

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking to Continue
Electric Integrated Resource Planning and
Related Procurement Processes.

Rulemaking 20-05-003

**COMMENTS OF THE BAY AREA MUNICIPAL TRANSMISSION GROUP IN
RESPONSE TO ADMINISTRATIVE LAW JUDGE'S RULING SEEKING
COMMENTS ON ELECTRIC RESOURCE PORTFOLIOS TO BE USED IN THE
CALIFORNIA INDEPENDENT SYSTEM OPERATOR'S 2021-22 TRANSMISSION
PLANNING PROCESS**

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The Bay Area Municipal Transmission Group (“BAMx”)¹ appreciates the opportunity to provide comments in response to the Administrative Law Judge’s Ruling (“Ruling”) seeking comments from parties on electric resource portfolios to be used in the California Independent System Operator’s (CAISO’s) 2021-22 Transmission Planning Process (TPP) which will begin in early 2021.

I. BAMx COMMENTS

In this section, we include the BAMx’s responses to a subset of the questions posed in the ALJ Ruling.

Q. 2. Do you recommend any changes to the proposed Base Case portfolio in Attachment B? If so, provide justification for your recommended changes.

BAMx generally supports utilizing the 46 million metric ton (MMT) target by 2030 portfolio as the reference system portfolio in Decision 20-03-028, but recommends updating it with more recent data and assumptions from the CEC’s 2019 Integrated Energy Policy Report,

¹ The members of BAMx are City of Palo Alto Utilities and City of Santa Clara, *dba* Silicon Valley Power.

for both the reliability and policy-driven base case. BAMx also believes that the base case portfolio should be updated with the CAISO's estimates of transmission capability limits based upon the revised deliverability assessment methodology. In its recent review of deliverability assessment methodologies, CAISO has proposed new study scenarios that would align load levels with intermittent generation output.² The CAISO proposed a new study approach recognizing that, with a diverse grid, the peak reliability need is offset by the generation profiles under certain renewable conditions, which result in significantly more of the resources being deliverable across the transmission system. Thus, implementation of CAISO's revised transmission deliverability methodology would result in accommodating more full capacity deliverability status (FCDS) resources in a given transmission area without triggering the need for costly additional transmission upgrades - than if the existing CPUC Energy Division methodology was to be used. The CAISO has found that under the new methodology, several transmission upgrades identified using the current methodology would not be needed.³

The CAISO Board of Governors approved the new deliverability methodology revisions on November 6, 2019.⁴ The Federal Energy Regulatory Commission (FERC) approved the CAISO's compliance filing revising its deliverability assessment methodology on September 11, 2020, making it effective March 3, 2020.⁵ Therefore, there is no reason to delay implementing the treatment of transmission constraints within the Integrated Resource Planning (IRP) process to reflect CAISO's most recently adopted electric deliverability methodology. Implementing this proposed methodology should be a relatively simple task, because the CAISO could provide updated transmission capability values to the CPUC, allowing easy implementation inside of RESOLVE. Moreover, applying this new methodology for the 2021-2022 TPP is appropriate as it is already in place in the CAISO's generation interconnection process and transmission planning process. Therefore, BAMx recommends that the CPUC should use CAISO's

² See <http://www.caiso.com/InitiativeDocuments/RevisedDraftFinalProposal-GenerationDeliverabilityAssessment.pdf>.

³ CAISO Generation Deliverability Assessment Methodology Issue Paper Stakeholder Call, May 2, 2019, p.21.

⁴ See <http://www.caiso.com/Documents/DecisiononDeliverabilityAssessmentMethodologyRevisionsProposal-Memo-Nov2019.pdf>.

⁵ See <http://www.caiso.com/Documents/Sep11-2020-Letter-Order-Approving-Deliverability-Assessment-Compliance-Filing-ER20-732.pdf>.

transmission capability input estimates based upon the revised deliverability assessment methodology - as some renewable and storage buildout areas are likely to see significant changes in the deliverable numbers and the revised renewable portfolios would avoid identifying unneeded, and expensive, transmission upgrades in the CAISO 2021-2022 Transmission Plan.

Q. 3. Do you recommend any changes to the proposed Policy-Driven Sensitivity portfolios in Attachment B? If so, provide justification for your recommended changes.

As we have described in above response to Q.2, similar to the base portfolios, the sensitivity portfolios should also be updated using the transmission capability estimates based upon the CAISO's revised deliverability methodology.

Q.8. Do you recommend any changes to the Busbar Mapping Criteria & Implementation section of Attachment C? What changes and why?

BAMx appreciates the efforts of the energy division staff in putting together a comprehensive busbar mapping criteria and implementation steps. For the 2021-2022 TPP, the battery mapping exercise will be centered around the intersection of policy objectives and commercial interest.⁶ BAMx agrees that this proposal is an improvement over the 2020-2021 TPP battery mapping effort that relied entirely on commercial interest data from the CAISO Generator Interconnection Queue and supplemented by the material modification assessment (MMA) requests received by CAISO in December 2019. However, it is not clear how the policy objective of minimizing ratepayer costs, which BAMx supports, would ensure that an appropriate level of battery storage resources would be mapped in the LCR areas, where such resources could be very effective in mitigating reliability needs. Furthermore, the CPUC staff proposal envisions feedback from stakeholders on the battery busbar mapping methodology and stakeholder review of the mapped resource portfolios. However, it does not provide a schedule for stakeholder feedback for the battery mapping exercise within the 2021-2022 TPP. Without a planned schedule for stakeholder feedback, BAMX is concerned that there would not be adequate opportunity to provide stakeholder comments on the battery busbar mapping

⁶ Attachment C: CPUC Staff Proposal: Methodology for Resource-to-Busbar Mapping & Assumptions for the 2021-2022 TPP to the ALJ Ruling, CPUC Energy Division, October 23, 2020, p. C-13

methodology and to review the mapped resource portfolios. Therefore, BAMx recommends that the CPUC should develop a schedule that specifies the review and response period for stakeholder feedback.

II. CONCLUSION

BAMx appreciates the opportunity to provide responses to the questions on electric resource portfolios to be used in the CAISO's 2021-22 TPP and looks forward to continued participation in the IRP proceeding.

November 10, 2020

Respectfully submitted,

/s/ Debra Lloyd

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