



Comments of Pacific Gas & Electric Company Deliverability Assessment Methodology Revisions Straw Proposal

Submitted by	Company	Date Submitted
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Pacific Gas and Electric Company (PG&E) offers the following comments on the California Independent System Operator’s (CAISO) Deliverability Assessment Methodology Straw Proposal.

PG&E supports CAISO’s effort to revisit the study scenarios for assessing deliverability given the evolving needs of a system with increasing levels of intermittent resources. However, PG&E urges CAISO to extend its timeline for this initiative and consider additional stakeholder meetings before finalizing its proposal. Based on the straw proposal, PG&E does not think the proposal will be ready to be taken to the Board of Governors meeting in September. PG&E believes there are still a myriad of cascading effects that have not yet been fully considered and more time is necessary for CAISO to properly engage with all the relevant stakeholders in order to work through these issues. PG&E offers comments to highlight some of the unresolved issues, and they can be summarized as follows:

1. PG&E is concerned that there is misalignment between the new deliverability assessment methodology and the RA NQC methodology.
2. CAISO should quantify the magnitude of the trade-offs between renewable curtailment versus fewer transmission delivery network upgrades.
3. PG&E would like to offer a list of questions that CAISO should consider and clarify in the next iteration of its proposal.

1. PG&E is concerned that there is misalignment between the new deliverability assessment methodology and the RA NQC methodology.

PG&E understands that the evolving energy landscape necessitates a relook at the CAISO’s methodology for assessing deliverability. However, the same factors driving the need for such relook also require the CAISO to ensure that there is alignment between the different processes. PG&E is concerned that the current proposal put forth by the CAISO has not fully considered how those different processes overlap and that misalignment may have unintended consequences. PG&E urges the CAISO to reconsider submitting this initiative to the CAISO Board of Governors so that all the relevant stakeholders, including the CAISO, can better understand the cascading effects.

From PG&E’s current understanding of the proposal, there appears to be misalignment between three key processes: 1) Generation Interconnection Process (GIP), 2) the annual Transmission Planning Process (TPP), and 3) the Local Capacity Technical Study. In an effort to better illustrate our own confusion on how these different inter-related processes overlap, PG&E constructed a table to outline the modeling assumption that would be used in these processes. Since we wanted to focus on

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the methodology and the assumptions used rather than the specifics of the methodology itself, we focused on solar dispatch in PG&E’s area.

Table 1: Modeling Assumptions for PG&E Area

	Current Deliverability	New Deliverability Assessment	Local Capacity Technical Studies	TPP
Summer Load Assessment Period	HE15-17	HE18-22 (HSN) HE15-17 (SSN)	HE15-17	HE15-17
FTM-PV	92% (Exceedance)	10% (HSN) 55.6% (SSN)	up to ELCC 44.8%	up to ELCC 44.8%
BTM-PV	(System) Mid AAPV - %? (Local) Low AAPV - %?	%? (HSN) %? (SSN)	(System) Mid AAPV - %? (Local) Low AAPV - %?	(System) Mid AAPV - %? (Local) Low AAPV - %?

PG&E requests that the CAISO provide a similar chart to ensure alignment of the assumptions in these studies and consider closer collaboration with the CPUC ELCC that establishes the counting methodology for renewable resources. PG&E also requests that the CAISO provide a venue for more stakeholders to fully understand and engage on how these processes overlap to ensure integration among these studies.

Ultimately, PG&E understands there is value in studying the peak consumption period and the peak sales period—especially given that the CAISO system has increasing levels of intermittent generation. There is merit in considering both periods and PG&E believes the CAISO should ensure alignment between these processes in its final proposal.

2. The CAISO should quantify the magnitude of the trade-offs between renewable curtailment versus fewer transmission delivery network upgrades.

PG&E appreciates the CAISO’s acknowledgement that the current proposal will effectively lead to fewer transmission upgrades, but it will also result in increased level of renewable curtailment. The CAISO claims that this tradeoff is not an issue, because “ratepayers ultimately reimburse generators for delivery network upgrades through the CAISO’s transmission access charge.”¹ PG&E thinks it is important for the CAISO to conduct preliminary studies to evaluate the magnitude of those tradeoffs.

3. PG&E would like to offer a list of questions that CAISO should consider and clarify in the next iteration of its proposal.

PG&E would like to thank the CAISO for the amount of work it has already done in developing this proposal. However, PG&E thinks additional work is needed. PG&E provides the following list of additional questions and requests the CAISO to answer and clarify in its next proposal.

- How will OPDS apply to storage devices?

¹ Deliverability Assessment Methodology Revisions Straw Proposal, page 7.

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- Can the CAISO provide additional clarity on if the deliverability upgrades identified in the secondary system scenario are needed for a resource to obtain full deliverability status?
- Can the CAISO consider an OPDS analysis process for existing resources that could mitigate excessive curtailment within the TPP?
- Can the CAISO provide more detail on the merits to permitting interconnecting resources with the option to fund OPDS upgrades when they may be the sole cause of the future congestion constraint to existing resources?