

March 11, 2021

Comments of TransWest Express LLC on
February 18, 2021 Draft of California ISO 2021-2022 Transmission Planning Process
Unified Planning Assumptions and Study Plan

TransWest Express LLC (“TransWest”) appreciates the opportunity to comment on the Draft 2021-2022 Transmission Planning Process (“TPP”) Unified Planning Assumptions and Study Plan (“Draft Study Plan”) prepared by the California Independent System Operator (“ISO”). TransWest comments address two sections of the Draft Study plan, Section 3 – Policy Driven RPS Transmission Plan Analysis and Section 5 – Interregional Coordination. TransWest comments are specifically focused on the Study Plan associated with the portion of the resource portfolios that pertain to the 1,062 MW of Full Capacity Delivery Status (FCDS) Wyoming wind resources in the base portfolio and the 1,500 MW of FCDS Wyoming wind resources in the Sensitivity 1 portfolio.

These FCDS Wyoming wind resources are specifically included within the California Public Utility Commission’s (CPUC’s) February 17, 2021 Decision (D21-02-008) Transferring Electric Resource Portfolios to the ISO for 2021-20222 TPP. The elevation of this critical step in the TPP to a formal CPUC Decision is a welcomed enhancement in the application of the long-standing memorandum of understanding between the CPUC and the ISO. Understandably the February 18, 2021 Draft Study Plan did not outline the specific analysis planned for the 2021-2022 TPP based on the February 17, 2021 Decision.

TransWest has sponsored and submitted the TransWest Express Transmission Project (TWE Project) as an inter-regional transmission project (ITP) in each of the three two-year Interregional Transmission Planning Coordination cycles. In each of these planning cycles, the ISO has led the coordination effort with the other planning regions. The June 2020 ITP Evaluation Process Plan¹

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http://www.caiso.com/Documents/TransWest_Express_Project_Interregional_Transmission_Project_Evaluation_Plan.pdf

stated “the CAISO has not fully considered how it may study the TWE project in the 2020-2021 (TPP) planning cycle. However, it is expected that the 2020-2021 planning process will likely consider all three segments of the TWE Project as a single 1500 MW project in the context of an “informational” policy analysis. The 2020-2021 planning process will focus on reliability assessment and production cost simulations.”

These assessments, simulations and/or evaluations of the TWE Project were not conducted as part of the 2020-2021 TPP². TransWest understands that ultimately ISO planning staff resources were not budgeted nor available for the ITP evaluation and there were concern amongst the planning staff that the 1,500 MW in the 2020-2021 TPP sensitivity portfolio were identified as Energy-Only resources³.

TransWest agrees with the statement within the Draft Study Plan that the resource portfolios do not provide the granularity needed to perform transmission analysis. Since Wyoming resources are located outside of the scope of the busbar mapping geographical scope performed by the CPUC and California Energy Commission. TransWest has provided bus bar mapping information to the CAISO in the form of detailed power system models used in the WECC Path Rating process and also provided to Northern Grid through the TWE Project ITP submittal. Similar data, although not system modeling information was also provided to the CPUC staff as part of their Modeling Advisory Group Workshop on out-of-state resources conducted in 2020. TransWest looks forward to working with the ISO to support the CAISO’s ITP evaluation of the TWE Project in the 2021-2022 TPP.

TransWest recommends the CAISO post and share Year 2 Annual Interregional Information about the CPUC Decision to transfer a base case portfolio for the 2021-2022 TPP with 1,062 MW of Wyoming wind resources to inform the other regional and local planning entities. Specifically, Northern Grid, the Los Angeles Department of Water and Power and NV Energy would likely find

² See page 373 of the draft 2020-2021 Transmission Plan. No TWE Project assessments were performed, yet the reliability, policy and economic assessments documented in this study do not support finding this project needed in this planning cycle.

³ Apparently, the policy-driven analysis performed only considers resources with FCDS as being a driver of policy-driven transmission need. TransWest doesn’t agree with this view, given the ISO and CPUC have determined new transmission is needed for Wyoming resources and therefore the cost for this new transmission has been included within RESOLVE for the Wyoming wind resources within the portfolios for the 2020-2021 TPP and 2021-2022 portfolios. However the point is now moot for the 2021-2022 TPP as the base case and the sensitivity 1 portfolios identify FCDS Wyoming wind resources.

this information useful to further coordinate respective transmission planning processes at the regional and local level. As FERC and other entities recognize, long-distance, interregional transmission investment requires significant scale to be economic. Cost and risk sharing amongst transmission providers, through the TWE Project or other initiatives, would allow the CAISO to facilitate the 1,062 to 1,500 MW of Wyoming wind resources in the 2021-2022 TPP portfolios at a lower cost than a stand-alone CAISO regional transmission project.

In addition to sponsoring the TWE Project as an ITP, in December 2020 TransWest submitted an application to the Federal Energy Regulatory Commission (“FERC”) for authority to sell transmission service rights at negotiated rates on the TWE Project (Docket No. ER21-645-000). On February 26, 2021 FERC issued an Order Granting Application. Under the FERC ordered initial capacity allocation process, TransWest will seek to allocate up to 100 percent of the TWE Project capacity to one or more transmission customers through an open solicitation process.

The Draft Study Plan includes the Eldorado 500 kV substation as the assumed injection point for Wyoming wind resources in the CPUC transferred portfolio and potentially other Rocky mountain region resources including Idaho. The CAISO should also consider the Harry Allen / Crystal 500 kV substation complex as a potential injection point due to the recent 3,450 MW expansion of the CAISO Network to the Harry Allen /Crystal 500 kV substation complex with the completion of the Harry Allen – Eldorado 500 kV Line. As the ISO planning staff is aware, TransWest has requested a TWE Project interconnection to the CAISO controlled Harry Allen Eldorado 500 kV facilities near the Crystal substation. In addition, the two other ITPs that have identified delivering Wyoming and other Rocky Mountain resources into the CAISO network have also identified the Harry Allen / Crystal 500 kV substation complex as their targeted CAISO injection point⁴. The CAISO investment in the Harry Allen – Eldorado 500 kV line should be leveraged to reduce the risk of stranded transmission assets to access Wyoming and other Rocky Mountain resources.

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[http://www.caiso.com/Documents/CrossTie Project Interregional Transmission Project Evaluation Plan.pdf](http://www.caiso.com/Documents/CrossTie%20Project%20Interregional%20Transmission%20Project%20Evaluation%20Plan.pdf) and [http://www.caiso.com/Documents/Southwest Intertie Project - North Interregional Transmission Project Evaluation Plan.pdf](http://www.caiso.com/Documents/Southwest%20Intertie%20Project%20-%20North%20Interregional%20Transmission%20Project%20Evaluation%20Plan.pdf)

TransWest supports the ISO's planned analysis of both the Harry Allen/Eldorado and Palo Verde injection points for remote renewable resources to provide information to clear up the uncertainty of the transmission implications the CPUC and ISO staff considered while developing the 2021-2022 TPP portfolios. TransWest appreciates that the ISO can perform additional policy-driven analysis beyond the TWE Project ITP evaluation as part of the FCDS Wyoming wind resources included in the base case and sensitivity 1 portfolios. Information from the Palo Verde analysis will be useful in informing future IRP analysis and TPP portfolios.