

CITY OF BANNING
APPLICATION FOR
PARTICIPATING TRANSMISSION OWNER STATUS

July 22, 2002

TABLE OF CONTENTS

	<u>Page No.</u>
1. DESCRIPTION OF BANNING’S TRANSMISSION LINES AND FACILITIES.....	1
2. DESCRIPTION OF BANNING’S TRANSMISSION ENTITLEMENTS	1
3. ENCUMBRANCES.....	3
4. TRANSMISSION LINES AND FACILITIES TO BE PLACED UNDER ISO’S OPERATIONAL CONTROL	3
5. RELIABILITY CRITERIA.....	3
6. MAINTENANCE PRACTICES	3
7. TEMPORARY WAIVERS.....	3
8. PROPOSED TRANSMISSION OWNER (TO) TARIFF.....	4
9. BANNING’S TRR	4
10. ADDRESS AND CONTACT NAMES	4
11. SETTLEMENT ACCOUNT	4
12. BANNING’S MWH DEMAND IN 2001	4
13. INSTRUCTIONS FOR ENCUMBRANCES AND ENTITLEMENTS	5
APPENDIX A BANNING’S TRANSMISSION ENTITLEMENTS	

**CITY OF BANNING APPLICATION FOR
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1. Description of Banning’s Transmission Lines and Facilities

The City of Banning receives access to the ISO Controlled Grid by virtue of a Wholesale Distribution Access Tariff (“WDAT”) with the Southern California Edison Company and does not own any transmission lines or facilities. The WDAT governs SCE’s provision of wholesale distribution service between Banning’s system and the ISO Controlled Grid. Such service is provided from the point at which the 115 kV line that is the preferred line serving Banning Substation is connected to the Devers-Garnet 115 kV line between 115 kV pole switches nos. 522 and 523 on the Devers-Garnet-Windpark-Banning 115 kV line, near Devers Substation.

2. Description of Banning’s Transmission Entitlements

The City of Banning has the following entitlements to transmission service associated with High Voltage Transmission Facilities (see also Appendix A and Figure 1 attached thereto):

2.1 Mead-Adelanto Project

The Mead-Adelanto Transmission Project is comprised of a 500 kV alternating current transmission line extending between the Marketplace and Adelanto Switching Stations.

The City of Banning is entitled to firm bi-directional service equaling .9167% of the facility’s 1,291 MW rated capability, or currently 12 MW.

2.2 Mead-Phoenix Project

The Mead-Phoenix Transmission Project is comprised of:

- ▶ a 500 kV alternating current transmission line extending between Westwing and Perkins Substations. With regard to this component, the City of Banning is entitled to firm bi-directional service equaling 0.2308% of the facility’s 1,300 MW rated capability, or 3 MW.

- ▶ a 500 kV alternating current transmission line extending between Perkins and Mead Substations. With regard to this component, the City of Banning is entitled to firm bi-directional service equaling 0.2308% of the facility’s 1,300 MW rated capability, or 3 MW.

- ▶ a 500 kV alternating current transmission line extending between Mead Substation and Marketplace Switching Station. The City of Banning is entitled to firm bi-directional service equaling 0.1620% of the facility’s 1,852 MW rated capability, or 3 MW.

- ▶ 500/230 kV transformation between the Mead Substation 500 kV bus and the Mead Substation 230 kV bus. The City of Banning holds no entitlement to these transformation facilities.

2.3 Marketplace-McCullough Transmission Line

The Marketplace-McCullough transmission line is a 500 kV alternating current transmission line extending between the Marketplace and McCullough Switching Stations.

As part of both the Mead-Adelanto and Mead-Phoenix Transmission Projects, the City of Banning is entitled to firm bi-directional service over this facility equaling the sum of its transmission entitlements in the each of those projects.

2.4 Arizona Nuclear Power Project to Sylmar

Banning's 15 MW entitlement to firm service over this transmission path is derived from one agreement between Banning and the Los Angeles Department of Water and Power (LADWP), providing for firm bi-directional service from the Arizona Nuclear Power Project (ANPP) 500 kV Switching Station to the Sylmar Switching Station.

2.5 Adelanto to Victorville/Lugo

Banning's 11 MW entitlement to firm service over this transmission path is derived from one agreement between Banning and the Los Angeles Department of Water and Power (LADWP), providing for firm unidirectional service from Adelanto Switching Station to the midpoint of the Lugo-Victorville 500 kV transmission line.

2.6 Pacific DC Intertie

Banning's entitlement to firm bi-directional service over this transmission path is derived from one firm transmission service agreement with the cities of Pasadena and Burbank providing for 1 MW of annual service between the Nevada-Oregon Border and Sylmar Switching Station.

2.7 Lugo/Victorville 500 kV to Devers 115 kV

Banning's 8 MW entitlement to firm unidirectional network service from the midpoint of the Lugo/Victorville 500 kV line to the Devers 115 kV Substation is derived from two separate agreements with the Southern California Edison Company:

- ▶ Palo Verde Nuclear Generating Station Firm Transmission Service Agreement providing for 3 MW of service.
- ▶ Sylmar Firm Transmission Service Agreement providing for 5 MW of service.

2.8 Mead 230 kV to Devers 115 kV

Banning's 2 MW entitlement to firm unidirectional network service from the Mead Substation 230 kV bus to the Devers Substation 115 kV bus is derived from a firm transmission service agreement with the Southern California Edison Co.

2.9 Devers 500 kV to Devers 115 kV
Banning's 20 MW entitlement to firm unidirectional network service from the Devers 500 kV Substation to the Devers 115 kV bus is derived from two separate agreements with the Southern California Edison Company:

- ▶ 1995 San Juan Unit 3 Firm Transmission Service Agreement providing for 15 MW of service.
- ▶ 1997 Pasadena PSA Firm Transmission Service Agreement providing for 5 MW of service.

2.10 COB to Sylmar
Banning's 5 MW entitlement to firm unidirectional service over this transmission path is derived from one firm transmission service agreement with Southern California Edison Company providing for service between the California-Oregon Border and Sylmar Switching Station, during the months of May through October.

3. Encumbrances

Not applicable.

4. Transmission Lines and Facilities to be placed under ISO's Operational Control

The City of Banning intends to place under the ISO's Operational Control all of its transmission entitlements listed in Section 2 above. All of the City's entitlements are high voltage with the exception of the Devers 115 kV Substation.

5. Reliability Criteria

The City of Banning does not have any specific Local Reliability Criteria that are applied to the entitlements identified in Section 2 above. It is Banning's understanding that the transmission providers or the operating agents for the transmission projects to which Banning has an entitlement meet the WECC standards.

6. Maintenance Practices

The City of Banning does not operate or maintain any of the transmission facilities to which it has an entitlement. The operating agreements for the SCPPA transmission projects require that the operating managers perform operating and maintenance work according to Prudent Utility Practice, the respective agreements and applicable guidelines.

7. Temporary Waivers

Not applicable.

8. Proposed Transmission Owner (TO) Tariff

A draft of Banning’s TO Tariff is attached. The City of Banning will file the final draft of its TO Tariff, including TRR, with the Federal Energy Regulatory Commission (FERC) under the FERC’s rules and procedures for non-jurisdictional rate filings.

9. Banning’s TRR

The City of Banning will file its TRR as part of the non-jurisdictional filing as noted in Section 8 above.

10. Address and Contact Names

Paul Toor
Public Works Director
City of Banning
99 East Ramsey Street
Banning, California 92220

Fred Mason
Power Resource Specialist
City of Banning
176 East Lincoln Street
Banning, California 92220

Email: cobpw@earthlink.net
Telephone: (909) 922-3130
Fax: (909) 922-3141

Email: fmasoncob@earthlink.net
Telephone: (909) 922-3265
Fax: (909) 849-1550

11. Settlement Account

Same as the Settlement Account that Banning currently has as a Scheduling Coordinator.

Bank of America, SCA Govt. Serv. Div. #1431
555 S. Flower Street, Los Angeles, CA 90071
Bank ABA Number: 121-000358
FTR Bank Account Number: 12336-26208
Federal Tax ID Number: 95-6000674

12. Banning’s MWh Demand in Calendar Year 2001

<u>Month</u>	<u>MWh</u>
January	10,695
February	9,595
March	10,278
April	9,842
May	11,633
June	12,586
July	13,752
August	15,780
September	13,214
October	11,242
November	9,917
December	<u>10,923</u>
Total	139,457

13. Instructions for Encumbrances and Entitlements

Instructions will be developed jointly with the ISO and the operating agents/transmission providers associated with Banning's transmission entitlements.

APPENDIX A

Point of Receipt-Delivery	Parties	Direction	Contract Title	FERC No.	Contract Termination	Contract Amount
1. Marketplace Substation-Adelanto	Banning-SCPPA	Bi-directional	Mead-Adelanto Project Transmission Service Contract		Oct 31, 2030	12 MW
2. Westwing-Mead-Marketplace 500 kV	Banning-SCPPA	Bi-directional	Mead-Phoenix Project Transmission Service Contract		Oct 31, 2030	3 MW
3. Marketplace-McCullough 500 kV	Banning-SCPPA	Bi-directional	Mead-Adelanto Project Transmission Service Contract Mead-Phoenix Project Transmission Service Contract		Oct 31, 2030	12 MW 3 MW
4. ANPP-Sylmar	Banning-LADWP	Bi-directional	ANPP/Sylmar 15 MW Transmission Service Agreement		See Note 1	15 MW
5. Adelanto-Victorville/Lugo	Banning-LADWP	To Victorville	Adelanto-Victorville/Lugo Firm Transmission Service Agreement		See Note 2	11 MW
6. Nevada-Oregon Border-Sylmar	Banning-Burbank & Pasadena	Bi-directional	Pacific Intertie Direct Current Firm Transmission Service Agreement		Sep 30, 2009	1 MW
7. Victorville/Lugo-Devers 115 kV	Banning-SCE	To Devers	Palo Verde Nuclear Generating Station Firm Transmission Service Agreement		See Note 3	3 MW
8. Victorville/Lugo-Devers 115 kV	Banning-SCE	To Devers	Sylmar Firm Transmission Service Agreement		See Note 4	5 MW
9. Mead 230 kV-Devers 115 kV	Banning-SCE	To Devers	Hoover Firm Transmission Service Agreement		See Note 5	2 MW
10. Devers 500 kV-Devers 115 kV	Banning-SCE	To Devers	1995 San Juan Unit 3 Firm Transmission Service Agreement		See Note 6	15 MW
11. Devers 500 kV-Devers 115 kV	Banning-SCE	To Devers	1997 Pasadena PSA Firm Transmission Service Agreement		Dec 31, 2003	5 MW
12. California-Oregon Border-Sylmar	Banning-SCE	To Sylmar	Pacific Intertie Firm Transmission Service Agreement (Seasonal: May – October)		Oct 31, 2003	5 MW

Notes

- Agreement terminates on: (i) December 31, 2023; or (ii) 36-months notice by LADWP.
- Agreement terminates on: (i) 4-years written notice by either party; or (ii) the date of retirement of the Mead-Adelanto Project; (iii) the date the point of interconnection on the Victorville/Lugo line is permanently removed from service; (iv) the in-service date of the Adelanto-Lugo transmission line, as such date is defined pursuant to the agreements relating thereto.
- Agreement terminates on: (i) twelve months notice by Banning; (ii) termination of Banning's interest in Palo Verde Nuclear Generating Station Unit 2; or (iii) unacceptable FERC modification.
- Agreement terminates on: (i) twelve months notice by Banning; (ii) termination of Banning's interest San Juan Unit 3; or (iii) unacceptable FERC modification.
- Agreement terminates on: (i) twelve months notice by Banning; (ii) termination of the Electric Service Contract between Western and Banning; or (iii) unacceptable FERC modification.
- Agreement terminates on: (i) twelve months notice by Banning; (ii) termination of Banning's interest San Juan Unit 3; or (iii) unacceptable FERC modification.