



December 11, 2023

CAISO Board of Governors
250 Outcropping Way
Folsom, CA 95630

Subject: Decision on Southwest Intertie Project North

Dear Board of Governors,

CalCCA appreciates the actions of CAISO Staff and Management to identify and pursue transmission expansion necessary to achieve California's policy goals in a cost-effective manner. The inclusion of an inter-regional transmission project whose planning has already begun represents an opportunity worthy of continued pursuit.

The final value of the project for CAISO Load Serving Entities (LSE) will depend on the amount of Maximum Import Capability (MIC) that the project makes available. MIC is necessary for LSEs to meet Resource Adequacy (RA) needs. In addition, MIC has also served as a measure of meeting Integrated Resource Plan (IRP) capacity needs. While access to renewable energy at cost-effective energy prices is important, LSE's need to be able to count capacity toward procurement obligations, including the RA and IRP needs.

Addendum 1 to the ISO 2022-2023 Transmission Plan acknowledges the importance of MIC noting the potential for MIC at Midpoint in Idaho and Robinson Summit in Nevada, both of which are scheduling points. However, the Addendum further notes that CAISO LSE ability to obtain "MIC at these scheduling points may be restricted until such time when the network upgrades internal to the ISO are in service." It is important that the CAISO identify and link these internal and SWIP upgrades to evaluate the total cost and timing of completion of both sets of network upgrades necessary to make MIC fully available to CAISO LSEs. Only through sufficient amounts of MIC will LSEs be able to fully realize the value of imports from Idaho including their capacity value to meet RA and IRP needs as well as the energy value the resources will provide.

For these reasons, CalCCA encourages the Board to approve Addendum 1 to the 2022-2023 Transmission Plan. In doing so, the Board should interpret the condition in the memorandum that states, "The CPUC reaffirming the need for Idaho wind in its 2024-2025 TPP portfolio decision" to include the need for complete MIC allocation so that such resources developed in the CPUC process will meet capacity counting criteria necessary for RA and IRP needs.

Sincerely,

Eric Little
Director of Regulatory Affairs
CalCCA