

# TransCanyon LLC's Comments

## CAISO 2016-2017 Transmission Planning Process

Submitted by	Company	Date Submitted
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TransCanyon, LLC ("TransCanyon") appreciates the opportunity to submit comments on discussions related to the CAISO's 2016-2017 Transmission Planning Process. TransCanyon's comments will focus on the special studies that were performed as part of the planning process. More specifically, our comments will focus on the 50% RPS Special Study and analysis related to the risk of early economic retirement of gas fleet.

### **50% RPS Special Study**

With regard to the 50% RPS Special Study, TransCanyon recommends that the continuation of the out of state analysis of Wyoming and New Mexico wind resources include a determination of availability of long term firm transmission rights outside of California to ensure that the wind resources can be contractually delivered to California Load Serving Entities (LSEs) inside the CAISO.

TransCanyon believes that it would be extremely difficult to implement the changes necessary to procurement contracts to allow for energy only delivery of out of state resources that rely on non-firm transmission service outside of the CAISO. Therefore it is imperative that the CAISO study out of state wind resources in terms of full deliverability both outside and inside California, including consideration of necessary long term firm transmission service contracts.

### **Risk Of Early Economic Retirement Of Gas Fleet**

TransCanyon requests that the CAISO reconsider the assumption that economic retirement of resources inside Local Capacity Resource (LCR) constrained areas can only occur up to the LCR requirement. Such an assumption does not take into account the cost of future LCR contracts which may exceed the cost of transmission reinforcements to relieve the LCR constraints. The CAISO should ensure that the most cost effective solutions including

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transmission are utilized to address constraints. Transmission solutions have the additional benefit of reducing local area emissions.

## **CONCLUSION**

TransCanyon thanks the CAISO for the opportunity to provide these comments, and looks forward to further discussions on these issues.

## **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.