



Stakeholder Comments Template

FERC Order No. 1920 Compliance

This template has been created for submission of stakeholder comments on the FERC Order No. 1920 Compliance, which took place on September 18, 2025. The meeting presentation and other information related to this initiative may be found on the [CAISO.com calendar](https://www.caiso.com/calendar) and under [Miscellaneous Meetings](#).

Upon completion of this template, please submit it to isostakeholderaffairs@caiso.com.

Submissions are requested by close of business on October 2, 2025

Submitted by	Organization	Date Submitted
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Please provide your organization's comments on the following issues and questions.

1. Please provide your feedback on the FERC Order No. 1920, held on September 18, 2025.

LS Power appreciates CAISO's overview of its planned compliance with FERC Order No. 1920 and the opportunity to comment. LS Power observes and appreciates that the CAISO proposal is adding a new Section 24.11 into its Tariff, which is consistent with Paragraph 1681 of Order No. 1920 that these reforms must be outlined in the transmission provider's OATT.

Our primary area of focus is with respect to a new ROFR related to right-sizing of replacement transmission facilities. We would like to ensure that it is implemented consistent with the narrow approach identified in Order No. 1920.

Right-Sized Replacement Transmission Facilities

LS Power appreciates that CAISO is seeking a compliance filing with FERC in Fall 2025. LS Power would provide a general comment that Order No. 1920 is currently under court review at the 4th Circuit, and some parties in the case have specifically asked for court review of the right-sized replacement transmission facility right of first refusal (ROFR) proposed under Order No. 1920, specifically asking for the Order No. 1920 paragraphs 1693-1709 which provided the new ROFR to be struck, while keeping the rest of the new

planning process intact. CAISO should be mindful of the ongoing case as it complies with Order No. 1920.

Order No. 1920 right-sizing ROFR provisions are only applicable to the new long-term planning process in Section 24.11, and there are strict definitions of “in-kind replacement facilities” and “right-sized replacement transmission facility” in paragraphs 1678 and 1679 of Order No. 1920 that must strictly be adhered to for any new ROFR under Section 24.11 to apply. As such, under Order No. 1920, there can be no changes to incorporate right-sizing ROFR provisions to the comprehensive 10 and 15-year assessment in the existing Tariff Section 24, as the new right-sizing ROFR only applies to Long-Term Transmission Needs under Order No. 1920 (see paragraph 1702 of Order No. 1920, “We adopt the NOPR proposal to require the establishment of a federal right of first refusal for a right-sized replacement facility that is selected to meet Long-Term Transmission Needs”). There should be express language added in the new Section 24.11 that the new right-sizing ROFR provisions only applies to the new Long-Term Planning process.

In addition, CAISO should include the verbatim definitions of “in-kind replacement facilities” and “right-sized replacement facilities” in its new Section 24.11 to mirror paragraph 1678 and 1679 of Order No. 1920, as only the facilities meeting the precise definition of “in-kind replacement facility” under paragraph 1678 and “right-sized transmission facility” under paragraph 1679 will qualify for the narrow, new ROFR. Paragraph 1702 of Order No. 1920 was explicit that “any such [ROFR] portion must satisfy the definition of a right-sized replacement transmission facility.” CAISO’s Tariff language should also be explicit that “any such [ROFR] portion must satisfy the definition of a right-sized replacement transmission facility.”

Order No. 1920 does provide these detailed foundational definitions and should be instructive to CAISO.

- Paragraph 1678 (and footnote 3613) of Order No. 1920 states that “for purposes of the right-sizing reform, an “in-kind replacement facility” is a new transmission facility that: (1) would replace an existing transmission facility that the transmission provider has identified in its in-kind replacement estimate as needing to be replaced; (2) would result in no more than incidental increase in capacity over the existing transmission facility identified as needed to be replaced; and (3) is located in the same general route as, and/or uses the existing rights-of-way of, the existing transmission facility identified as needing to be replaced.”
- Paragraph 1679 defines that the “right-sized transmission facility” is only a “new transmission facility that: (1) would meet the need to replace an existing transmission facility that a transmission provider has identified in its in-kind replacement estimate as one that it plans to replace with an in-kind replacement transmission facility which also addressing a Long-Term need; (2) results in more than incidental increase in the capacity of an existing transmission facility that a transmission provider has identified for replacement in its in-kind replacement estimate; and (3) is located in the same general route as, and/or uses or expands the

existing rights-of-way of, the existing transmission facility that a transmission provider has identified for replacement in its in-kind replacement estimate.” FERC was also clear in Paragraph 1679 these two definitions were necessary to ensure that these Long-Term Transmission Need projects with a ROFR were addressing replacement facilities, and “not entirely new transmission facilities”.

In writing CAISO Tariff language, special practical attention should also be given to paragraph 1680 of Order 1920, which reads as follows:

As an example, assume that transmission providers determine that an existing transmission facility included in a transmission provider’s in-kind replacement estimate can be right-sized (Segment 1) and, together with a separate new transmission facility (Segment 2), is the more efficient or cost-effective solution to a Long-Term Transmission Need. In this example, Segment 1 is a new 50-mile, 345 kV transmission facility between interconnection points A and B that requires the expansion of an existing right-of-way, and replaces an existing 50-mile, 230 kV transmission facility between interconnection points A and B. Segment 2 in this example is a new 25-mile, 345 kV transmission facility requiring entirely new rights-of-way from interconnection points B to C. If both Segment 1 and Segment 2 are selected to address a Long-Term Transmission Need, then, for purposes of the requirements of this final rule, only Segment 1 would be considered a right-sized replacement transmission facility.

LS Power respectfully notes that, in addition to scrupulous adherence to the letter of Order No. 1920 on the application of the new, narrow ROFR, the planning process for the selection of the right-sized transmission facility as a Long-Term Regional Transmission Facility must also carefully follow Order No. 1920’s instruction. On page 17 of CAISO’s September 18, 2025’s “FERC Order No. 1920 Compliance” presentation, CAISO proposed that the applicable right-sizing replacement transmission facility language will only apply to facilities operating at or above 200 kV and PTOs anticipating replacing in-kind transmission facilities during the next ten years. LS Power does not oppose the 200 kV threshold, and notes that it is consistent with Paragraph 1677 of Order No. 1920, as CAISO’s proposed 200 kV right-sizing threshold does not exceed 200 kV. CAISO’s presentation also states that “non-incumbent developers will be given the opportunity to propose transmission facilities and/or alternative transmission technologies following the publications of the ISO’s preliminary assessment results”. While LS Power agrees with the general CAISO presentation proposal to allow non-incumbent developers the opportunity to propose alternatives, LS Power would also suggest that the proposed CAISO Tariff language be stronger to ensure a nondiscriminatory evaluation process between alternatives. Paragraph 1681 of Order No. 1920 states that “the right-sized replacement transmission facility must be evaluated in the same manner as any other proposed Long-Term Regional Transmission Facility to determine whether it is the more efficient or cost-effective transmission facility to address the transmission need.” The ultimate CAISO Tariff language should state that the evaluation and selection process between the right-

sized transmission facility and other alternatives in the planning process must be not unduly discriminatory or preferential.

LS Power appreciates the opportunity to respectfully provide these substantive comments and welcomes the opportunity to participate in the upcoming Section 24.11 Tariff review.

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