


Stakeholder Comments Template

Resource Transitions

*Resource Adequacy Deliverability Assessment
for Resources Transitioning
from Outside to Inside the ISO Balancing Authority Area*

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Issue

The CAISO does not have a formal process for evaluating the deliverability of an external RA resource that becomes an internal resource due to a change to the boundary of the CAISO grid.¹

Background

The CAISO currently conducts two types of deliverability assessments:

1. Deliverability of Internal Generation

The Generator Interconnection Process (GIP) determines the transmission upgrades that are needed to allow the generator to deliver its energy under peak load conditions. A resource can only receive RA credit for its entire capacity if it is fully deliverable (i.e. 100% of its energy can be delivered to the grid during peak load conditions).

2. Deliverability of External Generation

The CAISO does not assess the individual deliverability of an external generator. The CAISO uses the prior two years of historical import schedule data during high load periods to determine the Maximum Import Capability (MIC) at each intertie.² The import capability of the system is determined by the CAISO and then allocated to LSEs in accordance CAISO Tariff Section 40.4.6.2.

The CAISO intends to create a process whereby it can establish the RA deliverability of an external RA resource that becomes internal resource due to a change to the boundary of the CAISO grid and proposes to:

¹ CAISO has decided to limit the scope of this stakeholder process to only deal with expansion of the BAA. This stakeholder process is no longer contemplating a scenario in which the resource changes its point of interconnection.

² Specifically, the prior two years of historical flows is examined during high load periods. The sample hours are selected by choosing hours with the highest total import level when peak load was at least 90% of the annual system peak load.

- Grant the resource, on a permanent basis, a MW value of deliverability status that reflects its contribution to the RA deliverability on the associated intertie. If the resource wants to obtain full capacity deliverability status up to its QC value, it would have to utilize the GIP to obtain the additional MW.³

Comments

1. Do you have any concerns with the straw proposal, and if so please describe.

PG&E has no concerns with this straw proposal and supports the CAISO's proposal to grant the resource a permanent RA value of that reflects its contribution to the RA deliverability on the associated intertie.

This option should be available to a resource when there is a change to the CAISO's boundary. Given that the location of the resource's interconnection point will not change, there is no need to impose the requirement that the resource perform a GIP study to justify its RA deliverability. Using historical data to determine the resource's contribution to RA deliverability on the intertie should provide a reasonable estimate of its new RA capacity value.

However, if the resource wants to obtain full capacity deliverability status up to its QC value (assuming the QC value is greater than its past RA deliverability), it should have to utilize the GIP to obtain the additional RA value.

2. The ISO has proposed specific criteria to qualify for a resource transition as described in the straw proposal. Do you have any concerns with the proposed criteria, and if so please describe.

PG&E supports the CAISO's criteria to qualify for a resource transition.⁴ The criteria described in the straw proposal are reasonable.

3. The ISO has proposed to determine historical deliveries associated with resource transitions based on (1) tags and metered output data, or (2) if tags are not available or clear, the power purchase agreement contract and metered output data. Do you have any concerns with these approaches, and if so please describe.

PG&E has no concerns with this aspect of the CAISO's proposal.

4. If you have any additional comments, please provide them here.

³ The CAISO should be clear about which options for deliverability such a resource would qualify (e.g. annual "no transmission" deliverability assessment, or as a new interconnection request under Section 25.1).

⁴ The CAISO's criteria (related to a change in the BAA boundary) is as follows: 1) the transition is triggered by an existing substation reconfiguration, 2) the resource demonstrated historical deliveries as an import, 3) the boundary change cannot add or remove load, 4) there cannot be the addition of a new transmission line or substation, 5) the resource cannot qualify for more RA capacity than is indicated by historical data, and 6) for the first year after the resource transitions into the ISO BAA, the maximum RA import capacity on the associated intertie will be decreased by the same amount of deliverability given to the transitioned resource

For a resource that wants to obtain full capacity deliverability status up to its full QC value, the straw proposal states that the additional capacity beyond that indicated by historical data may enter the interconnection process as a new generator for that additional portion. PG&E seeks clarification on which options for deliverability such a resource would qualify (e.g. annual “no transmission” deliverability assessment, or as a new interconnection request under Section 25.1).