

Grid Ops Committee

SDG&E Valley-Rainbow 500 KV Project

Move that the Board of Governors approve:

- the Valley-Rainbow 500 kV Project (without regard to routing) as the preferred near-term transmission alternative to address the identified reliability concerns on the San Diego & southern Orange County portion of the ISO grid beginning in 2004 and direct SDG&E to proceed with design and licensing activities for the project.
- the application of a competitive solicitation process to allow non-wires alternatives to compete with the Valley-Rainbow 500 kV Project to mitigate the identified reliability problems. The parameters and the process of the solicitation will be defined and brought back to the Board next month. ~~Because of the transitional nature for the Project, the ISO will support FERC moving away from recovery of 50% towards 100% of abandoned project costs, and specifically will support SDG&E in its case to recover reasonably incurred costs prior to and during the solicitation process if the Valley-Rainbow 500 kV Project is not chosen as the preferred alternative.~~ ISO would support SDG&E's recovery of all prudently incurred project development costs.
- the commencement of a "stage 2" 500 kV Study by SDG&E to identify the preferred long-term transmission alternative for the next stage of expansion after Valley-Rainbow to address the reliability concerns on the San Diego & southern Orange County ISO grid.

| Committee Action: Failed Vote Count: 5-3-1 Moved: Woychik Second: Parquet | | | | | | | | | Board Action: Passed Vote Count: 20-0-1 Moved: Woychik Second: Parquet | | | | | | | | |
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| | C | B | | C | B | | C | B | | C | B | | C | B | | C | B |
| Barkovich | N | Y | Edwards | X | Y | Johanson | Y | Y | McNally | A | Y | Toenyas | X | X | | | |
| Blue | | Y | Ferreira | | Y | Kashiwada | | X | Parquet | Y | Y | White | | X | | | |
| Carnahan | | Y | Fielder | N | Y | Kehrein | | Y | Roscoe | | Y | Winter | | X | | | |
| Collins | | Y | Florio | | Y | Kirshner | Y | Y | Smutny-Jones | | Y | Wiseman | N | Y | | | |
| Cotton | | A | Hapner | X | Y | McGuire | | Y | Swanson | Y | Y | Woychik | Y | Y | | | |