



STRAW PROPOSAL

Seven-Day Advanced Outage Submittal

12/21/2011

Straw Proposal Seven-Day Advanced Outage Submittal

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1. Executive Summary

The California Independent System Operator (“ISO”) publishes this straw proposal regarding the ISO’s recent adoption of the Seven-Day Advanced Outage Submission requirement. The ISO’s BPM for Outage Management requires that Participating Transmission Owners (“PTOs”) submit requests for transmission outages at least 7 days in advance of the start date of the outage. This timeline will provide sufficient time for the Outage Coordination team to conduct appropriate analysis and engineering studies to optimize an outage solution with the PTO ahead of the advance market runs. The advanced submission will also allow the ISO to complete outage analysis and provide approvals in time to comply with WECC reporting requirements. The expectation is that outages submitted 7 days or more in advance will complete the required studies and modeling for both the EMS and Market models. By moving up the timing of submitting outages to a minimum of 7 days before an outage starts, ISO will be able to perform traditional outage modeling analysis and provide the best available information to the market systems as they initiate the advance market runs.

Currently, approximately 73% of transmission outage requests that have a model impact are received 7 days of the start of the outage. Therefore, approximately 23% of transmission outage request which have a model impact are received within a few days of the start of the outage. Requests made this close to the operating day are often not included in the advanced market analysis because of insufficient time to evaluate the market impacts and consequently end up being processed closer to real-time when prices for energy are higher and the opportunities to utilize less costly and more efficient resources are limited by availability.

The BPM requires that transmission outages to be submitted seven-days in advance. The ISO Tariff gives the ISO authority to reject outages submitted in less than 72 hours in Section 9.3.3, but is silent on rejecting outages submitted less than seven-days and greater than 72 hours.

This paper will outline the ISO’s steps to clarify the timeline when a transmission outage request must be submitted. The proposal also provides criteria for the ISO to accept or reject outage requests that are submitted less than seven-days in advance of the outage start date.

In the following sections, this paper provides a timetable for the stakeholder process, a brief background, an overview of comments received on *the Transmission Outage Whitepaper*, a straw proposal for stakeholder review and comment, and an outline of next steps.

2. Stakeholder Process

This Straw Proposal will be discussed during a stakeholder conference call on Jan 4, 2012. The ISO will conduct its usual stakeholder process with a series of papers and stakeholder discussions to allow participants the opportunity to provide comments on the proposed Tariff changes and categorizations of outages of opportunity. It will then incorporate the outage rejection language in the Tariff and make the necessary updates to the Outage Management Business Practices Manual (“BPM”) through the established BPM change management process to include the new categories for outages that can be submitted less than seven-days. The schedule for the stakeholder process and the BPM change management process is shown in Table 1.

Table 1: Schedule	
Stakeholder Process	
Feb 4, 2010	Post Transmission Outage Whitepaper
Feb 18, 2010	Receive Comments on Transmission Outage Whitepaper
Dec 21, 2011	Post Straw Proposal
Jan 4, 2012	Hold Stakeholder Conference Call
Jan 11, 2012	Receive Comments on Straw Proposal
Jan 18, 2012	Post Draft Final Proposal (“DFP”)
Jan 25, 2012	Hold Stakeholder Conference Call
Feb 1, 2012	Receive Comments on Draft Final Proposal
Feb 16 – 17, 2012	Board of Governors Meeting
Tariff Change Management Process	
Feb 23, 2012	Post Draft Tariff Language
March 1, 2012	Receive Comments on Draft Tariff Language
March 8, 2012	Hold Stakeholder Call on Draft Tariff Language
March 15, 2012	Post Final Draft Tariff Language
Late March 2012	File with FERC
BPM Change Management Process	
By April 6, 2012	Submit BPM Proposed Revision Request (“PRR”)
April 9-20, 2012	Open Comment Period on PRR, 10-business days
April 23, 2012	Hold BPM Monthly Management Meeting
April 30, 2012	Post PRR Recommendation
May 1-11, 2012	Open Comment Period on PRR, 10-business days
May 22, 2012	Hold BPM Monthly Management Meeting
May 29, 2012	Post Final PRR Decision, effective immediately or on a date specified

A web page has been established for this initiative that provides access to meeting materials, proposals, and stakeholder written comments. This information can be found at:

<http://www.caiso.com/informed/Pages/StakeholderProcesses/Seven-DayAdvancedOutageSubmittal.aspx>

3. Background

The ISO issued *the Transmission Outage Whitepaper* on February 3, 2010. The paper presented the ISO's vision and plan to improve transmission outage reporting and outage coordination practices to focus on the following areas:

- Improved grid reliability and market efficiency
- Reduced grid operating costs
- Improve transmission outage reporting quality and accuracy
- Measure and evaluate the effectiveness of the transmission outage management business process practices.

To implement the improvements mentioned above the ISO proposed eight initiatives:

- Initiative 1: Seven-Day Advanced Outage Submittal
- Initiative 2: Submission of Critical Outage Data as Formatted Data
- Initiative 3: Managing Outage Data in Real-time
- Initiative 4: Outages Affecting Interties
- Initiative 5: Multiple Configurations In a Single Outage
- Initiative 6: Identifying Project Information within an Outage
- Initiative 7: Standardized Outage Short Descriptions

The ISO published the Transmission Outage Whitepaper on February 4, 2010 and received comments back from the PTOs on or before February 18, 2010. Please reference the whitepaper for additional information on the eight initiatives.

The first initiative is addressed in this paper. On April 8, 2011 the Outage Management team started the formal process in requiring PTOs to submit outages seven days in advance of the outage start time by updating the Outage Management BPM and submitting the revised BPM to the ISO BPM PRR process. The Outage Management BPM went through the full BPM PRR stakeholder process with no comments. The BPM was approved as submitted with an effective date of June 15, 2011.

4. Issue to be Addressed

This paper outlines the ISO's steps to clarify the timeline when transmission outage requests must be submitted. The ISO recognizes that there are outages that will have no impacts on the ISO's EMS and market models and do not require as much advance notice as those outages that will impact the models. Therefore, this paper will also develop criteria for accepting or rejecting outage requests with less than seven-day advance notice.

5. Comments on the Transmission Outage Whitepaper (Seven-Day Advanced Outage Submittal)

Comments on the whitepaper were received from San Diego Gas & Electric Company (SDG&E), Southern California Edison Company (SCE) and Pacific Gas & Electric Company (PG&E).

SDGE: For what equipment? (500kV, 230kV, 69kV, Banks, etc...)? SDG&E is a smaller utility and 7 days out will most likely result in a less accurate model with more jobs being cancelled due to lack of crews.

ISO Response:

All transmission facilities under ISO operational control that have network model impacts must be submitted per seven day outage standard.

SCE: It must be recognized that the CISO and PTOs will be forced to repeat the "Existing 3 day Coordination Process" a second time closer to, and prior to the "Operating Day". No matter how early outages are submitted to the CISO, they must still perform the outage coordination process as close to the operating day as possible for the sake of system reliability. It is unrealistic to infer from the model that they can approve an outage 5 days before it occurs with no further scrutiny. Furthermore, because topology changes seem to be the main concern, outage requests associated with relay changes, telecom changes or hot washes for example (i.e. no topology change) should still be allowed to follow the current 3 day notice process.

ISO Response:

As outlined in the Transmission Outage Whitepaper, outages will continue to be evaluated up to the operation day. Having outage requests submitted in advance will allow the ISO to have more accurate modeling of outages for the **day three, day two and day ahead** market runs and allow time to correct any issues that arise. These market runs begin three days prior to the operating day and are used to optimize a market solution.

PG&E: internally we have updated procedures that should cover the 7 day advance notice. The statement "*CAISO is requiring that transmission outages be submitted 7 days in advance*" means that otherwise they will be considered forced?

ISO Response:

The ISO is proposing to have three categories for outages: Planned, Unplanned, and Forced.

- Planned – Outages that have network model impact submitted at least seven days in advance.
- Unplanned – Outages that have network model impacts that are submitted less than seven days in advance.
- Forced – Outages submitted in real time that, for example, result from system emergencies, pose a safety risk, result from a force majeure condition, or give rise to a reliability risk.

6. Straw Proposal

6.1. Establish Criteria for Outages that May Be Submitted and Approved with Less than Seven-Days Advance Notice

Short notice maintenance requests may be permitted when the requested system equipment does not affect the reliability of or transfer capability for any part of the ISO Controlled Grid. Consideration for outages submitted with less than seven days notice will be on a first come first served basis and at discretion of the ISO Outage Coordination, as determined by volume and complexity of currently submitted outages which have been submitted seven days in advance and system conditions where an opportunity to take a facility out-of service would not create significant reliability risk or efficient market operations. Examples of such outages include: non-test orders, relay work that does not require circuit breakers out of service, or equipment hot washing .

7. Next Steps

For detailed schedule please see table 1 on page 4.

The ISO will host a meeting on January 4, 2012 to discuss this Straw Proposal and answer any questions that stakeholders may have. Stakeholders are encouraged to submit written comments on the Straw Proposal to dluu@caiso.com by close of business January 11, 2012. Prior to the meeting, the ISO will post a template for stakeholders to use when submitting written comments. The ISO will post the written comments that it receives to the following web address <http://www.caiso.com> by January 18, 2012. The ISO will consider stakeholder comments as it prepares a Draft Final Proposal, which is scheduled to be posted on January 18, 2012.