

**California Department of Water Resources State Water Project's Comments
to California Independent System Operator for the
2012-2013 Transmission Planning Stakeholder Process**

October 11, 2012

California Department of Water Resources - State Water Project (SWP) welcomes the opportunity to provide comments regarding the 2012-2013 California Independent System Operator (CAISO) Transmission Planning Process and stakeholder meetings held September 26 and 27. SWP acknowledges the significant work CAISO has undertaken to engage stakeholders at each stage and develop the plan so far.

SWP believes the planning process; including inputs, studies, and results; needs to be consistent with the guiding principles of transparency, stakeholder participation, and clarity; and appreciates CAISO's attempt to apply these principles in the current planning process.

SWP also supports CAISO's efforts to improve grid reliability through consideration of both physical transmission and transmission alternatives, such as RAS, in certain cases. With either alternative, CAISO should evaluate the short-term and long-term impacts to the affected systems, entities, and paths in order to assess and inform stakeholders of the benefits of each alternative. As part of CAISO's consideration of transmission alternatives, CAISO should also explore compensation mechanisms to support such alternatives. The September stakeholder meeting presented several Policy Driven Power Flow and Stability results with overloads that could benefit from either physical transmission or transmission alternatives, and SWP supports CAISO's efforts to refine these studies and identify any supporting mechanisms in the Transmission Plan.

During the stakeholder meeting CAISO staff indicated that, based on the results of PG&E's Bulk Power (Dynamic Stability) modeling for the 2017 and 2022 peak base cases, a 3-phase fault on the Midway 230 kV system could potentially cause multiple issues for CDWR's Wind Gap Pumping Plant's pumps. Because CDWR has not made any changes or increases to Wind Gap pump load since initial operation, CAISO needs to clarify the sources causing these issues so that they and the impact on SWP operations are better understood by CDWR. In clarification, CDWR also questions if these same or similar issues impacting CDWR's Wind Gap pumps been identified in previous Transmission Planning Process studies? If not, what new changes have occurred and/or different modeling assumptions have been made in the 2012/2013 studies that currently identify these new issues? CAISO indicated "no solar PV" in one of the plots for the 2022 peak case. If a photovoltaic solar facility was to be interconnected to the Midway 230 kV system, please clarify whether or not these issues could potentially occur sooner than PG&E anticipates by 2022.

Please contact John Yarbrough (916-574-0665 and johny@water.ca.gov) or Aseem Bhatia (916-574-0674 and abhatia@water.ca.gov) if you have any questions.