

Comments of the Imperial Irrigation District
to the
California Independent System Operator Corporation's
"Proposed Policy-Driven Elements in Imperial Valley Area with Capital Costs of
Less Than \$50 Million"

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Imperial Irrigation District (IID) appreciates the opportunity to provide comments on the California Independent System Operator Corporation's (CAISO) "Proposed Policy-Driven Elements in Imperial Valley Area with Capital Costs of Less Than \$50 Million," (Proposal) dated November 20, 2012. In that Proposal, the CAISO indicates that it plans to proceed toward management approval of a 230kV collector substation, pursuant to Tariff provisions that allow management approval of transmission elements below a \$50 million threshold.

IID supports the CAISO Proposal. IID commends the CAISO for working with IID to fashion a cost-effective solution that will enable the interconnection and delivery of significant renewable resources within the Imperial Valley that will deliver to retail sellers within the CAISO Balancing Authority Area (BAA) and contribute to meeting the Renewable Portfolio Standard mandated under state law.

Numerous questions were raised on the stakeholder call of November 29, 2012 (November 29th Call) with respect to nature of and the development status of the proposed facilities. As IID indicated on the stakeholder call, IID has the ability to serve as the lead agency for the purposes of review under the California Environmental Quality Act. The proposed facilities are located within the IID retail service area, although they are proposed to ultimately become part of the CAISO Controlled Grid. Rights of way for the facilities as configured have been acquired and permits to construct have been issued.

IID desires to work with the CAISO to clarify how interconnection of generation facilities to the proposed policy-driven upgrades, as well as interconnection of other resources in the Imperial Valley but directly connected to the CAISO BAA, will affect the Maximum Import Capability (MIC) calculation. This issue was raised by stakeholders on the November 29th Call. As the CAISO is aware, IID has an aggressive transmission development plan, included in the California Transmission Planning Group statewide plan, which include: (1) Path 42 230kV upgrades; and (2) the 230kV "S" Line upgrade, which will increase transfer capability from the Imperial Valley Substation to the El Centro Switching Station. IID wants to ensure that moving forward with the Proposal will not jeopardize appropriate MIC availability for additional resources that will interconnect directly to the IID BAA.

IID appreciates the work the CAISO has done to move the proposed policy-driven upgrades forward, and supports the proposal. IID looks forward to working with the CAISO so that delivery of renewable resources from the Imperial Valley can be maximized.