

Stakeholder Comment Template

CAISO Integration of Renewable Resources (IRRP)

October 24, 2008 Stakeholder Meeting

Organization: eSolar

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Instructions: The CAISO is requesting written comments on information discussed at the Integration of Renewable Resources Program (IRRP) stakeholder meeting held on October 24, 2008. This template is offered as a guide for entities to submit comments.

All documents related to the CAISO's IRRP Program Plan are posted on the CAISO Website at the following link: <http://www.caiso.com/1c51/1c51c7946a480.html>

Upon completion of this template please submit (in MS Word) to Jim Blatchford at jblatchford@caiso.com. Submissions are requested by close of business on **Friday November 7, 2008**.

The IRRP effort is currently divided into two components – 20% RPS and 33% RPS. Each of these components will assess operational and infrastructure needs, which will then drive solutions that will fall with four categories: (1) infrastructure additions, (2) internal operational tools, (3) market products, and (4) regulatory modifications. Many of the tasks identified are consistent with the specific projects included in the IRRP High-Level Plan published in May 2008. Please comment on whether those tasks, as discussed at the stakeholder meeting, are appropriate and whether other projects should be included as part of the IRRP.

- *Please indicate whether you believe such tasks should be included for 20% RPS or beyond 20% RPS.*

The California ISO report, "Preliminary Transmission Plans For Meeting Renewables Portfolio Standards Goals", state that the Tehachapi Renewable Transmission Project (TRTP) and the Sunrise Powerlink Project is enough to allow California to reach its 20% RPS goal. However, the 20% goal is unlikely to be achieved by 2010. All segments of the TRTP is not scheduled to be completed till 2013. Segments 1-3 initially expected in 2008-2009 has been delayed to 2009-2010 casting some doubt as to the viability of 2013 for the remaining segments. The CPCN for Sunrise is currently being considered by the CPUC with the Commissioners scheduled to vote on December 4, 2008 whether to accept or reject Sunrise. Even if granted a CPCN in early 2009, the time required to procure equipment and complete construction will challenge the proposed in service date of 2011 for Sunrise.

Transmission development is a very long lead time item, requiring a series of commitments and approvals involving federal, state, local agencies and communities. It could be five years or more before construction can even begin and if the transmission

project is complex such as the TRTP, construction may span another five years. Not achieving the 20% goal by 2010 should be a lessons learned in moving toward a 33% goal by 2020.

Items within the control of the California ISO, such as technical studies and cost development, should be accelerated. The six conceptual transmission projects proposed in the Preliminary Transmission Plans report should be fully developed and the most promising projects approved by the California ISO board by the end of 2009, allowing sufficient lead time for permitting, procurement and construction so California can achieve the its 33% goal by 2020.

If included in the 20% component, please provide a proposed schedule that would ensure the results of the task could impact meeting the 20% RPS goal by the start of 2012.

There are many renewable activities occurring in California and various areas across the country. Please list those studies or activities that you believe have merit that may serve as an appropriate model or otherwise assist the CAISO in conducting the IRRP. If ongoing, please indicate how such activities may be coordinated with the IRRP.

In response to the IRRP High-Level Plan, the Market Initiatives Roadmap, and the storage White Paper, several parties have indicated a strong interest in market product development to address aspects of renewable integration. To assist IRRP in prioritizing and coordinating its role in market development, please indicate your perspective on

- *the effect of MRTU market design and planned enhancements (MAP) on renewable integration;*
- *any changes to the Roadmap based on consideration of renewable integration;*
- *which new market products, if any, are needed to stimulate needed capabilities;*
- *market aspects of interdependencies with other market and policy developments (e.g., once through cooling, long-term RA, greenhouse gas regulations); and*
- *market design lessons being learned in other ISOs/RTOs or other countries that are relevant to the California market context.*

In response to comments on the IRRP High-Level Plan, several parties supported the creation of working groups. The CAISO proposes to create the following working groups to act as technical forums to assist the CAISO: Storage, Forecasting and PIRP, Needs Assessment Studies and Research, and Market Products.

- *Please indicate whether you support the creation of such groups and whether your company would be willing to participate.*
- eSolar would like to participate in the Forecasting & PIRP work group.*
- *Are there other working groups that should be created?*
 - *Should there be limits on participation to those with appropriate technical backgrounds?*
 - *Describe the role the working groups should play in the IRRP.*



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