



Brian J. Whalen, Jr., P.E.
Director, Transmission System Planning

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December 5, 2013

Mr. Neil Millar
Executive Director, Infrastructure Development
California ISO
P.O. Box 639014
Folsom, CA 95763-9014

Dear Mr. Millar:

NV Energy (“NVE”) appreciates the opportunity to participate in the 2013-2014 Transmission Planning Process (“TPP”), and is encouraged by the information provided by the California Independent System Operator (“CAISO”) in the TPP presentations on November 20th and 21st, 2013. NVE is interested in the economic planning study evaluating the benefit of a 500 kV transmission line from Eldorado to Harry Allen. To assist that work, NVE submits the following questions and comments.

NVE has five specific areas for potential model improvement.

1. Are NVE’s contractual rights honored across the BAA interfaces with WALC (Mead) and LADWP (Crystal/McCullough)? If the rights are not being honored, then generation from NVE’s system is subject to hurdle rates for flows at those interfaces and with the CAISO and will limit economic transactions with NVE.
2. Does the transmission topology for Eldorado include the recent modification to move the El Dorado combined cycle power plant into the CAISO BAA? As part of this reconfiguration, NVE’s capacity into Eldorado at 230 kV was doubled.
3. Has the Harry Allen 500kV substation been modeled as a hub? NVE recommends this configuration be evaluated for benefits as a sensitivity study for the Eldorado – Harry Allen TPP work.

4. Does the TPP database incorporate the anticipated changes in the NVE generation portfolio due to compliance with Nevada SB 123 (NVision)? NVision will remove five coal units from the NVE generation portfolio by 2019 and add 350 MW of new renewable generation in Nevada.
5. The delivered fuel prices being used by the CAISO TPP are lower for numerous facilities in California compared to the delivered fuel prices for generators in Southern Nevada. This is not consistent with historical fuel prices in the Western United States. NVE recommends a review of these prices.

NVE believes these modeling changes will provide a more representative evaluation of a CAISO/NVE interface at Harry Allen and capture additional benefits not in the current modeling. If you have any questions or if further information is needed, please contact me at (775) 834-5875.

Sincerely,



Brian J. Whalen, Jr. P.E.
Director, Transmission System Planning
NV Energy

cc. Roberto Denis
Jack McGinley
Don Fuller