

PG&E appreciates the opportunity to provide comments in the 2020-21 Transmission Planning Process. PG&E has learned lessons in procuring and developing two transmission battery storage projects – Dinuba and Oakland projects. Based on our experience, PG&E recommends that the CAISO initiate a stakeholder discussion to develop a process by which to incorporate an appropriate margin for determining the MW and MWh needs of approved storage projects in the future.

After these two projects were approved in the 2017-18 TPP, new information presented in subsequent TPPs led to an increase in procurement scope. For example, the Dinuba 7MW battery was increased to 12MW. In contrast to a traditional wires project that builds long-term capacity additions, battery projects are sized to the exact need specified which may change from year to year based on load forecasts, etc. The changing need and increasing scope present a challenge for the commercial process of procuring and contracting such a project.

PG&E does not have a specific recommendation to remedy this situation. However, one idea might be to incorporate a procurement margin based on the historical statistical variation in the inputs that determine storage project scope.