

To: CAISO - regionaltransmission@caiso.com
From: Barbara George, Exec. Dir., Women's Energy Matters, 415-755-3147,
wem@igc.org
Date: April 16, 2012
Re: Comments on the portfolios, development assumptions and other topics addressed
at the April 2 stakeholder meeting on 2012-2013 Transmission Planning Process –
Renewable Portfolio Assumptions

Women's Energy Matters (WEM) appreciates this opportunity to submit comments on the CAISO 2012-2013 Transmission Planning Process – Renewable Portfolio Assumptions. We regret that we weren't aware of the earlier comment opportunities, since some of our comments relate to demand side issues.¹ However, Barbara George provided public comment at the March 22, 2012 Board of Governors meeting, urging CAISO to consider existing resources (rooftop solar and energy efficiency) which are currently uncounted, as well as additional distributed renewables, energy efficiency and demand response as replacement resources for the outage at San Onofre Nuclear Generating Station, rather than immediately assuming that the disabled Huntington Beach units should be returned to service. After public comment, we submitted documents to the Board that we hope would be considered in the transmission planning process.

In the Long-Term Procurement Proceedings at the CPUC (R1005006 and R1203014), WEM asked CPUC to require utilities to report to CPUC and CAISO on all the renewables and demand resources connected to their distribution systems. WEM also recommended to CAISO to request this information for the 2012-13 planning process.

CAISO's August 5, 2011 response to WEM's data request in R1005006 revealed that it lacks sufficient data to properly characterize supply and demand in local capacity areas. CAISO admitted in its response, "**The lack of visibility for some resources located in the distribution system can affect load and supply forecast errors that may increase the operational requirements to compensate for such uncertainty.**" (See more complete passages quoted below on p. 2.)

Without this information, it would not be possible for CAISO to properly model renewables. This is because the reduced amounts of imports needed for local capacity or renewables integration in Local Capacity Areas would reduce the potential for transmission congestion, which would also increase the amounts of renewables that could be imported.

The 3-30-12 ISO Process Study Plan provides "Descriptions of the methodologies used by each of the PTOs to derive bus-level load forecasts" on pp. 18-20. Apparently, only SDG&E used actual data to derive their distribution forecasts. The opaque and overly complex methodologies used by PG&E and SCE inspire little confidence in their accuracy. WEM recommends that CAISO obtain real data rather than use these questionable forecasts.

Respectfully submitted April 16, 2012, at Fairfax, California /s/Barbara George

QUESTIONS FOR CAISO (RE PREFERRED RESOURCES ON DISTRIBUTION LINES)

Description of issue: How do CAISO models account for resources located on distribution lines (as opposed to transmission lines)? How are these resources actually utilized? PG&E's Testimony in the 2011 General Rate Case appeared to indicate that it does not account in its load forecast for solar PV and energy efficiency on its distribution system — ***because it doesn't know where it is:*** 18 PG&E load forecasting methodology *does not specifically adjust for* 19 *changes in peak load because of increased customer photovoltaic* 20 *installations, customer Energy Efficiency (EE) Programs, or increased load* 21 *due to EV increased penetration. The affect these system-wide programs* 22 *have on peak loads are not easily quantifiable on a DPA level, division or* 23 *geographic area. Therefore, PG&E cannot exactly know where reductions* 24 **or increases will occur.** PG&E Testimony, Vol. 3, p. 9-12 (A0912020).

Request No. 1(a)

1 (a). Does CAISO actually account for each type of preferred resources located on utilities' *distribution systems* for (A) load serving, (B) Resource Adequacy, and/or (C) Local Capacity Requirements? (In other words – this question relates to actual day-to-day practice of CAISO and utilities in recent years, not modeling.)

ISO RESPONSE TO No. 1(a)

Yes, the ISO attempts to account for the resources located on utilities distribution system. However, depending on the type and location of resource, the ISO may have limited or no visibility of such resources. **The lack of visibility for some resources located in the distribution system can affect load and supply forecast errors that may increase the operational requirements to compensate for such uncertainty.**

Request No. 1(b)

1(b). Describe whether CAISO models take into account each of the following preferred resources located on utilities' distribution systems for A through C above: (E) energy efficiency, (F) demand response, (G) solar photovoltaics (H) other Distributed Generation, (I) combined heat & power, and/or (J) other small renewables?

ISO RESPONSE TO No. 1(b)

Yes, the CAISO models take into account A, B, E, F, G, I. The model did not account for C, H and J (except for solar).

ⁱ We learned of this comment deadline at the 4-11-12 CPUC workshop on scenario planning for the Long-Term Procurement Plans.