

BAMx Comments on Transmission Development Forum

The Bay Area Municipal Transmission group (BAMx)¹ appreciates the opportunity to comment on the materials presented at the Transmission Development Forum on January 21, 2022. We request that the California Independent System Operator (CAISO) and the California Public Utilities Commission (CPUC) address the following issues in the future.

BAMx Applauds CAISO and CPUC's Joint Effort in Establishing Transmission Development Forum

BAMx applauds the CAISO and the CPUC's joint efforts in establishing the Transmission Development Forum. There is a clear stakeholder interest in project development updates and tracking the CAISO approved projects from the transmission planning process (TPP) and generation interconnection process (GIP). BAMx also applauds the CAISO and the CAISO for listening to the stakeholders' needs and the foresight in creating this much-needed forum.

BAMx Supports the CAISO and CPUC's Proposed Plan to Update and Inform Stakeholders on Project Status on Quarterly Basis

During the January 21, 2022 call, the CAISO indicated it is proposing to host the Transmission Development Forum on a quarterly basis. The CAISO also proposed updating and posting workbooks of the approved TPP projects and GIP network upgrades on the CAISO website for stakeholder access. BAMx supports both proposals.

CAISO and CPUC Should Establish Common Format And Development Metrics In Tracking And Communicating Transmission Project Status

After reviewing the PTO's presentations at the workshop and project status workbooks posted on the CAISO website, BAMx suggests the CAISO and the CPUC establish a common and consistent reporting format and convention for both the TPP and GIP projects. The formats and terminologies used by the PTOs are almost identical. However, differences between TPP and GIP projects, as well as status and category definitions, could still create confusion. For example, project status labels, such as "On-Hold" should be defined and explained why and when the CAISO has placed the project "On-Hold."

BAMx appreciates the workbook details on the different vintages of the expected in-service date (first approved in Transmission Plan, expected in 2020-2021 TPP, and current expected) for TPP projects. BAMx supports this added clarity on project schedule. BAMx believes it is important to keep track of the in-service date originally intended by the CAISO. BAMx recommends the CAISO and CPUC to extend the vintage in-service date reporting requirement to all projects, including the GIP projects.

¹ BAMx consists of the City of Palo Alto Utilities and City of Santa Clara, Silicon Valley Power.

BAMx completed a quick review of the TPP project in-service dates. Of the 99 ongoing projects included in the TPP project workbooks, over 85% (87 out of 99) were behind schedule. In other words, only 15% of the identified projects are on-schedule when compared to their original CAISO approved in-service dates. The on-schedule percentage improved, but only to 40%, when compared with the PTO's forecast contained in the 2020-2021 Transmission Plan. Evidently, 60% of TPP projects have encountered unexpected delays in the past 12 months.

Clearly, the TPP projects and GIP network upgrades should be developed and placed in-service unless found to be no longer needed or cost-effective after the CAISO's approval. BAMx urges the CAISO and CPUC to establish "project health" metrics and leading indicators to be included in the PTO's quarterly reporting, such as - Is a project proceeding on schedule? What is the PTO's recovery plan to get back on schedule?

Scope, cost, and schedule are the three key parameters of a project. Similar to the in-service date reporting requirement, BAMx recommends the CAISO and CPUC to request the PTOs to include the original CAISO approved costs in addition to the current estimates in their reports. With a high percentage of approved projects suffering schedule delays, likely the corresponding project costs have also changed.

Conclusion

In closing, BAMx appreciates the opportunity to provide comments on the Transmission Development Forum. BAMx also appreciates the CAISO and CPUC's joint sponsorship of the project information and updates provided by the PTOs. BAMx looks forward to working with the stakeholders in this important forum.

If you have any questions concerning these comments, please contact Paulo Apolinario (papolinario@svpower.com or (408) 615-6630)