



October 6, 2015

Submitted to: CAISO ([regionaltransmission@caiso.com](mailto:regionaltransmission@caiso.com))

Re: NEET West Comments on the CAISO 2015-2016 Transmission Planning Process Preliminary Reliability Study Results and Stakeholder Meeting (September 21 and 22, 2015)

NextEra Energy Transmission West, LLC ("NEET West") appreciates this opportunity to provide comments on preliminary reliability study results presented and discussed at the California Independent System Operator's ("CAISO") September 21 and 22, 2015 Transmission Planning Process ("TPP") stakeholder meeting. This includes the presentations and discussion on the CAISO Transmission Reliability Studies (Study Plan and Criteria), the CAISO Preliminary Reliability Results, and Participating Transmission Owner ("PTO") proposed reliability solutions.

### **Reliability Assessments**

The CAISO analyzes the need for transmission upgrades and additions in accordance with NERC Standards, WECC regional criteria, and CAISO planning standards and reliability criteria. The "Reliability Assessments" encompasses several technical studies (including but not limited to power flow, transient, and voltage stability studies) as discussed during the CAISO stakeholder meeting on September 21, 2015. The 2015-2016 transmission plan spans a 10-year planning horizon and is conducted to ensure the CAISO-controlled grid is in compliance with all applicable reliability standards across the 2016-2025 planning horizon. NEET West observed that implementation of the new NERC standards, specifically TPL-001-4<sup>1</sup>, had a significant effect on the study process, the presentation of results, as well as introduction of new study requirements. The new study requirements resulted in several new reliability issues (thermal, voltage, and transient stability) that NEET West recommends to be carefully evaluated within the context of broader planning input assumptions, and proposed incumbent and non-incumbent transmission solutions.

### **Policy Assessments**

With FERC's approval of the CAISO's revised TPP in December 2010<sup>2</sup>, the revised TPP created a category of transmission additions and upgrades to enable the CAISO to plan for and approve new transmission projects

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<sup>1</sup> CAISO Stakeholders Presentation: Preliminary Reliability Results, September 21  
(<https://www.caiso.com/Documents/PresentationPreliminaryReliabilityAssessmentSept212015.pdf>)

<sup>2</sup> FERC Order Conditionally Accepting CAISO's Tariff Revisions To Implement a Revised Transmission Planning Process (TPP), effective December, 2010. (<http://www.ferc.gov/whats-new/comm-meet/2010/121610/E-5.pdf>)

2016 Transmission Planning Process Unified Planning Assumptions and Study Plan March 31, 2015  
(<https://www.caiso.com/Documents/2015-2016FinalStudyPlan.pdf>)



needed to support state or federal public policy requirements and directives. The impetus for the “policy-driven” category was the recognition that California’s renewable energy goal would drive the development of substantial amounts of new renewable supply resources over the next decade, which in turn would drive the majority of new transmission needed in the same time frame. NEET West appreciates all of the work done by the CAISO to improve upon the current TPP while continuing to support the public policy objectives. Specific to the 2015-2016 TPP planning cycle, the overarching public policy objective is the state’s mandate for 33% renewable energy by 2020 that could lead to the identification and approval of policy-driven transmission elements in the CAISO’s 2015-2016 transmission plan.

#### *50% Renewable Energy Goal for 2030*

During the 2015-2016 TPP planning cycle, the CAISO will perform a special study to provide information regarding the potential need for public policy-driven transmission additions or upgrades to support a state 50% renewable energy goal. NEET West understands that the CAISO is performing this study for information purposes only and that the results will not be used to support a need for policy-driven transmission in the 2015-2016 planning cycle. However, in order to reach a 50% RPS goal, an additional 15,000 MW<sup>3</sup> of renewables will be needed in CAISO. NEET West strongly believes that the 50% RPS Special Study provides an opportunity to conduct analysis to investigate impacts of higher RPS targets that would drive the majority of new transmission needed in the future. The study provides a great opportunity to explore challenges and transmission system issues, including potential congestion and congestion-related curtailments that may be encountered at higher renewable penetrations without a formal planning process.

#### **Economic Assessments**

In addition to the public policy-driven and reliability assessments, the CAISO will also perform Economic Planning Studies as part of the current planning cycle to identify potential congestion and propose mitigation plans. The study will quantify the economic benefits for the CAISO customers based on Transmission Economic Assessment Methodology (TEAM). The Economic Planning Study will conduct hourly analysis for the year 2020 (the 5th planning year) and 2025 (the 10th planning year) through production simulation.

NEET West strongly believes that the results of reliability, public policy, and economic studies, as outlined above, will need to be evaluated from a comprehensive regional perspective in order to maximize the value of future

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<sup>3</sup> Update on the 2015 Special Study ([https://www.caiso.com/Documents/Updateon2015\\_50\\_SpecialStudy.pdf](https://www.caiso.com/Documents/Updateon2015_50_SpecialStudy.pdf))



transmission investments. This approach will ultimately ensure greater reliability and will provide benefits beyond just meeting local energy and reliability needs.

The CAISO invited stakeholders to submit transmission project proposals (in solving specific reliability problems as identified in the CAISO TPP 2015-2016 cycle) before the request window closes on October 15<sup>th</sup>. NEET West suggests that CAISO considers inclusion of a comprehensive criterion on how best to rank the various proposed transmission project benefits when compared to the proposed incumbent transmission solutions. In addition, NEET West also suggests that CAISO presents its study findings in a way that clearly demonstrates identified reliability benefits of a particular proposed transmission project.

**Projects Eligible for Competitive Solicitation**

NEET West encourages CAISO to maximize competitive solicitation opportunities in the 2015-2016 transmission plan. Each proposed project should be carefully evaluated to determine its merits for inclusion in the competitive solicitation process.

NEET West looks forward to working closely with CAISO during the 2015-2016 TPP.

Sincerely,

A handwritten signature in blue ink, appearing to read "Edina Bajrektarevic".

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