

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

Order Instituting Rulemaking to Integrate and Refine Procurement Policies and Consider Long-Term Procurement Plans.

Rulemaking 12-03-014
(Filed March 22, 2012)

**RESPONSE OF THE CALIFORNIA INDEPENDENT
SYSTEM OPERATOR CORPORATION
TO JOINT MOTION TO AMEND THE REVISED SCOPING RULING
OF DIVISION OF RATEPAYER ADVOCATES, CALIFORNIA
ENVIRONMENTAL JUSTICE ALLIANCE AND SIERRA CLUB CALIFORNIA**

On June 28, 2013, the Division of Ratepayer Advocated, the California Environmental Justice Alliance and Sierra Club (hereinafter the “Moving Parties”) submitted a motion to amend the revised scoping ruling issued on May 21, 2013 (“Revised Scoping Ruling”) that, among other things, initiated Track 4 and set forth the study parameters to be used by the California Independent System Operator Corporation (“ISO”) in evaluating mid- and long-term resource needs assuming a SONGS outage during the study period. The Moving Parties argue that because shortly after the Revised Scoping Ruling was issued SCE announced the permanent retirement of the SONGS generating units, the scope of the ISO’s Track 4 studies should be expanded to include the evaluation of possible mitigation solutions for the loss of this resource, particularly the amount of reactive power that might be required in the “without SONGS” scenarios. The Moving Parties have requested that, at a minimum, the scope of the ISO’s studies be expanded to include at least 1460 MVAR of reactive power, an amount identified in the studies conducted by the ISO in the 2012/2013 transmission planning process and addressed in the 2012/2013 transmission plan.¹

¹ Joint Motion, p. 3

Although the SONGS retirement announcement does alter the landscape of local generation needs in the SDG&E and SCE areas and removes uncertainties with regard to long-term resource availability, the ISO opposes this motion. As the ISO understands it, the purpose of the three scenarios being evaluated in Track 4 is simply to update the Track 1 studies, and the resulting local area resource needs produced by those studies and relied on in D.13-02-015, by eliminating SONGS from the list of generation assumptions. The Revised Scoping Ruling requests the ISO to evaluate resource needs in the SCE/SDG&E local areas, assuming SONGS out of service, for 2018 and 2022. The study assumptions for these scenarios are based on the assumptions and study methodology approved in D.13-02-015 and the studies are being conducted for the very limited purpose of examining the “delta” between the local resource needs identified in the order, and incremental needs assuming that SONGS is not available. The fact that SONGS has been retired does not affect the limited scope and purpose of the Track 4 studies that the ISO is currently undertaking.

The Revised Scoping Ruling does not request that the ISO assume particular mitigation solutions to meet the potential local resource needs arising from the elimination of SONGS from the generation assumed to be online during the study periods. Nonetheless, the ISO acknowledges that there is value in considering how transmission alternatives can help meet the needs. Because the ISO’s studies regarding the need for additional resources are underway and will be presented in testimony on August 5, the ISO intends to provide further information as to how transmission alternatives can be considered in this proceeding as part of the Commission’s consideration of additional resource needs in the LA Basin and SDG&E. However, this more expansive assessment will require additional time to identify and vet potential transmission alternatives, and to perform the technical studies in a coordinated manner with the rest of the

ISO's transmission planning process, and therefore cannot be completed in the timeline set forth in the Revised Scoping Ruling. Thus, the ISO urges the Commission to deny the motion to expand the scope of Track 4 and allow the ISO to continue on the course already undertaken with regard to additional resource needs in light of the SONGS outage/retirement.

Respectfully submitted,

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