

**Comments of the California Department of Water Resources'
State Water Project on the California Independent System Operator's
Planning Standards**

May 9, 2011

The California Department of Water Resources (CDWR) appreciates the opportunity to provide the following initial comments on the California Independent System Operator's (CAISO) proposed changes to the CAISO Planning Standards that were presented in the May 2, 2011 stakeholder meeting and the April 25, 2011 CAISO Planning Standards . Draft Revision 5+. The CAISO asked participants to submit comments by May 9, 2011.

General Comments

- CDWR generally supports the CAISO's recent effort to revise its existing Planning Standards, dated February 7, 2002, in order to develop consistent reliability standards for the CAISO grid that will maintain or improve transmission system reliability to a level appropriate for the California system. We further point out that establishing and maintaining transparent processes throughout the development of such standards or guidelines are necessary for ensuring consistency within the California system.
- The existing Planning Standards provides for CAISO Board review and approval of certain processes and proposals. Please clarify the CAISO Board's direct and indirect involvement as intended under the proposed Planning Standard.
- Previous references to CAISO's Tariff appear to have been removed and, if their corresponding Tariff sections have been revised, have not been appropriately replaced. Since the CAISO Planning Standards pertain mostly to standards and guidelines beyond that of NERC and WECC, we urge CAISO to provide references to CAISO Tariff language in addition to the currently proposed references to NERC and WECC. This serves to clarify the CAISO's, PTO's and affected parties' level of expectation for adhering to the Planning Standards.

Revision to New Transmission vs. Involuntary Load Interruption

- CDWR generally supports CAISO's efforts to balance transmission reliability with cost benefits as these relate to potentially competing new transmission and involuntary load interruption, however, CDWR urges CAISO to weigh additional factors. The SWP operates to meet California's critical water needs and in support of environmental conservation processes. Some SWP loads and aggregate loads may exceed the proposed cap of 250 MW. For this and other reasons, CDWR requests that CAISO also consider instances of such situations and that the CAISO and PTO coordinate with the affected parties prior to determining whether

involuntary load interruption is an acceptable solution as opposed to new transmission.

Revision to New Special Protection Systems

- While CDWR understands that most SPSs can normally respond more quickly and at a much lower cost, it is important to not only consider the impact to the system reliability but also to the load in terms of operation and maintenance costs and, in the case of pump load, of deliverability of water resources critical to the needs of California. Similar to CAISO's view that a large number of SPSs can create difficulties in system management, the same SPSs' impact on discrete loads can also create consequences to these loads that should be considered by CAISO when reviewing and agreeing to a new SPS or addition to an existing SPS. Because of the variation of possible SPSs and their unique application to individual systems, CDWR supports CAISO's continued refinement of SPS guidelines which should recognize both the advantages and disadvantages of such applications. CDWR believes that all options should be considered and has consistently supported transparent, stakeholder processes to make such evaluations.
- ISO SPS7 allows new generation to be added to an existing SPS that includes involuntary load interruption as long as the amount of involuntary load tripped by the combined SPS may not be increased as a result of the addition. CDWR further proposes that the frequency of the involuntary load trip may not be increased as a result of the addition.
- ISO SPS9, 10, 12, and 13 relate to CAISO's agreement to SPSs, coordination of SPSs with affected parties, and documentation of SPS schemes and their actual performance. Please clarify what, if any, transparent processes can stakeholders and parties expect to be coordinated with these applications (i.e., annual CAISO Transmission Plan). What are some of the measures that can be expected to be used by CAISO to ensure that objectives are achieved?
- ISO SPS16 provides for tripping of loads and/or resources based on effectiveness factors but does not distinguish between voluntary and involuntary interruption of load. It should be stated explicitly that involuntary load tripping should be a last resort, only after all voluntary load tripping and other prescribed mitigation have taken place.

Respectfully Submitted,

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State Water Project