



Submit comment on November 18, 2021 stakeholder meeting

2021-2022 Transmission planning process

1. Please provide your organization's comments on the Preliminary Policy Assessment, as described in the second portion of the presentation:

California Community Choice Association (CalCCA) supports the California Independent System Operator's (CAISO) identification of policy driven projects under the base portfolio and requests the CAISO also consider projects identified in the sensitivity-1 portfolio based on the 38 MMT green-house gas (GHG) target.

CalCCA supports the CAISO's identification of policy driven projects under the base portfolio. Additionally, in the previous Transmission Planning Process (TPP) workshop, the CAISO indicated that it intends to consider additional upgrades to reflect the increase in resource procurement and provide flexibility for resources not currently in the base portfolio.¹ CalCCA supports the CAISO's intention to "get ahead of" the large number of resources expected to be included in future portfolios by considering additional upgrades beyond those identified using the base portfolio. Identifying additional upgrades now in anticipation of increased resource build could provide the necessary signals to resources as to where to site new resource build necessary to meet the required forty percent reduction in statewide GHG emissions by December 31, 2030, the Renewable Portfolio Standard of 60 percent by December 31, 2030, and the goal of a zero-carbon electric system by 2045.²

To do this, the CAISO should consider projects identified in the sensitivity-1 portfolio based on 38 million metric ton (MMT) green-house gas (GHG) targets. As outlined in CalCCA's comments in the Integrated Resource Planning (IRP) proceeding, CalCCA supports the base case of 38 MMT Core for the preferred system plan and for consideration in the TPP.³ CalCCA appreciates the CAISO including the sensitivity-1 scenario as a sensitivity in this year's TPP, and recommends the CAISO consider the sensitivity-1 scenario when considering additional upgrades beyond those identified in the base portfolio.

2. Provide your organization's comments on the Preliminary Economic Assessment, as described in the third portion of the presentation:

No comments at this time.

3. Provide your organization's comments on Reliability Projects less than \$50 million, as described in the fourth portion of the presentation:

No comments at this time.

4. Provide your organization's comments on the PG&E Area High Voltage Assessment (update), as described in the fifth portion of the presentation:

No comments at this time.

¹ CAISO Day 2 Presentation on the 2021-2022 Transmission Planning Process, Sept. 27-28, 2021 at 12.

² Health and Safety Code § 38566, Public Utilities Code § 399.15(a), Public Utilities Code § 454.53(a).

³ California Community Choice Association's Comments on Administrative Law Judge's Ruling Seeking Comments on Proposed Preferred System Plan, R.20-05-003, Sept. 27, 2021.

5. Provide your organization's comments on the 20 Year Transmission Outlook (update), as described in the final portion of the presentation:

CalCCA supports the CAISO's efforts in developing the 20-year transmission outlook based on the Senate Bill (SB) 100 starting point scenario.

CalCCA reiterates its appreciation from previous comments on the CAISO's efforts to develop the 20-year Transmission Outlook.⁴ Forward planning with a long enough lead time will be critical in ensuring the state is prepared to meet SB 100 goals that require renewable energy and zero-carbon resources to supply 100 percent of electric retail sales to end-use customers by 2045.

6. Provide additional comments (if any) on the November 18, 2021 stakeholder meeting:

CalCCA supports the CAISO's identifying load impacts of potential Public Safety Power Shutoff (PSPS) events.

CalCCA commends the CAISO for its look at wildfire impacts in the TPP. As wildfires become increasingly prevalent in California, this assessment will provide useful information regarding grid resiliency. CalCCA requests clarity on how the CAISO plans to utilize the results of the impact assessment to reduce future PSPS events or wildfire impacts.

The CAISO Should Consider How to Incorporate Policy Driven Assessments in Local Areas in the Next TPP Cycle.

CalCCA understands that the CAISO assesses proposed transmission upgrades and alternatives for reducing reliance on gas-fired resources in local capacity areas in its economic-driven study phase. In the 2020-2021 TPP cycle, the CAISO assessed the economic value of reducing the need for gas-fired generation through transmission and other alternatives by applying the differential between the local and system capacity prices.⁵ As the fleet of resources evolves, the potential for a local constraint to become binding will increase. Analysis of the divergence of system and local prices will be important to inform the impacts and to determine whether transmission should be built to resolve local area resource constraints. In addition to these economic assessments, a policy-driven assessment should be performed to identify transmission upgrades or alternatives that facilitate retirements for fossil fuel plants on a timeline that maintains reliability in local areas and makes progress on state environmental requirements including minimizing air emissions in disadvantaged communities.⁶

In the next TPP cycle, the CAISO should incorporate a policy-driven assessment into its evaluation of transmission upgrades or alternatives needed to address local needs. As the state works towards achieving a zero-carbon electric system by 2045, more renewable resources and storage will necessarily come online creating opportunities for existing fossil fuel plants to retire. However, if an existing fossil fuel plant is in a locally constrained area, the resource retirement will not occur until the transmission constraint is eliminated or enough carbon-free resources are built in the local area to fulfill the local need. This could result in delays in meeting environmental standards if transmission capacity or other alternatives are not built to address the local need. The CAISO should consider transmission upgrades and potential alternatives to alleviate local area transmission constraints that would allow fossil fuel plants to retire to meet the State's GHG mandate reliably.

⁴ CalCCA Comments on the July 27, 2021 TPP Stakeholder Call and CalCCA Comments on the Sept. 28, 2021 TPP Stakeholder Call.

⁵ 2020-2021 Transmission Plan at 250.

⁶ See Public Utilities Code § 454.52(a)(1)(h).