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Comments of the California Independent System Operator on the Western Transmission Expansion Coalition

The California Independent System Operator (ISO) appreciates the efforts that the Western Power Pool, states agency representatives, and stakeholders throughout the West have taken to organize more action to advance transmission planning throughout the Western Interconnection. The ISO shares the concern stated in the Western Transmission Expansion Coalition (WTEC) Concept Paper that "current transmission planning frameworks in the West do not result in sufficient transmission solutions to support the needs of the future energy grid, which are challenged by the dynamically changing resource mix, the devastating impacts of extreme weather events, and forecasts for significant industrial and electrification load growth, among other drivers." We therefore support the broader effort for Western transmission expansion through development of an "actionable" transmission plan that can "enhance regional and inter-regional reliability needs, address economic efficiency, and help states achieve their respective goals."

The ISO understands the WTEC Concept Paper as a starting point for this effort and looks forward to reviewing other comments. In the spirit of advancing this effort, we offer the following recommendations:

- 1. Leverage existing work products to benefit the broader effort:
- Increase opportunities for participation on the committees and working group;
- 3. Engage and coordinate with the Committee on Regional Electric Power Cooperation (CREPC) Western States Transmission Initiative (WSTI), as well as other complementary West-wide transmission planning efforts.

The following comments expand on these recommendations.

1. Leverage existing work products to benefit the broader effort.

Several recent analyses have observed and compiled best practices for transmission planning across the country. WTEC should review these analyses and incorporate some of these elements into the analysis underlying this effort. In particular, the ISO would like to highlight coordination with resource planning portfolios, transmission planning over a longer time horizon (e.g. 20-years), and creative solutions to think beyond Balancing Authority (BA) borders.

¹ Western Transmission Expansion Coalition. Development of a West-Wide Transmission Plan. <u>Concept Paper</u>. P. 1.

First, the ISO recently affirmed an approach to resource planning through coordination with the California energy agencies to ensure that long-term transmission plans align with load and resource forecasts.² This type of integrated planning, when using consistent assumptions and inputs, highlights the importance of coordinated transmission planning by demonstrating significant need for improved connectivity throughout the West.

Second, the ISO recommends that the analysis move forward with a relatively long time-horizon to account for the longer development timelines of transmission infrastructure compared to generation resource development. For example, the 20-year planning the ISO has conducted to envision longer-term reliability and policy needs provides important context for shorter-term analyses and decision-making, providing stakeholders comfort that individual projects moving forward in the short-term fit reasonably into long-term plans.

Finally, the ISO suggests exploration of other creative opportunities to improve regional connectivity by discussing new applications to the subscriber Participating Transmission Owner approach or other bilateral arrangements to fund and construct transmission between Western balancing areas.

2. Increase opportunities for participation on the committees and working group.

Given the enormity of the task at hand, the numerous efforts that have taken place over the past several years to advance transmission in the West, and the need for an effective outcome-based engagement, the ISO broadly encourages the WTEC to expand its proposed structure to accommodate a broader set of willing stakeholders.

Specifically, the ISO appreciates the proposal in the Concept Paper that the ISO participate on the Steering Committee and by extension the Technical Task Force, and welcomes the opportunity to participate on both levels. The ISO also requests participation on the Regional Engagement Committee, as an entity with relevant experience to apply to the approach for the transmission plan, as well as a significant stake in the outcomes.

As discussed in greater detail below, the ISO sees coordination with the WSTI effort and other federal and regional efforts as critical to realizing the goals and objectives of the WTEC effort. The Regional Engagement Committee may serve as an appropriate body to extend or potentially formalize coordination with the WSTI effort through the engagement of state agency representatives.

3. Engage and coordinate with the CREPC Western States Transmission Initiative

The ISO suggests strong and frequent coordination and collaboration with the CREPC WSTI initiative as well as other relevant and complementary efforts. In particular, the ISO agrees with CREPC that it will be important to avoid duplication of efforts, strive to meet shared goals and objectives, and streamline consultant work. This work is too important to disperse across various initiatives, and therefore requires a unified vision for an actionable transmission plan.

² <u>ISO CEC and CPUC Memorandum of Understanding - Dec 2022 (caiso.com)</u>

We recommend that WTEC and WSTI meet to ratify the terms of engagement and coordination across both of these efforts, and that in doing so, seek maximum engagement and support throughout the West.

Thank you for the opportunity to share our perspectives on this important effort to improve regional coordination of transmission planning across the West. The ISO looks forward to engaging with our partners across the region to identify optimized solutions across a unified Western footprint to achieve our collective policy goals at least cost for retail customers.

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