



CAISO Comments on: AB 1632 Assessment of California's Operating Nuclear Plants - Draft Report

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CEC Joint Committee Workshop on the AB 1632
Nuclear Power Plant Assessment

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Report's Misunderstanding of the CAISO 2008 Summer Loads & Resources Operations Preparedness Assessment

- *“The CAISO publication entitled “2008 Summer Loads and Resources Operations Preparedness Assessment” provides a detailed discussion of electricity transmission issues and replacement power supply plans.”* (p. 202)
 - The CAISO 2008 Summer Loads and Resources Operations Preparedness Assessment (2008 Summer Assessment) did not address transmission or replacement power issues in any detail.

Report's Misunderstanding of the CAISO 2008 Summer Loads & Resources Operations Preparedness Assessment

- “Table 6 shows that under normal conditions and given current loads and resources, there is a 23.9 percent planning reserve margin, which is well above the CPUC’s required resource adequacy margin of 15 percent to 17 percent. (p. 202)

Summer 2008 Outlook - CEC Assumed Imports			
Resource Adequacy Planning Conventions	CAISO	SP26	NP26
Existing Generation	47,716	22,376	25,349
Retirements (Known)	-122	-122	0
High Probability CA Additions	489	442	47
Net Interchange	10,350	10,100	250
Total Net Supply (MW)	58,432	32,796	25,646
Demand (1-in-2 Summer Temperature)	48,900	28,331	21,969
DR & Interruptible Programs (80% of CPUC 2008 estimates)	2,130	1,427	703
Planning Reserve¹	23.9%	20.8%	19.9%

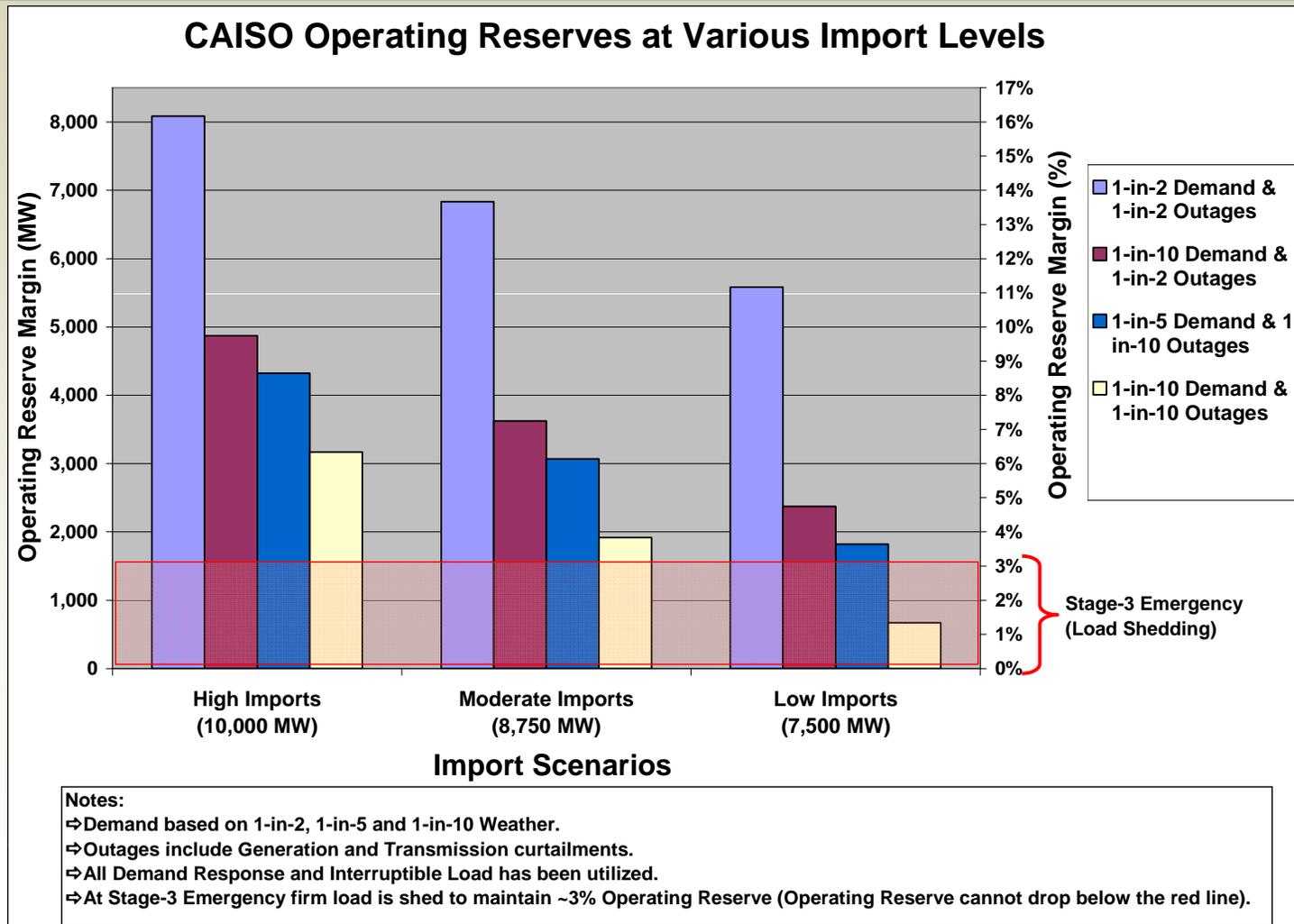
¹ Planning Reserve calculation (Total Net Supply + Demand Response + Interruptibles)/1-in-2 Demand)-1.

- Table 6 is based on a “planning perspective” based on various planning assumptions, not normal conditions.
- The 19.9% - 23.9% planning reserve margins represented were projections of what is now a historical timeframe and it is not appropriate to use these planning reserve margins to make conclusions about potential future events.

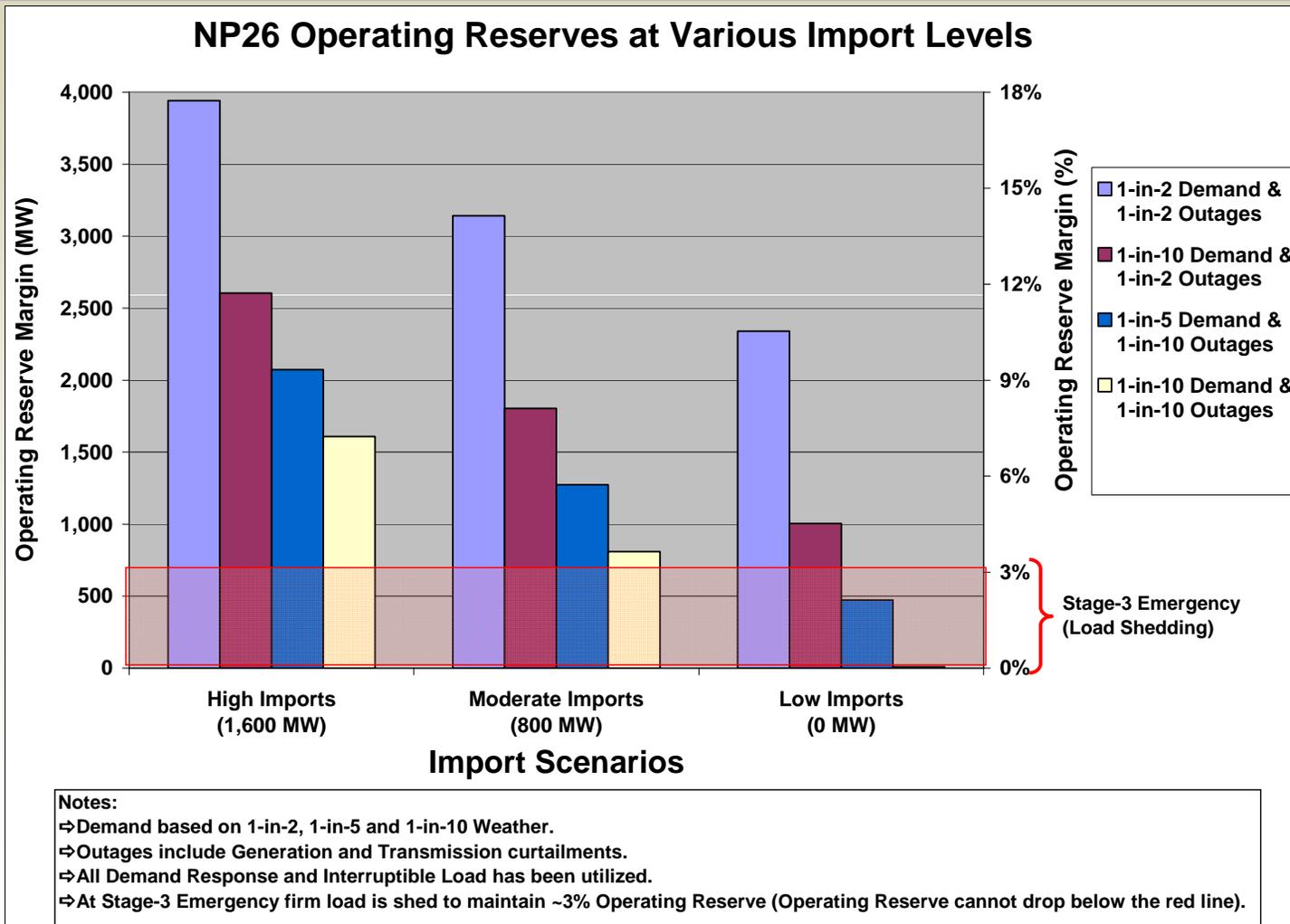
Report's Misunderstanding of the CAISO 2008 Summer Loads & Resources Operations Preparedness Assessment

- *“If actual imports at the time of plant outages were lower than the assumed amount, the loss of generating capacity at Diablo Canyon and SONGS would have a proportionately greater impact on operating reserve margins.”* (p. 202)
 - Actual imports are frequently lower than the assumed amount in the planning reserve calculation, particularly at time of peak.
- *“. . . the CAISO did not address contingencies that occur in real-time, such as a loss of a significant amount of generation and/or transmission and limited ability to rely on imports from other control areas.”* (p. 202)
 - The primary purpose of the 2008 Summer Assessment was to address real-time generation outage and transmission curtailment contingencies.
 - The 2008 Summer Assessment also looked at probable ranges for demand and import levels.

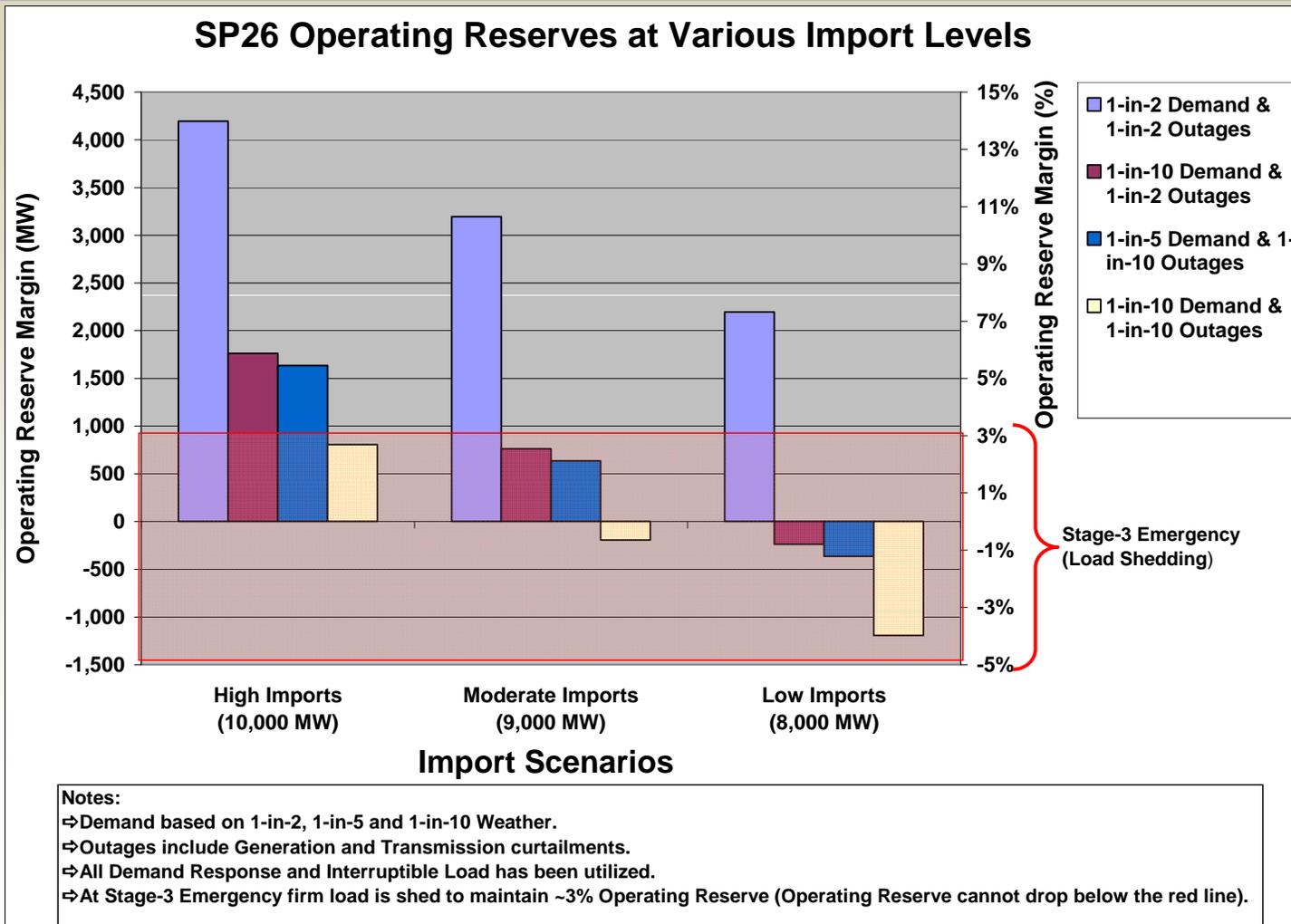
CAISO 2008 Summer Assessment Real-time Contingency Deterministic Results



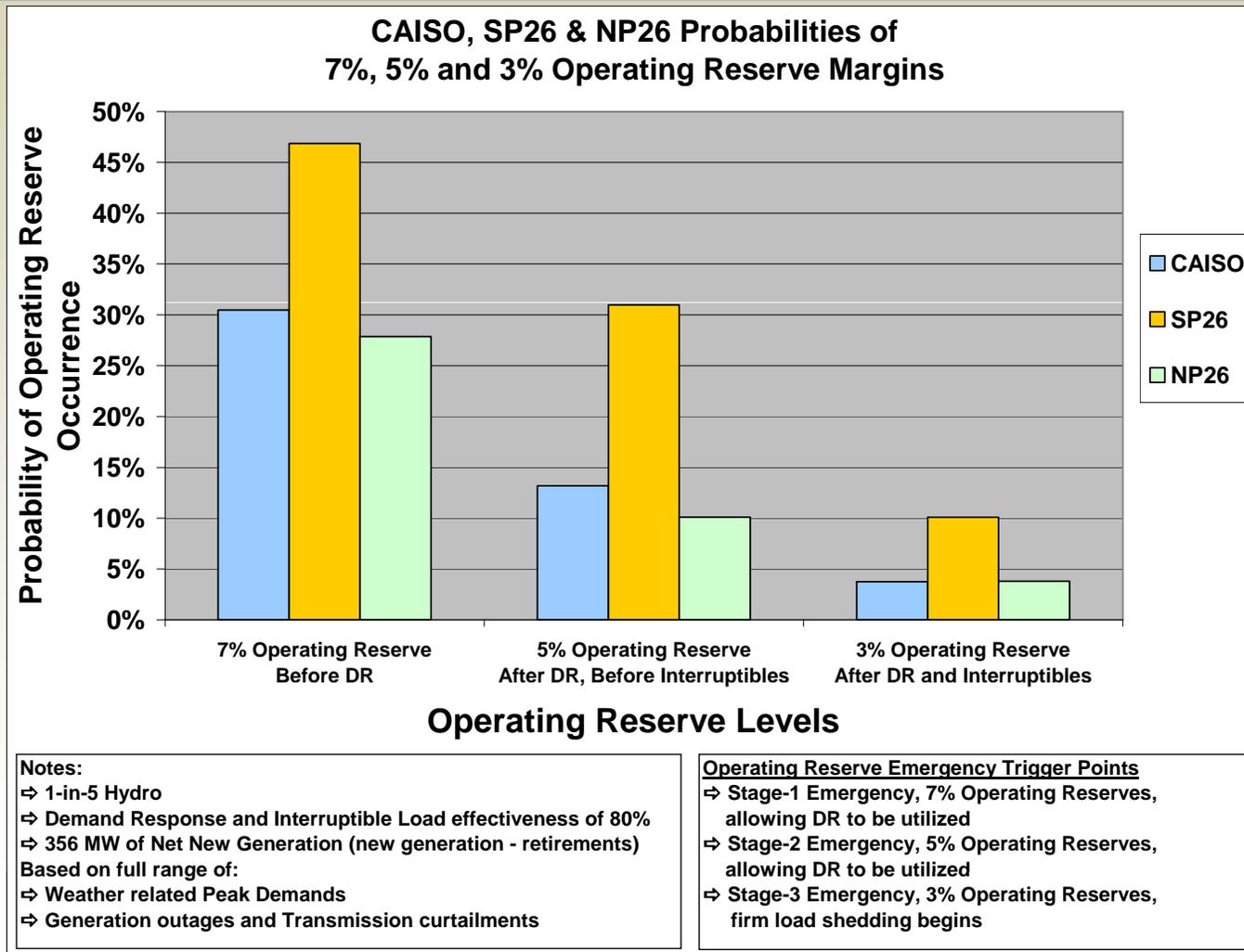
CAISO 2008 Summer Assessment Real-time Contingency Deterministic Results



CAISO 2008 Summer Assessment Real-time Contingency Deterministic Results



CAISO 2008 Summer Assessment Real-time Contingency Probabilistic Results



Conclusions Drawn from the 2008 Summer Assessment

- If either Diablo Canyon or SONGS were unexpectedly shut down for an extended period during the summer the probabilities for shedding firm load would greatly increase, both in the near term and in any realistic generation expansion scenario for the future.

To Access the CAISO 2008 Summer Assessment

<http://www.caiso.com/docs/2003/04/25/200304251132276595.html>

Questions