

Comments of Pacific Gas and Electric Company Seven-Day Advanced Outage Submittal

| Submitted by | Company | Date Submitted |
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Pacific Gas and Electric Company (PG&E) appreciates the opportunity to participate in the stakeholder process for the California Independent System Operator's (CAISO) Seven-Day Advanced Outage Submittal.

PG&E understands the CAISO's desire and the value of having notice of all electric transmission outages at least seven-days in advance. PG&E believes, however, that the safety and reliability of the grid is paramount and must be given primary consideration when granting clearances. PG&E offers the following comments and questions on the CAISO's straw proposal.

Comments

The Seven-Day Advanced Outage Submittal Needs to be Modified in Order to Accommodate Clearances Necessary for Reliability Within the Seven-Day Window

Page 7 of the CAISO's Seven-Day Advanced Outage Submittal Straw Proposal, dated December 21, 2011, Section 6.1, "Establish Criteria for Outage that May Be Submitted and Approved with Less than Seven-Days Advance Notice" reads as follows:

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 created [sic] significant reliability risk or efficient market operations.

This language provides no flexibility for occurrences where clearances (some of which may be for complicated multi-layered project phases) may bump up against or even inside the seven-day submittal period. With its focus on market conditions, the Seven-Day Advanced Outage Submittal does not anticipate the need for and inclusion of provisions exempting clearances associated for projects needed for *system reliability* of the Bulk Electric System (BES). Such projects cannot always be planned for in advance. Not only could situations arise that require immediate projects to maintain system reliability, but previously-scheduled projects could face delays or otherwise require changes in the schedule.

Without language exempting such reliability projects from the seven-day requirement, system reliability may not be satisfied. Failure to be prepared for this eventuality will create the significant potential for a system emergency. It is the responsibility of the CAISO and the Participating Transmission Owners (PTOs) to provide and safeguard system reliability of the BES. The market cannot and will not provide for system reliability. In addition, completion of the work benefits PG&E's electric transmission customers as well as the reliability of the interconnection and WECC. Therefore, language must be included in the Seven-Day Advanced Outage Submittal to "exempt" clearances related to reliability projects.

Some complex electric transmission projects require complicated clearances involving a series of clearances. One such example would be a northern California transmission project that involves line reconductoring, tower upgrades, switch replacements, and SCADA additions. To complete this project, both clearances and non-tests are required at various times on the Palermo-Pease, Palermo-Nicolaus, Palermo-Bogue and Pease-Rio Oso 115kV Lines. These clearances and nontests are set up and approved on a daily basis. In light of the complexity of the project, the multiple work streams and resources that must be coordinated, and the day-to-day testing and analysis that could result in additional work, it is not feasible to require prior advance notice. For example, sometimes the expected scope of the daily planned work shifts to include non-test orders that may be required for safety, which were not anticipated and therefore not identified in the original scope of the work. PTOs need to be able to execute these "unplanned" clearances to accommodate the overall work schedule so as to not extend the original planned clearance window and ensure prompt completion of the reliability project. The CAISO proposal could result in significant delays if the clearances and non-tests needed to be rescheduled to accommodate seven-day or three-day advance notice. Additional delays due to the seven-day notice window requirement could result from the unavailability of parts, equipment, or labor. A seven-day advance and possibly even a 3-day advance notification could bring the project to a halt. As is, the CAISO's proposal fails to provide sufficient flexibility to allow PTOs to complete necessary work.

The CAISO straw proposal dictates that the CAISO reserves the right to cancel any clearances that do not meet the seven-day (and minimum three-day) submittal period. PG&E suggests that the proposal be modified to include explicit exemptions for clearances, often complex ones, that may not make the seven-day window, but are necessary in order to guarantee system reliability.

Long Range Outages Need to Be Specifically Addressed in the CAISO Proposal

The CAISO's proposal does not specifically address Long Range Outages: Those that are submitted to the CAISO with at least 30 days notice. Long Range Outages should be identified specifically and their treatment spelled out. As an outage that is submitted at least seven-days in advance, Long Range Outages will presumably be categorized as in the Planned Category: "Outages that have network model impact submitted at least seven-days in advance." [Page 6 of the CAISO's Seven-Day Advanced Outage Submittal Straw Proposal, dated December 21, 2011, Section 5] This should be clarified.

In addition, the straw proposal should be clarified to provide flexibility for real-time schedule changes to the schedule for Long Range Outages. In spite of long range planning, there may be unforeseen real-time changes to the BES that may preclude PG&E from performing the work exactly as "Planned" through the long range. Similar to PG&E's concerns discussed above, PG&E asks that the CAISO provide a clause in the straw proposal that addresses these cases, and allows this work to still be executed as "Planned" work, even if changes occur within the sevenday window.

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