# UNITED STATES OF AMERICA BEFORE THE FEDERAL ENERGY REGULATORY COMMISSION

Docket No. EL20-51-000

# MOTION TO INTERVENE AND COMMENTS OF THE CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION

The California Independent System Operator Corporation ("CAISO") respectfully moves to intervene and submits these comments regarding the Petition for Declaratory Order filed by Southern California Edison Company (SCE) on June 1, 2020 in the captioned docket.¹ In its filing, SCE requests the Commission grant certain incentives in connection with the Riverside Transmission Reliability Project (Riverside Project). Specifically, SCE requests the Commission authorize it to recover (1) 100 percent of its prudently incurred costs if the Riverside Project is cancelled or abandoned for reasons beyond SCE's control and (2) 100 percent of the project's network transmission Construction Work in Progress in transmission rate base during the construction period. SCE also requests the Commission declare that the Riverside Project is a network facility eligible for rolled-in rate treatment and cost recovery under the CAISO's Transmission Access Charge (TAC).

-

The CAISO moves to intervene and submits these comments under Rules 212 and 214 of the Commission's Rules of Practice and Procedure, 18 C.F.R. §§ 385.212, 385,214 (2015), and Commission's notice in this docket.

The CAISO's comments confirm the networked nature of the Riverside Project and support SCE's request for abandoned plant recovery.

# I. Description of CAISO and Motion to Intervene

The CAISO is a non-profit public benefit corporation organized under the laws of the State of California with its principal place of business at 250 Outcropping Way, Folsom, CA 95630. The CAISO is the balancing authority responsible for the reliable operation of the electric grid comprising the transmission systems of several utilities including SCE, administers the generator interconnection procedures applicable to those facilities, and is the market operator of energy and ancillary services markets.

The CAISO requests the Commission allow it to intervene because SCE will turn the Riverside Project over to the CAISO's operational control and recover the transmission revenue requirement associated with the project through the CAISO's TAC. Because the Riverside Project and the declarations SCE seeks will affect the CAISO and CAISO rates, the CAISO has a direct and substantial interest in the proceeding. Because no other party can adequately represent the CAISO's interests in the proceeding, the CAISO's intervention is in the public interest, and the Commission should grant the intervention.

### II. Comments

### A. Abandoned Plant Incentive

The CAISO supports SCE's requested authorization for the abandoned plant incentive. The CAISO Board approved the project, and the California Public Utilities Commission granted a certificate of public convenience and

necessity for the project. Under the CAISO tariff, project sponsors such as SCE are obligated to make a good faith effort to obtain all approvals and property rights for and to construct needed transmission projects reflected in the annual transmission plan for which they are responsible. The availability of the abandoned plant incentive promotes this undertaking.

# B. The Riverside Project Will Be a Network Facility

The CAISO confirms that many of the facilities that comprise the Riverside Project will be classified as networked transmission upgrades. The Riverside Project facilities that will be network transmission facilities include a new 230kV substation and associated facilities to be known as the "Wildlife Substation" (formerly named the Jurupa Substation); and approximately 10 miles of 230kV double-circuit transmission lines (of which approximately 4 miles will be placed underground) connecting SCE's Wildlife Substation to SCE's Mira Loma Substation and Vista Substation by looping-in SCE's existing Mira Loma-Vista No. 1 230kV Line. Once constructed, these transmission network upgrades will be placed under the CAISO's Operational Control (as that term is defined in the CAISO tariff).

The CAISO agrees with the analysis in the declaration of Southern California Edison's Vishal C. Patel that the facilities described above will be network transmission facilities consistent with the Commission's *Mansfield* test and will not be distribution facilities under the Commission's seven factor test.

3

<sup>&</sup>lt;sup>2</sup> Mansfield Municipal Electric Dept. v. New England Power Co., 97 FERC ¶61,134 (2001), order on reh'g, 98 FERC ¶61,115 (2002).

The facilities are high voltage transmission facilities that will be fully integrated into the overall transmission network under the CAISO's operational control in accordance with Section 4.1.1 of the Transmission Control Agreement. The CAISO Board of Governors has previously approved the Riverside Project, and the CAISO has recognized the project will provide system operational benefits and support more efficient market dispatch and real-time operations. 4 In particular, it will (1) increase access to generation within the City of Riverside to meet the CAISO's system, local, and flexible capacity needs and (2) simplify and automate dispatch for the Riverside generating units.<sup>5</sup> The CAISO will operate the Riverside Project in a networked manner and use the facilities to provide transmission service to customers. Energy can flow in both directions on the project facilities. The Riverside Project will provide increased transfer capability and reliability benefits to the grid. The CAISO will operate the Riverside Project facilities in a coordinated manner with the remainder of the system, and outages on the Riverside Project facilities would affect the networked system.

#### III. Communications

The CAISO requests that all communications and notices regarding this filing and these proceedings be provided to the following:

Declaration of Vishal C. Patel, Exhibit B, Attachments 4 and 5.

<sup>&</sup>lt;sup>4</sup> *Id.*, Attachment 6, Testimony of John Phipps on behalf of the California Independent System Operator Corporation, CPUC Docket No. A.15-04-013.

<sup>&</sup>lt;sup>5</sup> *ld*.

Anthony J. Ivancovich
Deputy General Counsel, Regulatory
California Independent System
Operator Corporation
259 Outcropping Way
Folsom, CA 95630
(916) 608-7135
aivancovich@caiso.com

Jordan Pinjuv
Senior Counsel
California Independent System
Operator Corporation
250 Outcropping Way
Folsom, CA 95630
(916) 671-0912
jpinjuv@caiso.com

### IV. Conclusion

For the reasons explained above, the CAISO requests that the Commission grant its motion to intervene and issue an order consistent with the CAISO's comments.

Respectfully submitted,

# /s/ Anthony J. Ivancovich Anthony J. Ivancovich

Roger E. Collanton
General Counsel
Anthony J. Ivancovich
Deputy General Counsel,
Regulatory
Jordan Pinjuv
Senior Counsel
California Independent System
Operator Corporation
250 Outcropping Way
Folsom, CA 95630
Tel: (916) 608-7135

Fax: (916) 608-7222 aivancovich@caiso.com jpinjuv@caiso.com

Attorneys for the California Independent System Operator Corporation

Dated: July 1, 2020

### CERTIFICATE OF SERVICE

I hereby certify that I have served the foregoing document upon all of the parties listed on the official service list for the above-referenced proceeding, in accordance with the requirements of Rule 2010 of the Commission's Rules of Practice and Procedure (18 C.F.R. § 385.2010).

Dated at Folsom this 1st day of July, 2020.

<u>/s/ Martha Sedgley</u> Martha Sedgley