

CAISO 2013/14 Transmission Plan: Stakeholder Comments

Submitted by	Company	Date Submitted
Sandeep Arora (sarora@lspower.com) (925) 201 5252	LS Power Development, LLC	10/11/13

LS Power appreciates the opportunity to submit comments on CAISO's 2013/14 Transmission Planning process.

(1) Harry Allen – Eldorado Transmission Project should be studied in this Planning cycle:

CAISO's Economic Analysis from 2012/13 Transmission Planning studies identified \$637mm in economic benefits for CAISO ratepayers from a new 500 kV transmission line from Harry Allen – Eldorado ("Project"). These benefits were significantly greater than the capital cost for the project of \$240mm and the estimated Total Revenue Requirement of \$348mm, thereby resulting in a Benefit-to-Cost-Ratio ("BCR") of 1.83. In addition this new line is expected to provide Capacity benefits, Policy benefits, Operational Flexibility and a potential transmission planning solution for SONGS shutdown.

CAISO Management did not take this project to CAISO Board for approval in March 2013 under the 2012/13 Planning cycle because at that time CAISO/NVE were performing joint studies and hence CAISO's analysis on this Project was not complete. LS Power recommends CAISO to complete this analysis as part of the 2013/14 Planning cycle. CAISO should perform an Economic study for this project under this year's economic study process and should also analyze whether this Project can solve any reliability issues identified by CAISO & PTOs as part of their reliability studies. Further, this Project will also provide policy benefits, which should also be quantified as part of this year's planning cycle. Continuing to delay making a decision on this line will cost CAISO rate payers tens of millions of dollars and deprive CAISO of several additional benefits from the Project.

(2) Potential reliability benefits from Harry Allen - Eldorado line:

While this Project provides huge economic benefits and is mainly an economic project, but this could potentially provide reliability benefits as well. CAISO staff should not only perform the economic analysis again but should also analyze the additional reliability benefits this project can offer. In particular some reliability issues identified by CAISO staff in VEA area and SCE's Eastern and East of Pisgah areas may be mitigated by this project. In addition the project does have the potential to offer part of the solution for the SONGS shutdown concerns. LS Power recommends CAISO staff to study these additional potential benefits of this project in this study cycle.

(3) CAISO should perform studies in this year's planning cycle to quantify benefits of a new 500 kV path from Midpoint 500 kV station to Eldorado 500 kV station:

A project proposal was submitted in CAISO's 2012/13 Transmission Planning Request Window for a new project from Midpoint substation to Eldorado substation. This project comprises of three segments: (a) A new 500 kV line from Midpoint - Robinson Summit (b) An under construction 500 kV line from Robinson Summit to Harry Allen and (c) A new 500 kV line from Harry Allen – Eldorado. This combined project brings a major parallel path to CAISO's PDCI, Path 26 & Pacific AC Intertie and CAISO's Southwest intertie interfaces. LS Power recommends CAISO to perform an assessment of this project and quantify the economic and any other benefits that this project can offer to CAISO ratepayers.