Comments on the Transmission Planning Standards Draft Straw Proposal dated April 4, 2014 and discussed in Stakeholder meeting on April 11, 2014 from Smart Wire Grid, Inc. April 25, 2014

References:

- Revision to ISO Transmission Planning Standards Straw Proposal, dated April 4, 2014 (<u>http://www.caiso.com/Documents/DraftStrawProposal-TransmissionPlanningStandards.pdf</u>)
- Presentation Slides in Stakeholder meeting, dated April 11, 2014 (<u>http://www.caiso.com/Documents/AgendaPresentation-TransmissionPlanningStandards-April112014Meeting.pdf</u>)

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Comments:

Smart Wire Grid appreciates the efforts of the CAISO to update the CAISO Planning Standards. We have the following comments:

- Section 3.2 of this draft would disallow Non-Consequential load loss for Category C contingencies to provide a higher standard of service reliability only for urban areas with highdensity urban load seems arbitrary. In this proposal, the CAISO defines such urban load as "generally refer to an area with population over 1,000 people per square mile".
 - As population density changes over time, non-high-density urban areas in 2014 may evolve into high-density urban areas in 2025. It is unclear which future study year(s) the CAISO would use to determine the boundaries for the high-density urban areas, or if and how the standard or the boundaries would change to accommodate anticipated urban area changes. In any case, the ISO's draft on page 4 mentions two existing SPSs that are being removed pending the implementation of transmission upgrades because they had been installed to shed load in high-density urban areas for Category C contingencies. The existence of these SPSs, on the surface, begs the question as to whether the proposed disallowance of Non-Consequential Load loss in high-density urban areas has been a practice, or whether, their removal is due to changes in the boundaries of high-density urban areas. Understanding the associated supporting information would help shed some light on this issue.
 - There appears to be no limit to the amount of Non-Consequential load that will be prohibited to be interrupted for Category C contingencies to maintain reliability of the BES. As written, this prohibition would apply to all the Non-Consequential loads deemed to be within a high-density urban area, such as the example of the 5,000 MW in San Diego. Since BCR type analyses will now only be used to provide additional information, it would seem that the proposed change could lead to decoupling the increased service reliability from the associated increased costs for some specific areas.

- It is also not clear if the prohibition to such involuntary load shedding would only be applicable to those initiated through SPS or would include load shedding through other means, such as operating procedures, currently applied in planning studies
- One of the reasons SPSs were installed was to allow planned and controlled load shedding in local areas for both N-2 events, and, N-1-1 events after the second N-1 in the Local Capacity Requirement (LCR) Studies for the Load Pockets. Such Load Pockets include both urban areas, high density urban areas and non-urban areas in the CAISO's LCR Studies as early as 2006, as agreed to by the stakeholders as part of the CAISO LCR Study Advisory Group (LSAG) process (<u>http://www.caiso.com/Pages/documentsbygroup.aspx?GroupID=F0F53FCA-9168-4ECE-AFB9-93AEAA378C31</u>). It is not clear in this draft if the CAISO's proposed change will be applicable to the LCR determinations (and thus, the Local Resource Adequacy Requirements) going forward.

If planned and controlled Non-Consequential Load loss is to be disallowed to meet BES performance requirements for Category C contingencies, different methodologies to determinate reasonable limits to Non-Consequential Load loss should be explored.

- Slides 36 and 37 of the presentation concern the application of Footnote 12 of Standard TPL-001-4 (<u>http://www.nerc.com/_layouts/PrintStandard.aspx?standardnumber=TPL-001-</u> <u>4&title=Transmission%20System%20Planning%20Performance%20Requirements&jurisdiction=</u> <u>United%20States).</u> Footnote 12 of TPL-001-4 (Page 12) states:
 - "12. An objective of the planning process is to minimize the likelihood and magnitude of Non-Consequential Load Loss following planning events. In limited circumstances, Non-Consequential Load Loss may be needed throughout the planning horizon to ensure that BES performance requirements are met. However, when Non-Consequential Load Loss is utilized under footnote 12 within the Near-Term Transmission Planning Horizon to address BES performance requirements, such interruption is limited to circumstances where the Non-Consequential Load Loss meets the conditions shown in Attachment 1. In no case can the planned Non-Consequential Load Loss under footnote 12 exceed 75 MW for US registered entities. The amount of planned Non- Consequential Load Loss for a non-US Registered Entity should be implemented in a manner that is consistent with, or under the direction of, the applicable governmental authority or its agency in the non-US jurisdiction."

In addition, TPL-001-4, Section 5, "Effective Date", states, in part, that "For 84 calendar months beginning the first day of the first calendar quarter following applicable regulatory approval... Corrective Action Plans applying to the following categories of Contingencies and events identified in TPL-001-4, Table 1 are allowed to include Non-Consequential Load Loss and curtailment of Firm Transmission Service"

Taken together, Footnote 12 allows loss of Non-Consequential Load throughout the planning horizon for the Planning Events in Table 1 where Footnote 12 applies. After 84 months (i.e., starting on 1/1/2021), however, the Corrective Action Plan must adhere to requirements in Attachment 1 for the Near-Term Transmission Planning Horizon if involuntary shedding of Non-Consequential load is applied under Footnote 12.

However, Bullet #3 on Slide 36 and Bullet #3 on Slide 37 of the presentation state:

"Effective 1/1/2021: No longer allowed to have Non-Consequential load loss for N-1 in Corrective Action Plans".

Therefore, these bullets would seem to be contrary to NERC TPL-001-4, Footnote 12, if it is meant to apply to Non-Consequential load loss under Footnote 12. However, if it is meant to apply to N-1 in general, it would seem to be unnecessary as Non-Consequential Load loss is already not allowed for N-1 events (except under Footnote 12).

Please clarify the application of Footnote 12 when this is incorporated into the new CAISO Planning Standards.

Addressing the ambiguity in the draft regarding the proposed application of planned and controlled load shedding to meet performance requirements of Category C contingencies, and clarifications of the proposed application of Footnote 12 will go a long way in resolving some of the issues.

Thank you for the opportunity to comment.