

California Community Choice Association

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Contact

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1. Please provide your organization's comments on the Recommended Reliability Projects less than \$50 million for the North Region.

The California Community Choice Association (CalCCA) has no comments at this time.

2. Please provide your organization's comments on the Recommended Reliability Projects less than \$50 million for the South Region.

CalCCA has no comments at this time.

3. Please provide your organization's comments on the MIC Expansion Requests.

CalCCA appreciates the California Independent System Operator's (CAISO) presentation on the maximum import capability (MIC) expansion requests. The availability of MIC is critical for meeting a variety of load-serving entity (LSE) compliance obligations. Both Resource Adequacy (RA) and Integrated Resource Plan (IRP) procurement obligations require LSE to obtain MIC for the portions of their obligations being met by out-of-state (OOS) resources. In addition, the California Public Utilities Commission (CPUC) has relied upon significant amounts of OOS wind in its preferred system plans (PSP) that will require MIC to ensure deliverability to CAISO load. LSEs and developers may be understandably hesitant to invest in the development of new OOS resources when there is significant uncertainty that those resources will count towards their compliance obligations due to the lack of MIC in both the short and long-term. For these reasons, the CAISO should aim to provide as much transparency as possible within the MIC expansion request process so that LSEs have a clear picture of when, where, and how much total import capability will grow in response to the CPUC's PSP portfolio.

The CAISO should adopt the following enhancements to increase MIC expansion transparency:

- **Provide Details Regarding MIC Expansions Driven by the CPUC Portfolio:** The CAISO did not study several MIC expansion requests because the requests overlapped with the CPUC portfolio. With the current level of information available to stakeholders, the overlap with MIC expansion requests and the CPUC portfolio is unclear. For example, the "On-Peak Eldorado – McCullough 500 kV constraint summary" on slide 83 includes details on the affected interties, the megawatts (MW) of MIC expansion request behind the constraint, and the amount of deliverable MIC expansion request MW. The presentation does not, however, provide a breakdown of the overlapping CPUC portfolio's MIC expansion that is impacted by the constraint or enabled by the mitigation. In its presentation of policy-driven Transmission Planning Process (TPP) results, the CAISO should provide expected aggregate MIC expansion in MW by intertie from the combined impact of MIC expansion requests and the CPUC portfolio and their dependency on upgrades or mitigation.
- **Update MIC Advisory Estimates with Future Expansion:** The CAISO's long-term advisory estimates for import capability are very useful in understanding the future availability of future long-term MIC. The CAISO should regularly update these advisory estimates with the amount of MIC that can be expanded resulting from the CPUC's portfolio, when that MIC expansion will take place, and the proposed mitigation or upgrade that will enable the MIC expansion. Given the PSP's reliance on out-of-state resources, the CAISO should seek to provide stakeholders with a clear picture of how total import capability will grow so LSEs and developers can move forward with enough certainty to minimize the risk associated with securing MIC.
- **MIC Associated with Non-CAISO Transmission Element Entitlements:** The CAISO should clarify if there is any MIC or modeled transmission in the CAISO model that is based upon an entitlement to a non-CAISO transmission element that, if the entitlement expired, would no longer be available to the CAISO? If so, the CAISO should explain how many MWs are tied to these entitlements and at what locations. The

CAISO should also explain when the entitlements expire and the expected process for informing the TPP and MIC allocation process of these expirations to ensure that they can be accounted for in the CAISO and CPCU's planning processes.

The CAISO's assessment of MIC expansion requests indicates that, given the current transmission system, a vast majority of the MIC expansion requests studied by the CAISO failed the TPP deliverability study, meaning the CAISO cannot expand MIC. MIC expansion would necessitate transmission upgrades due to a lack of available deliverability. If a MIC expansion request results in a "fail" of the CAISO's deliverability assessments, the CAISO must (1) expand MIC after the completion of transmission upgrades that could result in additional deliverability for MIC expansion requests that overlap with the CPUC portfolio or (2) provide a feedback loop to the CPUC of MIC expansion requests that failed but were not included in the CPUC portfolio such that the CPUC can use those requests to inform future base case resource portfolios for study in the next TPP cycle. The CAISO has stringent requirements for studying MIC expansion requests (e.g., LSE demonstration of an executed contract), so the CPUC should take MIC expansion requests as an indication that there are high levels of commercial interest in the resources at those locations. As a result, the CPUC should include them as part of its base portfolios for determining policy-driven transmission. Mitigation alternatives should be selected that enable the MIC expansion requests to receive full deliverability. This step is essential to provide off-takers certainty on project viability and developers the confidence to move forward with providing resources that are critical to meeting California's climate and reliability goals.

4. Please provide your organization's comments on the Preliminary Policy Assessment Results for the SCE & GLW areas.

CalCCA has no comments at this time.

5. Please provide your organization's comments on the Preliminary Policy Assessment Results for the SDG&E area

CalCCA has no comments at this time.

6. Please provide your organization's comments on the Preliminary Policy Assessment Results for the PG&E area.

In some cases, the CAISO's policy assessment results do not identify any area-scale deliverability constraints even though the 2023 generator interconnection and deliverability allocation procedures (GIDAP) resulted in no deliverability allocations in the region to due existing constraints (e.g., North of Greater Bay or Greater Bay Areas). To ensure that valuable clean capacity that is mapped by the CPUC and under contract with LSEs is not put at risk, the CAISO should:

- Clarify why the GIDAP and TPP results differ with respect to the identification of area-scale deliverability constraints; and
- Either provide confidence that the 2024 GIDAP will align with the TPP results or expand the scope of upgrades so that they will align.

7. Please provide your organization's comments on the Preliminary Economic Analysis Results.

CalCCA has no comments at this time.

8. Please provide any additional comments on the November 16, 2023 Transmission Planning Process Stakeholder Meeting.

In its evaluation of Humboldt offshore wind mitigation alternatives, the CAISO will evaluate reinstating 500 kilovolts (kV) ratings that had previously been derated. Given the impacts deratings may have on deliverability and the need for upgrades, the CAISO should provide transparency on past 500 kV de-rates, studies that have been impacted by the de-rates (past TPPs, GIDAPs, etc.), and the potential and necessary criteria for reinstating 500 kV ratings.