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November 30, 2017

Mr. Neil Millar Executive Director of Infrastructure Development California Independent System Operator 250 Outcropping Way Folsom, California 95630



RE: PG&E's Support for Smart Wires' Vaca Dixon – Lakeville Corridor Smart Wires Project Submission in the 2017-2018 TPP Request Window

Dear Mr. Millar:

I am writing you today to express Pacific Gas & Electric's support of one of the Smart Wires' submissions into the 2017-2018 TPP request window.

As you are aware, Smart Wires and PG&E were collaborative partners on the successful EPIC pilot<sup>1</sup> demonstration project in 2015-2016 and have since been collaborating on a number of potential transmission projects within our system territory. Smart Wires has shared their submissions with PG&E, and we wish to express to you our support for one of these submissions. As we detail on the following page, we see this type of solution as innovative, flexible, cost effective, and the best overall options to resolve the identified overload.

EPIC 1.09C – Test New Remote Monitoring and Control Systems for T&D Assets, Discrete Series Reactors <a href="https://www.pge.com/pge\_global/common/pdfs/about-pge/environment/what-we-are-doing/electric-program-investment-charge/PGE-EPIC-Project-1.09C.pdf">https://www.pge.com/pge\_global/common/pdfs/about-pge/environment/what-we-are-doing/electric-program-investment-charge/PGE-EPIC-Project-1.09C.pdf</a>

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## Vaca Dixon - Lakeville Corridor Smart Wires Project

The CAISO 2017-2018 North Coast North Bay Reliability Assessment preliminary study results<sup>2</sup> identified thermal overloads on the Vaca Dixon — Lakeville and the Vaca Dixon — Tulucay 230 kV Lines. The project submitted by Smart Wires entails installing Smart Wires devices electrically in series with the Vaca Dixon — Lakeville and Vaca Dixon — Tulucay 230 kV lines on PG&E-owned property at Vaca Dixon substation.

Given the variability in line loadings shown under different system conditions and contingencies, and the uncertainty we have seen in previous studies of the Vaca Dixon — Lakeville corridor, Smart Wires is a fitting and flexible solution. The Smart Wires solution also provides flexibility to, if needed, quickly address potential new line overloads in the event unforeseen issues such as generation becoming unavailable within the Greater Bay Area were to take place. Smart Wires technologies can be phased in as the need materializes, redeployed if line loadings decrease, or altogether removed if the future is dramatically different than the 2017-2018 TPP is expecting. This investment flexibility ensures that PG&E and CAISO will not have to commit to major investments for Californians before critical information can be available; we can make an informed decision as the future unfolds.

PG&E supports Smart Wires' submission into the 2017-2018 TPP Request Window and requests that this project be presented in the draft CAISO 2017-2018 Transmission Plan in January for stakeholders to review and comment.

Sincerely

David Gabbard

Senior Director, Transmission Asset Management

Pacific Gas & Electric Company

cc:

Andee McCoy

Marco Rios

URL: http://www.caiso.com/Documents/2017-2018PreliminaryReliabilityAssessmentResults.zip

<sup>&</sup>lt;sup>2</sup> 2017-2018 CAISO North Coast North Bay Reliability Assessment Report File name: Reliability Assessment Results 2017NCNB.pdf