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California State Senate

SENATOR JEFF STONE, PHARM.D.

TWENTY-EIGHTH SENATE DISTRICT

VICE CHAIR

LABOR & INDUSTRIAL

RELATIONS

VICE CHAIR

NATURAL RESOURCES &

WATER

MEMBER
BUDGET & FISCAL REVIEW
PUBLIC SAFETY

February 24, 2015

Mr. Keith Casey Vice President of Market and Infrastructure Development California Independent System Operator (CAISO) 250 Outcropping Way Folsom, CA 95630

Dear Mr. Casey:

The people of the 28th Senate District stand to benefit significantly from the proposed Blythe Energy Loop-In Project now before the California Independent System Operator (CASIO). I strongly urge its approval and timely implementation.

This well-designed, environmentally responsible project would substantially improve the region's power transmission system, while delivering ratepayer savings, vital local and state tax revenues, new jobs and progress toward the state's renewable energy goals.

The project proposes to realign and reroute the existing system, adding only about a half-mile of new power lines. This increases reliability by mitigating high voltage issues, reducing overloads on transmission lines and improving a congested part of the transmission system in Blythe and downstream in eastern Riverside County. It also improves transmission to vital Metropolitan Water District pumping stations to safeguard our water supplies.

For energy ratepayers in the area, the use of existing infrastructure and reduced cost and time needed to fix transmission issues means energy cost savings of \$14.3 million in the first year alone. Over its lifespan, the project also would generate \$165 million in income tax and \$25.7 in property tax to fund important state and local programs and projects.

The project also brings new jobs – a dozen or so to build the new facilities and the prospect of hundreds more to build pending wind, solar and other renewable energy projects that would be able to tie into the redesigned transmission grid without incurring major additional costs. This added benefit of the project helps California move toward its Renewable Portfolio Standard requiring utilities to provide 33 percent of their energy from these sources.

The multiple benefits of this project are too great to pass up. It merits approval by the CAISO. If you have questions or comments, please call my office at (916) 651-4028.

Sincerely,

Jeff Stone

State Senator, 28th District