



**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA**

**FILED**  
4-01-16  
04:59 PM

In the Matter of the Application of  
SOUTHERN CALIFORNIA EDISON  
COMPANY (U338E) for a Certificate of  
Public Convenience and Necessity for the West  
of Devers Upgrade Project and for an Interim  
Decision Approving the Proposed Transaction  
Between Southern California Edison and  
Morongo Transmission LLC.

Application 13-10-020  
(Filed October 25, 2013)

**NOTICE OF EX PARTE COMMUNICATION**

Joyce Kinnear  
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City of Santa Clara Electric Department  
1500 Warburton Avenue  
Santa Clara, CA 95050  
(408) 615-6656

For the  
**BAY AREA MUNICIPAL TRANSMISSION GROUP**

April 1, 2016

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA**

In the Matter of the Application of  
SOUTHERN CALIFORNIA EDISON  
COMPANY (U338E) for a Certificate of  
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**NOTICE OF EX PARTE COMMUNICATION**

Pursuant to Rule 8.4 of the California Public Utilities Commission's Rules of Practice and Procedure, the Bay Area Municipal Transmission Group (BAMx)<sup>1</sup>, hereby gives notice of the *ex parte* communication with the offices of Commissioners Carla Peterman, Liane Randolph and Mike Florio.

**I. EX PARTE WITH COMMISSIONER CARLA PETERMAN, DAVID GAMSON AND  
EHREN SEYBERT**

On March 30, 2016, BAMx met with Commissioner Carla Peterman (on phone) and her advisors, David Gamson and Ehren Seybert from 11:30 a.m. to 12.00 p.m., the Commission office located at 505 Van Ness Avenue, San Francisco, CA 94102. The following BAMx representatives attended the meeting: John Roukema, Utility Director, City of Santa Clara, Joyce Kinnear, Division Manager, Joint Powers Agencies, City of Santa Clara, Heather Dauler, Senior Resource Planner, City of Palo Alto Utilities, Lindsay Battenberg, Energy Resource Analyst, Alameda Municipal Power, Nicolas Procos, Manager of Utilities Administration, Port of Oakland, and Barry Flynn consultant to BAMx of Flynn Resource Consultants Inc.

After providing introductions, Mr. Roukema went over a presentation (a copy is attached hereto as Attachment A) proposing that the Commission should not approve the West of Devers

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<sup>1</sup> The members of BAMx are Alameda Municipal Power, City of Palo Alto Utilities, and City of Santa Clara, *dba* Silicon Valley Power, and Port of Oakland.

Upgrade Project (WODUP) CPCN (A.13-10-020) at this time, and should dismiss it without prejudice. He also indicated how the WODUP would contribute significantly to the ever increasing transmission costs. BAMx also indicated that all renewable generators with power purchase agreements (PPAs) have received FCDS without the WODUP and that the interim upgrades on the West of Devers lines provide for sufficient capacity to accommodate the PPAs, including providing Full Capacity Deliverability Status (FCDS). BAMx added that the ORA testimony demonstrated that the latest version of the RPS calculator, which is the best decision support tool available to evaluate transmission need for renewables, no longer showed a need for the WODUP.

## **II. EX PARTE WITH COMMISSIONER LIANE RANDOLPH AND RACHEL PETERSON**

On March 30, 2016, BAMx met with Commissioner Liane Randolph and her chief of staff, Rachel Peterson from 1.00 p.m. to 1.30 p.m., the Commission office located at 505 Van Ness Avenue, San Francisco, CA 94102. The following BAMx representatives attended the meeting: John Roukema, Utility Director, City of Santa Clara, Joyce Kinnear, Division Manager, Joint Powers Agencies, City of Santa Clara, Heather Dauler, Senior Resource Planner, City of Palo Alto Utilities, Lindsay Battenberg, Energy Resource Analyst, Alameda Municipal Power, and Nicolas Procos, Manager of Utilities Administration, Port of Oakland.

After providing introductions, Mr. Roukema went over a presentation (A copy is attached hereto as Attachment A) proposing that the Commission should not approve the West of Devers Upgrade Project (WODUP) Certificate of Public Convenience and Necessity (CPCN) (A.13-10-020) at this time, and should dismiss it without prejudice. He also indicated how the WODUP would contribute significantly to the ever increasing transmission costs. BAMx also indicated that all renewable generators with power purchase agreements (PPAs) have received FCDS without the WODUP and that the interim upgrades on the West of Devers lines provide for sufficient capacity to accommodate the PPAs, including providing Full Capacity Deliverability Status (FCDS). BAMx referred to the ORA testimony demonstrated that the latest version of the RPS calculator, which is the best decision support tool available to evaluate transmission need for renewables, no longer showed a need for the WODUP.

### III. EX PARTE WITH COMMISSIONER MIKE FLORIO AND CHARLYN HOOK

On March 30, 2016, BAMx met with Commissioner Mike Florio and his advisor, Charlyn Hook from 2.00 p.m. to 2.30 p.m., the Commission office located at 505 Van Ness Avenue, San Francisco, CA 94102. The following BAMx representatives attended the meeting: John Roukema, Utility Director, City of Santa Clara, Joyce Kinnear, Division Manager, Joint Powers Agencies, City of Santa Clara, Heather Dauler, Senior Resource Planner, City of Palo Alto Utilities, Lindsay Battenberg, Energy Resource Analyst, Alameda Municipal Power, and Barry Flynn consultant to BAMx of Flynn Resource Consultants Inc.

After providing introductions, Mr. Roukema went over a presentation (A copy is attached hereto as Attachment A) proposing that the Commission should not approve the West of Devers Upgrade Project (WODUP) Certificate of Public Convenience and Necessity (CPCN) (A.13-10-020) at this time, and should dismiss it without prejudice. He also indicated how the WODUP would contribute significantly to the ever increasing transmission costs. BAMx also indicated that all renewable generators with power purchase agreements (PPAs) have received FCDS without the WODUP and that the interim upgrades on the West of Devers lines provide for sufficient capacity to accommodate the PPAs, including providing Full Capacity Deliverability Status (FCDS). BAMx referred to the ORA testimony demonstrated that the latest version of the RPS calculator, which is the best decision support tool available to evaluate transmission need for renewables, no longer showed a need for the WODUP.

April 1, 2016

Respectfully submitted,

/s/ Joyce Kinnear

Joyce Kinnear  
Division Manager, Joint Powers Agencies  
City of Santa Clara Electric Department  
1500 Warburton Avenue  
Santa Clara, CA 95050  
(408) 615-6656

For the  
**BAY AREA MUNICIPAL TRANSMISSION GROUP**

# **Attachment A**

**West of Devers Upgrade Project (WODUP)  
CPCN Application (A.13-10-020)**



**West of Devers Upgrade Project (WODUP)  
CPCN Application (A.13-10-020)**

**Bay Area Municipal Transmission Group (BAMx)  
Presentation**

***Equal Time Meeting***

**CPUC  
San Francisco, CA**

***March 30, 2016***

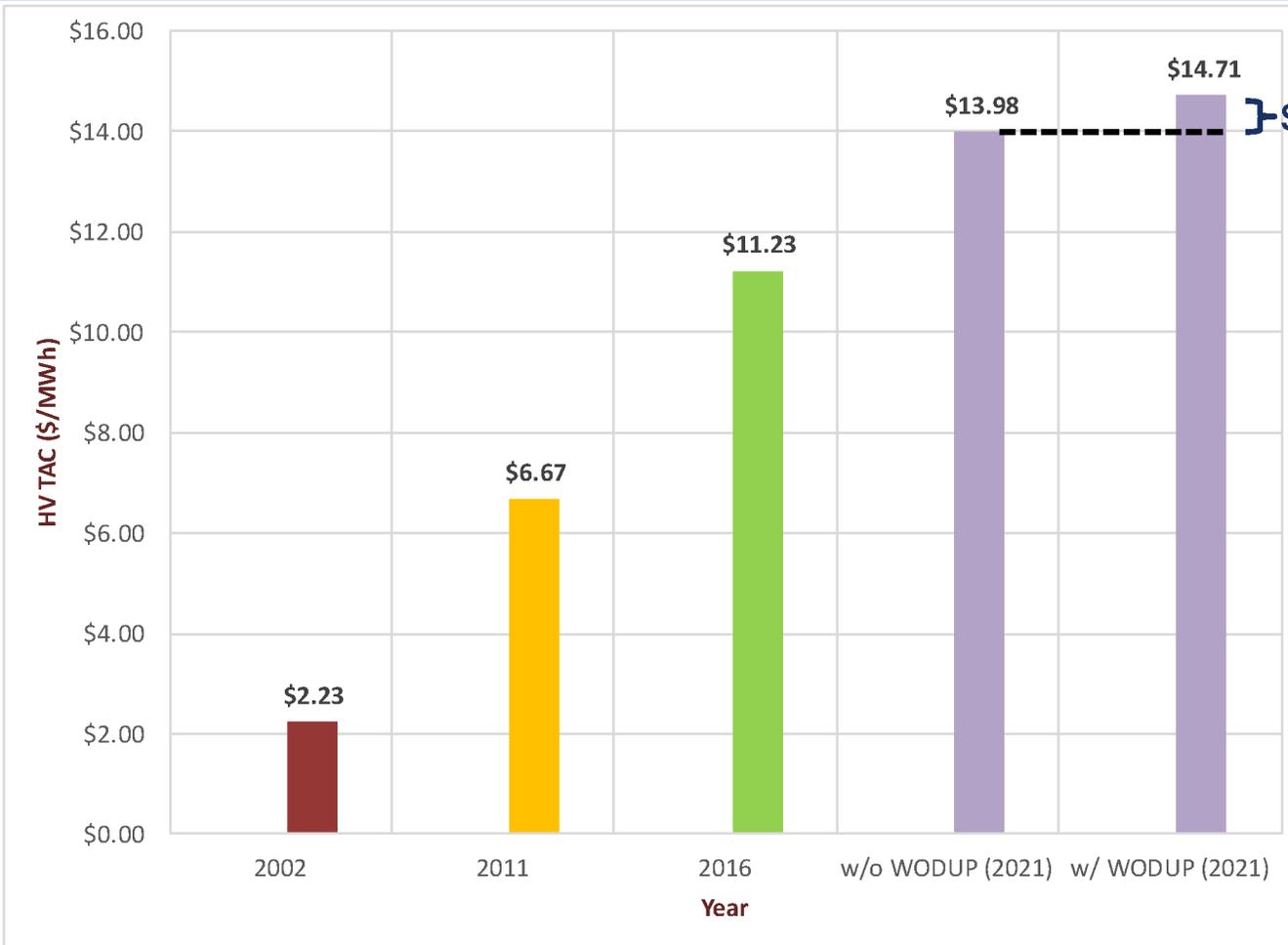
# Proposed Agenda

- Introduction
- Transmission Cost Impact
- WODUP History
- Need for WODUP
- Summary

# Introduction

- ❑ Bay Area Municipal Transmission Group (BAMx) include:
  - Alameda Municipal Power
  - City of Palo Alto Utilities
  - City of Santa Clara, Silicon Valley Power
  - Port of Oakland
- ❑ Each is a transmission dependent utility within the CAISO footprint and pays the same Transmission Access Charge (TAC) that IOU retail customers pay
- ❑ Each strongly supports the state's Renewables and Greenhouse Gas reduction goals
- ❑ BAMx has been very active in the area of California transmission planning processes in promoting reliable and economic transmission

# WODUP Will Contribute Significantly to Ever Increasing Transmission Costs



CAISO ratepayer impact of WODUP (\$992M), by itself, is over \$150M/Yr

# History of WODUP and Ratepayer Funding

- ❑ **July 8, 2010:** Generation Interconnection (Transition Cluster) Study finds WODUP was needed to provide Full Capacity Deliverability Status (FCDS) to requesting generators based upon very strict “deliverability” criteria
  - WODUP was needed to provide FCDS to 2,200MW capacity at ~\$384M
- ❑ **December 2010:** SCE/CAISO/Generators execute a three party agreement that required SCE and CAISO to use best efforts to construct WODUP, which did not go through CAISO Board approval process
- ❑ **March 2011:** SCE receives FERC approval to provide upfront funding for WODUP and remove that requirement from the generator as provided in the approved CAISO Tariff
- ❑ **July 24, 2012:** CAISO obtains FERC approval to require generators to fund any needed transmission w/o reimbursement unless such projects were approved based upon CAISO finding a need based upon CPUC-supplied RPS portfolios
  - Any such public policy projects require CAISO Board approval
- ❑ **2015-16:** CPUC makes improvements to RPS calculator used to develop portfolios that allow economic assessment on holistic basis of when it is economical for ratepayers to provide FCDC to generators versus utilizing Energy Only (EO) purchases from generators, SB 350 considers regionalization and mandates greater energy conservation

# WODUP is Not in CAISO Ratepayer's Interest

- ❑ WODUP is a renewable generator interconnection driven project; it is not needed for reliability
- ❑ All renewable generators with power purchase agreements (PPAs) have received FCDS without the WODUP
  - Interim upgrades on the WOD lines provide for sufficient capacity to accommodate the PPAs, including providing FCDS
- ❑ FCDS is a Resource Adequacy criteria that should not be used to assess transmission need for renewables; Energy Only resources are equally effective in meeting the State's policy goals
  - CPUC has identified adequate system RA through 2033, and acquiring system RA from renewable resources is not cost effective
- ❑ WODUP is not needed to meet either the 33% or 50% RPS goals
  - ORA testimony demonstrates that the latest version of the RPS calculator is the best decision support tool available to evaluate transmission need for renewables and it no longer shows a need for WODUP
  - SB 350 regionalization efforts favoring Out-of-State generation are accounted for in latest version of RPS calculator

# Summary

- ❑ Adequate evidence presented by ORA in this proceeding demonstrates that WODUP is not needed
  
- ❑ The Commission should not approve the WODUP CPCN (A.13-10-020) at this time, and should dismiss it without prejudice
  - Decides SCE has not demonstrated a need to spend \$992 million at this time for the proposed project
  - Does not prevent the submittal of another CPCN based upon CAISO Board approval as a Public Policy project based upon the latest CPUC-provided portfolios
  - Allows CPUC to state, if it so chooses, what it needs to see in any resubmitted application to maximize chance of approval