

Valley Electric Association, Inc. Comments on the 2017-2017 Transmission Planning Process Reliability Results and Stakeholder Meetings on September 21 and 22

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Valley Electric Association, Inc. (VEA) appreciates the opportunity to provide comments on the CAISO's 2017-2018 Transmission Planning Process Reliability Results and two-day Stakeholder meetings held on September 21 and September 22.

VEA's service area is one of the areas assessed by the CAISO in the reliability study each year. The 2017-2018 assessment results have identified potential reliability concerns on several VEA transmission elements. The ISO is proposing to mitigate these with existing remedial action schemes (RASs) and load shedding procedures. VEA is concerned with the ISO's over-utilization of RASs and load shedding procedures as mitigation solutions. VEA also is concerned that the ISO has not fully accounted for the costs and implications of relying on such schemes and procedures. The ISO does not seem to factor in the cost of shedding load in VEA's area, nor does it acknowledge that adding more RASs to the system increases the complexity of reliably operating the system while reducing the effectiveness of each RAS. VEA disagrees with the ISO's continued reliance on these temporary operational work arounds in lieu of more comprehensive solutions – solutions that could provide both immediate and long-term benefits to the transmission system.

Addressing these reliability concerns through transmission upgrade projects will provide both immediate and long-term benefits. Upgraded transmission systems will contribute to grid resiliency. DOE in its recent NOPR¹ finds that focusing on grid resiliency is vital. There are efficiencies to be had and additional benefits to gain with increased grid resiliency through transmission upgrades sooner rather than later.

VEA requests that the ISO consider infrastructure-based solutions to the reliability concerns in the VEA service area, solutions which would also have the added benefit of strengthening the grid at a time and in a geographical area where there is substantial interest in development of renewable resources to meet California RPS requirements. VEA encourages the ISO to consider the Brattle Group's report "The Benefits of Electric Transmission"².

VEA respectfully requests the CAISO include the benefits of infrastructure-based solutions to all project alternatives examined by determining the costs and comparing costs to lifetime benefits of such projects.³

¹ <https://www.energy.gov/sites/prod/files/2017/09/f37/Notice%20of%20Proposed%20Rulemaking%20.pdf>

²

<https://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=3&ved=0ahUKEwjOrdyB3NzWAhUB4mMKHefbCBUQFggzMAI&url=http%3A%2F%2Fwiresgroup.com%2Fdocs%2Freports%2FWIRES%2520Brattle%2520Rpt%2520Benefits%2520Transmission%2520July%25202013.pdf&usg=AOvVaw18XaC7n2BxpVd-wPAKz6CI>. The paper describes the many benefits infrastructure-based solutions provide the grid

³ VEA encourages the ISO to consider analyzing infrastructure additions using the economic life of projects to capture all benefits and costs in order to determine the least-cost best-fit solution to grid additions. The benefits of

grid resiliency reveal themselves when the grid alternatives are studied from a long-term perspective rather than only studying short term costs. Looking at first year costs of competing alternatives provides some insight into alternatives, but may exclude alternatives that provide benefits over time.