Comments of Pacific Gas and Electric Company
CAISO Transmission Planning Standards
Revised Draft Straw Proposal

Submitted by	Company	Date Submitted
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Pacific Gas and Electric Company (PG&E) appreciates the opportunity to provide comments on the California Independent System Operator's (CAISO) Revision to ISO Transmission Planning Standard Revised Draft Straw Proposal dated May 28, 2014. In the comments below, PG&E addresses each of the three main elements discussed in the policy paper as well as the corresponding revisions to the planning standards included in Attachment 1 to the policy paper.

1. San Francisco Peninsula Extreme Event Reliability Standard

PG&E reaffirms its support of the CAISO's proposal to add to the CAISO planning standards a specific recognition of the unique characteristics of the San Francisco Peninsula and acknowledgement that this study area requires the consideration and approval of transmission solutions as mitigation for Extreme Events. PG&E has reviewed the CAISO's draft language establishing the new reliability standard (Page 8 of the Planning Standards) and believes that the scope of the standard is appropriate and that the proposed language accurately reflects the CAISO's policy intent. Importantly, the standard explicitly identifies the unique set of circumstances affecting the SF Peninsula that distinguish it from other areas of the grid. In particular, PG&E strongly supports the provision of the standard stating that "The unique characteristics of the San Francisco Peninsula form a credible basis for considering for approval correction action plans to mitigate the risk of outages…." The only change PG&E recommends is minor. In the second full paragraph under Section 7, the first sentence should be modified as follows:

> "The requirements of NERC TPL-001-4 require Extreme Event contingencies to be assessed…."

PG&E notes that other sections of the planning standards do not include similar statements regarding TPL-001-4 superseding the existing NERC TPL standard. It is therefore unnecessary to include such language in Section 7.

2. Non-Consequential load dropping: Category C Contingencies

In PG&E's previous set of comments on this topic (submitted on April 25, 2014), PG&E expressed its support of the CAISO's current and historical practice of not relying on high density urban load shedding as a long-term solution to Category C events in local area planning. However, PG&E and a number of other stakeholders took issue with the CAISO's proposed criterion defining a "high density urban load area" (i.e., 1,000 people per square mile). Most commenters argued that the CAISO's population density metric was set too low and as a result the implementation of the restriction on load shedding would be overly broad. In response to comments, the CAISO has revised its definition of "high density urban load area" to reflect an "area with populations over one million persons." PG&E appreciates the CAISO's reconsideration of this component of its initial proposal and generally supports the direction of the revised proposal. In PG&E's view, the revised criterion will result in the load shedding restriction applying to fewer geographic areas of the CAISO grid compared to the initial proposal while allowing the CAISO to consider load shedding on a case-by-case basis in more areas of the grid where minimal load shedding may prove to be appropriate mitigation for Category C events instead of new transmission or upgrades.

PG&E seeks clarification of the map presented on page 6 of the revised straw proposal. The legend on the map refers to "Large Urbanized Areas" whereas the proposed new standard (see page 7 of the Transmission Standards) uses the phrase "high density urban load area." PG&E seeks clarification as to whether these two terms are in alignment or if the map is depicting an alternative criterion to the one included in the proposed new standard.

3. Changes to NERC Transmission Planning (TPL) Standards

A. In Section VII. Interpretations of terms from NERC Reliability Standard and WECC Regional Criteria (page 18 of the Planning Standards), the CAISO is proposing to add a new interpretation -- "Footnote 12 of TPL-001-4 Interpretation and Applicable Timeline." The addition includes an attempted restatement of Note 12 found in Table 1 of the TPL-001-4 standard and also includes a new footnote 6. Taken together, the CAISO's proposal appears to restate NERC Notes 9 and 12 from Table 1 of the TPL standard. As currently drafted, it is not sufficiently clear what the CAISO's intent is by adding the new "Footnote 12" interpretation and the embedded footnote 6. Moreover, PG&E is concerned that these additions may introduce a potential conflict with the new NERC standard. For example, while footnote 6 of the CAISO standard states, "may no longer include curtailment of firm transmission service…"; Note 9 of Table 1 of the TPL standard states, "Curtailment of Firm Transmission Service is allowed….".

   PG&E seeks clarification from CAISO as to how the interpretation differs from the NERC standard and the reason for the inclusion of the interpretation.

   In general, unless there is a need to interpret a term in the NERC standards, the CAISO should remove from its Planning Standards new provisions that attempt to restate TPL-001-4.

B. Section II - 6. Planning for High Density Urban Load Area Standard. The first bullet states:
"In the near term during short-term planning, SPS which drops load, including high density urban load, may be used to bridge the gap between real-time operations and the time when system reinforcements are built."

Table 1 of the NERC Standard identifies a number of EHV contingencies (example, P2, Bus Section Fault) for which non-consequential load shedding is not allowed under any circumstances, including as a stop gap measure, after 1/1/2021.

Since there is no sunset clause in the CAISO standard for EHV contingencies, the above change makes the CAISO standard less stringent than the NERC standard.

Please clarify.

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