BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Continue Electric Integrated Resource Planning and Related Procurement Processes.

R.20-05-003

OPENING COMMENTS OF THE CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION ON THE PROPOSED DECISION

Pursuant to Rule 14.3 of the Commission's Rules of Practice and Procedure, the California Independent System Operator Corporation (CAISO) submits these comments on the January 7, 2021 Proposed *Decision Transferring Electric Resource Portfolios to California Independent System Operator for 2021-2022 Transmission Planning Process* (Proposed Decision).

The CAISO recommends the Commission approve the Proposed Decision and transmit the resource portfolios outlined therein for use in the CAISO's 2021-2022

Transmission Planning Process (TPP). The Proposed Decision adopts a base case portfolio for both reliability and policy planning purposes that meets a 46 million metric ton (MMT) greenhouse gas (GHG) emissions target in 2031. The portfolio includes additional pumped storage and out-of-state renewables; compared to the portfolio adopted in Decision (D.) 20-03-028. In addition, the Proposed Decision adopts two sensitivity portfolios for study purposes. The first sensitivity portfolio meets a 38 MMT GHG target in 2031, and the second sensitivity considers a large segment of offshore wind resources. Finally, the Proposed Decision includes improved resource-to-busbar mapping for siting of preferred resources, including battery storage. The Proposed Decision provides well-vetted resource portfolios that the Commission should approve for use in the CAISO's TPP.

The CAISO particularly appreciates Commission and Energy Division staff efforts to work collaboratively with the CAISO and parties to improve the portfolio development process and outputs. The CAISO notes the Proposed Decision, if approved, would provide a significant process improvement by allowing for full Commission consideration of resource portfolios used in the CAISO TPP. In previous years, the Commission submitted resource

portfolios to the CAISO through an administrative judge ruling by letter from the Commission President. The Proposed Decision purposely includes the resource portfolios to be used by the CAISO in the TPP, thereby allowing the Commission to consider these portfolios in the need determination phase of future transmission siting cases associated with projects identified based on the portfolios. This represents a significant procedural improvement and recognizes that the CAISO plans transmission system improvements to meet needs driven by the Commission-approved portfolios.

In addition, the CAISO notes the Commission Energy Division staff worked closely and collaboratively with CAISO staff to develop the portfolios though consistent and open dialogue. This collaborative relationship results in resource portfolios and transmission planning that more effectively meet the state's reliability and policy goals. In particular, the Proposed Decision includes resource-to-busbar mapping for preferred and battery storage resources that includes input from the CAISO. The CAISO appreciates the effort to incorporate this input and to consider existing transmission system limitations in the resource-to-busbar mapping. This detailed mapping should provide improved portfolios for the TPP.

In summary, the CAISO recommends the Commission approve the Proposed Decision and transmit the included resource portfolios to the CAISO for 2021-2022 TPP purposes.

Respectfully submitted,

By: /s/ Jordan Pinjuv

Roger E. Collanton
General Counsel
Anthony Ivancovich
Deputy General Counsel
Jordan Pinjuv
Senior Counsel
California Independent System
Operator Corporation
250 Outcropping Way
Folsom California 95630

Tel.: (916) 351-4429 Fax: (916) 608-7222

Email: jpinpuv@caiso.com

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