

March 13, 2012

Submitted by email to regional transmission@caiso.com

RE: Comments of the Large-scale Solar Association on the <u>2012-2013 Transmission</u> Planning Draft Study Plan

The Large-scale Solar Association (LSA) submits these comments in response to the California Independent System Operator's (CAISO) posting of the 2012-2013 Transmission Planning Process (TPP) Draft Study Plan.

In the 2011-2012 TPP, the CAISO studied renewable portfolios from the California Public Utilities Commission's (CPUC's) Long-Term Procurement Plan (LTPP) proceeding. In last year's process, LSA raised concerns about the terms of CAISO's tariff precluding the use of the CPUC's recommended base case scenario, the out-of-date information included in the scenarios, and the very limited opportunity for stakeholder input on these scenarios, which play a fundamental role in the state's energy and transmission planning processes. However, other than correction of a few errors, the scenarios were largely finalized before the CAISO's stakeholder meeting was held. The broader policy concerns raised by stakeholders simply were not addressed prior to these scenarios being studied in last year's TPP.

By a March 9th letter, the CPUC and CEC have provided CAISO with renewable scenarios for use in the 2012-2013 TPP. There has not been an opportunity for stakeholders to provide input on these scenarios; even the limited stakeholder comment opportunity that was provided last year during the LTPP was not available this year. Thus, this year, the only opportunity for stakeholder input on the scenarios will be during the CAISO's TPP. And, as noted above, stakeholder input on the scenarios was largely not addressed in the TPP last year.

LSA urges the CAISO to ensure that stakeholders have a full opportunity to review and comment on the proposed renewable scenarios in the TPP. To fully address stakeholder input and concerns, the TPP schedule should include sufficient time to revise and adjust the scenarios in response to stakeholder concerns and the CAISO, CPUC, or CEC staff, as appropriate, should provide responses to stakeholder comments so stakeholders can understand whether and how the different issues have been addressed.

The TPP schedule appears to provide only a single opportunity for stakeholder review of the scenarios and it is not clear how revision of the scenarios in response to stakeholder concerns will be addressed. A full opportunity for stakeholder input on these critical assumptions is necessary - especially in light of the TPP's crucial role in the proposed TPP-Generator Interconnection Process (TPP-GIP) Integration process of determining which upgrades are ratepayer-funded and which are not.

As noted in our comments on the renewables scenarios during last year's TPP, LSA supports the efforts of the CAISO and CPUC to coordinate their planning efforts in accordance with the May 2010 Memorandum of Understanding. However, a coordinated effort must not ignore the requirements of the CAISO's tariff with respect to the TPP assumptions. Specifically, according to Section 24.4.6.6 (Policy-Driven Elements) of the CAISO tariff, "[t]he CAISO will create a **baseline scenario reflecting the assumptions about resource locations that are most likely to occur** and one or more reasonable stress scenarios that will be compared to the baseline scenario." (emphasis added) We strongly urge the CAISO to take the following three steps to keep its planning efforts consistent with the CAISO's tariff requirements:

- Ensure that the scenarios are based on accurate, up-to-date information about the commercial interest and projected generation development;
- Ensure that the scenario designated as base case appropriately incorporates commercial interest and that the other "stress" scenarios also incorporate the core commercial projects; and
- Work with the CPUC and CEC to establish a timely process to revisit the scenarios and scoring criteria on an annual basis to provide periodic updates of these fundamental planning assumptions and ensure that the state's planning efforts are based on correct and up-to-date information.

The critical role that these scenarios are playing in the transmission planning effort demands that they be subject to thorough stakeholder review, and be both accurate and reflective of the most current information available. Unfortunately, LSA is concerned that, unless the TPP schedule provides time for careful review of the scenarios and the associated revisions, the scenarios will fall well short of meeting these criteria.

Given the significant concerns raised in last year's TPP regarding the scenarios, combined with the increased importance of the TPP under the TPP-GIP integration proposal, LSA is dismayed that these scenarios are once again coming late into the CAISO's stakeholder process and that there has not been a more proactive effort to provide additional time for stakeholder review.

In closing, LSA requests that the CAISO take the time needed to review these CPUC scenarios, to allow for stakeholder input, and to make any needed updates or modifications to the proposed scenarios to ensure that the scenarios are accurate and up-to-date, are consistent with the tariff requirements, and contribute to the broader goals that the TPP is seeking to achieve.

Respectfully submitted,

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