

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

Great Basin Transmission, LLC	)))	Docket No. ER25-2025-000
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**COMMENTS OF THE
CALIFORNIA INDEPENDENT SYSTEM OPERATOR
CORPORATION**

The California Independent System Operator Corporation (CAISO) submits comments in response to the Great Basin Transmission, LLC (Great Basin) filing regarding its Transmission Owner Tariff. The CAISO does not seek to intervene in this proceeding nor seek party status, but only offer comments describing the process by which the CAISO approved the SWIP-North project as part of the 2023-2024 Transmission Planning Process.

I. Comments

On November 22, 2024, the CAISO filed with the Commission the development agreement between Great Basin and the CAISO to facilitate the development of the Southwest Intertie Project-North (SWIP-North Project).¹ The Commission accepted the agreement on January 21, 2025.² In its filing the CAISO described how the CAISO approved the SWIP-North Project as part of its transmission planning process. The CAISO found in its transmission planning process that the Project was the most cost-effective, timely, and efficient solution

¹ California Independent System Operator Corporation, *Filing of Development Agreement Between the CAISO and Great Basin Transmission, LLC Regarding SWIP-North Transmission Project, Request for Waiver of Notice Requirement, and Request for Privileged Treatment* in Docket No. ER25-543.

² *Cal. Indep. Sys. Operator Corp.*, 190 FERC ¶ 61,034 (2025).

to meet an identified public policy need, as well as to provide other benefits including reliability and economic benefits. The CAISO explains the same below.

A. The CAISO's Transmission Planning Process

The CAISO's Commission-approved transmission planning process has two planning phases prior to completion of the transmission plan to be presented to and adopted by the CAISO Governing Board.³ Phase one of the transmission planning process is approximately a four-month effort in which the CAISO develops the unified planning assumptions, which the CAISO documents in a study plan.⁴ The study plan articulates the scope and details of technical studies the CAISO will conduct as part of the transmission planning process.⁵ In developing and finalizing the unified planning assumptions and study plan, CAISO staff works closely with local regulatory authorities and stakeholders. Specifically, the CAISO coordinates with the California Energy Commission (CEC) on the long-term demand forecast resulting from the CEC's biennial Integrated Energy Policy Report (IEPR) and with the California Public Utilities Commission (CPUC) on the long-term resource portfolios resulting from its biennial Integrated Resource Planning (IRP) proceeding.⁶ Consistent with Order

³ The entire Transmission Planning Process has three phases, including a third phase for competitive solicitation, which is not relevant to this Project.

⁴ See Section 24.3 of the CAISO Tariff.

⁵ During this time, the CAISO also receives submittals of interregional transmission projects. The CAISO participates in an interregional coordination stakeholder meeting in turn with the other western planning regions to provide for the exchange of planning data and information between themselves and stakeholders.

⁶ See *Alignment of Key Infrastructure Planning Processes by CPUC, CEC, and CAISO Staff* (Dec. 23, 2014) available at http://www.caiso.com/Documents/TPP-LTPP-IEPR_AlignmentExplanatoryText.pdf. This document describes how the CAISO, CPUC, and CEC align the demand forecast, long-term procurement planning, and transmission planning processes. The staff of the three organizations collaborate to develop draft assumptions and

No. 1000,⁷ the CAISO also coordinates with these agencies and California's municipal entities to identify the public policy requirements that might necessitate transmission upgrades.⁸

Phase two of the transmission planning process lasts approximately 12-months. Based on the unified planning assumptions and study plan developed in phase one, the CAISO assesses the CAISO controlled grid and determines the need for transmission solutions or alternatives to meet identified needs.⁹ The CAISO documents the results, conclusions, and recommendations for solutions developed from this technical analysis in a draft transmission plan that, after stakeholder review, CAISO management presents to the CAISO Governing Board for consideration and approval. The comprehensive transmission plan adopted by the CAISO Board identifies the needed transmission solutions. In a sequential process, the CAISO considers reliability needs and solutions first, followed by public policy solutions, and then economic solutions.¹⁰ At each stage of phase two, the CAISO may modify or enhance a solution identified in an earlier stage to meet the next level of need (and the previously identified need)

study scenarios to be utilized in the procurement and transmission planning processes each year. The alignment document also identifies the information required for the studies including, load forecast data, RPS portfolio calculation, renewable project information, solar and wind hourly generation profiles, conventional supply resource data, data regarding other resource types (e.g., demand response storage), outage rates, and forecasted retirements.

⁷ *Transmission Planning and Cost Allocation by Transmission Owning and Operating Pub. Util.*, Order No. 1000, 136 FERC ¶ 61,051 (2011); *order on reh'g and clarification*, 139 FERC ¶ 61,132 (Order No. 1000-A) (2012); *order on reh'g and clarification*, 141 FERC ¶ 61,044 (Order No. 1000-B) (2012), *aff'd.*, *S.C. Pub. Serv. Auth. V. FERC*, 762 F.3d 41 (D.C. Cir. 2014).

⁸ Section 24.3.3 of the CAISO Tariff.

⁹ See Section 24.4 of the CAISO Tariff.

¹⁰ Under its tariff, the CAISO considers both transmission and non-transmission alternatives to meet identified transmission needs. For example, the CAISO has approved some energy storage solutions to meet identified transmission needs.

more efficiently or cost-effectively, or it may adopt an entirely new solution to meet both needs. For example, a public policy need can cause the CAISO to modify the initial solution it identified for a reliability need if an identified public policy solution meets both reliability and public policy needs more efficiently or cost-effectively. The CAISO's iterative approach allows the CAISO to approve transmission solutions that provide multiple benefit streams (e.g., reliability, public policy, and economic).

B. Consideration and Approval of the SWIP-North Project in The CAISO's Transmission Planning Process

Each of the three most recent integrated resource planning portfolios provided by the CPUC as inputs to the CAISO's transmission planning process (for 2022-2023, 2023-2024, and 2024-2025) has called for approximately 1,000 MW of Idaho wind-powered capacity.¹¹ The CAISO used this public policy input in developing the unified planning assumptions and ultimate study plan for these transmission planning processes. The CAISO then studied those out-of-state resources included in the CPUC resource portfolios as policy requirements first in the sequential approach of the study process. The CAISO determined in phase

¹¹ Specifically, for the 2022-2023 transmission planning process, the final integrated resource planning portfolio included 1,062 MW from Idaho or Wyoming in the base case and 1,000 MW from Idaho in the sensitivity case. See *CAISO 2022-2023 Transmission Plan* at 6-7 & n.10, 102 (May 18, 2023) (2022-2023 Transmission Plan), available at <https://www.caiso.com/documents/iso-board-approved-2022-2023-transmission-plan.pdf>. For the 2023-2024 transmission planning process, the final integrated resource portfolio included 1,000 MW from Idaho in both the base case and the sensitivity case. See *CAISO 2023-2024 Transmission Plan* at 101, 108 (May 23, 2024), available at <https://www.caiso.com/documents/iso-board-approved-2023-2024-transmission-plan.pdf>. For the 2024-2025 transmission planning process, the final integrated resource portfolio includes 1,060 MW in the base case. See *CAISO 2024-2025 Draft Transmission Plan* at 123 (March 31, 2025) available at: <https://stakeholdercenter.caiso.com/InitiativeDocuments/Draft-2024-2025-Transmission-Plan>.

two of the transmission planning process the SWIP-North Project was the only active, timely, and cost-effective transmission solution that would give load-serving entities in the CAISO direct access to Idaho wind-powered generation, thereby benefiting ratepayers and meeting a public policy objective.

The CAISO's detailed economic studies during the 2022-2023 TPP demonstrated additional reliability and economic benefits contributing to the overall value provided by the SWIP-North Project. Those benefits included increasing resource diversity, creating a parallel path to the California-Oregon Intertie (COI), reducing congestion costs on the COI¹², reducing renewable resource curtailment, and enabling the export of excess solar-powered generation from California (*i.e.*, from south to north) when not needed to serve load in California. In accordance with CAISO tariff section 24.4.6.6, the CAISO found in its transmission planning process that the SWIP-North Project was the most cost-effective, efficient, and timely solution to meet an identified public policy need, as well as provide additional benefits.¹³

On May 18, 2023, the CAISO Board approved the 2022-2023 Transmission Plan, which specified that the CAISO would continue economic

¹² COI annual congestion costs reduced by \$23.8 Million with the SWIP-North Project modeled because e along with the existing ON Line, it provides a parallel path to COI between the Northwest areas and California. Analysis of north to south and south to north flow patterns on SWIP-North Project also indicates that it not only helps deliver out-of-state generation to the California load, but also can potentially help to send California's generation, especially solar generation, to load in other states – *See Appendix G of the Board-Approved 2022-2023 Transmission Plan at Section G.10.5* (May 22, 2023) at <https://stakeholdercenter.caiso.com/InitiativeDocuments/Appendix-G-Board-Approved-2022-2023-Transmission-Plan.pdf>.

¹³ *See CAISO 2022-2023 Transmission Plan, Addendum 1 - Draft (Updated)* (Dec. 11, 2023), available at <https://stakeholdercenter.caiso.com/InitiativeDocuments/Addendum-1-Board-Approved-2022-2023-Transmission-Plan.pdf>.

studies under the 2022-2023 transmission planning process and conduct a “detailed assessment” of the SWIP-North Project “as a transmission alternative to interconnect Idaho wind generators as proposed in the CPUC portfolio” and as “an alternative to mitigate COI congestion.”¹⁴ Over the next six months, the CAISO studied the Project further and engaged with stakeholders.

Following this targeted extension of the transmission planning process, CAISO management recommended that the CAISO Board approve the SWIP-North Project. The CAISO Board, on December 14, 2023, approved the SWIP-North Project as a transmission solution, through an addendum to the CAISO’s 2022-2023 Transmission Plan, subject to satisfaction of four conditions proposed by CAISO management.¹⁵ The first condition called for Idaho Power to file a rate case for 22.831 percent of cost with the Idaho Public Utilities Commission (IPUC) and to receive IPUC approval by September 30, 2024. The second condition the

¹⁴ 2022-2023 Transmission Plan at 117 (at row no. 1 under Table 4.7-1, entitled economic study requests). See also CAISO Board, *Decision on 2022-2023 Transmission Plan* (May 18, 2023), available at <https://www.caiso.com/documents/decisionon2022-2023transmissionplan-motion-may2023.pdf>. The CAISO continued the economic studies pursuant to its transmission planning process, which provides that “[t]he board-approved transmission plan may also include a description of transmission solutions for which additional studies are required before being presented to the board for approval following completion of the studies.” Business practice manual for transmission planning process, section 4.10.4, available at <https://bpmcm.caiso.com/Pages/BPMDetails.aspx?BPM=Transmission%20Planning%20Process>.

¹⁵ See CAISO Board, *Decision on Southwest Intertie Project North* (Dec. 14, 2023), available at <https://www.caiso.com/documents/decisiononsouthwestintertieprojectnorth-motion-dec2023.pdf>. See also CAISO 2022-2023 Transmission Plan, Addendum 1 - Draft (Updated) (Dec. 11, 2023); Memorandum from Neil Millar, Vice President, Infrastructure & Operations Planning to CAISO Board, *Decision on Southwest Intertie Project (SWIP) North* (Dec. 11, 2023) (December 2023 Board Memorandum), available at <https://www.caiso.com/documents/decisiononsouthwestintertieprojectnorth-memo-dec2023.pdf>; Presentation by Jeff Billinton, Director, Infrastructure Planning, to CAISO Board, *Decision on Southwest Intertie (SWIP) North* (Dec. 14, 2023) (December 2023 Board Presentation), available at <https://www.caiso.com/documents/decisiononsouthwestintertieprojectnorth-presentation-dec2023.pdf>.

CAISO Board set was that the CPUC reaffirm the need for out-of-state wind-power generation in the CPUC's 2024-2025 transmission planning process portfolio decision. The third condition called for Great Basin to submit and receive CAISO Board approval of an application to become a Participating TO. Fourth, the CAISO Board approved including the SWIP-North Project in the CAISO's 2023-2024 transmission plan subject to Great Basin's filing, and the Commission accepting, a transmission owner tariff and a transmission revenue requirement rate structure. The CAISO Board's approval specified that CAISO ratepayers would ultimately be responsible for funding the Commission-approved transmission revenue requirements for 77.169 percent of the total cost of the SWIP-North Project, in exchange for the CAISO receiving operational control of the same percentage of Great Basin Transmission's total capacity MW entitlements on the SWIP-North Line and the ON Line.¹⁶ The CAISO Board's approval recognized that "[a]pproving assumption of operational control of entitlements on [the] SWIP-North [Line] and the existing One Nevada Transmission Line (ON Line) will provide an overall benefit to California

¹⁶ The CAISO makes existing entitlements available through market awards in combination with the energy awarded in the market with different scheduling priorities through its market optimization, which is how the CAISO fulfills its role of transmission service provider and market operator. Great Basin's transmission capacity entitlements will be subject to similar treatment, with the CAISO simply making the transmission capacity available to CAISO market participants in the same manner it makes transmission capacity available across the broader CAISO controlled grid, resulting in the transmission capacity being accounted for in the market optimization process and the market optimization outcome governing its eventual use. In addition, the CAISO engages in outage coordination to timely and accurately inform its market participants of transmission availability on non-CAISO transmission facilities. The CAISO expects to engage in a similar manner with NV Energy but does not expect to have approval or rejection rights over outage scheduling of Great Basin's transmission capacity entitlement.

ratepayers.”¹⁷ Stakeholders generally supported the CAISO Board’s approval of these entitlement arrangements.¹⁸

At its later October 4, 2024 meeting, the CAISO Board approved revisions to the original conditions for including the SWIP-North Project in the CAISO’s 2022-2023 transmission plan, in response to changed circumstances.¹⁹ The first condition was updated to include the acceptance of the Department Of Energy, in place of Idaho Power Company, funding the non-CAISO portion of the cost of the SWIP-North Project—*i.e.*, 22.831 percent of the total project cost—in exchange for receiving entitlements of 500 MW of SWIP-North Project transmission capacity south to north. Each of the first three conditions has since been met and the fourth is pending in this proceeding.

¹⁷ December 2023 Board Memorandum at 6. As discussed above, the SWIP-North Project will provide numerous benefits as a transmission solution and the CAISO Board approved it on that basis.

¹⁸ *Id.* at 4-5.

¹⁹ *Id.*

II. Conclusion

The CAISO appreciates the opportunity to provide these comments.

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Dated: May 14, 2025

CERTIFICATE OF SERVICE

I certify that I have served the foregoing document upon the parties listed on the official service list in the captioned proceedings, in accordance with the requirements of Rule 2010 of the Commission's Rules of Practice and Procedure (18 C.F.R. § 385.2010).

Dated at Folsom, California this 14th day of May, 2025.

/s/ Jacqueline Meredith

Jacqueline Meredith

An employee of the California ISO