

Docket:	:	<u>R.12-03-014</u>
Exhibit Number	:	<u>ORA x CAISO 1</u>
Commissioner	:	<u>Michel Florio</u>
Admin. Law Judge	:	<u>David Gamson</u>
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	:	

ISO Response to Seventh Set of Data Requests to Track 4 of the
Division of Ratepayer Advocates, California Environmental Justice
Alliance, Sierra Club California and Clean Coalition in R.12-03-014



VIA ELECTRONIC MAIL

October 18, 2013

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Re: ISO Response to the Seventh Set of Data Requests Related to Track 4 of the Division of Ratepayer Advocates; California Environmental Justice Alliance; Sierra Club, CA; and Clean Coalition in Docket No. R.12-03-014

Dear Ms. Lee, Mr. Miley, Ms. Behles, Mr. Zizmor, Mr. Rostov, Ms. Lazerow, and Mr. White:

Enclosed please find the California Independent System Operator's response to the seventh set of data requests served by the Division of Ratepayer Advocates (DRA); California Environmental Justice Alliance (CEJA); Sierra Club, CA; and Clean Coalition in Track 4 of the LTPP proceeding.

Please feel free to call me if you have any questions.

Sincerely,
/s/ Judith B. Sanders
Judith B. Sanders
Senior Counsel
California Independent System
Operator Corporation

**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.**

R.12-03-014

**RESPONSE OF THE CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION
TO THE SEVENTH SET OF DATA REQUESTS RELATED TO TRACK 4 OF THE
DIVISION OF RATEPAYER ADVOCATES; CALIFORNIA ENVIRONMENTAL JUSTICE ALLIANCE;
SIERRA CLUB, CA; AND CLEAN COALITION**

Below are responses to the seventh set of Data Requests served by the Division of Ratepayer Advocates (DRA); California Environmental Justice Alliance (CEJA); Sierra Club, CA; and Clean Coalition in Track 4 of the LTPP proceeding.

RESPONSE

Request No. 1.

In response to Request No.1 of Set Six of data requests to the CAISO from DRA et al, which asked: "Did CAISO get approval or some form of concurrence from FERC to change the SDG&E critical contingency from G-1, N-1 to N-1-1? If not, why not?," CAISO responded: "Objection. This data request seeks information about the ISO's study methodology, which is outside the scope of Track 4. Please refer to the May 21, 2013 revised scoping ruling."

Please identify each portion of the May 21, 2013 revised scoping ruling which supports the CAISO's contention that the question seeks information outside the scope of Track 4.

ISO RESPONSE TO No. 1.

Page 1 of Attachment A to the May 21, 2013 Scoping Ruling states that the assumptions being used in Track 4 are consistent with the findings of D.13-02-015. In that decision, the Commission approved the use of the ISO's study methodology without change, and that includes the ISO's application of NERC reliability standard TPL-003. See D.13-02-015 at pages 39-40 and also Finding of Fact #9 wherein the ISO's study methodology was found to be reasonable.

Notwithstanding the ISO's objection to this question and the fact that the ISO's study methodology is not within the scope of Track 4, the ISO is not required to seek approval from FERC on the detailed application of the NERC and WECC standards.

Request No. 2.

Page 2, lines 21-22 of the Track 4 Testimony of Robert Sparks on behalf of the California Independent System Operator (CAISO Track 4 Testimony) described Mr. Sparks' prior testimony in Application (A.) 11-05-023, which considered local area needs in the San Diego local area. Mr. Sparks submitted rebuttal testimony in A.11-05-023 on June 6, 2012 that explained that the most limiting contingency for the San Diego sub-area is the loss of the Imperial Valley-Suncrest 500kV line followed by the loss of the ECO-Miguel 500 kV line. (N-1-1)¹ Page 6 of CAISO's Track 4 Testimony states that the most critical N-1-1 contingency for the SONGS Study area is the outage of the Sunrise Powerlink, system readjusted followed by the outage of the Southwest Powerlink.

Is the most limiting contingency for the San Diego sub-area (loss of the Imperial Valley-Suncrest 500kV line followed by the loss of the ECO-Miguel 500 kV line) the same as the most critical N-1-1 contingency for the SONGS study area (outage of the Sunrise Powerlink, system readjusted followed by the outage of the Southwest Powerlink)? Please clarify the difference between a contingency comprising outage of the entire Southwest Powerlink compared to a contingency of just the ECO-Miguel segment.

ISO RESPONSE TO No. 2.

Mr. Sparks' Track 4 testimony used an imprecise reference to the two lines that make up the most critical contingency of the SONGS study area, which is the same as was discussed in his rebuttal testimony in A.11-05-023. For the purposes of the reference in the Track 4 testimony:

Southwest Powerlink = ECO-Miguel 500 kV line

Sunrise Powerlink = Imperial Valley-Suncrest 500kV line or the Ocotillo-Suncrest 500 kV line which was recently created when Ocotillo substation was energized this year.

Request No. 3.

Mr. Sparks testified in A.11-05-023 that the CAISO had not analyzed the difference in costs of resolving the N-1-1 contingency between procuring additional local generation and installing a Special Protection System. Subsequent to the date of Mr. Sparks' June 6, 2012 rebuttal testimony in A.11-05-023, has the CAISO analyzed the difference in costs between procuring additional local generation vs. use of a Special Protection scheme to mitigate the most severe N-1-1 contingency in the San Diego sub-area??

¹ A.11-05-023 Rebuttal Testimony of the California Independent System Operator, June 6, 2012) at 8:15-2.4

ISO RESPONSE TO No. 3.

As stated above, the ISO's study methodology and whether load shedding should be adopted as a long-term mitigation solution for the N-1-1 contingency in large urban areas is out of scope in Track 4. As the ISO has consistently testified before the Commission, the use of a loading shedding scheme as a long term mitigation tool for the most severe N-1-1 contingency in the San Diego area is not prudent transmission planning and the ISO does not recommend this approach and this issue was addressed in A.11-05-023. Finally, Mr. Millar's rebuttal testimony in Track 4 addresses the suggestion that a cost-benefit analysis be conducted when considering load shedding as long term mitigation solutions for N-1-1 contingencies.

Request No. 4.

Mr. Sparks June 6, 2012 rebuttal testimony in A.11-05-023 states at page 12:19-20 that "the ISO believes that the cost of procuring additional local generation to meet local area needs without shedding load is offset by the benefits provided both locally and system wide."

- a. Is this still the ISO's belief as it relates to consideration of a SPS for the SONGS study area?
- b. Please provide any analysis or research that quantifies and/or supports the ISO's belief that the cost of procuring additional local generation to meet local area needs without shedding load is offset by the benefits provided both locally and system wide.

ISO RESPONSE TO No. 4.

See response to Data Request No. 3 above.

Request No. 5.

Mr. Sparks June 6, 2012 rebuttal testimony in A.11-05-023 states at page 12:15-18 that "procuring generation in the local area to meet local needs, system needs, and for renewable integration has only a marginal cost and provides reliability under the studied system conditions as well as many other system conditions during planned and forced outages of generation and transmission resources."

- a. Is this still the ISO's belief as it relates to consideration of a SPS for the SONGS study area?
- b. Please explain what is meant by "marginal cost" in the sentence quoted above.

ISO RESPONSE TO No. 5.

Objection. The ISO does not understand the relevance of these questions to Track 4.

Request No. 6.

The CAISO's May 7, 2012 Response to DRA's Second Set of Data Requests in Docket No, A.11-05-023 stated in response to Request No, DRA CAISO-13 stated in part "Because Sunrise does not have any operating or outage history, we do not have applicable data to estimate the probability of this contingency event." [referring to the probability of the loss of two 500 kV lines associated with the San Diego N-1-1 contingency scenario].

- a. Subsequent to May 7, 2012 has the CAISO used the operating history of Sunrise to estimate the probability of the outage of the Sunrise Powerlink, system readjusted followed by the outage of the Southwest Powerlink?
- b. Has the CAISO performed any analysis to estimate the probability of the outage of the Sunrise Powerlink, system readjusted followed by the outage of the Southwest Powerlink?

ISO RESPONSE TO No. 6.

"Objection. This data request seeks information about the ISO's study methodology, which is outside the scope of Track 4. See response to DR 1.