Bay Area Municipal Transmission Group's Comments on the CTPG Study Plan

December 21, 2009

The Bay Area Municipal Transmission Group[1] (BAMx) appreciates this opportunity to comment on the presentation by the California Transmission Planning Group (CTPG) on December 17, 2009. The comments and questions below address the Draft study plan for the "Joint Performance of the 2020 California-wide Transmission Plan", July 22, 2009, revised November 2, 2009 and the CTPG Study Stakeholder conference call dated December 17, 2009.

The California Energy Commission (CEC), California Public Utility Commission (CPUC), the California Independent System Operator (CAISO) and the Renewable Energy Transmission Initiative (RETI) have all recently indicated their reliance on CTPG to develop a statewide transmission plan and to take action on meeting the State's goal of 33% renewables in 2020. Thus, CTPG's work is crucial and will determine the State's success in this critical initiative.

Our comments at this time will be limited to issues directly regarding the CTPG study plan. We look forward to later opportunities to comment on the general state of CTPG's public processes and interrelations with the CAISO and others.

Our major questions can be broadly classified into three categories: Planning Standards, Renewable Transmission Plan Alternatives, and Renewable Dispatching and Fossil Displacement Methodology. Furthermore, we have included several follow-up questions on the information included in the December 17th CTPG Stakeholder presentation.

Planning Standards

The study scope proposes to use the NERC/WECC/each member's planning criteria as measuring sticks for reliability. We agree with this approach. However, it is important to recognize that RAS's are allowed for generator dropping for level A, B, and C events/states. Thus, the Committee should consider effective use of generator dropping to achieve the most economical integration of renewables with the existing grid. Generation tripping is an option to comply with WECC/NERC standards for Categories A, B or C, as long as it is done in a controlled manner. We suggest that for now, it just is an assumed approach to problems created by level B

[1] BAMx consists of Alameda Municipal Power, City of Palo Alto Utilities, and the City of Santa Clara's Silicon Valley Power

and C events/states. This is a prudent approach at this phase of the study when so many assumptions were being made for this study.

Renewable Transmission Plan Alternatives

The focus of this study is how to find the best way achieve the policy goal of 33% renewables for the state. Even though the Committee has carefully chosen the assumptions and they seem plausible, a different set of assumptions, which may be equally plausible, could be made. In other words, different assumptions on the renewables would drive different set of transmission planning alternatives. We suggest the study should involve many scenarios of resource development and to test those scenarios based upon meeting normal Category A (all facilities in service) cases developed for each scenario and then develop expected project cost estimates for each scenario based upon per-unit costs. Such an analysis should require fewer resources than what is proposed and be more valuable in contributing to the debate of how best to meet the State's renewable goals in the most cost effective manner. These results, which could be made available fairly quickly, can inform the debate on the best way to proceed with more detailed studies to achieve the State's goals and allow for broad stakeholder review of the scenarios before such detailed analysis is performed.

In particular, BAMX suggests that CTPG analyze just a normal (Category A) case for only Case C at this time, develop transmission costs based on per unit cost estimates, and provide insights as a first step before running any multiple contingency/Post-Transient Voltage stability analyses.

Renewable Dispatching and Fossil Displacement Methodology

The proposed method for renewable dispatching and fossil displacement is thoughtful. However, there are many other equally plausible generation patterns. BAMx recommends using the "Market Simulations results" for the dispatch rather than 70%-30% split to back down the dispatchable fossil generation. We understand that the GridView study results used in RETI phase 2A are not directly applicable due to differences in the level of renewables, but we find the 70%-30% split to be arbitrary. This approach could yield quite different results from the one based on the economic dispatch. For example, purely based on economic merit-order dispatch, the external coal generation probably would not be reduced with the newly added renewables--rather a greater amount of the internal/external CC generation would be displaced.

Additional Specific Comments/Questions

1. Slide #7: As stated on slide #7 of the presentation, imports into a control area fixed at historical levels. This appears to contradict the 30% decrease in the external generation (slide #32), which would reduce the imports. Please clarify how imports may change depending upon the case studied.
2. Slide #9: Does the WECC 2019 Heavy Summer case also include the Haskell Canyon/Rinaldi upgrades and the upgrade of Ramon-Devers and Coachella Valley-Devers? Please clarify.
3. Slide#11: CTPG's 2020 Planning Target includes 2,670MW of "Miscellaneous renewable resource additions." Please identify the type of resources included in this category.
4. Slides #15 & #16: We find the Renewable Generation tables on these slides to be very confusing. For example, why is there no installed capacity modeled in British Columbia in the CTPG study, whereas 340MW was modeled in eth RETI Phase 2A study? Moreover, the RETI study assumed the renewable installed capacity in the Mountain Pass CREZ to be 1,658MW. However, the CTPG study shows only 438MW the Mountain Pass CREZ. Was this amount adjusted by applying any success rate? If so, how was this success rate determined? Please clarify the process used to develop this table.
5. Slide #21: The footnote to the table indicates that the total backed down fossil generation of 13,165MW includes back down for PV rooftop. On the contrary, slide #13 indicates that PV rooftop is modeled as a load reduction. Please clarify.

Thank you for the opportunity to comment and we look forward to future public stakeholder opportunities.