

State of California

M e m o r a n d u m



Date: August 14, 2024

To: CAISO Staff

From: California Public Utilities Commission, Energy Division, FERC Cost Recovery Section

Subject: Comments on the Transmission Development Forum (TDF), July 31, 2024

The Energy Division of the California Public Utilities Commission (CPUC) develops and administers energy policy and programs to serve the public interest, advise the Commission, and ensure compliance with CPUC decisions and statutory mandates. The Energy Division provides objective and expert analyses that promote reliable, safe, and environmentally sound energy services at just and reasonable rates for the people of California.¹ Further, the Energy Division advocates on behalf of California ratepayers at the Federal Energy Regulatory Commission (FERC).

The CPUC's Energy Division Staff (Staff) appreciate this opportunity to provide comments on the Transmission Development Forum (TDF). Staff comments address the topics of circuit breaker supplier delays and the Cielo Azul Switchyard in the Delaney-Colorado River Transmission Ten West Link (DCRT/TWL) Project.

1. Circuit Breaker Component Delays and Acquisition Issues

In its presentation, PG&E reported that circuit breaker components have been difficult to acquire on a timely basis, which has led to project delays. Other utilities have also reported similar situations resulting in project delays. PG&E indicated that suppliers are expanding manufacturing capacity, but the production increase is not expected until 2028-2029. This is a concern, particularly with hundreds of new circuit breaker projects (for PG&E alone) in the pipeline. Staff appreciate CAISO's working with the utilities participating in the TDF to answer the following questions:

- a. Are the supplier expansions anticipated in 2028-2029 expected to meet the demand from utilities in the CAISO region for the level of scheduled circuit breaker-related projects?
- b. Additionally, are there any measures that the CAISO and/or utilities intend to employ to minimize impacts on ratepayers from the cost increases resulting from the delays of these circuit breaker-related projects?

¹ More information about the CPUC Energy Division is available at: <https://www.cpuc.ca.gov/about-cpuc/divisions/energy-division>

- c. If the “reprioritization/recalibration” efforts for these circuit breaker-related projects are part of the cost management measures, Staff request that the utilities further describe how such efforts minimize the cost increases due to delays. Two examples of PG&E’s several projects reportedly impacted by circuit breaker component delays include the “Vaca Dixon Substation” project (GIP C12P1-NPT04) and the “Banta 60kV Bus Voltage Conversion” TPP project.

2. Cielo Azul 500kV Switchyard (DCRT/TWL Project)

During its DCRT/TWL presentation, Ten West Link (a joint venture led by Lotus Infrastructure Partners) provided information regarding the Cielo Azul Switchyard. The Cielo Azul project is located in Arizona, approximately 39 miles east of Delaney Substation, and is being constructed to “interconnect generation projects in the CAISO LGIP.” Although the CAISO-approved DCRT/TWL project was included in the TPP-Approved Workbook, the Cielo Azul Switchyard was not included in the Network Upgrades/Generator Interconnection Workbook. Cielo Azul is described as an important generator-related network upgrade. To meet the intended purpose of the TDF, Staff request that Cielo Azul, and all other relevant network upgrades, be included in the Network Upgrades/Generator Interconnection Workbook to provide appropriate transparency for stakeholders.