

May 10, 2019

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RE: CAISO Comments on the Estrella Substation and Paso Robles Area Reinforcement Project (A.17-01-023) – Draft Alternatives Screening Report

Dear Mr. Peterson

The California Independent System Operator Corporation (CAISO) appreciates this opportunity to submit comments on the Draft Alternatives Screening Report (DASR) for the Estrella Substation and Paso Robles Area Reinforcement Project (Estrella Project). The CAISO's comments focus primarily on concerns with the DASR analysis of Alternative Battery Storage (BS)-1: Battery Storage to Address Transmission Objective.

As background, the CAISO approved the Estrella Project in its 2013-2014 Transmission Plan to address transmission reliability needs and to provide Pacific Gas & Electric Company with a new distribution interconnection in the area. The DASR considers alternatives to address the identified transmission and distribution needs. Alternative BS-1 would include one or more battery energy storage systems to attempt to address the CAISO-identified deficiencies at transmission voltages.

The analysis of BS-1 fails to support the viability of the solution, as there is no support for the ability of the battery storage option to meet actual operating requirements. The analysis fails to assess the ability of the transmission system – without the applied-for reinforcements – to be capable of sustaining the charging of the storage to be prepared for the next day, following a transmission outage, or to accommodate outages that last longer than a single 10 to 12 hour period. Following an initial discharge, the battery will need the ability to be charged to be available in subsequent days either in the event of a long duration outage or in preparation for a subsequent outage to meet the reliability requirements in the area. Without adequate ability to charge the battery under these conditions to meet reliability requirements, which is not demonstrated in the draft ASR, Alternative BS-1 should not be considered a viable alternative and should be removed from the draft ASR.

Separately, the CAISO notes that contrary to any implication in the DASR, the status of the CAISO's Storage as a Transmission Asset stakeholder (SATA) initiative is not a barrier to considering battery storage in lieu of a wired approach. As written, the DASR appears to

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suggest a CAISO bias for traditional, wired approaches and seems to imply an interrelationship between the CAISO's identified solution and the status of the SATA initiative that are not correct, and the DASR should be modified accordingly.¹

Respectfully,

/s/ Jordan Pinjuv

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¹ See DASR, p. 3-46, second full paragraph.