

## **Economic Study Request submitted on behalf of Duke-American Transmission Company and Hunt Power**

**Submitted March 13, 2014**

We appreciate this opportunity to make the following Economic Study Request pursuant to CAISO's 2014-2015 Transmission Planning Process on behalf of the North-Gila to Imperial Valley # 2 (NGIV2) transmission project.

We agree with CAISO that the project warrants continued study in future planning studies, and that the NGIV2 line holds the promise of providing additional economic benefits. We further agree with CAISO that completion of NGIV2 will create numerous benefits, including facilitating increased use of efficient generation, decreasing LMPs, and ultimately reduced load payment for the ISO ratepayers.

CAISO further states, however, that the capacity benefits of NGIV2 are determined to be zero. According to CAISO:

- System RA benefit is zero because of downstream bottleneck, and
- LCR benefit is zero

If this is the case, there was no clear definition of the condition (and associated outages) reviewed by the CAISO and the results from the CAISO simulations. We request more detailed information with respect to the limiting outages and the downstream bottlenecks be provided during the 2014-2015 Transmission Planning Process.

We also note that the NGIV2 project was studied prior to the inclusion of projects CAISO has recommended for approval in the 2013-2014 planning cycle, including, Delaney-Colorado River, and installing a phase shifter or back-to-back HVDC flow control device on the path to CFE. As both projects have the potential to directly impact NGIV2, we further request that NGIV2 is restudied inclusive of these two projects.

Respectfully submitted,

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