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California Independent
System Operator

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California ISO Board Approves Major New Transmission Line

Palo Verde-Devers 2 Target On Line Date: 2009

(Folsom, CA) The California Independent System Operator (California ISO) Board of Governors yesterday approved a major high-voltage power line that will boost the ability to import power from the Southwest to heavily populated areas of southern California. Southern California Edison's Palo Verde-Devers 2 (PVD2) expansion project evolved out of the Southwest Transmission Expansion Plan (STEP). STEP is a sub-regional planning group tackling transmission bottlenecks that tie up megawatts coming from southern Nevada, Arizona and northern Mexico. The California ISO is a major participant in the STEP, which is a model for regional grid planning in the western region.

"This project brings terrific benefits to the people of California and particularly those in Southern California where the demand for electricity is growing at a rapid pace," said ISO Board Chair Ken Wiseman.

PVD2 is a 230-mile 500-kilovolt (kV) transmission line that connects the Palo Verde Substation in Arizona with the Devers Substation in Southern California. It also includes rebuilding four 230 kV lines and some other improvements to grid facilities in the area. The project could be on line in 2009, providing an additional 1,200 megawatts of transmission capacity. The estimated cost is $680 million.

"This power line is an excellent example of the type of transmission upgrades necessary to strengthen the transmission backbone of southern California," said Ron Nunnally, Director of Federal Regulation and Contracts for Southern California Edison. "To meet growing demand for electricity, SCE plans to continue expanding and upgrading its southern California transmission and distribution systems."

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ISO staff used its new Transmission Economic Assessment Methodology (TEAM) process to analyze the proposal. California ISO Grid Planning studied the project side-by-side with the ISO Department of Market Analysis. By using the TEAM approach, they determined the PVD2 project will provide significant reliability enhancement as well as economic benefit by providing greater access to relatively inexpensive power generated in the Palo Verde area.

"The ISO can see and quantify those benefits through the grid planning process," said ISO Director of Grid Planning Armando Perez. "Our job is to give that analysis and now that the California ISO Board has approved the project, to support Southern California Edison as they pursue this project in other arenas."

The California ISO is charged with managing the flow of electricity along the long-distance, high-voltage power lines that make up the bulk of California's transmission system. The not-for-profit public-benefit corporation assumed the responsibility in March, 1998 when California opened its energy markets to competition and the state's investor-owned utilities turned their private transmission power lines over the to the California ISO to manage. The mission of the California ISO is to safeguard the reliability delivery of electricity, facilitate markets and ensure equal access to a 25,000-circuit mile "electron highway."

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