

2019 and 2023 Local Capacity Technical Study Draft Results Comments

Submitted by	Company	Date Submitted
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PG&E appreciates the opportunity to provide comments in response to the Draft Results in the CAISO’s 2019 and 2023 Local Capacity Technical Study and the discussion at the stakeholder meeting on April 9, 2018. PG&E would like to acknowledge the good work that has gone in from the CEC and CAISO to applying the new hourly demand forecast for the first time and we look forward to fully reflecting these results down to the local area level in the future.

In addition, PG&E would like to share two recommendations with regard to the study process and the potential for greater transparency in the future.

First, PG&E requests that the CAISO flag in its results when an approved operating procedure has been used to optimize the results of the most critical contingency. The CAISO currently enforces validated and approved operating procedures in its local capacity requirements (LCR) analysis but doesn’t identify when these are actually enforced in the results. This flag would identify when an operating procedure was enforced in the analysis and increase transparency within the results that would be especially important in the instances where the PTO is considering the submission of new operating procedures for review as a potential solution for the most critical contingency.

Second, PG&E requests additional information with regard to unresolved deficiencies that may still exist following the cure period for LSEs. Through the LCR process, the CAISO recommends local capacity requirements for the transmission systems under its operational control. LSEs are responsible for procuring capacity to meet those local requirements. After the annual showings each fall, the CAISO publishes a deficiency report regarding how well LSEs have done, in aggregate, at meeting the local requirements. For any deficiencies, the CAISO tariff allows LSEs to make up those deficiencies prior to exercising its backstop authority. PG&E requests that the CAISO provide information regarding how well LSEs, in aggregate, were able to meet the local requirements. The current deficiency report provides information prior to final showings; the request would be to provide the list of deficiencies after the make-up period has ended. This would allow LSEs to assess better the likelihood of being assessed CPM costs



associated with CAISO backstop procurement activity. In particular, PG&E requests, as a part of the annual LCR process, the CAISO publish the final results of any remaining deficiencies from the previous year after LSEs have shown any additional capacity during the cure period.