

**ISO reply to stakeholder
written comments submitted after the
May 2 stakeholder meeting regarding the
ISO Planning Standards**

Comments to the ISO Planning Standards

San Francisco Greater Bay Area generation outage standard:

No comments received.

Combined line and generator outage standard:

No comments received.

Specific nuclear unit standards:

No comments received.

Loss of combined cycle power plant module as a single generator outage standard:

Please add definition of combined cycle power plant module.

ISO response: Addressed in next draft ~~write-up~~, see section VII in page 14.

Voltage standard:

The upper voltage under normal conditions is too high at 1.1 per unit (pu).

ISO response: Addressed in next draft ~~write-up~~ (down to 1.05 pu), see table 1 in page 4.

Minimum voltage is needed for the 500 kV system due to generator auxiliary loads.

ISO response: Addressed in next draft, see table 1 in page 4.

Exceptions should be allowed.

ISO response: Addressed in next draft, see third paragraph in page 4.

Estimate the impact of this new standard.

ISO response: ISO estimates that overall impact should be relatively small since it is a least common denominator among existing PTOs.

Elaborate on process for exceptions to this standard.

ISO response: Exemptions for this standard will be coordinated through the regularly scheduled TPP open stakeholder meetings.

Clarify that the (pu) is based on nominal voltage.

ISO response: Addressed in next draft, see title for table 1 in page 4.

Planning for new transmission versus involuntary load interruption standard:

General concerns about the magnitude and cost impact to ratepayers.

ISO response: Addressed by downgrading this standard to a guideline for the first year. If the impact is greater than expected, this standard or part of this standard will be changed.

Allow exceptions to this standard.

ISO response: Not needed for the first year since it is a guideline. Should changes be necessary, they will be made at that time.

Please define “available back-tie”.

ISO response: Under consideration. Available back-tie represents any normally open circuit that can be closed (automatic or manual) after the first contingency in order to restore load dropped during the first single contingency.

Apply the 250 MW cap to category C contingencies as well and/or apply two different limits for category B (based on configuration) plus higher and different limits for category C outages (based on voltage level).

ISO response: These will remain under further discussion and consideration. The ISO would like to see and catalogue the impact of the existing proposed changes before an expansion or realignment of MW cap levels is done.

New Special Protection System (SPS) guideline:

Performance review process for SPS should be done through an open process.

ISO response: This will be handled through the regularly scheduled TPP stakeholder meetings.

Add language related to the frequency of existing involuntary load tripped that may not be increased as a result of a new generation addition to the grid and the SPS.

ISO response: ISO believes that the impact is small and can be addressed during the SPS performance review.

Add language to address the fact that involuntary load tripping will be used as a last resort after other prescribed actions are taken.

ISO response: Addressed in next draft, see ISO PSP16 in pages 9 and 10.

Add language and reference to the WECC Remedial Action Scheme Design Guide.

ISO response: Addressed in next draft, see ISO PSP9 in pages 9.

Evaluate SPS on a case-by-case bases without a pre-described formula of certain number of local contingencies and system elements.

ISO response: The ISO believes a guideline is required and promotes its use in order to assure an equitable playing field among developers of new resource solutions as well as existing PTOs.

Glossary:

Keep NERC and WECC definition of Bulk Electric System.

ISO response: The ISO is going through an internal review of this request. The ISO would like to make sure that all existing NERC, WECC and ISO standards apply to the entire system that was turned over for ISO control not just elements above 100 kV.

Change “time allowed for manual readjustment” from existing 30 minutes to facility ratings.

ISO response: The ISO believes that the system under ISO control should be planed and operated at or above what is required by WECC in relation to other neighboring systems. If system is not readjusted until the facility rating expires, the ISO could assume the risk of NERC noncompliance for category C3.

Other stakeholder comments:

Explain why ISO needs to have any reliability standards beyond NERC and WECC.

ISO response: Existing NERC standards refer to and require that criteria beyond their own be used and applied. The ISO believes it is appropriate and necessary to have its own planning standards to ensure that certain planning requirements needed for the ISO is uniformly applied across the entire ISO footprint.

Explain the need for each individual standard.

ISO response: ISO believes that chapters I, III, V and VI address this request. If required additional explanations will be given at the May 20 stakeholder conference call.

Add a “critical T-1/G-1” standard as a category B contingency.

ISO response: ISO believes that additional vetting through this process is required however it is open of maintaining this item on the list of future additions to the ISO Planning Standards.

Add a reactive margin criteria based on fixed MVAR quantity.

ISO response: ISO believes that the current WECC methodology is more accurate and appropriate to apply to the ISO to ensure that the system is reliably planned and operated.

Add common “duct line” as a credible C5 contingency.

ISO response: ISO believes that there is little readjustment that one can do between outages of two underground cables as such this situation should already be covered under the C3 scenario. However if historical data proves that common “duct line” outages occur much more frequent than otherwise the ISO is willing to work with the impacted PTO(s) to see how this category D may be elevated to a category C5 outage.

Include LCR criteria and deliverability assessment methodology under the ISO Planning Standards.

ISO response: Both the LCR criteria and the deliverability assessment methodology are well described in the Tariff and BPMs as such the ISO does not believe it is required to add them to the planning standards. Furthermore not all LCR reduction and/or deliverability driven transmission projects are considered “reliability” upgrades under the ISO Tariff as such they should not be listed in the ISO Planning Standard.

Develop criteria for establishing uniform equipment rating criteria among PTOs.

ISO response: ISO believes more vetting of this issue is required and is willing to work with and support the PTOs to achieve this goal.

Address modeling issues like distributed generation (DG), demand response (DR) or generator Pmin.

ISO response: ISO believes that these issues should not be in the ISO Planning Standards but rather in the Study Plan for the yearly transmission planning process.

Add more time and more rounds of discussions with stakeholders to this process.

ISO response: ISO intends to present the revised planning standards to the ISO Board in June 2011. This is needed to support the 2011/2012 planning process as the existing Planning Standards are old (2002) and parts are obsolete. However, the ISO’s action will not preclude a continued dialogue with stakeholders to entertain additional changes as determined appropriate by the ISO.