

# California Community Choice Association

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## Contact

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**1. Please provide a summary of your organization's comments on the draft final proposal.**

The California Community Choice Association (CalCCA) appreciates the opportunity to comment on the California Independent System Operator's (ISO) Subscriber Participating Transmission Owner (PTO) Model Draft Final Proposal. CalCCA supports the Subscriber PTO model as an alternative way to develop new transmission with commercial interest without increasing the ISO's transmission access charge (TAC). The ability to develop new transmission through multiple avenues will enable the development of more transmission that is critically needed to support the state's clean energy policy goals.

**2. Please provide your organization's comments on the proposed use of encumbrances, as described in the draft final proposal.**

First and foremost, CalCCA agrees with the principle that the capital and operations and maintenance (O&M) costs of the Subscriber PTO transmission projects should not receive cost recovery through the ISO's TAC. Subscriber PTO projects will not go through the Transmission Planning Process (TPP) to receive approval and, therefore, should not receive cost recovery through TAC. Given the subscribers and their offtakers will fund the project, rather than the TAC, CalCCA agrees the subscribers should receive encumbrances with scheduling rights and the perfect hedge.

**3. Please provide your organization's comments on the proposed Subscriber Wheeling Charge, as described in the draft final proposal.**

CalCCA generally supports the ISO's proposal to charge non-subscribers the TAC or wheeling access charge (WAC) to use the Subscriber PTO line and use the TAC or WAC charges to first pay for the subscriber WAC developed by the subscriber and approved by the Federal Energy Regulatory Commission (FERC). The ISO should ensure that it is clear in what instances a non-subscriber load-serving entity would be charged the TAC versus the WAC. As long as this information is clear, the non-subscriber can schedule their load in a manner that makes them indifferent from using the subscriber PTO line versus another path.

**4. Please provide your organization's comments on the proposed revision to the revenue recovery of the Subscriber Wheeling Charge, as described in the draft final proposal.**

See response to question 3.

**5. Please provide your organization's comments on the proposed termination of the Subscriber Encumbrance, as described in the draft final proposal.**

The Draft Final Proposal indicates that the decision of whether to continue the subscriber encumbrance after the original encumbrances end will be determined based upon the regulatory requirements at the time and the Subscriber PTO's intentions for the future of its transmission facilities. CalCCA does not oppose this treatment so long as the Subscriber PTO project is fully subscribed, and the Subscriber PTO project will not receive any TAC cost recovery for the original project's costs and associated O&M.

**6. Please provide your organization's comments on the proposed Subscriber PTO project interconnection cost recovery for generator interconnections subsequent to the original build of the Subscriber PTO transmission facilities, as described in the draft final proposal.**

CalCCA supports the Subscriber PTO developing a transmission revenue requirement for network upgrades associated with only subsequent generator interconnection requests that are not a part of the original build of the project. The ISO should only include generator network upgrades identified after the original build and identified through the generator interconnection and deliverability allocation procedures in the TAC.

**7. Please provide your organization's comments on the transmission planning process and transmission issues, as described in the draft final proposal.**

CalCCA agrees that the ISO should add a new Subscriber PTO upgrade to the TAC if the upgrade is incremental to the original build costs and if the ISO has selected the upgrade through the TPP. The ISO must ensure it does not later include the costs associated with the original build of the project in the TAC.