

July 31, 2023

Maria D. Robinson, Director
Grid Deployment Office
U.S. Department of Energy

Re: Notice of Intent and Request for Information: Designation of National Interest Electric Transmission Corridors, DOE-HQ-2023-0039, 88 Fed. Reg. 30956 (May 15, 2023)

Dear Dr. Robinson:

The California Independent System Operator Corporation (“CAISO”) is a non-profit public benefit corporation regulated by the Federal Energy Regulatory Commission (“FERC”) and serving as a balancing authority responsible for the reliable operation of the electric grid comprising the transmission systems of several utilities within its footprint in California and parts of Nevada. The CAISO appreciates the opportunity to comment on the U.S. Department of Energy’s (“DOE”) efforts to explore processes to designate National Interest Electric Transmission Corridors (“NIETC”) and encourages the DOE to recognize the work that has been done to date by planning entities to identify transmission needs. The CAISO suggests the DOE coordinate and engage with planning entities when designating specific NIETC corridors.

Regional planning entities including the CAISO study, develop, and approve transmission projects that meet reliability, economic, and policy objectives, under their annual transmission planning processes, as required by FERC Order No. 1000.¹ These annual transmission processes are rigorous, resource-intensive, and are developed involving stakeholders and state agencies at multiple stages throughout the planning process. Any DOE NIETC designations should be consistent with study outcomes and transmission project approvals of regional planning entities.

Over the past [decade] the CAISO has significantly updated its processes to enable more proactive and longer-term transmission planning with improved coordination with the California Energy Commission (“CEC”), California Public Utilities Commission (“CPUC”), and Local Regulatory Authorities. In May of 2023, the CAISO approved the 2022-2023 Transmission Plan, which recommended 45 new transmission projects for system expansion and upgrades, for a total estimated cost of \$7.3 billion. While the vast majority of project approved in the 2022-2023 TPP will be built in California, the approved projects will enable import of over 4.5 gigawatts (“GW”) of out-of-state renewable generation from Idaho, Wyoming, and New Mexico by enhancing corridors from the

¹ *Transmission Plan. & Cost Allocation by Transmission Owning & Operating Pub. Utils.*, Order No. 1000, 136 FERC ¶ 61,051 (2011), *order on reh’g*, Order No. 1000-A, 139 FERC ¶ 61,132, *order on reh’g and clarification*, Order No. 1000-B, 141 FERC ¶ 61,044 (2012), *aff’d sub nom.*, *S.C. Pub. Serv. Auth. v. FERC*, 762 F.3d 41 (D.C. Cir. 2014).

CAISO border in southeastern Nevada and from western Arizona into California load centers.

In addition to the CAISO's formal Transmission Planning Process, the CAISO is also working closely with the CEC and the CPUC to identify a 2045 resource and demand scenario for an update of the CAISO's 20-Year Transmission Outlook. The CAISO completed its first 20-year Transmission Outlook in 2022 and intends to update this outlook on a regular basis. The goal of the 20-Year Transmission Outlook is to explore longer-term grid requirements and options for meeting the California's greenhouse gas reduction and renewable energy objectives reliably and cost-effectively. The extended planning horizon provides valuable input for resource planning processes conducted by the CPUC and CEC, and provides longer-term context and framing of pertinent issues in the CAISO's ongoing annual Transmission Planning Process.

It is important to note that there are differences between national study outcomes and regional planning study outcomes. The latter is an intensive study and stakeholder engagement process at the regional level focused on achieving region-specific outcomes, whereas national studies may have different objectives. For example, CAISO's region-specific transmission planning studies are driven by reliability, policy, and economic studies, and in conjunction with its long term transmission outlooks, provide a long-term view from a planning perspective which includes meeting the state's SB 100 objectives which looks out to 2045. On the other hand, the DOE's NIETC designation process is based on the National Transmission Needs Study which is in essence an assessment of data and results from power sector reports published in the last several years and focusses on near-term future needs by 2030 and 2035.² Hence, when it comes to eventually designating NIETCs at the end of the process, the DOE should consider the ongoing efforts of state and regional planning entities.

The CAISO appreciates the DOE engaging regional entities as part of the stakeholder engagement efforts during the National Transmission Needs Study which forms a critical input to the NIETC designation process. The DOE's coordination and outreach process should also engage with states, regional planning entities, and grid operators and could be further strengthened to include additional outreach steps and transparency. The DOE can work with state and regional planning entities who have existing responsibilities in infrastructure planning development processes to ensure DOE's NIETC processes are coordinated.

The CAISO appreciates the opportunity to submit these comments and welcomes further opportunities for coordination in the future.

Respectfully,



Neil Millar

Vice President, Infrastructure and Operations Planning

² <https://www.energy.gov/gdo/national-transmission-needs-study>