

# PG&E Stakeholder Comments

## Subject: The Nevada Hydro Company Amended PTO Application

Submitted by	Company	Date Submitted
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Pacific Gas and Electric Company (PG&E) appreciates the opportunity to participate in the stakeholder process and to provide comments on the Nevada Hydro Company's (Nevada Hydro) Amended PTO Application. PG&E actively participates in PTO-related issues and welcomes the opportunity to provide the CAISO and Nevada Hydro with comments and recommendations regarding this application.

PG&E's comments are as follows:

- PG&E notes that Nevada Hydro's Amended PTO Application may be premature, in that the CAISO has not yet approved Nevada Hydro's proposed transmission facilities, the proposed Talega-Escondido/Valley-Serrano Interconnect project (the "TE/VS Interconnect") for inclusion in the CAISO controlled grid in accord with the CAISO's transmission planning procedures set forth in the CAISO FERC Electric Tariff, Appendix EE. Thus, should the CAISO Governing Board vote to accept Nevada Hydro's Amended PTO Application, PG&E recommends that it should do so conditioned on 1) the CAISO approving inclusion of the proposed facilities in the CAISO controlled grid, and 2) Federal Energy Regulatory Commission approval of Nevada Hydro's Transmission Owner Tariff and Transmission Revenue Requirement.

If the CAISO determines that it should conditionally approve a Nevada Hydro PTO application, PG&E suggests that Nevada Hydro correct the Amended PTO Application to comply with the CAISO's currently effective FERC Tariff.<sup>1</sup> PG&E also recommends that Nevada Hydro's Amended PTO Application, submitted after the implementation of MRTU, include certain MRTU-related updates. Without listing all such necessary

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<sup>1</sup> PG&E will be making CAISO MRTU Tariff conforming changes with its next FERC TO Tariff rate case filing planned for later this year.

changes, examples include deleting and/or revising language associated with the following definitions:

- Firm Transmission Rights (FTR)
  - Congestion
  - Zone
  - Replacement Reserve
- PG&E reserves all rights to evaluate Nevada Hydro's Transmission Owner Tariff and Transmission Revenue Requirement ("TRR") at a later date. For example, Nevada Hydro's TO Tariff, Appendix I estimates the Base Transmission Revenue Requirement at \$66 million, the Project Costs at \$350 million, and the Transmission Revenue Balancing Account at \$5 thousand. Without necessary underlying evidentiary support, PG&E cannot determine whether these estimates are just and reasonable. PG&E reserves all rights to provide further comments on, object to, or otherwise protest these estimates and any other calculations or analyses supporting the requested TRR, once Nevada Hydro files a TRR, including all necessary support, with FERC.

In conclusion, PG&E appreciates the CAISO's work on its review of Nevada Hydro's Amended PTO Application and values the opportunity to work with the CAISO, Nevada Hydro, and other stakeholders on this matter.