

# TransCanyon LLC's Comments

## CAISO 2015-2016 Transmission Planning Process Reliability on Preliminary Reliability Results

Submitted by	Company	Date Submitted
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TransCanyon appreciates the CAISO efforts and opportunity for stakeholder involvement in the 2015-2016 Transmission Planning Process (TPP). TransCanyon recognizes that the CAISO faces significant challenges in planning for a safe, reliable, efficient, and effective transmission grid for the state of California. Assumptions and policies are changing rapidly requiring both the process to be flexible and the resulting transmission plan to offer optionality to various future resource possibilities.

TransCanyon is supportive and in agreement with both the reliability study results and the potential mitigation solutions developed by the CAISO and the PTOs. TransCanyon offers the following specific comments and recommendations:

1. TransCanyon recommends the CAISO maintain a priority of providing frequent updates on the success of any plans to implement any of its preferred resources and traditional gas fired peaking resources in the LA Basin/San Diego Area. We encourage the CAISO to continue to study and refine potential transmission alternatives as reliability back up plans in the event that preferred resources or traditional peaking resources do not materialize.
2. TransCanyon supports the CAISO continued special study of the 50% RPS recognizing that the California Governor will most likely sign into law the recently passed SB 350 requiring the utilities to provide 50% of their retail energy sales with renewable resources by 2030.
3. TransCanyon understands and agrees with the CAISO decision to revisit the need for some previously approved transmission projects given the time that has passed and changes in assumptions since those transmission projects were determined to be needed. We understand the CAISO is considering waiting on project approval until

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project permitting needs to start. We recommend the CAISO balance this decision with the understanding that the projected timeline for the permitting process is often shorter than the actual time required. Given these considerations, based on current timelines we recommend the CAISO plan on 18 months for construction, 44 months for permitting and 12 months for the competitive selection process. Combined, these lead times suggest the CAISO make a decision no later than six years prior to the needed in service date of the project.

4. TransCanyon recommends that the CAISO continue to assess the reliability implications of the retirement of aging gas fired power plants in the Oakland Area and solidify the potential transmission projects solutions to these reliability concerns.
5. Based on the historical meteorological facts, TransCanyon agrees that the future scenario of significantly reduced hydro availability in the SCE Big Creek area is a very real possibility and recommends the CAISO evaluate potentially more effective mitigations beyond the thyristor controlled series compensation solution recommended by SCE which has limited effect on mitigating the N-1 overloads.
6. TransCanyon recommends that the CAISO take the reliability concerns identified in the SDG&E area very seriously in light of recent load shedding events in that area precipitated by outages of local generators. We recommend that the CAISO approve the specific transmission reinforcements recommended by SDG&E.

TransCanyon appreciates the opportunity to provide comments into the CAISO TPP and looks forward to continuing to work with the CAISO, the PTOs, and other stakeholders in this important process to ensure the reliability of the electric power system in California.

### **About TransCanyon**

TransCanyon is an independent developer of electric transmission infrastructure for the western United States. It is a joint venture between Berkshire Hathaway Energy's subsidiary, BHE U.S. Transmission, and Pinnacle West Capital Corporation's (NYSE: PNW) subsidiary, Bright Canyon Energy.