

Stakeholder Comments Template

Subject: 2013 Local Capacity Technical Study Addendum to Final Report

Submitted by	Company	Date Submitted
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SDG&E appreciates the opportunity to comment on the Addendum to the Final Report.

- 1) The CAISO has basically performed two bookend studies for the 2013 LCR need for Southern California – one optimistic case with both SONGS available at full rated output, and one pessimistic case with both SONGS units out of service. SDG&E suggests that since there is a reasonable possibility that one SONGS units may return to service prior to summer 2013 (likely unit 2), it would be very useful to know the change in LCR requirements for a case with a single SONGS unit at 70% rated power.
- 2) SDG&E would like to see study work performed on the no-SONGS and the single-unit-SONGS cases to determine the effect on the San Diego LCR requirement assuming the load shedding scheme is approved by the WECC RASRS, currently scheduled for November, and is used to mitigate the N-1-1 contingency loss of the Sunrise Powerlink and ECO-Miguel 500 kV lines. SDG&E agrees generally with the CAISO that load shedding should be avoided as much as possible, but in this case, SDG&E knows this is within existing CAISO/WECC/ and NERC criteria and to not allow load shedding for overlapping 500 kV outages is too conservative and negates benefits that the Sunrise Powerlink created. SDG&E thinks it is important to quantify the amount of additional generation procured to avoid load shedding for this N-1-1 contingency and the cost to ratepayers. This will allow an informed decision as to the tradeoffs involved.
- 3) SDG&E notes that the results of the CAISO LCR analysis indicate that it will be necessary to procure all of the available generation resources in the L.A. Basin LCR area for 2013 for a no-SONGS scenario, even after procuring all available generation in the San Diego LCR area. We would like to see an analysis for a no-SONGS case that examined the actual LCR need for San Diego with the assumption that all available generation resources in the L.A. Basin LCR area are available and dispatched. Since the initial round of analysis assumed that all available resources in San Diego were dispatched before dispatching generation in the L.A. Basin, it makes sense to perform the reverse analysis in an attempt to minimize the LCR requirement for the Southern California region as a whole. This approach should also be taken with a middle scenario with a single SONGS unit available at 70% rated power.

4) There is not enough information in the 2013 LCT addendum for LSEs to make proper decisions about procurement beyond the current 2013 LCR allocations. SDG&E understands there is a large amount of uncertainty about when or if the SONGS units will return to service and if all the proposed CAISO mitigations can be completed by the summer of 2013, but the CAISO should provide a timeline with key milestone dates when the CAISO expects decisions on further generation procurement will occur and what key factors will be used to determine the need for additional generation procurement. This timeline should clearly indicate the cure periods for the LSEs before the CAISO uses any of its backstop authority. Acquiring additional generation will be very expensive so the CAISO should wait as long as possible into 2013 for issues to resolve themselves before making any decisions and to only procure the minimum amount of generation for the shortest number of months to assure reliability.

5) SDG&E notes that two resources listed on the existing capacity list in the Addendum in the San Diego area are incorrect. SMRCOS_6_UNIT 1 no longer exists and was replaced by the Resource ID SMRCOS_6_LNDFIL. CHILLS_1_SYCLFL no longer exists and was replaced by the Resource ID CHILLS_1_SYCENG. SDG&E noticed the CAISO regarding these two resources but the corrections have not been made.