

SWPG Requests Clarification Regarding CAISO Study of WestConnect High Wind Export Case

SWPG understands that WestConnect will be studying a high wind export case which includes 4,000 MWs of wind exported from New Mexico.³ SWPG presumes the CAISO will be studying this case in addition to cases based on the CPUC's IRP portfolios. SWPG requests that the CAISO clarify whether this case will be studied as part of the 2020/21 TPP or as part of the CAISO's Inter-regional study process.

SWPG appreciates the CAISO's consideration of these comments.

³ See presentation ([http://www.aiso.com/Documents/Presentation-WestConnect Annual Interregional Information Feb 27 2020.pdf](http://www.aiso.com/Documents/Presentation-WestConnect%20Annual%20Interregional%20Information%20Feb%2027%202020.pdf)) slides 46 – 50.