California Community Choice Association

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Contact
Shawn-Dai Linderman (shawndai@cal-cca.org)

1. Please provide your organizations comments on adjusting the timeline for the release of the draft transmission plan from the end of January to the end of March, targeting approval in each year's May Board of Governors meetings.

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

2. Please provide your organizations comments on enabling approvals for major long lead time transmission projects needed beyond the current 10 year planning horizon.

CalCCA generally supports the California Independent System Operator (CAISO) approving major long-lead-time transmission projects when the CAISO identifies needs beyond the current 10-year planning horizon. The time it takes to complete major transmission projects, the increased demand in the California Energy Commission's (CEC's) high electrification scenarios, and the projected new resource build will likely necessitate project approvals beyond the current 10-year planning horizon.

Some stakeholders expressed concerns with approving transmission projects with needs in the longer-term due to increased uncertainty of load or resource needs and locations. This is an important consideration particularly given the potential customer affordability implications of approving a long-lead-time transmission project only to see it be canceled or underutilized. The CAISO's response to those concerns provides a workable process for balancing uncertainty with the advancement of long-lead-time transmission projects. The CAISO indicated that it can assess the uncertainty of project cancellation or underutilization for long-lead-time projects. Upon this assessment, the CAISO may not seek approval of long-lead-time transmission upgrades in the current planning cycle and instead continue to assess the need for them in future planning cycles. The CAISO should evaluate uncertainty when making decisions to approve projects longer than 10 years out and share that evaluation with stakeholders, as it does in the existing Transmission Planning Process (TPP) when it evaluates the various alternatives for addressing reliability, economic, and policy-driven needs today. As described in item 3 below, the CAISO should take a more proactive role in informing where resources should locate to mitigate the concern around the uncertainty of resources and their location more than 20 years out.

3. Please provide your organizations comments on retaining policy-driven transmission upgrade capacity for the specific policy purpose for which it was developed.

The CAISO proposes to set aside the capacity of policy-driven transmission upgrades needed for specific resources included in the California Public Utilities Commission (CPUC) portfolios. Under this proposal, the CAISO would incorporate the capacity of the portfolio resources into the generator interconnection and transmission plan deliverability allocation studies. This would ensure the capacity of the transmission upgrade approved for policy resources reflected in the CPUC portfolio is not allocated to resources other than the types of resources in the policy portfolio.

This proposal is reasonable as it would provide more certainty that transmission capacity will be available for projects developed for policy purposes. Limiting the application of the straw proposal to only circumstances with a clear, direct policy directive from an applicable state authority and releasing the held-back transmission capacity after a certain period of time, or if policy portfolios change is appropriate. Further, it would be beneficial to base policy portfolios on resource attributes, rather than particular technologies. Attribute-based policies increase the state's access to resources providing comparable reliability and environmental benefits.

In addition, the CAISO should take a more proactive role in informing where to site new resource build where transmission capacity already exists or will exist after the completion of projects approved in the TPP. The CAISO should coordinate this role with the CPUC's resource portfolios and busbar mapping developed in the

Integrated Resource Planning process, and environmental and land use mapping performed by the CEC. This would enhance the ability for load-serving entities to make procurement decisions that minimize the need for network upgrades later on by signaling in advance where transmission will exist in the future.

To better optimize new resource siting and procurement decisions, three things must be known:

1. Locations with the potential for the highest quality resources;
2. Locations with land available for new resource build given existing infrastructure, legally protected areas, etc.; and
3. Locations with exiting transmission capacity or locations suitable for new transmission build.

For item 1, the CAISO and state agencies could use the Competitive Renewable Energy Zones (CREZ) approach as a model to identify locations with the best potential for high-quality renewable resources. During the early years of renewable integration, CREZs were developed to identify areas with high densities of best-quality resources while minimizing new transmission facilities necessary to access new renewables to meet state policy goals. These zones were used to rank locations for resource development on an economic and environmental basis.[1] The CAISO could incorporate a similar approach to inform the best locations to procure new resources to minimize unnecessary time and cost impacts of new interconnection upgrades.

For item 2, the CEC's land use screens can inform where there is new resource potential considering other uses of state land.

For item 3, the CAISO must inform the sites where existing transmission exists, or where new transmission build is feasible. This last item is a critical piece of the puzzle because deciding where to build new resources is critically dependent on the transmission to make the resources deliverable. The CAISO, in conjunction with the CPUC and CEC, should work to ensure all three of these elements can be communicated to stakeholders to accelerate and optimize procurement.

[1] https://www.westerngrid.net/wp-content/uploads/2012/07/tste-olsen-2200111-x.pdf

4. Please provide additional comments your organization has on the transmission planning process enhancements initiative.

CalCCA has no comments at this time.