

## TransCanyon LLC's Comments

### DRAFT 2016-2017 CAISO TPP STUDY PLAN.

Submitted by	Company	Date Submitted
Jason Smith President (602) 250-2668 <a href="mailto:jason.smith@transcanyon.com">jason.smith@transcanyon.com</a>	TransCanyon, LLC	March 14, 2016
Bob Smith Vice President, Transmission Planning & Development (602) 371-6909 <a href="mailto:robert.smith@transcanyon.com">robert.smith@transcanyon.com</a>		

TransCanyon, LLC ("TransCanyon") appreciates the significant efforts by the CAISO to include the various studies needed to develop the 2016-17 transmission plan. We are in general agreement with the scenarios and special studies being analyzed as part of the current study plan.

We appreciate the CAISO considering the drought conditions when establishing the hydro generation production levels as a part of the base assumptions for the Big Creek area.

We encourage the CAISO to continue to monitor the Once Through Cooling ("OTC") generation along with other resource procurements moving forward especially in the context of local capacity requirements ("LCR") and the reliability in the LA Basin and SDG&E areas as a part of the 2016-17 system assessment. TransCanyon understands that system mitigations and existing operating procedures are being heavily relied upon during few outage conditions in the area and that there will be additional transmission opportunities in the region that aid in improving system reliability.

TransCanyon also appreciates the effort to identify policy-driven transmission additions or upgrades that are necessary in order to achieve the 33% renewable share of annual consumption by 2020 and also to identify the policy driven transmission opportunities that aid in deliverability of resources outside of the ISO balancing area.

The study plan under the 50% RPS indicates that for going beyond 33%, the ISO will now assume the incremental renewable generation to be energy-only, and on that basis will estimate the expected amount of congestion-related curtailment of renewables. TransCanyon agrees with this approach and would like the ISO to evaluate the cost of the curtailment and how this value could be assigned as a benefit to any policy or economic projects that may be evaluated in the current planning cycle. TransCanyon agrees with the ISO to focus on evaluating the impact of out-of-state renewable resources on the reliability performance and curtailment of renewables.

#### **About TransCanyon**

TransCanyon is an independent developer of electric transmission infrastructure for the western United States. It is a joint venture between Berkshire Hathaway Energy's subsidiary, BHE U.S. Transmission, and Pinnacle West Capital Corporation's (NYSE: PNW) subsidiary, Bright Canyon Energy.