

BAMx Comments on the CAISO Deliverability Assessment Methodology Issue Paper

Introduction

The Bay Area Municipal Transmission group (BAMx)¹ appreciates the opportunity to comment on the CAISO Deliverability Assessment Methodology Issue Paper discussed during the May 2, 2019 stakeholder call. BAMx supports the CAISO having a separate Stakeholder process on its proposal to revise their deliverability methodology. Revisions are clearly needed to keep the CAISO studies correlated to the maximum extent with the implementation of the effective load carrying capability (ELCC) methodology by the CPUC that are being adopted by them in conformance with State law. The proposed solar and wind output assumptions for the revised on-peak deliverability assessment are expected to result in fewer transmission upgrades required for the generators to achieve FCDS. However, these proposed solar and wind output assumptions do not adequately reflect the ELCC based qualifying capacity (QC) values.² Modeling the solar and wind output levels consistent with the ELCC based QC values should further minimize the excessive and unneeded transmission upgrades identified from the deliverability assessment in both the generation interconnection study process and TPP process.

BAMx believes that the CAISO proposal is headed in the right direction with its revisions to the deliverability methodology. It should provide a better indication of the capability of the existing transmission system to accommodate the renewables necessary to achieve California's policy goals.

There is no need for additional studies to be added to the interconnection study process to meet the objective of avoiding excessive curtailment

Some Stakeholders have expressed concern about the new methodology leading to increasing levels of generation curtailment due to congestion. BAMx agrees with the CAISO that its existing TEAM methodology provides a decent framework for that to be studied thoroughly, which would lead to transmission upgrades if they are economically justified. BAMx believes that the TEAM methodology is well suited to determine the need for any transmission additions that can be justified on the basis of reducing generation curtailments. The challenge will be to anticipate such potential congestion impacts, if any, prior to the resources coming on-line.

¹ BAMx consists of City of Palo Alto Utilities and City of Santa Clara, Silicon Valley Power.

² CAISO Generation Deliverability Assessment Methodology Issue Paper Stakeholder Call, May 2, 2019, page 27.

It is important to note that curtailment is not a resource adequacy issue for which the deliverability assessment is designed for, but rather an operational issue. Since any increase in curtailments can be addressed by identifying needed policy and economic driven transmission upgrades in the Transmission Planning Process (TPP), we do not believe there is any need for such assessment in the Generation Interconnection Process (GIP). Such studies will likely put unnecessary additional pressure for completing the GIP studies in a timely manner.

Should the CAISO choose to perform additional studies to assess excessive curtailments (or “curtailment” studies) in the interconnection study process, any identified delivery network upgrades (DNU) should be funded by the generator owner for its generation project to obtain Full Capacity Delivery Status (FCDS). This approach would be consistent with the generators selecting “Option B” under the Generator Interconnection Deliverability Allocation Procedures (GIDAP) Cluster process. If a generator chooses not to fund the DNUs identified under the “curtailment” studies, then it would need to rely on those DNUs to be identified as the policy or economic driven transmission upgrades in the TPP. This concept would be similar to the generators selecting “Option A” as they solely rely on Transmission Plan Deliverability (TPD) for their deliverability.

Conclusion

BAMx would encourage the CAISO to implement their proposed methodology without any further delay but to make a commitment to refine it further at a future date. One such area to revisit the deliverability assessment would be to align the solar and wind output assumptions with the ELCC based QC values. There is no need to conduct additional “curtailment” studies as part of the generation interconnection studies as the TPP is a more appropriate forum to consider network upgrades to address potential excessive generation curtailments.

If you have any questions concerning these comments, please contact Moisés Melgoza (mmelgoza@svpower.com or (408) 615-6656).