

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

In the Matter of the Application of Southern California Edison Company (U338E) for a Certificate of Public Convenience and Necessity for the Coolwater-Lugo Transmission Project.

Application 13-08-023
(Filed August 28, 2013)

**COMMENTS OF THE
CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION
ON THE PROPOSED DECISION DISMISSING APPLICATION WITHOUT
PREJUDICE**

I. Introduction

Pursuant to Rule 14.3 of the Rules of Practice and Procedure of the California Public Utilities Commission (Commission), the California Independent System Operator Corporation (CAISO) files these comments regarding the proposed *Decision Dismissing Application Without Prejudice (Proposed Decision)*. The CAISO recommends that the Commission modify certain findings of fact and conclusions of law so that they are consistent with the CAISO's business practice manuals (BPMs) and transmission planning process, but the CAISO does not oppose the Proposed Decision's disposition of this proceeding.

II. Discussion

A. Coolwater Generating Station Deliverability Status

As stated in the CAISO's January 8, 2015 Comments in this proceeding, a generating unit loses its Full Capacity Deliverability Status in an amount reflecting the loss of generating capability only where the unit becomes incapable of operating for a consecutive three-year period, or it notifies the CAISO that it will not seek to repower.¹ Full Capacity Deliverability

¹ <http://bpmcm.caiso.com/Pages/BPMDetails.aspx?BPM=Reliability%20Requirements>. Section 5.1.3.4

Status² will extend beyond the expiration of the three-year period if the owner can demonstrate that it is actively engaged in the construction of replacement generation to be connected at the bus associated with the retired generating units.

The owner of the Coolwater Generating Station has informed the CAISO and the Commission of its intention to retire the facility, but it has not indicated whether it intends to pursue repowering. Based on the CAISO's BPM requirements and the currently known status of the facility, the CAISO must maintain the Full Capacity Deliverability Status of the Coolwater Generating Station in its transmission system analyses. As a result, the Proposed Decision's Finding of Fact No. 16 and Conclusion of Law No. 4 should be modified to acknowledge that the Coolwater Generating Station maintains Full Capacity Deliverability Status until December 31, 2017, or until it notifies the CAISO that it will not seek to repower. However, if Coolwater Generating Station notifies the CAISO that it intends to repower, Full Capacity Deliverability Status will extend beyond the expiration of the three-year period if the owner can demonstrate that it is actively engaged in the construction of replacement generation to be connected at the bus associated with the retired generating units.

B. The CAISO's Transmission Planning Process

The CAISO also requests that the Commission modify Conclusion of Law No. 20 to better reflect the scope of the CAISO's transmission planning process. As written, Conclusion of Law No. 20 narrowly defines the scope of the transmission planning process and does not acknowledge the role the CAISO's reliability, economic and policy evaluations play in determining proposed transmission solutions.

² All capitalized terms not defined here shall have the meanings set forth in Appendix A of the CAISO tariff.

III. Conclusion

As stated above, the CAISO does not oppose the Proposed Decision's disposition of this proceeding. However, the Commission should adopt the clarifications discussed above to more accurately reflect the basis for the decision and the scope of the CAISO's BPM and transmission planning process. The CAISO's recommended modifications to the proposed decision are included in Appendix A to these comments.

Respectfully submitted,

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APPENDIX A

CAISO Modifications to the Proposed Decision

(Additions in bold, deletions in strikethrough)

Findings of Fact

16. The permanent retirement ~~of the CGS and other~~ **CAISO-identified** generation ~~have~~ **has** freed sufficient transmission capacity such that Mojave Solar and other proposed generation projects are now fully deliverable.

20. The TPP looks ~~exclusively~~ **primarily** at engineering and operational considerations. Evaluation of future renewable generation resource development potential, **and** environmental ~~and cost~~ considerations are ~~not evaluated as part of the TPP. That occurs at the~~ **primarily within the purview of the** Commission, **but may be informed by analysis conducted in the TPP.**

Conclusions of Law

4. The Commission cannot proceed with evaluating SCE's application without transmission planning and generation interconnection studies that acknowledge ~~the elimination of the CGS and its related FCDS and remove its 636 MWs~~ **the three generation resources that have relinquished FCDS** from the base cases.