

**AMP-Port Comments on the 2016-17 Transmission Planning Process**  
**Preliminary Reliability Assessment Results and PTO Request Window**  
**Submissions**

Alameda Municipal Power (AMP) and the Port of Oakland (Port) appreciate the opportunity to comment during the development of the 2016-17 Transmission Plan. The comments and questions below address the material presented at the CAISO Stakeholder meeting on September 21-22, 2016.

**CAISO Reliability Assessment - East Bay Area Sensitivity Study**

AMP and the Port appreciate the special focus on the East Bay area, but continue to be concerned about the need for a long-term reliability plan for the East Bay. As the reliability of the East Bay area is currently dependent on aging local generation<sup>1</sup> and Special Protection Systems (SPSs), analysis of the performance of the East Bay area absent such generation is important in understanding the future reliability risks.

The CAISO's analysis continues to recognize the dependence on SPSs to drop load to comply with NERC reliability standards as a function of the availability of local generation. As the East Bay is a high density urban area under the CAISO Planning Standards, SPSs should only be used as a short term bridge while long term solutions are being implemented.<sup>2</sup> Also for the most heavily loaded circuit in the analysis (Moraga-Oakland Station X), there is no SPS currently installed.<sup>3</sup>

In the CAISO's sensitivity analysis, three levels of local generation are presented, all generation available, all generation off-line and Oakland CTs available. While the inclusion of multiple generation levels is useful in understanding the potential consequences of generation retirements, AMP and the Port recommend that an additional intermediate case be added that reflects the NCPA CTs available and the Oakland CTs off-line.

AMP and the Port believe that a long term plan is needed to address the eventual loss of the NCPA and Oakland CT's. In addressing southern California's reliability, the planning criteria has been to model aging generation units more than 40 years old as off-line, which is consistent with the CAISO "2016-2017 Transmission Planning Process Unified Planning Assumptions and Study Plan." The Oakland CTs will achieve this milestone in the next few years. Furthermore,

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<sup>1</sup> The three Oakland CTs were installed in 1978 with a total capacity of 165 MW and the two NCPA CTs with a total capacity of 51.2 MW were installed in 1986 (information from the CEC Power Plants Database) and are limited by emissions requirements to no more than a ten percent capacity factor.

<sup>2</sup> California ISO Planning Standards (4/1/2015) Section VI.2

<sup>3</sup> East Bay Area Sensitivity Study list of Existing SPS in Oakland

the Oakland CTs have been relying on year-to-year Reliability Must Run (RMR) Contracts from the CAISO to stay on-line, the only such generation RMR contracts in the CAISO footprint.<sup>4</sup> At the same time, the NCPA CTs are owned by NCPA member cities as part of their resource portfolios and are eight years younger than the Oakland CTs. Therefore, an additional intermediate case with the Oakland CTs offline and the NCPA CTs available would better reflect a mid-term case and a reasonable forecast of the sequence of future retirement. Had this been included in the sensitivity analysis, it is expected that the tables presented in the stakeholder meeting would have shown a much greater dependence on load dropping to meet the NERC Planning Standards in the intermediate resource case.

AMP and the Port are also concerned that the power flow models of the East Bay understate the reliability issues. For instance, the CAISO has previously identified that “real-time operations data for 2015 and 2016 shows a need of at least 98 MW for a 1-in-3 heat wave and instances where all three Oakland generators were on-line simultaneously to maintain local reliability.”<sup>5</sup> This is significantly more than the 45 MW identified in the CAISO’s Local Capacity Requirements analysis that presumably use system models similar to those in this Transmission Planning Process. The CAISO has attributed the difference to be due to the load distribution in the power flow base cases that understates the need for local resources in the East Bay to maintain reliability.<sup>6</sup> These discrepancies need to be resolved to better understand the timing and scope of a long-term solution. This resolution should include consideration of the timing of the peak load in the East Bay and whether it coincides with the timing of the 1-in-10 year Bay Area peak load in the base cases. For example, in the case of AMP, its load tends to peak in the early evening hours.

Most importantly, while the study results are informative, there appears to have been little progress from last year in developing plans to address this reliability concern. Repeating last year’s language that “the ISO is continuing to assess the transmission needs in the Oakland area without the generation being available” is troubling. AMP and the Port are concerned that such delays in developing a long-term plan will lead to a crisis that is readily anticipated and could be avoided. As identification and implementation of solutions will likely take many years, it is past time to move forward with addressing this reliability concern.

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<sup>4</sup> There is also a RMR contract with the Huntington Beach Units 3 & 4 synchronous condensers as an interim measure until the Huntington Beach plant is repowered.

<sup>5</sup> August 24, 2016 Memorandum from Keith Casey to the ISO Board of Governors on extending the RMR contracts for 2017.

<sup>6</sup> *ibid.*

## **Conclusion**

AMP and the Port appreciate the opportunity to comment on the 2016-17 Transmission Plan Reliability Assessment Results and we urge the CAISO to move forward to develop plans to remove the reliance on aging generation and special protection systems to maintain the reliability to the East Bay.

If you have any questions concerning these comments, please contact  
Barry Leska (510-814-5622 and bleska@alamedamp.com ), or  
Nicolas Procos (510-627-1167 and nprocos@portoakland.com)