



February 22, 2018

Submitted to the CAISO at initiativecomments@caiso.com by Tim Mason, Policy Director, Large-scale Solar Association

RE: LSA comments on CAISO Draft 2017-2018 Transmission Plan

The Large-scale Solar Association (LSA) is pleased to provide these comments on the CAISO's 2017-2018 Draft Transmission Plan (plan).

LSA is concerned about the Plan's recommendation to cancel, modify or place on hold numerous previously approved transmission projects. In the Plan, 19 projects are recommended for cancellation, 19 additional projects have major scope changes, and six other projects are on hold pending reassessment in future cycles. LSA believes that it is premature to cancel and re-scope these projects, as they may be necessary when more relevant and currently planning criteria are applied.

LSA has two primary concerns with cancelling, modifying and delaying these resources at this time. First, CAISO has provided inadequate consideration of the impact of these cancellation on potential generation in the interconnection queue, or generation with interconnection agreements that may be significantly impacted by the cancellations; and second, CAISO appears to have provided no consideration of the need for this transmission for the state to achieve either 50% RPS by 2030, or the need under the CPUC IRP's more recent standard of capping emissions from the electric sector to 42 MMT of carbon per year by 3020.

Impact on Interconnecting Resources

The plan states there is no longer a need for these resources based on current assumptions, but is silent on whether and how the cancellation and scope change of these projects will impact potential generators in the interconnection queue or those with interconnection agreements that are not yet delivering energy. Further, it is silent on how these cancellations will impact potentially Affected Systems assessments of new resources.

There are currently numerous resources with interconnection agreements that have yet to be constructed or are awaiting upgrades to achieve their approved deliverability status. Interconnection studies conducted to assess the feasibility and deliverability for these resources must assume that CAISO-approved upgrades will be completed in order to accurately assess the resource deliverability and upgrade requirements. If the CAISO cancels transmission projects that were assumed in the studies, this may substantially impact the timing, cost and deliverability of these resources. Lack of CAISO consideration of how these project cancellations will impact interconnecting resources undermines the credibility of the GIDAP and planning processes. Below are concerns that we have identified with some specific project cancellations or

modifications, which we believe to be illustrative of issues with other projects that are cancelled or re-scoped.

- **Borden 230kV Voltage Support** - While this project was not cancelled in this year's plan, it was considered with a revised scope that removed the need to install approx. 230 MVAR of reactive support at Borden Substation (PG&E Fresno Area). The 2017-2018 plan states that the need for additional reactive support is no longer required, but does not address how generation deliverability will be affected. The CAISO should clarify if this revised scope is expected to remove this project as a required TPP pre-cursor upgrade in the upcoming NQC Deliverability Studies.
- **Oro Loma-Mendota 115 kV Conversion** - Previous deliverability studies assumed this project as an TPP upgrade requirement for several generation queued projects in order to achieve FCDS. The 2017-2018 plan states that the revised scope to remove this 115kV conversion project from the overall Oro Loma Area Reinforcement still meets sufficient reliability needs, but does not address relieving deliverability constraints. The CAISO should clarify if the revised scope is expected to remove this project as a required TPP pre-cursor upgrade in the upcoming NQC Deliverability Studies.
- **Gates-Gregg 230kV Line** - With this project on hold for at least another two years and detailed renewable integration assessment to be conducted in the 2018-2019 TPP, the CAISO and PG&E should address if the original approved in-service date of December 2022 is still achievable if the project is found to be needed.

Affected Systems

With these proposed cancellation of projects, especially in the PG&E Fresno Area, power flows and base case topology will change, potentially triggering Affected System restudies for projects that may have already met their obligations. While Affected Systems and Interconnection Customers understand restudies are normal part of the interconnection process, for queued projects that are currently in construction or expected to be online in 1-2 years, any changes or impacts to Affected System studies or mitigation obligations can have potentially negative effects that can delay COD's. While it's too early to assume any major impacts, the CAISO should be aware of potentially cascading effects of the Affected System process and requirements due to such a large number of cancelled transmission projects.

This issue was recently addressed in the CAISO Business Practice Manual (BPM), as a result of BPM Proposed Revision Request (PRR) 1027. In that, the CAISO modified BPM Section 4.12.2.3(e), Other Transmission Plan Information, to expressly require this consideration.

Updates on the status of transmission solutions previously approved by the CAISO, including identification of mitigation plans, if necessary, to address any potential delay, hold or cancellation in the anticipated completion of an approved transmission upgrade or addition;

LSA strongly believes that this updated standard should be applied in this Transmission planning cycle. If the CAISO did consider these generation impacts, then it should explicitly so state. (That has been a long-standing LSA proposal, including a proposed feature in PRR 2017.)

Impact of cancellations on achieving 50% RPS or GHG targets in IRP

The 2017-2018 plan recommendations are premised on the 33% RPS requirement starting in 2020, rather than the target of 50% in 2030 required by CA SB 350 (2015) legislation, or the new standard, adopted by the CPUC in its recent IRP, that would limit GHG to 42 MMT by 2030. While LSA appreciates that the CAISO has not yet been provided the data and assumptions necessary to develop a transmission plan to achieve the 50% RPS requirement, we strongly feel that the CAISO should not recommend the cancellation of these projects in the 2017-2018 Transmission Plan until it has fully assessed their need and value in light of the increased RPS standard.

The 50% standard is current California law, and the 42 MMT carbon standard adopted by the CPUC is state policy. The transmission requirements necessary to achieve the newer standards are likely to be greater than the requirements to achieve the 33% RPS requirement. It is very likely that some or all of these lines will may be necessary to achieve the 50% RPS standard, and it would be short-sighted to cancel these projects now only to re-activate these projects once a comprehensive 50% RPS study has been completed.

Recommendation for Board Action

LSA recommends the CAISO Board place all the cancelled or modified projects on hold for a year, until it has fully vetted the necessity of these projects using the 50% RPS criteria and the CPUC-adopted IRP criteria of 42 MMT of carbon emissions in its 2018-2019 Transmission Plan.

LSA appreciates the CAISO's consideration of this recommendation in considering the final 2017-2018 Transmission Plan.