



## **Submit comment on Comments on Sept. 28, 2022 stakeholder call discussion**

2022-2023 Transmission planning process

### **1. Please provide comments on CAISO reliability assessment for the North area (PG&E).**

CESA appreciates the California Independent System Operator's (CAISO or ISO) regular consideration of energy storage as a mitigation solution and option to identified transmission needs. For the Pacific Gas & Electric (PG&E) area assessment, we have three comments.

First, CESA supports the Dinuba Battery Energy Storage Project to address 115/70 kV overloads in Fresno-Reedley Area, but this project was identified as a previously-approved project requiring re-scoping. We request further information on the nature of this re-scoping.

Second, CESA seeks further information on the Lamont Energy Storage Project, which was discussed as being "under review" to address Kern 115-kV overloads. Pursuant to California Public Utilities Commission (CPUC) Decision (D.) 22-02-004,<sup>1</sup> PG&E was directed to procure a 95-MW storage project at the Kern-Lamont Substation through the Central Procurement Entity (CPE) solicitation process, with a progress filing via Tier 2 Advice Letter due to the CPUC by December 31, 2022. If issues surround whether they will need deliverability as a Local Resource Adequacy (RA) resource, CESA hopes that the reason for its review is not to necessarily require market participation as an RA resource from the onset, which was not required in D.22-02-004, nor was the storage resource approved by the CAISO in the 2021-2022 Transmission Planning Process (TPP) as requiring RA market participation – *i.e.*, just as a transmission reliability resource.

Finally, CESA also recommends that energy storage be further explored for mitigation of the PG&E North Coast-North Bay (NCNB) 115 kV thermal overloads at Corona-Lakeville 115 kV Line. Limited details are shared in the presentation, but we encourage closer consideration of energy storage for these overloads, including whether charging restrictions play a role, as well as the nature of the overload (*e.g.*, duration, magnitude).

In order to successfully consider energy storage as a mitigation measure in CAISO's TPP, CESA recommends that the ISO formalize a process within the Business Practice Manual (BPM) that clarifies the path for energy storage procurement and its role within the market. The process should focus on the procurement process, interconnection, deliverability, cost recovery, availability, and management. Since the Storage As Transmission Asset (SATA) Initiative was suspended, it is unclear on how SATA resources would be considered on each of the aforementioned matters. With the exception of the energy storage resources considered in the since-canceled Oakland Clean Energy Initiative (OCEI), it has been unclear for SATA resources.

---

<sup>1</sup> D.22-02-004 at 160 and Ordering Paragraph (OP) 12.

**2. Please provide comments on CAISO reliability assessment for the South area (SCE, SDG&E, VE/GLWS)**

As noted above, CESA appreciates and continues to encourage the ISO to look at energy storage as non-wires alternative (NWA) mitigation measures. In particular, for the Metro 230 kV and Serrano Banks 500/230 kV thermal overloads in Southern California Edison (SCE) territory, the results show that the implementation of a portfolio of energy storage resources in the Western Los Angeles (LA) Basin and San Diego Gas and Electric (SDG&E) area can address the issue. However, the results show that the energy storage resources need to have 8-hour generating capability to meet peak load that lasts 8 hours in Western LA Basin, but the cost of additional duration beyond the 4-hour minimum must be taken into account. One of the cited reasons for only “monitoring” the situation is the cost of additional duration beyond the 4-hour Resource Adequacy (RA) minimum, which is not valued to offset the added cost.

To this point, CESA recommends that cost assumptions be solicited from long-duration energy storage (LDES) providers and to evaluate the economic assessment assuming RA value for the incremental four hours of duration. As the CPUC moves toward a slice-of-day (SOD) framework, there will be RA value for the incremental duration beyond the 4-hour minimum since RA obligations will need to be met for all 24 hours of the day. If a load-serving entity (LSE) has a residual RA obligation for eight or more hours, the LDES resource can be accounted for, and RA benefits will be ascribed to the incremental four hours of duration.

Furthermore, CESA requests that the ISO reexamine the San Luis Rey-San Onofre Area constraint, which appears to only occur under a P7 condition. This is notable for the impact on the deliverability to energy storage projects in the area, where such conservative N-2 contingency assumptions are not typical in other balancing areas. While the current TPP cycle revised the long-term energy storage dispatch assumption to 50% in the Secondary System Need (SSN) scenario, CESA maintains our concerns (expressed previously during the June 2022 stakeholder call on the matter) that dispatchable energy storage should not be modeled as competing with solar during these hours but rather as one that complements them. The ISO is also in the process of simplifying assumptions for remedial action schemes (RAS) in order to ease their market modeling, but the relaxing of its use may overlook the ability to take advantage of one of the cheapest forms of NWAs. There should be some appropriate medium between its simplification and limited use versus the complex or overreliance on RAS to address local area constraints.

**3. Please provide comments on PG&E proposed mitigation alternatives.**

CESA has no comment at this time.

**4. Please provide comments on SDG&E proposed mitigation alternatives.**

CESA has no comment at this time.

**5. Please provide comments on SCE proposed mitigation alternatives.**

CESA has no comment at this time.

**6. Please provide comments on VEA/GLW proposed mitigation alternatives.**

CESA has no comment at this time.

**7. Please provide comments on CAISO high voltage TAC presentation.**

CESA appreciates the inclusion of the study on high-voltage transmission access charge (TAC) trends and presentation. Notably, CESA seeks further information and justification on the maintenance of the assumption to maintain gross load growth at -0.05% even though high transportation electrification loads should be assumed going forward, which should have some counter effect of increasing the GWh base for the TAC costs.

**8. Please provide comments on CAISO policy assessment update.**

CESA has no comment at this time. We look forward to reviewing the preliminary policy assessment that will be shared at the November 17, 2022 stakeholder meeting.

**9. Please provide comments on CAISO economic assessment update.**

CESA has no comment at this time. We look forward to reviewing the preliminary economic assessment that will be shared at the November 17, 2022 stakeholder meeting.

**10. Any additional comments?**

CESA does not have further comments at this time.