

**2017-18 Transmission Planning Process (TPP)
September 21-22, 2017 Stakeholder Meeting**

Submitted by	Company	Date Submitted
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PG&E provides the following comments on the September 21-22, 2017 stakeholder meeting held as part of the 2017-18 Transmission Planning Process (TPP).

Day 1: Reliability Results

Assessment of Previously Approved Projects

PG&E continues to appreciate and support the CAISO’s efforts to re-evaluate previously approved projects in the PG&E service territory. The evaluation undertaken in this TPP cycle is especially challenging as the work includes reassessing the scope of projects not modeled in the basecases, in order to identify projects that -- due to changing current and projected needs -- could potentially be adjusted with a reduced or modified scope. PG&E is also supportive that the CAISO, as part of this effort and as necessary, is including evaluation of nontraditional alternatives such as storage, flow control devices, preferred resources, etc. PG&E will continue to support the CAISO as requested in evaluating the alternatives identified, including providing cost and feasibility information for identified alternatives. PG&E also looks forward to completion of this extensive effort during this TPP cycle.

Additional Mitigation Requirements

With regards to the newly identified issues in various PG&E areas, many of them have been identified in the longer term horizon or solely in studies of sensitivity scenarios. PG&E will continue to work with CAISO to identify and evaluate the best solutions to address each situation. For instance, this year’s assessment shows high voltages related to the retirement of the Diablo Canyon Power Plant and the rapid changes occurring on the transmission system. PG&E will work with CAISO to perform the necessary studies and identify effective voltage mitigation solutions to address this unique circumstance. For the issues that have been identified in the near term, PG&E will develop corrective action plans as short term, interim solutions.

PG&E Bulk System Results

There is a modest mislabeling issue for 500kV P7 contingencies. All PG&E 500kV circuits have their own tower/structure. P7-1 is for circuits with a common structure and, as such, PG&E has no eligible P7-1 contingencies for the 500kV system. These contingencies should be labeled category P6.

Day 2: PTO Project Submissions and Special Studies

PG&E Proposed Reliability Solutions

PG&E appreciates the collaboration with CAISO staff and the opportunity to provide extensive stakeholder presentations of both the High Speed Rail load interconnections and proposed Oakland Reliability solution. We are happy to provide additional information to interested parties and look forward to addressing any additional questions raised in comments.

GridLiance Proposed Reliability Solutions

PG&E notes that GridLiance's proposed Valley-Innovation 230 kV is being represented as a reliability project. However, the project is largely driven by the impacts on GridLiance's transmission of generator interconnections within the Valley Electric Area, and the interest to integrate additional renewable resources for procurement to meet California policy goals. The question of what new transmission investment provides the least-cost access to the best sources of renewable generation for 50% RPS is already the subject of extensive study. CAISO should evaluate GridLiance's proposal in this context, rather than as a stand-alone reliability project. As PG&E has repeatedly pointed out in past comments, full deliverability for RPS renewables may not be the most cost-effective solution for renewable procurement, as compared to energy-only contracting, in particular where significant investment in new transmission is required to provide additional deliverability capacity.

50% RPS Special Study and Interregional Coordination Update

PG&E appreciates the CAISO's information-only study to assess the interregional transmission projects and the available transfer capacity for out-of-state RPS resources. Through past TPP Special Studies and other efforts, the CAISO has provided important feedback to the CPUC's planning models used to estimate future generation resource mixes and inform the transmission planning process (in the past this task was done via the RPS Calculator). This study provides useful information that should be provided to the CPUC and their consultants to update the new Integrated Resource Planning model RESOLVE. Specifically, this study provides greater depth of understanding into the amount of out-of-state renewable energy resources that can deliver to the CAISO on existing transmission paths. This information can be used to update the 2,000 MW assumption RESOLVE currently uses for out-of-state wind potential on existing transmission, which has not been backed by rigorous study.

PG&E suggests future work on this topic should consider how retirements throughout the WECC, including planned coal plant retirements, may free up existing transmission capacity that could be used to import out-of-state renewable energy into the CAISO at lower cost than new transmission.

Economic Early Retirement of Gas Fired Generation Special Study

In the risk of early economic retirement of gas-fired generation special study, the CAISO evaluated Regulation Up, Spinning Reserve, Non-Spinning Reserve, and Load Following Up shortages. PG&E asks that the CAISO clearly describe what a shortage in each of these categories means so that all stakeholders can have a complete understanding of what the retirement scenario means for reliability.

In the default scenario, the CAISO used six cases that varied between 3,958 MW and 7,885 MW of gas-fired resources retiring. However, in the sensitivities provided, the CAISO used six cases that varied between 525 and 3,433 MWs. The CAISO should explain why the sensitivity used different retirement cases and how the different MW thresholds were determined.