



Valley Electric Association, Inc.

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Valley Electric Association, Inc. Comments to the Western Planning Regions On Inter-Regional Coordination and Planning

March 9, 2017

Valley Electric Association, Inc. (VEA) appreciates the opportunity to comment regarding the issues discussed at the February 28, 2017 Interregional Coordination Meeting of the Western Planning Regions (WPRs).

VEA requests that the WPR consider projects that provide a net benefit in the WECC region, but are not sponsored by the operating region. A constraint recently identified by the CAISO illuminates a potential process gap that is worthy of additional study and consideration. The CAISO identified in its 2016-2017 draft transmission plan a congested element between the planned Bob Tap Substation (Bob SS) and the Mead Substation. Per the CAISO's study, the Bob SS to Mead element is expected to be congested once the VEA system is interconnected at Eldorado by 2019. The draft plan recognizes that this is the first time that congestion on this path has been identified in CAISO's Transmission Planning Process (TPP).

The CAISO's draft plan did not find this constraint to be of concern to the CAISO market because the constraint is in the export direction and is not expected to harm CAISO loads. The result of the constraint is that low-cost energy is trapped inside the CAISO, which arguably provides a short-term benefit to California ratepayers. Yet it deprives the region of social benefit – estimated at \$26MM per year according to the CAISO's draft plan.

While outside of the scope mandated to be studied under FERC Order 1000 – given the project does not necessarily span two regions – the project nevertheless seems ripe for inter-regional coordination. VEA requests that WPR endorse the collective study and planning of this project and develop a methodology for the collaboration on future potential projects that offer similar area-wide benefits.

Thank you for your consideration.

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