

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

In the Matter of the Application of NEXTERA
ENERGY TRANSMISSION WEST, LLC for
a Certificate of Public Convenience and
Necessity for the Suncrest Dynamic Reactive
Power Support Project

Application 15-08-027
(Filed August 31, 2015)

**RESPONSE OF THE CALIFORNIA INDEPENDENT SYSTEM OPERATOR
CORPORATION**

The California Independent System Operator Corporation (CAISO) submits the following response pursuant to Rule 2.6(a) of the Commission’s Rules of Practice and Procedure. On August 31, 2015 NextEra Energy Transmission West, LLC (“NEET West”) submitted an application (Application) requesting a certificate of public convenience and necessity (CPCN) for the Suncrest Dynamic Reactive Power Support Project (Suncrest Project).

The CAISO identified and approved the Suncrest Project as a public policy-driven project in its 2013-2014 transmission planning process. As a result, the CAISO is uniquely situated to provide technical analysis and background information regarding the need for the Suncrest Project. The CAISO-identified need for the project is also fundamental to the project objectives identified in the Application.¹ Because of this, the CAISO plans to present detailed information demonstrating the continued need for the Suncrest Project in the course of this proceeding.

The CAISO also notes that NEET West is the first entity to request a CPCN after being awarded the right to build a project through the CAISO’s competitive solicitation process that is neither a current CAISO Participating Transmission Owner nor a “public utility” as defined in Sections 216 and 218 of the Public Utilities Code.² The Commission supported the CAISO’s implementation of a competitive solicitation process for new transmission projects, and the CAISO believes it is important to provide details regarding the competitive solicitation process for the Suncrest Project and the ultimate selection of the NEET West as the project sponsor.

This proceeding represents a paradigm shift in how transmission projects in the CAIOS balancing authority areas are identified, approved, and constructed. Because the CAISO now selects sponsors for new regional transmission facilities through a competitive solicitation

¹ Application, p. 18-19.

² Application, p. 4.

framework, there will likely be an increase in applications for CPCNs from entities similarly situated to NEET West that are not existing Participating Transmission Owners, public utilities, or electrical corporations.³

Because of this, the CAISO believes that it may need to play an enhanced role in the Commission's CPCN proceedings for approval of new transmission projects, particularly for the purpose of establishing the need for a project and defining project objectives. To that end, the CAISO intends to submit supplemental direct testimony in this proceeding addressing the need for the Suncrest Project, defining project objectives, and presenting an overview of the competitive solicitation process and the benefits it provides. The CAISO is currently preparing this testimony and will file a motion for the Commission to consider such testimony in conjunction with the Application when reviewing need for the Suncrest Project. The CAISO expects to serve this motion and supplemental direct testimony by October 20, 2015.

The CAISO looks forward to participating in this proceeding and providing information to advance the Commission's review of the Application.

Respectfully submitted,

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³ The CAISO notes that to date, four competitive solicitation projects have been awarded to non-CAISO Participating Transmission Owners.