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July 20, 2009

The Honorable Kimberly D. Bose  
Secretary  
Federal Energy Regulatory Commission  
888 First Street, NE  
Washington, D.C. 20426

**Re: California Independent System Operator Corporation  
Docket No. OA08-62-002  
OA08-62-003  
OA08-62-004**

Dear Secretary Bose:

The California Independent System Operator Corporation ("ISO")<sup>1</sup> hereby submits this filing to comply with the Commission's May 21, 2009 Order Denying Rehearing and on Compliance and conditionally accepting the ISO's October 31, 2008 (amended on November 3, 2008) compliance filing in this docket ("May 21 Order").<sup>2</sup> This submission sets forth revisions to the ISO's open access transmission tariff as directed by the Commission in that order.

## I. Introduction and Background

On February 16, 2007, the Commission issued Order No. 890<sup>3</sup>, in which it required transmission providers to implement a coordinated, open, and transparent transmission planning process that satisfies nine planning

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<sup>1</sup> Capitalized terms not otherwise defined herein have the meanings set forth in the Master Definitions Supplement, Appendix A to the ISO Tariff, and in the instant compliance filing.

<sup>2</sup> *California Independent System Operator Corporation*, 127 FERC ¶ 61,172 (2009).

<sup>3</sup> *Preventing Undue Discrimination and Preference in Transmission Service*, Order No. 890, 72 Fed. Reg. 12,266 (Mar. 15, 2007), FERC Stats. & Regs., ¶ 31,241 (2007), *order on reh'g and clarification*, Order No. 890-A, 73 Fed. Reg. 2,984 (Jan. 16, 2008), FERC Stats. & Regs., Regs. Preambles ¶ 31,261 (2007); *order on reh'g and clarification*, Order No. 890-B, 73 Fed. Reg. 39,092 (July 8, 2008), 123 FERC ¶ 61,299 (2008)

principles.<sup>4</sup> The ISO made its compliance filing on December 21, 2007 regarding the transmission planning elements of Order No. 890, in which it proposed revisions to the ISO tariff and Business Practice Manual for Transmission Planning (“BPM”).

By order dated June 19, 2008, the Commission accepted the ISO’s December 21, 2007 compliance filing subject to a further compliance filing.<sup>5</sup> The Commission found that the ISO had adequately addressed the information exchange and cost allocation principles, but that the remaining principles, as well as local planning activities, required further clarification. After conferring with its participating transmission owners and other interested parties with respect to the issues raised in the June 19 order, the ISO submitted changes to the tariff and BPM in the compliance filing that was amended on November 3, 2008.

In the May 21 Order, the Commission denied rehearing requests filed by California State Water Project and Imperial Irrigation District, and accepted the November 3 compliance filing subject to an additional compliance filing to address certain discrete issues: 1) modification to Section 20.4(e); 2) clarification to Section 24.2.3; 3) correction of typographical errors identified by the cities of Anaheim, Asuza, Banning, Colton, Pasadena and Riverside (“Six Cities”); and 4) clarification as to the minimum time periods between transmission planning process milestones. The tariff language reflecting these issues is described below.

The ISO notes that the tariff changes included in the compliance filing as amended November 3, 2008 were submitted both as changes to the then-current Simplified & Reorganized (S&R) Tariff and as changes to the then-prospective MRTU Tariff, which went into effect March 31, 2009 and is now the ISO’s current Tariff. The May 21 Order accepted November 3 filing as modified with an effective date of September 29, 2008. Thus, this filing includes clean sheets and blacklines based on the S&R Tariff with an effective date of September 29, 2008, and clean sheets and blacklines based on the current Tariff with an effective date of March 31, 2009. The ISO also notes that one of the clean sheets for the current tariff, Sheet No. 469, incorporates changes made to Section 20.2(f) in a compliance filing in Docket No. ER09-1048 effective April 28, 2009, and thus has that effective date.

Thus, the supporting documents submitted with this filing are as follows

Attachment A

Clean current (MRTU) Tariff Sheets  
incorporating the changes directed in the May  
21 Order

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<sup>4</sup> Order No. 890 at PP 435-437.

<sup>5</sup> *Cal. Ind. Sys. Operator Corp.*, 123 FERC ¶ 61,283 (2008)

Attachment B	Sheets showing, in blackline format, the changes to the current (MRTU) tariff
Attachment C	Clean S&R Tariff Sheets incorporating the changes directed in the May 21 Order
Attachment D	Sheets showing, in blackline format, the changes to the S&R Tariff

## II. Proposed Tariff Modifications

### A. Modification to Section 20.4(e)

In answer to comments submitted by the Transmission Agency of Northern California, M-S-R Public Power and Modesto Irrigation District with respect to the release of transmission planning information, the ISO agreed to substitute “shall” for “may” in the first sentence of Section 20.4(e). That language substitution was inadvertently omitted in the November 3 compliance filing. As reflected in the attached proposed tariff sheet, the first sentence of Section 20.4(e) now reads “Notwithstanding the provisions of Section 20.2(f), information submitted through the Transmission Planning Process *shall* be disclosed as follows...”

### B. Clarification to Section 24.2.3

To further clarify that all projects, including reliability projects submitted by participating transmission owners, be submitted through the transmission planning process request window, Six Cities suggested that a reference to “participating transmission owner” be added to Section 24.2.3. The ISO has made that change, and the first sentence of Section 24.2.3 now provides:

All requests for Economic Planning Studies and transmission upgrades or additions must be submitted by *Participating TOs*, Market Participants, CPUC, CEC, or Project Sponsors through the Request Window, in accordance with Section 24 and the Business Practice Manual, to be considered for inclusion in the annual Transmission Plan.

### C. Miscellaneous Typographical Errors

As suggested by Six Cities, the ISO has made the following corrections to typographical errors:

- The subparagraphs in Section 20.2(f) have been renumbered to be consistent with the rest of the section.

- In Section 24.5, the references to Operational Flexibility, a tariff-defined term, were capitalized. That section also inadvertently referred to “operating” flexibility, and that error has been corrected as well.
- An “or” was added to the second section of Section 24.9.

#### **D. Minimum Time Periods Between Milestones**

The Bay Area Municipal Transit Group (“Bay Area Municipal”) expressed concern that, in the past, the ISO sometimes has provided a compressed response time to transmission planning participants when unable to adhere to the proposed dates for certain transmission planning milestones. Bay Area Municipal argued that the specific amount of time that elapses between major milestones should be included in the tariff.<sup>6</sup>

The Commission disagreed with Bay Area Municipal, noting that it is not necessary that every detail of the transmission planning process be included in the tariff, particularly those dates that might be changed frequently. Nonetheless, the Commission directed the ISO to revise the tariff to provide the *minimum* amount of time that will elapse between major milestones.

From the standpoint of transmission planning process participants, the major milestones of the ISO’s transmission planning process are the following: 1) developing and posting the Unified Study Assumptions and Study Plan; 2) posting the ISO’s technical study results; and 3) posting the draft annual transmission plan. To ensure that the time period between these milestones does not become compressed, the ISO proposes the following tariff changes:

- The ISO has added subparagraphs (f) and (g) to Section 24.2 providing that: 1) interested parties will have a minimum of one week to review the draft Unified Assumptions and Study Plan, ISO technical study results and draft Transmission Plan prior to each public meeting at which the documents will be reviewed; and 2) interested parties will have a minimum of two weeks to provide comments on these posted documents after discussing them at a public meeting.
- Proposed language has been added to Section 24.2.2.1 providing a minimum of 120 days between posting the Unified

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<sup>6</sup> May 21 Order at P 55.

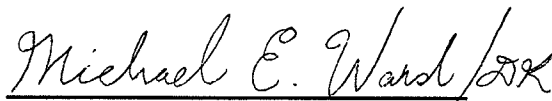
Planning Assumptions and Study Plan and posting technical study results.

- Section 24.2.4 has been modified to provide a minimum of 120 days between the posting of technical assessment study results by the ISO and the posting of the draft Transmission Plan.

### III. Conclusion

For the reasons stated above, the CAISO respectfully requests that the Commission approve this compliance Filing.

Respectfully submitted,



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**Attachment A – Clean Tariff Sheets  
Order 890 Compliance Filing  
Fourth Replacement CAISO Tariff  
July 20, 2009**

- (e) The following information related to the resource adequacy program in accordance with Section 40:
  - (i) Annual and monthly Resource Adequacy Plans and Supply Plans;
  - (ii) Demand Forecasts; and
  - (iii) Information on existing import contracts.
  
- (f) The following information related to the Transmission Planning Process in accordance with Section 24:
  - (i) Information received under Sections 24.2.3.2 and 24.2.3.3 to the extent such information has been designated as confidential in accordance with the Business Practice Manual;
  - (ii) Information deemed confidential by DMM, per Section 8.6 of Appendix P;
  - (iii) Information received by the CAISO pursuant to agreements and contracts, executed prior to December 21, 2007, that preclude the release of the information;
  - (iv) Information that involves proprietary analytical tools, computer codes, or any other material that is protected by intellectual property rights held by the CAISO, Project Sponsor, Market Participant or other third-party; and
  - (v) Critical Energy Infrastructure Information.

However, composite documents, data, and other information that may be developed based on confidential information under this Section shall not be deemed confidential if the composite documents, data, and other information do not disclose any confidential information of any individual Scheduling Coordinator, Market Participant, or other third-party or Critical Energy Infrastructure Information.

- (e) Notwithstanding the provisions of Section 20.2(f), information submitted through the Transmission Planning Process shall be disclosed as follows:
  - (i) Critical Energy Infrastructure Information may be provided to a requestor where such person is employed or designated to receive CEII by: (a) a Market Participant; (b) an electric utility regulatory agency within California; (c) an Interconnection Customer that has submitted an Interconnection Request to the CAISO under the CAISO's Large Generator Interconnection Procedure or Small Generator Interconnection Procedure (LGIP or SGIP); (d) a developer having a pending or potential proposal for development of a Generating Facility or transmission addition, upgrade or facility and that is performing studies in contemplation of filing an Interconnection Request or submitting a transmission infrastructure project through the ISO Transmission Planning Process; or (e) a not-for-profit organization representing consumer regulatory or environmental interests before Local Regulatory Authority or federal regulatory agency. To obtain Critical Energy Infrastructure Information, the requestor must submit a statement as to the need for the CEII, and must execute and return to the CAISO the form of the non-disclosure agreement and non-disclosure statement included as part of the Business Practice Manual. The CAISO may, at its sole discretion, reject a request for CEII and upon such rejection, the requestor will be directed to utilize the FERC procedures for access to the requested CEII.



- (d) Identify existing and projected limitations of the CAISO Controlled Grid's physical, economic or operational capability or performance and identify transmission upgrades and additions, including alternatives thereto, deemed needed in accordance with Section 24.1 to address the existing and projected limitations.
- (e) Account for any effects on the CAISO Controlled Grid of the interconnection of Generating Units on the Distribution System under the Wholesale Distribution Access Tariffs of the Participating TOs, including an assessment of the deliverability of such Generating Units on a basis comparable to the Deliverability Assessment performed under Appendix U or Appendix Y, as applicable.
- (f) Provide a minimum of one week between posting the draft Unified Assumptions and Study Plan, the results of technical assessments conducted by the CAISO and the draft Transmission Plan and each public meeting at which these documents are discussed.
- (g) Provide a minimum of two weeks for interested parties to provide comments on the draft Unified Assumptions and Study Plan, technical study results and the draft Transmission Plan following each public meeting at which these documents are discussed.

**24.2.1 Unified Planning Assumptions and Study Plan.**

**24.2.1.1 Additional Projects and Data for Development of the Unified Planning Assumptions and Study Plan.**

The CAISO will develop Unified Planning Assumptions and Study Plan using information and data received during the Request Window in the previous planning cycle and under Section 24.2.3. The CAISO will also use the following in the development of the Unified Planning Assumptions and Study Plan:

- (1) WECC base cases for the relevant planning horizon;
- (2) Transmission upgrades and additions approved by the CAISO in past Transmission Planning Process cycles and scheduled to be energized within the planning horizon;
- (3) Location Constrained Resource Interconnection Facilities conditionally approved under Section 24.1.3.1(a);
- (4) Network Upgrades identified pursuant to Section 25, Appendix U, Appendix GG, or Appendix W relating to the CAISO's Large Generator Interconnection Procedures and Appendix AA relating to the CAISO's Small Generator Interconnection Procedures;

- (f) A proposed schedule for all stakeholder meetings to be held as part of the Transmission Planning Process cycle, and means for notification of any changes thereto, the location on the CAISO Website of information relating to the technical studies performed in the Transmission Planning Process cycle, and the name of a contact person at the CAISO for each technical study performed in the Transmission Planning Process cycle;
- (g) A list and description of each Economic Planning Study studied by the CAISO as a High Priority Economic Planning Study under Section 24.9 identified in the past Transmission Planning Process; and
- (h) To the maximum extent practicable, and where applicable, appropriate sensitivity analyses, including project or solution alternatives, to be performed as part of technical studies.

**24.2.1.3 Preparation of Draft and Final Unified Planning Assumptions and Study Plan.**

- (a) Following review of relevant information, the CAISO will prepare and post on the CAISO Website a draft Unified Planning Assumptions and Study Plan. The CAISO will issue a Market Notice announcing the availability of such draft, soliciting comments, and scheduling a public conference(s) as required by Section 24.2.1.3(c).
- (b) All comments on the draft Unified Planning Assumptions and Study Plan will be posted by the CAISO to the CAISO Website.
- (c) Subsequent to the posting of the draft Unified Planning Assumptions and Study Plan, the CAISO will conduct a minimum of one public meeting open to Market Participants, electric utility regulatory agencies, and other interested parties to review, discuss, and recommend modifications to the draft Unified Planning

Assumptions and Study Plan. Additional meetings, web conferences, or teleconferences may be scheduled as needed. All stakeholder meetings, web conferences, or teleconferences shall be noticed by Market Notice and such notice shall be posted to the CAISO Website.

- (d) Following the public conference(s) required by Section 24.2.1.3(c), and under the schedule set forth in the Business Practice Manual, the CAISO will determine and publish to the CAISO Website the final Unified Planning Assumptions and Study Plan in accordance with the procedures set forth in the Business Practice Manual.

## **24.2.2 Technical Studies.**

### **24.2.2.1 Performance of Technical Studies**

- (a) In accordance with the Unified Planning Assumptions and Study Plan, and the procedures and deadlines in the Business Practice Manual, the CAISO will perform, or direct the performance by third parties of, technical studies and other assessments necessary for the Transmission Plan and Transmission Planning Process. The CAISO technical studies will include a Congestion Data Summary, as further described in the Business Practice Manual. According to the detailed schedule set forth in the Business Practice Manual, the CAISO will post the preliminary results of its technical studies and proposed mitigation solutions on the CAISO Website. The CAISO's technical study results and mitigation solutions shall be posted not less than 120 days after the final Unified Planning Assumptions and Study Plan are published. Within one month after the posting

of these results, Participating TOs or other third parties will submit the results of the technical assessments conducted at the direction of the CAISO to be posted to the CAISO Website. Subsequently, the CAISO will conduct a minimum of one public conference that provides an opportunity for comments on the preliminary results and mitigation proposals. Additional public meetings, web conferences, or

**24.2.3 Request Window.**

All requests for Economic Planning Studies and transmission upgrades or additions must be submitted by Participating TOs, Market Participants, CPUC, CEC, or Project Sponsors through the Request Window, in accordance with Section 24 and the Business Practice Manual, to be considered for inclusion in the annual Transmission Plan. The duration of the Request Window will be set forth in the Business Practice Manual and will occur in the year prior to the year in which the Transmission Plan is prepared. All proposals submitted through the Request Window must use the forms and satisfy the information and technical requirements set forth in the Business Practice Manual. Proposals for transmission additions or upgrades must be within or connect to the CAISO Balancing Authority Area or CAISO Controlled Grid and proposals for Economic Planning Studies must be intended to promote competition or economic efficiency of serving Load within the CAISO Balancing Authority Area, but may relate to Congestion relief or transmission capacity expansion outside the CAISO Balancing Authority Area. The following proposals will only be considered for inclusion in the Transmission Plan if proposed during the Request Window:

- (a) Economic transmission upgrades or additions proposed under Section 24.1.1;
- (b) Location Constrained Resource Interconnection Facilities under Section 24.1.3 not identified by the CAISO as part of Interconnection Studies performed under the LGIP set forth in Appendix U or Appendix Y;

designated as High Priority Economic Planning Studies at their own expense and may submit such studies for consideration in the development of the Transmission Plan when the CAISO provides notice of the public meeting regarding technical study results pursuant to Section 24.2.2.1.(a).

**24.2.4 Development and Approval of Transmission Plan.**

- (a) In accordance with the schedule and procedures in the Business Practice Manual, but not less than 120 days after the results of the CAISO's technical assessments are posted, the CAISO will post a draft Transmission Plan. The CAISO will subsequently conduct a public conference regarding the draft Transmission Plan and solicit comments, consistent with the timelines and procedures set forth in the Business Practice Manual. Additional meetings, web conferences, or teleconferences may be scheduled as needed. All stakeholder meetings, web conferences, or teleconferences shall be noticed by Market Notice and such notice shall be posted to the CAISO Website. After consideration of comments, the CAISO will post a final Transmission Plan to the CAISO Website.
- (b) The draft and final Transmission Plan may include, but is not limited to: (1) the results of technical studies performed under the Study Plan; (2) determinations, recommendations, and justifications for the need, according to Section 24.1, for identified transmission upgrades and additions; (3) assessments of transmission upgrades and additions submitted as alternatives to the potential solutions to transmission needs identified by the CAISO and studied during the Transmission Planning Process cycle; (4) results of Economic Planning Studies performed during the Transmission Planning Process cycle; (5) an update on the status of transmission upgrades or additions previously approved by the CAISO, including identification of mitigation plans, if necessary, to address any potential delay in the anticipated completion of an approved transmission upgrade or addition; and (6) to the extent available, the results of Interconnection Studies.

**24.4 Participating TO Study Obligation.**

The Participating TO constructing or expanding facilities in accordance with Section 24.2.4, will be directed by the CAISO to coordinate with the Project Sponsor or Participating TO(s) with PTO Service Territories in which the transmission upgrade or addition will be located, neighboring Balancing Authority Areas, as appropriate, and other Market Participants to perform any study or studies necessary, including a Facility Study, to determine the appropriate facilities to be constructed in accordance with the CAISO Transmission Planning Process and the terms set forth in the TO Tariff.

**24.5 Operational Review.**

The CAISO will perform an operational review of all facilities studied as part of the CAISO Transmission Planning Process that are proposed to be connected to, or made part of, the CAISO Controlled Grid to ensure that the proposed facilities provide for acceptable Operational Flexibility and meet all its requirements for proper integration with the CAISO Controlled Grid. If the CAISO finds that such facilities do not provide for acceptable Operational Flexibility or do not adequately integrate with the CAISO Controlled Grid, the CAISO shall coordinate with the Project Sponsor and, if different, the Participating TO with the PTO Service Territory, or the operators of neighboring Balancing Authority Areas, if applicable, in which the facilities will be located to reassess and redesign the facilities required to be constructed. Transmission upgrades or additions that do not provide acceptable Operational Flexibility or do not adequately integrate with the CAISO Controlled Grid cannot be included in the CAISO Transmission Plan or approved by CAISO management or the CAISO Governing Board, as applicable.

**24.6 State and Local Approval and Property Rights.**

**24.6.1** The Participating TO obligated to construct facilities under this Section 24 must make a good faith effort to obtain all approvals and property rights under applicable federal, state and local laws that are necessary to complete the construction of the required transmission additions or upgrades. This obligation includes the Participating TO's use of eminent domain authority, where provided by state law.



**24.8.2 Limitation on Regional Activities.**

Neither the CAISO nor any Participating TO nor any Market Participant shall take any position before the WECC or a regional organization that is inconsistent with a binding decision reached through an arbitration proceeding pursuant to Section 13, in which the Participating TO or Market Participant voluntarily participated.

**24.9 CAISO Planning Standards Committee.**

The CAISO shall maintain a Planning Standards Committee, which shall be open to participation by all Market Participants, electric utility regulatory agencies within California, and other interested parties, to review, provide advice on, and propose modifications to CAISO Planning Standards for consideration by CAISO management and the CAISO Governing Board. The Planning Standards Committee shall meet, at a minimum, on an annual basis prior to publication of the draft Unified Planning Assumptions and Study Plan under Section 24.2.1.3; however, additional meetings, web conferences, or teleconferences may be scheduled as needed. Meetings of the Planning Standards Committee shall be noticed by Market Notice and such notice shall be posted to the CAISO Website. Teleconference capability will be made available for all meetings of the Planning Standards Committee. The CAISO Vice President of Market and Infrastructure Development or his or her designee shall serve as chair of the Planning Standards Committee. All materials addressed at or relating to such meetings, including agendas, presentations, background papers, party comments, and minutes shall be posted to the CAISO Website. The chair of the Planning Standards Committee shall seek approval by the CAISO Governing Board of any modifications to the CAISO Planning Standards, as those CAISO Planning Standards exist as of the effective date of Section 24.2, and must include in the report to the CAISO Governing Board a summary of the positions of parties with respect to the proposed modifications to the CAISO Planning Standards and the ground(s) for rejecting modifications, if any, proposed by Market Participants or other interested parties.

**Attachment B – Blacklines  
Order 890 Compliance Filing  
Fourth Replacement CAISO Tariff  
July 20, 2009**

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**20.2 Confidential Information.**

The following information provided to the CAISO shall be treated by the CAISO as confidential:

- (a) individual Bids;
- (b) CRR bids and other CRR Allocation nomination information;
- (c) transactions between Scheduling Coordinators, including Inter-SC Trades;
- (d) individual Generator Outage programs unless a Generator makes a change to its Generator Outage program which causes Congestion in the short term (i.e. one month or less), in which case, the CAISO may publish the identity of that Generator; and
- (e) The following information related to the resource adequacy program in accordance with Section 40:
  - (i) Annual and monthly Resource Adequacy Plans and Supply Plans;
  - (ii) Demand Forecasts; and
  - (iii) Information on existing import contracts.
- (f) The following information related to the Transmission Planning Process in accordance with Section 24:
  - (4i) Information received under Sections 24.2.3.2 and 24.2.3.3 to the extent such information has been designated as confidential in accordance with the Business Practice Manual;
  - (2ii) Information deemed confidential by DMM, per Section 8.6 of Appendix P;
  - (3iii) Information received by the CAISO pursuant to agreements and contracts, executed prior to December 21, 2007, that preclude the release of the information;

(4iv) Information that involves proprietary analytical tools, computer codes, or any other material that is protected by intellectual property rights held by the CAISO, Project Sponsor, Market Participant or other third-party; and

(5v) Critical Energy Infrastructure Information.

However, composite documents, data, and other information that may be developed based on confidential information under this Section shall not be deemed confidential if the composite documents, data, and other information do not disclose any confidential information of any individual Scheduling Coordinator, Market Participant, or other third-party or Critical Energy Infrastructure Information.

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#### **20.4 Disclosure.**

Notwithstanding anything in this Section 20 to the contrary,

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- (e) Notwithstanding the provisions of Section 20.2(f), information submitted through the Transmission Planning Process ~~may~~shall be disclosed as follows:
- (i) Critical Energy Infrastructure Information may be provided to a requestor where such person is employed or designated to receive CEII by: (a) a Market Participant; (b) an electric utility regulatory agency within California; (c) an Interconnection Customer that has submitted an Interconnection Request to the CAISO under the CAISO's Large Generator Interconnection Procedure or Small Generator Interconnection Procedure (LGIP or SGIP); (d) a developer having a pending or potential proposal for development of a Generating Facility or transmission addition, upgrade or facility and that is performing studies in contemplation of filing an Interconnection Request or submitting a transmission infrastructure project through the ISO Transmission Planning Process; or (e) a not-for-profit organization representing consumer regulatory or environmental interests before Local Regulatory

Authority or federal regulatory agency. To obtain Critical Energy Infrastructure Information, the requestor must submit a statement as to the need for the CEII, and must execute and return to the CAISO the form of the non-disclosure agreement and non-disclosure statement included as part of the Business Practice Manual. The CAISO may, at its sole discretion, reject a request for CEII and upon such rejection, the requestor will be directed to utilize the FERC procedures for access to the requested CEII.

- (ii) Information that is confidential under Section 20.2(f)(i) or 20.2.(f)(ii) may be disclosed to any individual designated by a Market Participant, electric utility regulatory agency within California, or other stakeholder that signs and returns to the CAISO the form of the non-disclosure agreement, nondisclosure statement and certification that the individual is a non-Market Participant, which is any person or entity not involved in a marketing, sales, or brokering function as market, sales, or brokering are defined in FERC's Standards of Conduct for Transmission Providers (18 C.F.R. § 358 et seq.), included as part of the Business Practice Manual; provided, however, that information obtained pursuant to 20.2(f)(ii) will be provided only in composite form so that information related to individual Load Serving Entities or Scheduling Coordinators will not be disclosed; and
- (iii) Data base and other transmission planning information obtained from the WECC, or its successor, may be disclosed to individuals designated by a Market Participant, electric utility regulatory agency within California, or other stakeholder in accordance with the procedures set forth in the Business Practice Manual.

Nothing in this Section 20 shall limit the ability of the CAISO to aggregate data for public release about the adequacy of supply.

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## **24.2 Transmission Planning Process and Coordination of Technical Studies.**

The CAISO shall perform the CAISO's Transmission Planning Process on an annual cycle in accordance with the terms of this CAISO Tariff, the Transmission Control Agreement, and the Business Practice Manual. The Transmission Planning Process shall, at a minimum:

- (a) Coordinate and consolidate the transmission needs of the CAISO Balancing Authority Area into a single plan, which will be assessed on the basis of maintaining the reliability of the CAISO Controlled Grid in accordance with Applicable Reliability Criteria and CAISO Planning Standards, in a manner that promotes the economic efficiency of the CAISO Controlled Grid and considers federal and state environmental and other policies affecting the provision of Energy.
- (b) Reflect a planning horizon covering a minimum of ten (10) years that considers transmission enhancements and expansions, Demand Forecasts, Demand-side management, and capacity forecasts relating to generation technology type, additions and retirements, and such other factors as the CAISO determines are relevant.
- (c) Seek to avoid unnecessary duplication of facilities and ensure the simultaneous feasibility of the CAISO Transmission Plan and the transmission plans of interconnected Balancing Authority Areas, and otherwise coordinate with regional and sub-regional transmission planning processes and entities in accordance with Section 24.8.
- (d) Identify existing and projected limitations of the CAISO Controlled Grid's physical, economic or operational capability or performance and identify transmission upgrades and additions, including alternatives thereto, deemed needed in accordance with Section 24.1 to address the existing and projected limitations.

- (e) Account for any effects on the CAISO Controlled Grid of the interconnection of Generating Units on the Distribution System under the Wholesale Distribution Access Tariffs of the Participating TOs, including an assessment of the deliverability of such Generating Units on a basis comparable to the Deliverability Assessment performed under Appendix U or Appendix Y, as applicable.
- (f) Provide a minimum of one week between posting the draft Unified Assumptions and Study Plan, the results of technical assessments conducted by the CAISO and the draft Transmission Plan and each public meeting at which these documents are discussed.
- (g) Provide a minimum of two weeks for interested parties to provide comments on the draft Unified Assumptions and Study Plan, technical study results and the draft Transmission Plan following each public meeting at which these documents are discussed.

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**24.2.1.3 Preparation of Draft and Final Unified Planning Assumptions and Study Plan.**

- (a) Following review of relevant information, the CAISO will prepare and post on the CAISO Website a draft Unified Planning Assumptions and Study Plan. The CAISO will issue a Market Notice announcing the availability of such draft, soliciting comments, and scheduling a public conference(s) as required by Section 24.2.1.3(c).
- (b) All comments on the draft Unified Planning Assumptions and Study Plan will be posted by the CAISO to the CAISO Website.
- (c) Subsequent to the posting of the draft Unified Planning Assumptions and Study Plan, the CAISO will conduct a minimum of one public meeting open to Market Participants, electric utility regulatory agencies, and other interested parties to review, discuss, and recommend modifications to the draft Unified Planning

Assumptions and Study Plan. Additional meetings, web conferences, or teleconferences may be scheduled as needed. All stakeholder meetings, web conferences, or teleconferences shall be noticed by Market Notice and such notice shall be posted to the CAISO Website.

- (d) Following the public conference(s) required by Section 24.2.1.3(c), and under the schedule set forth in the Business Practice Manual, the CAISO will determine and publish to the CAISO Website the final Unified Planning Assumptions and Study Plan in accordance with the procedures set forth in the Business Practice Manual.

## **24.2.2 Technical Studies.**

### **24.2.2.1 Performance of Technical Studies**

- (a) In accordance with the Unified Planning Assumptions and Study Plan, and the procedures and deadlines in the Business Practice Manual, the CAISO will perform, or direct the performance by third parties of, technical studies and other assessments necessary for the Transmission Plan and Transmission Planning Process. The CAISO technical studies will include a Congestion Data Summary, as further described in the Business Practice Manual. According to the detailed schedule set forth in the Business Practice Manual, the CAISO will post the preliminary results of its technical studies and proposed mitigation solutions on the CAISO Website. The CAISO's technical study results and mitigation solutions shall be posted not less than 120 days after the final Unified Planning Assumptions and Study Plan are published. Within one month after the posting of these results, Participating TOs or other third parties will submit the results of the technical assessments conducted at the direction of the CAISO to be posted to the CAISO Website. Subsequently, the CAISO will conduct a minimum of one public conference that provides an opportunity for comments on the preliminary results and mitigation proposals. Additional public meetings, web conferences, or teleconferences may be scheduled as needed. All meetings, web



conferences, or teleconferences shall be noticed by Market Notice and shall be posted to the CAISO Website.

- (b) All technical studies, whether performed by the CAISO, the Participating TOs or other third parties under the direction of the CAISO, must utilize the Unified Planning Assumptions for the particular technical study to the maximum extent practical, and deviations from the Unified Planning Assumptions for the particular technical study must be documented in the preliminary and final results of each technical study. The CAISO will measure the results of the studies against NERC planning standards, WECC planning standards, and the CAISO Planning Standards, and other criteria established by the Business Practice Manual. After consideration of the comments received on the preliminary results, the CAISO will complete, or direct the completion of, the technical studies and post the final study results on the CAISO Website.
- (c) The CAISO technical study results will identify needs and proposed solutions to meet applicable WECC planning standards, NERC planning standards and other applicable planning standards. Pursuant to the schedule described in the Business Practice Manual, Participating TOs will submit transmission projects and alternative solutions through the Request Window in response to needs and proposed solutions identified by CAISO, as well as projects and solutions to reliability needs identified by the Participating TOs.
- (d) The CAISO and Participating TOs shall coordinate their respective transmission planning responsibilities required for compliance with the NERC Reliability Standards and for the purposes of developing the annual Transmission Plan according to the requirements and time schedules set forth in the Business Practice Manual.

### **24.2.3 Request Window.**

All requests for Economic Planning Studies and transmission upgrades or additions must be submitted by Participating TOs, Market Participants, CPUC, CEC, or Project Sponsors through the Request Window, in

accordance with Section 24 and the Business Practice Manual, to be considered for inclusion in the annual Transmission Plan. The duration of the Request Window will be set forth in the Business Practice Manual and will occur in the year prior to the year in which the Transmission Plan is prepared. All proposals submitted through the Request Window must use the forms and satisfy the information and technical requirements set forth in the Business Practice Manual. Proposals for transmission additions or upgrades must be within or connect to the CAISO Balancing Authority Area or CAISO Controlled Grid and proposals for Economic Planning Studies must be intended to promote competition or economic efficiency of serving Load within the CAISO Balancing Authority Area, but may relate to Congestion relief or transmission capacity expansion outside the CAISO Balancing Authority Area. The following proposals will only be considered for inclusion in the Transmission Plan if proposed during the Request Window:

- (a) Economic transmission upgrades or additions proposed under Section 24.1.1;
- (b) Location Constrained Resource Interconnection Facilities under Section 24.1.3 not identified by the CAISO as part of Interconnection Studies performed under the LGIP set forth in Appendix U or Appendix Y;
- (c) Demand response programs that are proposed for inclusion in the base case or assumptions for the Transmission Plan or as alternatives to transmission additions or upgrades;
- (d) Generation projects that are proposed as solutions to Congestion identified in previously published Economic Planning Studies, for inclusion in long-term planning studies, or as alternatives to transmission additions or upgrades; and
- (e) Requests for Economic Planning Studies; and
- (f) Reliability-driven projects described in Section 24.1.2.

\* \* \*

#### **24.2.4 Development and Approval of Transmission Plan.**

- (a) In accordance with the schedule and procedures in the Business Practice Manual, but not less than 120 days after the results of the CAISO's technical assessments are posted, the CAISO will post a draft Transmission Plan. The

CAISO will subsequently conduct a public conference regarding the draft Transmission Plan and solicit comments, consistent with the timelines and procedures set forth in the Business Practice Manual. Additional meetings, web conferences, or teleconferences may be scheduled as needed. All stakeholder meetings, web conferences, or teleconferences shall be noticed by Market Notice and such notice shall be posted to the CAISO Website. After consideration of comments, the CAISO will post a final Transmission Plan to the CAISO Website.

- (b) The draft and final Transmission Plan may include, but is not limited to: (1) the results of technical studies performed under the Study Plan; (2) determinations, recommendations, and justifications for the need, according to Section 24.1, for identified transmission upgrades and additions; (3) assessments of transmission upgrades and additions submitted as alternatives to the potential solutions to transmission needs identified by the CAISO and studied during the Transmission Planning Process cycle; (4) results of Economic Planning Studies performed during the Transmission Planning Process cycle; (5) an update on the status of transmission upgrades or additions previously approved by the CAISO, including identification of mitigation plans, if necessary, to address any potential delay in the anticipated completion of an approved transmission upgrade or addition; and (6) to the extent available, the results of Interconnection Studies.
- (c) Transmission upgrades or additions that are Large Projects will be subject to a separate study and public participation process. The study and public participation process for Large Projects may encompass more than one Transmission Planning Process cycle. Large Projects will be identified in the Transmission Plan for each cycle but will be presented to the CAISO Governing Board for approval in accordance with the study and public participation schedule established for that project.
- (d) Transmission upgrades or additions with capital costs of less than \$50 million that do not require approval by the CAISO Governing Board will be identified in

the Transmission Plan but will be separately approved by CAISO management according to the procedures in the Business Practice Manual.

- (e) Other projects requiring CAISO Governing Board approval will be identified in the Transmission Plan but will be submitted for approval in accordance with the project timeline in accordance with the procedures in the Business Practice Manual.

\* \* \*

#### **24.5 Operational Review.**

The CAISO will perform an operational review of all facilities studied as part of the CAISO Transmission Planning Process that are proposed to be connected to, or made part of, the CAISO Controlled Grid to ensure that the proposed facilities provide for acceptable Operational Flexibility and meet all its requirements for proper integration with the CAISO Controlled Grid. If the CAISO finds that such facilities do not provide for acceptable Operational Flexibility or do not adequately integrate with the CAISO Controlled Grid, the CAISO shall coordinate with the Project Sponsor and, if different, the Participating TO with the PTO Service Territory, or the operators of neighboring Balancing Authority Areas, if applicable, in which the facilities will be located to reassess and redesign the facilities required to be constructed.

Transmission upgrades or additions that do not provide acceptable Operational Flexibility or do not adequately integrate with the CAISO Controlled Grid cannot be included in the CAISO Transmission Plan or approved by CAISO management or the CAISO Governing Board, as applicable.

\* \* \*

#### **24.9 CAISO Planning Standards Committee.**

The CAISO shall maintain a Planning Standards Committee, which shall be open to participation by all Market Participants, electric utility regulatory agencies within California, and other interested parties, to review, provide advice on, and propose modifications to CAISO Planning Standards for consideration by CAISO management and the CAISO Governing Board. The Planning Standards Committee shall meet, at a minimum, on an annual basis prior to publication of the draft Unified Planning Assumptions and Study Plan under Section 24.2.1.3; however, additional meetings, web conferences, or teleconferences may be scheduled as needed. Meetings of the Planning Standards Committee shall be noticed by Market

Notice and such notice shall be posted to the CAISO Website. Teleconference capability will be made available for all meetings of the Planning Standards Committee. The CAISO Vice President of Market and Infrastructure Development or his or her designee shall serve as chair of the Planning Standards Committee. All materials addressed at or relating to such meetings, including agendas, presentations, background papers, party comments, and minutes shall be posted to the CAISO Website. The chair of the Planning Standards Committee shall seek approval by the CAISO Governing Board of any modifications to the CAISO Planning Standards, as those CAISO Planning Standards exist as of the effective date of Section 24.2, and must include in the report to the CAISO Governing Board a summary of the positions of parties with respect to the proposed modifications to the CAISO Planning Standards and the ground(s) for rejecting modifications, if any, proposed by Market Participants or other interested parties.

\* \* \*

**Attachment C – Clean Tariff Sheets  
Order 890 Compliance Filing  
S&R (Third Replacement) CAISO Tariff  
July 20, 2009**

- (h) The following information related to the Transmission Planning Process, in accordance with Section 24 of Appendix EE:
- (i) Information received under Sections 24.2.3.2 and 24.2.3.3 of Appendix EE to the extent such information has been designated as confidential in accordance with the Business Practice Manual;
  - (ii) Information, the release of which may harm competitive markets, as determined by the CAISO's Department of Market Monitoring;
  - (iii) Information received by the CAISO pursuant to agreements and contracts, executed prior to December 21, 2007, that preclude the release of the information;
  - (iv) Information that involves proprietary analytical tools, computer codes, or any other material that is protected by intellectual property rights held by the CAISO, Project Sponsor, Market Participant or other third-party; and
  - (v) Critical Energy Infrastructure Information.

However, composite documents, data, and other information that may be developed based on confidential information under this Section shall not be deemed confidential if the composite documents, data, and other information do not disclose any confidential information of any individual Scheduling Coordinator, Market Participant, or other third-party or Critical Energy Infrastructure Information.

### **20.3 Other Parties.**

No Market Participant shall have the right hereunder to receive from the ISO or to review any documents, data or other information of another Market Participant to the extent such documents, data or information is to be treated as in accordance with Section 20.2; provided, however, a Market Participant may receive and review any composite documents, data, and other information that may be developed based upon such confidential documents, data, or information, if the composite document does not disclose such

- (e) Account for any effects on the CAISO Controlled Grid of the interconnection of Generating Units on the Distribution System under the Wholesale Distribution Access Tariffs of the Participating TOs, including an assessment of the deliverability of such Generating Units on a basis comparable to the Deliverability Assessment performed under Appendix U or Appendix GG, as applicable.
- (f) Provide a minimum of one week between posting the draft Unified Assumptions and Study Plan, the results of technical assessments conducted by the CAISO and the draft Transmission Plan and each public meeting at which these documents are discussed.
- (g) Provide a minimum of two weeks for interested parties to provide comments on the draft Unified Assumptions and Study Plan, technical study results and the draft Transmission Plan following each public meeting at which these documents are discussed.

**24.2.1 Unified Planning Assumptions and Study Plan.**

**24.2.1.1 Additional Projects and Data for Development of the Unified Planning Assumptions and Study Plan.**

The CAISO will develop Unified Planning Assumptions and Study Plan using information and data received during the Request Window in the previous planning cycle and under Section 24.2.3 of this Appendix EE. The CAISO will also use the following in the development of the Unified Planning Assumptions and Study Plan:



- (1) WECC base cases for the relevant planning horizon;
- (2) Transmission upgrades and additions approved by the CAISO in past Transmission Planning Process cycles and scheduled to be energized within the planning horizon;
- (3) Location Constrained Resource Interconnection Facilities conditionally approved under Section 24.1.3.1(a) of this Appendix EE;
- (4) Network Upgrades identified pursuant to Section 25, Appendix U, Appendix GG, or Appendix W relating to the CAISO's Large Generator Interconnection Procedures and Appendix AA relating to the CAISO's Small Generator Interconnection Procedures;
- (5) Operational solutions validated by the CAISO to address Local Capacity Area Resource requirements;
- (6) Regulatory initiatives, as appropriate, including state regulatory agency initiated programs;

technical studies performed in the Transmission Planning Process cycle, and the name of a contact person at the CAISO for each technical study performed in the Transmission Planning Process cycle;

- (g) A list and description of each Economic Planning Study studied by the CAISO as a High Priority Economic Planning Study under Section 24.9 of this Appendix EE identified in the past Transmission Planning Process; and
- (h) To the maximum extent practicable, and where applicable, appropriate sensitivity analyses, including project or solution alternatives, to be performed as part of technical studies.

**24.2.1.3 Preparation of Draft and Final Unified Planning Assumptions and Study Plan.**

- (a) Following review of relevant information, the CAISO will prepare and post on the CAISO Website a draft Unified Planning Assumptions and Study Plan. The CAISO will issue a Market Notice announcing the availability of such draft, soliciting comments, and scheduling a public conference(s) as required by Section 24.2.1.3(c) of this Appendix EE.
- (b) All comments on the draft Unified Planning Assumptions and Study Plan will be posted by the CAISO to the CAISO Website.
- (c) Subsequent to the posting of the draft Unified Planning Assumptions and Study Plan, the CAISO will conduct a minimum of one public meeting open to Market Participants, electric utility regulatory agencies, and other interested parties to review, discuss, and recommend modifications to the draft Unified Planning Assumptions and Study Plan. Additional meetings, web conferences, or teleconferences may be scheduled as needed. All stakeholder meetings, web conferences, or teleconferences shall be noticed by Market Notice and such notice shall be posted to the CAISO Website.

- (d) Following the public conference(s) required by Section 24.2.1.3(c) of this Appendix EE, and under the schedule set forth in the Business Practice Manual, the CAISO will determine and publish to the CAISO Website the final Unified Planning Assumptions and Study Plan in accordance with the procedures set forth in the Business Practice Manual.

**24.2.2 Technical Studies.**

**24.2.2.1 Performance of Technical Studies**

- (a) In accordance with the Unified Planning Assumptions and Study Plan, and the procedures and deadlines in the Business Practice Manual, the CAISO will perform, or direct the performance by third parties of, technical studies and other assessments necessary for the Transmission Plan and Transmission Planning Process. The CAISO technical studies will include a Congestion Data Summary, as further described in the Business Practice Manual. According to the detailed schedule set forth in the Business Practice Manual, the CAISO will post the preliminary results of its technical studies and proposed mitigation solutions on the CAISO Website. The CAISO's technical study results and mitigation solutions shall be posted not less than 120 days after the final Unified Planning Assumptions and Study Plan are published. Within one month after the posting of these results, Participating TOs or other third parties will submit the results of the technical assessments conducted at the direction of the CAISO to be posted to the CAISO Website. Subsequently, the CAISO will conduct a minimum of one public conference that provides an opportunity for comments on the preliminary results and mitigation proposals. Additional public meetings, web conferences, or teleconferences may be scheduled as needed. All meetings, web conferences, or teleconferences shall be noticed by Market Notice and shall be posted to the CAISO Website.

**24.2.3 Request Window.**

All requests for Economic Planning Studies and transmission upgrades or additions must be submitted by Participating TOs, Market Participants, CPUC, CEC, or Project Sponsors through the Request Window, in accordance with Section 24 of Appendix EE and the Business Practice Manual, to be considered for inclusion in the annual Transmission Plan. The duration of the Request Window will be set forth in the Business Practice Manual and will occur in the year prior to the year in which the Transmission Plan is prepared. All proposals submitted through the Request Window must use the forms and satisfy the information and technical requirements set forth in the Business Practice Manual. Proposals for transmission additions or upgrades must be within or connect to the CAISO Control Area or CAISO Controlled Grid and proposals for Economic Planning Studies must be intended to promote competition or economic efficiency of serving Load within the CAISO Control Area, but may relate to Congestion relief or transmission capacity expansion outside the CAISO Control Area. The following proposals will only be considered for inclusion in the Transmission Plan if proposed during the Request Window:

- (a) Economic transmission upgrades or additions proposed under Section 24.1.1 of this Appendix EE;
- (b) Location Constrained Resource Interconnection Facilities under Section 24.1.3 of this Appendix EE not identified by the CAISO as part of Interconnection Studies performed under the LGIP set forth in Appendix U or Appendix GG;
- (c) Demand response programs that are proposed for inclusion in the base case or assumptions for the Transmission Plan or as alternatives to transmission additions or upgrades;
- (d) Generation projects that are proposed as solutions to Congestion identified in previously published Economic Planning Studies, for inclusion in long-term planning studies, or as alternatives to transmission additions or upgrades; and
- (e) Requests for Economic Planning Studies; and
- (f) Reliability-driven projects described in Section 24.1.2.

**24.2.4 Development and Approval of Transmission Plan.**

- (a) In accordance with the schedule and procedures in the Business Practice Manual, but not less than 120 days after the results of the CAISO's technical assessments are posted, the CAISO will post a draft Transmission Plan. The CAISO will subsequently conduct a public conference regarding the draft Transmission Plan and solicit comments, consistent with the timelines and procedures set forth in the Business Practice Manual. Additional meetings, web conferences, or teleconferences may be scheduled as needed. All stakeholder meetings, web conferences, or teleconferences shall be noticed by Market Notice and such notice shall be posted to the CAISO Website. After consideration of comments, the CAISO will post a final Transmission Plan to the CAISO Website.
- (b) The draft and final Transmission Plan may include, but is not limited to: (1) the results of technical studies performed under the Study Plan; (2) determinations, recommendations, and justifications for the need, according to Section 24.1 of this Appendix EE, for identified transmission upgrades and additions; (3) assessments of transmission upgrades and additions submitted as alternatives to the potential solutions to transmission needs identified by the CAISO and studied during the Transmission Planning Process cycle; (4) results of Economic Planning Studies performed during the Transmission Planning Process cycle; (5) an update on the status of transmission upgrades or additions previously approved by the CAISO, including identification of mitigation plans, if necessary, to address any potential delay in the anticipated completion of an approved transmission upgrade or addition; and (6) to the extent available, the results of Interconnection Studies.

**24.4 Participating TO Study Obligation.**

The Participating TO constructing or expanding facilities in accordance with Section 24.2.4.2 of this Appendix, will be directed by the CAISO to coordinate with the Project Sponsor or Participating TO(s) with PTO Service Territories in which the transmission upgrade or addition will be located, neighboring balancing authority areas, as appropriate, and other Market Participants to perform any study or studies necessary, including a Facility Study, to determine the appropriate facilities to be constructed in accordance with the CAISO Transmission Planning Process and the terms set forth in the TO Tariff.

**24.5 Operational Review.**

The CAISO will perform an operational review of all facilities studied as part of the CAISO Transmission Planning Process that are proposed to be connected to, or made part of, the CAISO Controlled Grid to ensure that the proposed facilities provide for acceptable Operational Flexibility and meet all its requirements for proper integration with the CAISO Controlled Grid. If the CAISO finds that such facilities do not provide for acceptable Operational Flexibility or do not adequately integrate with the CAISO Controlled Grid, the CAISO shall coordinate with the Project Sponsor and, if different, the Participating TO with the PTO Service Territory, or the operators of neighboring balancing authority areas, if applicable, in which the facilities will be located to reassess and redesign the facilities required to be constructed. Transmission upgrades or additions that do not provide acceptable Operational Flexibility or do not adequately integrate with the CAISO Controlled Grid cannot be included in the CAISO Transmission Plan or approved by CAISO management or the CAISO Governing Board, as applicable.

- (d) post on the CAISO Website links to the planning activities of applicable regional and sub-regional planning groups or interconnected Control Areas.

#### **24.8.2 Limitation on Regional Activities.**

Neither the CAISO nor any Participating TO nor any Market Participant shall take any position before the WECC or a regional organization that is inconsistent with a binding decision reached through an arbitration proceeding pursuant to Section 13 of the CAISO Tariff, in which the Participating TO or Market Participant voluntarily participated.

#### **24.9 CAISO Planning Standards Committee.**

The CAISO shall maintain a Planning Standards Committee, which shall be open to participation by all Market Participants, electric utility regulatory agencies within California, and other interested parties, to review, provide advice on, and propose modifications to CAISO Planning Standards for consideration by CAISO management and the CAISO Governing Board. The Planning Standards Committee shall meet, at a minimum, on an annual basis prior to publication of the draft Unified Planning Assumptions and Study Plan under Section 24.2.1.3 of this Appendix EE; however, additional meetings, web conferences, or teleconferences may be scheduled as needed. Meetings of the Planning Standards Committee shall be noticed by Market Notice and such notice shall be posted to the CAISO Website. Teleconference capability will be made available for all meetings of the Planning Standards Committee. The CAISO Vice President of Market and Infrastructure Development or his or her designee shall serve as chair of the Planning Standards Committee. All materials addressed at or relating to such meetings, including agendas, presentations, background papers, party comments, and minutes shall be posted to the CAISO Website. The chair of the Planning Standards Committee shall seek approval by the CAISO Governing Board of any modifications to the CAISO Planning Standards, as those CAISO Planning Standards exist as of the effective date of Section 24.2 of this Appendix EE, and must include in the report to the CAISO Governing Board a summary of the positions of parties with respect to the proposed modifications to the CAISO Planning Standards and the ground(s) for rejecting modifications, if any, proposed by Market Participants or other interested parties.

**Attachment D – Blacklines**  
**Order 890 Compliance Filing**  
**S&R (Third Replacement) CAISO Tariff**  
**July 20, 2009**



**20 CONFIDENTIALITY.**

\* \* \*

**20.2 Confidential Information.**

The following information provided to the ISO shall be treated by the ISO as confidential:

- (a) individual bids for Supplemental Energy;
- (b) individual Adjustment Bids for Congestion Management which are not designated by the Scheduling Coordinator as available;
- (c) individual bids for Ancillary Services;
- (d) transactions between Scheduling Coordinators;
- (e) individual Generator Outage programs unless a Generator makes a change to its Generator Outage program which causes Congestion in the short term (i.e. one month or less), in which case, the ISO may publish the identity of that Generator.
- (f) Demand Forecast and other hourly data provided by Scheduling Coordinators to the ISO pursuant to Sections 4.5.3.7 and 31.1.4.
- (g) The following information provided to the ISO for purposes of the Interim Reliability Requirements Program:
  - (1) Annual and monthly Resource Adequacy Plans pursuant to Sections 40.2.1 and 40.2.2, respectively, and Supply Plans pursuant to Section 40.6; however, any Planning Reserve Margin information required by Section 40.4 and any Qualifying Capacity eligibility criteria information required by Section 40.5.1 contained in the Resource Adequacy Plans and/or Supply Plans shall not be treated as confidential.
  - (2) Demand Forecast and other hourly data provided pursuant to Section 40.3.
  - (3) Information on existing import contracts, and any trades or sales of allocated import capacity, provided pursuant to Section 40.5.2.2.

- (4) Information reported by non-Participating Generators pursuant to Sections 40.6A.3 and 40.7.3.
  - (5) Information submitted through the dispute or discrepancy resolution process pursuant to Section 40.2.3.
- (h) The following information related to the Transmission Planning Process, in accordance with Section 24 of Appendix EE:

- (4i) Information received under Sections 24.2.3.2 and 24.2.3.3 of Appendix EE to the extent such information has been designated as confidential in accordance with the Business Practice Manual;
- (2ii) Information, the release of which may harm competitive markets, as determined by the CAISO's Department of Market Monitoring;
- (3iii) Information received by the CAISO pursuant to agreements and contracts, executed prior to December 21, 2007, that preclude the release of the information;
- (4iv) Information that involves proprietary analytical tools, computer codes, or any other material that is protected by intellectual property rights held by the CAISO, Project Sponsor, Market Participant or other third-party; and
- (5v) Critical Energy Infrastructure Information.

However, composite documents, data, and other information that may be developed based on confidential information under this Section shall not be deemed confidential if the composite documents, data, and other information do not disclose any confidential information of any individual Scheduling Coordinator, Market Participant, or other third-party or Critical Energy Infrastructure Information.

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## ISO TARIFF APPENDIX EE

### Transmission Expansion and Planning Process

#### PART A. Transmission Expansion and Planning Process

\* \* \*

#### 24.2 Transmission Planning Process and Coordination of Technical Studies.

The CAISO shall perform the CAISO's Transmission Planning Process on an annual cycle in accordance with the terms of this CAISO Tariff, the Transmission Control Agreement, and the Business Practice Manual. The Transmission Planning Process shall, at a minimum:

- (a) Coordinate and consolidate the transmission needs of the CAISO Control Area into a single plan, which will be assessed on the basis of maintaining the reliability of the CAISO Controlled Grid in accordance with Applicable Reliability Criteria and CAISO Planning Standards, in a manner that promotes the economic efficiency of the CAISO Controlled Grid and considers federal and state environmental and other policies affecting the provision of Energy.
- (b) Reflect a planning horizon covering a minimum of ten (10) years that considers transmission enhancements and expansions, Demand Forecasts, Demand-side management, and capacity forecasts relating to generation technology type, additions and retirements, and such other factors as the CAISO determines are relevant.
- (c) Seek to avoid unnecessary duplication of facilities and ensure the simultaneous feasibility of the CAISO Transmission Plan and the transmission plans of interconnected Control Areas, and otherwise coordinate with regional and sub-regional transmission planning processes and entities in accordance with Section 24.8 of this Appendix EE.
- (d) Identify existing and projected limitations of the CAISO Controlled Grid's physical, economic or operational capability or performance and identify transmission upgrades and additions, including alternatives thereto, deemed

needed in accordance with Section 24.1 of this Appendix EE to address the existing and projected limitations.

- (e) Account for any effects on the CAISO Controlled Grid of the interconnection of Generating Units on the Distribution System under the Wholesale Distribution Access Tariffs of the Participating TOs, including an assessment of the deliverability of such Generating Units on a basis comparable to the Deliverability Assessment performed under Appendix U or Appendix GG, as applicable.
- (f) Provide a minimum of one week between posting the draft Unified Assumptions and Study Plan, the results of technical assessments conducted by the CAISO and the draft Transmission Plan and each public meeting at which these documents are discussed.
- (g) Provide a minimum of two weeks for interested parties to provide comments on the draft Unified Assumptions and Study Plan, technical study results and the draft Transmission Plan following each public meeting at which these documents are discussed.

\* \* \*

#### **24.2.1.3 Preparation of Draft and Final Unified Planning Assumptions and Study Plan.**

- (a) Following review of relevant information, the CAISO will prepare and post on the CAISO Website a draft Unified Planning Assumptions and Study Plan. The CAISO will issue a Market Notice announcing the availability of such draft, soliciting comments, and scheduling a public conference(s) as required by Section 24.2.1.3(c) of this Appendix EE.
- (b) All comments on the draft Unified Planning Assumptions and Study Plan will be posted by the CAISO to the CAISO Website.
- (c) Subsequent to the posting of the draft Unified Planning Assumptions and Study Plan, the CAISO will conduct a minimum of one public meeting open to Market Participants, electric utility regulatory agencies, and other interested parties to

review, discuss, and recommend modifications to the draft Unified Planning Assumptions and Study Plan. Additional meetings, web conferences, or teleconferences may be scheduled as needed. All stakeholder meetings, web conferences, or teleconferences shall be noticed by Market Notice and such notice shall be posted to the CAISO Website.

- (d) Following the public conference(s) required by Section 24.2.1.3(c) of this Appendix EE, and under the schedule set forth in the Business Practice Manual, the CAISO will determine and publish to the CAISO Website the final Unified Planning Assumptions and Study Plan in accordance with the procedures set forth in the Business Practice Manual.

## **24.2.2 Technical Studies.**

### **24.2.2.1 Performance of Technical Studies**

- (a) In accordance with the Unified Planning Assumptions and Study Plan, and the procedures and deadlines in the Business Practice Manual, the CAISO will perform, or direct the performance by third parties of, technical studies and other assessments necessary for the Transmission Plan and Transmission Planning Process. The CAISO technical studies will include a Congestion Data Summary, as further described in the Business Practice Manual. According to the detailed schedule set forth in the Business Practice Manual, the CAISO will post the preliminary results of its technical studies and proposed mitigation solutions on the CAISO Website. The CAISO's technical study results and mitigation solutions shall be posted not less than 120 days after the final Unified Planning Assumptions and Study Plan are published. Within one month after the posting of these results, Participating TOs or other third parties will submit the results of the technical assessments conducted at the direction of the CAISO to be posted to the CAISO Website. Subsequently, the CAISO will conduct a minimum of one public conference that provides an opportunity for comments on the preliminary results and mitigation proposals. Additional public meetings, web conferences,

or teleconferences may be scheduled as needed. All meetings, web conferences, or teleconferences shall be noticed by Market Notice and shall be posted to the CAISO Website.

- (b) All technical studies, whether performed by the CAISO, the Participating TOs or other third parties under the direction of the CAISO, must utilize the Unified Planning Assumptions for the particular technical study to the maximum extent practical, and deviations from the Unified Planning Assumptions for the particular technical study must be documented in the preliminary and final results of each technical study. The CAISO will measure the results of the studies against NERC planning standards, WECC planning standards, and the CAISO Planning Standards, and other criteria established by the Business Practice Manual. After consideration of the comments received on the preliminary results, the CAISO will complete, or direct the completion of, the technical studies and post the final study results on the CAISO Website.
- (c) The CAISO technical study results will identify needs and proposed solutions to meet applicable WECC planning standards, NERC planning standards and other applicable planning standards. Pursuant to the schedule described in the Business Practice Manual, Participating TOs will submit transmission projects and alternative solutions through the Request Window in response to needs and proposed solutions identified by CAISO, as well as projects and solutions to reliability needs identified by the Participating TOs.
- (d) The CAISO and Participating TOs shall coordinate their respective transmission planning responsibilities required for compliance with the NERC Reliability Standards and for the purposes of developing the annual Transmission Plan according to the requirements and time schedules set forth in the Business Practice Manual.

### **24.2.3 Request Window.**

All requests for Economic Planning Studies and transmission upgrades or additions must be submitted by

Participating TOs, Market Participants, CPUC, CEC, or Project Sponsors through the Request Window, in accordance with Section 24 of Appendix EE and the Business Practice Manual, to be considered for inclusion in the annual Transmission Plan. The duration of the Request Window will be set forth in the Business Practice Manual and will occur in the year prior to the year in which the Transmission Plan is prepared. All proposals submitted through the Request Window must use the forms and satisfy the information and technical requirements set forth in the Business Practice Manual. Proposals for transmission additions or upgrades must be within or connect to the CAISO Control Area or CAISO Controlled Grid and proposals for Economic Planning Studies must be intended to promote competition or economic efficiency of serving Load within the CAISO Control Area, but may relate to Congestion relief or transmission capacity expansion outside the CAISO Control Area. The following proposals will only be considered for inclusion in the Transmission Plan if proposed during the Request Window:

- (a) Economic transmission upgrades or additions proposed under Section 24.1.1 of this Appendix EE;
- (b) Location Constrained Resource Interconnection Facilities under Section 24.1.3 of this Appendix EE not identified by the CAISO as part of Interconnection Studies performed under the LGIP set forth in Appendix U or Appendix GG;
- (c) Demand response programs that are proposed for inclusion in the base case or assumptions for the Transmission Plan or as alternatives to transmission additions or upgrades;
- (d) Generation projects that are proposed as solutions to Congestion identified in previously published Economic Planning Studies, for inclusion in long-term planning studies, or as alternatives to transmission additions or upgrades; and
- (e) Requests for Economic Planning Studies; and
- (f) Reliability-driven projects described in Section 24.1.2.

\* \* \*

#### **24.2.4 Development and Approval of Transmission Plan.**

- (a) In accordance with the schedule and procedures in the Business Practice Manual, but not less than 120 days after the results of the CAISO's technical assessments are posted, the CAISO will post a draft Transmission Plan. The CAISO will subsequently conduct a public conference regarding the draft Transmission Plan and solicit comments, consistent with the timelines and procedures set forth in the Business Practice Manual. Additional meetings, web conferences, or teleconferences may be scheduled as needed. All stakeholder meetings, web conferences, or teleconferences shall be noticed by Market Notice and such notice shall be posted to the CAISO Website. After consideration of comments, the CAISO will post a final Transmission Plan to the CAISO Website.
- (b) The draft and final Transmission Plan may include, but is not limited to: (1) the results of technical studies performed under the Study Plan; (2) determinations, recommendations, and justifications for the need, according to Section 24.1 of this Appendix EE, for identified transmission upgrades and additions; (3) assessments of transmission upgrades and additions submitted as alternatives to the potential solutions to transmission needs identified by the CAISO and studied during the Transmission Planning Process cycle; (4) results of Economic Planning Studies performed during the Transmission Planning Process cycle; (5) an update on the status of transmission upgrades or additions previously approved by the CAISO, including identification of mitigation plans, if necessary, to address any potential delay in the anticipated completion of an approved transmission upgrade or addition; and (6) to the extent available, the results of Interconnection Studies.
- (c) Transmission upgrades or additions that are Large Projects will be subject to a separate study and public participation process. The study and public participation process for Large Projects may encompass more than one Transmission Planning Process cycle. Large Projects will be identified in the Transmission Plan for each cycle but will be presented to the CAISO Governing Board for approval in accordance with the study and public participation schedule established for that project.



- (d) Transmission upgrades or additions with capital costs of less than \$50 million that do not require approval by the CAISO Governing Board will be identified in the Transmission Plan but will be separately approved by CAISO management according to the procedures in the Business Practice Manual.
- (e) Other projects requiring CAISO Governing Board approval will be identified in the Transmission Plan but will be submitted for approval in accordance with the project timeline in accordance with the procedures in the Business Practice Manual.

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#### **24.5 Operational Review.**

The CAISO will perform an operational review of all facilities studied as part of the CAISO Transmission Planning Process that are proposed to be connected to, or made part of, the CAISO Controlled Grid to ensure that the proposed facilities provide for acceptable Operational Flexibility and meet all its requirements for proper integration with the CAISO Controlled Grid. If the CAISO finds that such facilities do not provide for acceptable Operational Flexibility or do not adequately integrate with the CAISO Controlled Grid, the CAISO shall coordinate with the Project Sponsor and, if different, the Participating TO with the PTO Service Territory, or the operators of neighboring balancing authority areas, if applicable, in which the facilities will be located to reassess and redesign the facilities required to be constructed.

Transmission upgrades or additions that do not provide acceptable Operational Flexibility or do not adequately integrate with the CAISO Controlled Grid cannot be included in the CAISO Transmission Plan or approved by CAISO management or the CAISO Governing Board, as applicable.

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#### **24.9 CAISO Planning Standards Committee.**

The CAISO shall maintain a Planning Standards Committee, which shall be open to participation by all Market Participants, electric utility regulatory agencies within California, and other interested parties, to review, provide advice on, and propose modifications to CAISO Planning Standards for consideration by CAISO management and the CAISO Governing Board. The Planning Standards Committee shall meet, at a minimum, on an annual basis prior to publication of the draft Unified Planning Assumptions and Study Plan under Section 24.2.1.3 of this Appendix EE; however, additional meetings, web conferences,

or teleconferences may be scheduled as needed. Meetings of the Planning Standards Committee shall be noticed by Market Notice and such notice shall be posted to the CAISO Website. Teleconference capability will be made available for all meetings of the Planning Standards Committee. The CAISO Vice President of Market and Infrastructure Development or his or her designee shall serve as chair of the Planning Standards Committee. All materials addressed at or relating to such meetings, including agendas, presentations, background papers, party comments, and minutes shall be posted to the CAISO Website. The chair of the Planning Standards Committee shall seek approval by the CAISO Governing Board of any modifications to the CAISO Planning Standards, as those CAISO Planning Standards exist as of the effective date of Section 24.2 of this Appendix EE, and must include in the report to the CAISO Governing Board a summary of the positions of parties with respect to the proposed modifications to the CAISO Planning Standards and the ground(s) for rejecting modifications, if any, proposed by Market Participants or other interested parties.

