

651 Commerce Drive Roseville, CA 95678

phone (916) 781-3636 fax (916) 783-7693 web www.ncpa.com

Comments of Northern California Power Agency Transmission Access Charge Options For Integrating New Participating Transmission Owners Straw Proposal

March 23, 2016

Northern California Power Agency (NCPA) provides the following initial limited comments in response to CAISO's Transmission Access Charge Options for Integrating New Participating Transmission Owners Straw Proposal, dated February 10, 2016. NCPA is actively considering various elements of the CAISO's straw proposal; therefore, NCPA may submit supplemental comments in response to the CAISO's straw proposal by April 1, 2016. NCPA's lack of comment at this time regarding any aspect of the proposal should not be interpreted as NCPA's support for CAISO's proposal.

Existing Facilities

CAISO proposes to define "existing facilities" as those transmission facilities that are in service or have been approved by independent planning processes, <u>and</u> are under development at the time the new PTO joins the ISO. NCPA does not agree with CAISO's proposed definition of existing facilities. NCPA strongly believes that the definition of existing facilities should be revised to also include transmission facilities that have been planned, but are not yet built.

This includes thousands of miles of proposed transmission projects that have been contemplated for many years in the PacifiCorp "sub-region." These planned for facilities represent billions of dollars of investments in transmission infrastructure that has been previously identified as needed to provide reliable service to PacifiCorp's customers. For example, in PacifiCorp's 2015 Integrated Resource Plan¹, dated March 31, 2015, PacifiCorp explains that the Energy Gateway Transmission Project ("Gateway Project") was announced in 2007. PacifiCorp then goes on to further explain:

"Energy Gateway is the result of robust local and regional transmission planning efforts. The Company has participated in numerous transmission planning initiatives, both leading up to and since Energy Gateway's announcement. Stakeholder involvement has played an important role in each of these initiatives, including participation from state and federal regulators, government

1

http://www.pacificorp.com/content/dam/pacificorp/doc/Energy_Sources/Integrated_Resource_Plan/2015IRP/Pacifi Corp_2015IRP-Vol1-MainDocument.pdf

agencies, private and public energy providers, independent developers, consumer advocates, renewable energy groups, policy think tanks, environmental groups, and elected officials. These studies have shown a critical need to alleviate transmission congestion and move constrained energy resources to regional load centers throughout the West, and include: Northwest Transmission Assessment Committee, Rocky Mountain Area Transmission Study, Western Governors' Association Task Force Report, Western Regional Transmission Expansion Partnership, North Tier Transmission Group Transmission Planning Reports, and WECC/TEPPC Annual Reports and Western Interconnection Transmission Path Utilization Studies."

Based on this and other information that is readily available to all stakeholders, it is clear that the Gateway Project has been under consideration as part of PacifiCorp's Integrated Resource Plan for many years, and PacifiCorp explains that the Gateway Project is a key element for providing reliable service to its customers. This is just one example of a major project that is currently being planned in the West that should not be treated as a "new facility" under the CAISO's proposal.