



## Submit comment on draft transmission plan

2022-2023 Transmission planning process

### **1. Please provide your organization's overall comments on the Draft 2022-2023 Transmission Plan April 11, 2023 stakeholder call discussion.**

The California Community Choice Association (CalCCA) commends the California Independent System Operator (ISO) for the extensive work it has put into the 2022-2023 Draft Transmission Plan (Draft Transmission Plan). The Draft Transmission Plan reflects the proactive steps taken by the ISO to inform transmission infrastructure needed to reliably and economically achieve the state's clean energy goals. As the ISO notes, California's climate goals and escalating load forecasts necessitate an unprecedented amount of new resource development, and in turn, transmission capacity to support those resources. The California Energy Commission's Senate Bill 100 Core Scenario which was used to develop the 20 year-outlook indicates a need for roughly 175,000 megawatts (MW) of cumulative capacity additions by 2045. The Draft Transmission Plan puts the ISO on the trajectory to meet the transmission needs to support this level of development.

This year, the ISO also developed a zonal representation of the proposed transmission projects in the plan, signaling the MW of incremental capacity that can be accessed as a result of the proposed projects. CalCCA supports the ISO including this information as a regular output of the transmission planning process (TPP) going forward, particularly if the ISO begins to prioritize interconnection requests that align with existing or planned transmission capacity. CalCCA requests clarification on the zones presented on page 4 of the Draft Transmission Plan to better understand what the zones and capacity in each zone represent. Specifically, several zones indicate which policy-driven projects enable access to the capacity in base and sensitivity portfolios (e.g., Policy-Driven Projects 1 and 2 in the Pacific Gas and Electric Company (PG&E) Fresno Area). Other zones do not list the policy-driven projects enabling access to new capacity (e.g., PG&E Greater Bay Area, Southern California Edison Company Northern, etc.). For those areas that do not have policy projects associated with them, the ISO should clarify how the transmission system will allow for access to that capacity (i.e., existing transmission capacity, reliability projects, future policy projects, etc.). Additionally, CalCCA requests the ISO clarify how it incorporates land-use screens to ensure the zones do not violate land-use constraints.

The ISO has indicated that, when recommending projects, the ISO has in some cases considered mitigating for the sensitivity case in addition to the base case, given the 2022-2023 sensitivity case largely mirrors the base case that will be used in the 2023-2024 TPP. CalCCA supports the ISO considering future needs when recommending projects, either by considering cases in future TPP portfolios or the 20-year outlook. CalCCA also supports the ISO recommending projects for approval when the ISO is confident that approving those projects now will mitigate both immediate needs and future needs, therefore avoiding paying for mitigation twice. The Draft Transmission Plan includes 24 reliability projects totaling \$1.76 billion and 22 policy projects totaling \$7.53 billion. The ISO indicates that this will translate to a \$5/ megawatt-hour (MWh) increase in the transmission access charge (TAC) over the life of the projects, relative to the current TAC of \$16.62/MWh. Given the transmission projects recommended in the Draft Transmission Plan represent a 30 percent increase in the TAC, and the ISO anticipates over \$30 billion of transmission project costs in the 20-year

outlook, minimizing transmission costs where possible will be necessary to avoid exacerbating the impact of transmission on customer affordability.

The ISO indicates that it plans to update the 20-year outlook in parallel with the 2023-2024 TPP. CalCCA supports the ISO updating the 20-year outlook. The 20-year outlook provides valuable information about the needs of the system further into the future than is contemplated in the IRP portfolios transmitted to the ISO for study in the TPP or the TPP itself. From the load-serving entity (LSE) perspective, the 20-year outlook can provide information about how the system may evolve as LSEs plan procurement further out than 10-12 years. For example, CalCCA has commented previously in the TPP<sup>1</sup> and Integrated Resource Planning (IRP) proceeding<sup>2</sup> on the resource potential in areas like Northern Nevada, but they have not yet been identified in the California Public Utilities Commission (CPUC) base portfolios. The ISO should consider how it can use the 20-year outlook to inform the TPP and IRP processes where possible in order to provide more certainty around transmission needs and resource potential further out. The ISO's important work on the 20-year outlook will need to be coupled with work at the CPUC to develop clear and regularly updated needs assessments that reflect needs and opportunities many years forward.

Finally, page 8 of the Draft Transmission Plan indicates that the ISO is recommending 12 reliability or policy-driven projects for approval that also reduce gas-fired generation local capacity requirements. CalCCA appreciates the ISO including this information in the plan, and encourages the ISO and the CPUC to continue to expeditiously study the ability to reduce reliance on fossil fuel resources in local areas to ensure an orderly and reliable transition from reliance on fossil fuels in local areas at least cost. This is especially important given the trends the ISO is seeing in its long-term local capacity technical studies. The long-term local capacity technical study included in the Draft Transmission Plan indicates that the 2032 local capacity requirement trends are 18.5 percent higher than the 2027 trends primarily due to load forecast increases.<sup>3</sup> Because local areas depend heavily on gas-fired resources, it will be critical for the ISO and the CPUC to identify when transmission can cost-effectively reduce local capacity requirements, even as load increases, to meet state policy goals.

## **2. Provide your organization's comments on chapter 1 Overview of the Transmission Planning Process.**

CalCCA has no additional comments at this time.

## **3. Provide your organization's comments on chapter 2 Reliability Assessment.**

CalCCA has no additional comments at this time.

## **4. Provide your organization's comments on chapter 3 Policy-Driven Need Assessment.**

CalCCA has no additional comments at this time.

## **5. Provide your organization's comments on chapter 4 Economic Planning Study.**

CalCCA has no additional comments at this time.

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<sup>1</sup> See <https://stakeholdercenter.aiso.com/Comments/AllComments/f19a7845-cd76-4d0c-9ebf-041832dbbe23#org-93e17ef0-4df0-49b2-b29b-67f80a1459a4>.

<sup>2</sup> See <https://cal-cca.org/wp-content/uploads/2022/04/Informal-Comments-on-the-Reliability-Pther-Filing-Requirements-for-LSEs-2022-IRPs-around-MAG-Webinar-04-21-22.pdf> and <https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M441/K159/441159816.PDF>.

<sup>3</sup> Draft Transmission Plan at Appendix J.

**6. Provide your organization's comments on chapter 5 Interregional Transmission Coordination.**

CalCCA has no additional comments at this time.

**7. Provide your organization's comments on chapter 6 Other Studies and Results.**

CalCCA has no additional comments at this time.

**8. Provide your organization's comments on chapter 7 Special Reliability Studies and Results.**

CalCCA has no additional comments at this time.

**9. Provide your organization's comments on chapter 8 Transmission Project List.**

CalCCA has no additional comments at this time.