

## FAQ

### Nevada's Valley Electric Co-Op Joins California ISO Grid

*Partnership creates transmission efficiencies and benefits renewable integration*

#### What is the significance of this new partnership?

Valley Electric Association, Inc. (VEA), based in Pahrump, Nevada, is the first out-of-state utility to join the California Independent System Operator Corporation (ISO). VEA and its wholly-owned subsidiary Valley Electric Transmission Association, LLC became an ISO participating transmission owner on January 3, 2013.

VEA ([www.vea.coop](http://www.vea.coop)) is an electric cooperative that serves more than 17,000 members across a 6,849 square-mile service territory predominantly in southwestern Nevada along the California-Nevada border as well as parts of Mono and Inyo counties in California.

The new partnership creates a cost-effective means of getting both California and Nevada renewables to market. Several proposed solar projects worth nearly one and a half gigawatts are in VEA's backyard, some of which are located in California. One large solar resource area in particular is located along the eastern edge of Inyo County, California, and the most efficient way to link to the ISO grid is via an interconnection with VEA, which is only a mile away.

This abundant renewable power is sought after by California utilities to help meet the 33% Renewables Portfolio Standard (RPS). Some of the projects are already under contract with California load serving entities through power purchase agreements.



#### What are the impacts and benefits?

In the long-term, VEA joining the ISO grid provides additional import capability from transmission rights to VEA's interconnection into California at the Mead Substation. In addition, VEA has submitted a transmission interconnection request to Southern California Edison for a 230 kilovolt (kV) or 500 kV interconnection at the Eldorado substation. The partnership with VEA is part of a larger ISO effort to work with its western neighbors in mutually beneficial ways to achieve efficiencies through regional collaboration.

The small network expansion will strengthen reliability in the corner of the ISO grid that overlaps with Nevada. It will also create seamless access to Nevada renewable resources seeking entry to the California market, adding competition and liquidity. While the ISO transmission access charge may increase slightly, the ISO grid management charge will decrease slightly.