



CalPeak Power LLC

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December 5, 2013

California Independent System Operator Corporation
250 Outcropping Way
Folsom, CA 95630
Attn: regionaltransmission@California ISO.com

Subject: **Comments regarding the 2013/2014 Transmission Planning Process Stakeholder Process**

Dear California Independent System Operator Corporation:

CalPeak Power LLC, CalPeak Power – Border LLC, CalPeak Power – Enterprise LLC, CalPeak Power – Panoche LLC, CalPeak Power – Vaca Dixon LLC (collectively “CalPeak”) are pleased to provide comments regarding the 2013/2014 Transmission Planning Process Stakeholder Process. CalPeak owns and operates four generating facilities of approximately 50 MW each. The facilities utilize Pratt & Whitney, Model FT8 (DLN), Twin-Pac industrial gas turbine packages which enable the plants to operate as both generators and as synchronous condensers to provide voltage support.¹ Currently, the ability of these units to provide voltage support is not being utilized.

CalPeak urges the California ISO to consider fast tracking its request window submissions. CalPeak received notification that its submissions satisfied the request window screening criteria on the morning of November 20, 2013, while the most recent stakeholder meeting was in progress. Thus CalPeak’s projects could not have been included with the other project recommendations for management approval (less than \$50 million), which were briefed on November 21, 2013. CalPeak urges the ISO to include a second round of project recommendations for management approval for less than \$50 million projects before or when it presents its draft 2013-14 Transmission Plan.

It is appropriate to promptly recommend management approval of these projects to facilitate the negotiation and approval process. These projects are individually, and collectively, far less than \$50 million, can reasonably be addressed on a standalone basis, and are “least regrets”

¹ The four Pratt & Whitney, Model FT8 (DLN), Twin-Pac industrial gas turbine packages each drive a single Brush Synchronous Machine, Model BDAX7-290ER, rated at 71,176 kVA, 3,600 RPM, 13.8-kV, and 2,977.8 Amps.

projects which will not be impacted by the approval of the transmission plan (and reliability projects over \$50 million) by the Board of Governors in March of 2014.

CalPeak's proposals will quickly and effectively provide critically needed voltage support by adding the capability to operate in synchronous condensing mode to its existing interconnected generators while retaining their current capability to operate in generation mode. The capability of the existing generators to deliver real power (i.e. megawatt-hours, or MWh) will not be compromised in any way by the modifications. CalPeak believes that the cost impact to market participants will be negligible because synchronous condenser operation can be inexpensively incorporated (mainly a software update) into its existing interconnected resources.

Once the upgrades to the existing generators are complete, the existing resources will effectively become highly flexible hybrid generation and transmission resources. The California ISO will be able to dispatch the facilities in whichever mode of operation it deems most appropriate for a given grid condition; power generation or synchronous condensing. The California ISO will be able to call on CalPeak's flexible hybrid resources to either generate real power (MW) or generate/absorb reactive power (megavars, or MVARs) as needed to adjust the grid's voltage and improve power factor. If the situation calls for flexible ramping to meet the morning and evening peak load conditions, the facilities can each be dispatched to deliver in excess of 50 MW of real power. Under different conditions, for example a sudden loss of a major transmission line, each of the facilities can be dispatched to deliver upwards of +60 MVAR of reactive power. Synchronous condenser capability provides a superior solution to other voltage support options available to the California ISO. For example, synchronous condensers can continuously adjust the amount of reactive power they produce while also being capable of increasing reactive current as voltage decreases. By comparison, capacitor banks cannot continuously adjust the amount of reactive power they produce and when grid voltage decreases so does their reactive power delivery.

In short, CalPeak's fleet of FT8 TwinPac units:

- Currently operate as generators providing real power (MW)
- Could operate as synchronous condensers providing reactive power (VAR support) to stabilize the grid and help integrate renewable resources in a matter of months
- Could operate as synchronous condensers without additional environmental impacts or permitting delays
- Could provide vital Power Factor adjustment and system inertia
- Could provide this flexibility more quickly than building new facilities to provide reactive power
- Could provide this flexibility more economically than building new facilities to provide reactive power



CalPeak's hybrid generator/synchronous condenser proposals should be given fast track approval. Waiting to approve these "least-regret" projects would be unfortunate. We recommend the California ISO seize this opportunity and take decisive action now by recommending management approval of these proposals, resulting in these highly flexible, low-cost alternatives for both generation and voltage support being online and ready to meet the reliability needs of the grid in the early part of 2014.

Thank you for allowing us the opportunity to comment and participate in this collaborative stakeholder process.

A handwritten signature in black ink, appearing to read "Cliff D. Evans, Jr.", written in a cursive style.

Clifford D. Evans, Jr.

Vice President

CalPeak Power LLC

CalPeak Power – Border LLC

CalPeak Power – Enterprise LLC

CalPeak Power – Panoche LLC

CalPeak Power – Vaca Dixon LLC