

July 6, 2012

**COMMENTS ON BEHALF OF THE CITIES OF ANAHEIM, AZUSA, BANNING,
COLTON, PASADENA, AND RIVERSIDE, CALIFORNIA
REGARDING DRAFT FINAL PROPOSAL ON APPROVAL OF
TRANSMISSION ELEMENTS UNDER \$50 MILLION**

In response to the ISO's request, the Cities of Anaheim, Azusa, Banning, Colton, Pasadena, and Riverside, California (collectively, the "Six Cities") submit the following comments in response to the June 21, 2012 Draft Final Proposal on Approval of Transmission Elements Under \$50 Million (the "Draft Final Proposal").

The Draft Final Proposal describes a process that would allow for evaluation and approval of certain transmission elements by ISO management on a timeline more accelerated than consideration of those elements in the ISO's Transmission Planning Process ("TPP"). The Draft Final Proposal specifies that the proposed management approval process would apply to transmission elements expected to cost less than \$50 million and in limited circumstances, where there is both an urgent need for accelerated approval and "a high degree of certainty and comfort with the nature of the upgrades from a planning and engineering perspective" The Draft Final Proposal commits that ISO management will inform and consult with stakeholders prior to approving such projects and will develop and specify the details for such a consultation process in the Transmission Planning Process Business Practices Manual. In addition, the Draft Final Proposal would amend Tariff Section 24.5.1 to allow a separate and advanced competitive solicitation process for management approved elements under \$50 million.

The Six Cities support the modifications to the TPP described in the Draft Final Proposal under the circumstances and with the limitations identified and pursuant to the implementation process discussed. The proposed process for evaluation of projects expected to cost less than \$50 million and meeting the criteria specified in the Draft Final Proposal, with the stakeholder consultation process as described, represents a reasonable approach for accelerating needed projects having limited cost impact.

Submitted by

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