



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

The Nevada Hydro Company, Inc.	)	
Application for Preliminary Permit	)	P-14227-000
_____	)	

**MOTION TO INTERVENE AND COMMENTS OF SOUTHERN CALIFORNIA  
EDISON COMPANY**

**I. MOTION TO INTERVENE**

Southern California Edison Company (“SCE”), a wholly owned subsidiary of Edison International, is an investor-owned utility subject to the jurisdiction of the Federal Energy Regulatory Commission (“FERC” or “Commission”). SCE’s principal place of business is 2244 Walnut Grove Avenue, Rosemead, California 91770.

Applicant The Nevada Hydro Company (“Nevada Hydro”) seeks a preliminary permit from this Commission proposing to study the feasibility of the Lake Elsinore Advanced Pumped Storage Project (“LEAPS”).<sup>1</sup> SCE is affected by this proceeding, as Nevada Hydro’s application proposes to interconnect the proposed LEAPS generating facility to SCE’s existing transmission system. As such, SCE has an immediate interest in the outcome of this proceeding. SCE’s interest cannot be represented by any other party and, consequently, SCE respectfully requests

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<sup>1</sup> The Nevada Hydro Company, Inc.: Application for Preliminary Permit, Project No. P-14227-00 (*fld.* July 18, 2011).

that the Commission grant SCE permission to intervene in this proceeding. SCE hereby reserves its rights to raise substantive issues regarding all aspects of this proceeding, and to file additional comments, as warranted by the proceeding. SCE designates the following person for service on the Commission's service list in this proceeding:

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## II. COMMENTS

SCE requests Nevada Hydro to clarify whether it is seeking this Commission's authorization to develop two primary lines/generation tie lines in connection with the LEAPS Project, or a single stand-alone, networked transmission line. The former rests within this Commission's authority to authorize.<sup>2</sup> But, as this Commission has previously stated, the latter does not.<sup>3</sup>

Nevada Hydro seeks a preliminary permit to develop its LEAPS generating facility. In order to interconnect LEAPS to the electrical grid operated by the California Independent System Operator ("CAISO"), Nevada Hydro has entered into a Large Generator Interconnection Agreement ("LGIA") with San Diego Gas & Electric Company ("SDG&E") and is negotiating a second LGIA with SCE. Although only one primary line/generation tie line ("generation tie line") is needed to transmit power from LEAPS to the CAISO-controlled grid, Nevada Hydro's

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<sup>2</sup> *Order Denying Rehearing*, The Nevada Hydro Company, Inc., Project No. P 11858-004, 137 FERC ¶ 61,133 (Nov. 17, 2011), at ¶ 5 (Commission is only authorized to license "primary lines" – those used solely to transmit power from a generating facility to the grid).

<sup>3</sup> *Order Denying Rehearing*, 137 FERC ¶ 61,133, at ¶¶ 5, 26 ("the benefits of a stand-alone transmission line, which we have no jurisdiction to authorize . . ."), 35 ("the Commission is not authorized to license the TE/VS line as a stand-alone transmission line.").

interconnection requests seek development of two separate generation tie lines to interconnect LEAPS, both to the SCE-owned and SDG&E-owned portions of the CAISO-controlled grid. However, Nevada Hydro’s description of the line portion of its LEAPS Project appears to describe something else entirely:

“[t]he proposed 32-mile-long, 500-kV generation tie line (referred to as the Talega-Escondido/Valley-Serrano Interconnect would connect the Project to two existing transmission lines: one a 230-kV line south of the project called the Talega-Escondido transmission line [owned by SDG&E] and the other a 500-kV line to the north called the Valley-Serrano transmission line [owned by SCE].”<sup>4</sup>

Nevada Hydro’s description of its proposed “TE/VS” line as an implied single “32-mile-long . . . generation tie line” is confusing and ambiguous. Although Nevada Hydro describes “TE/VS” in the Application as a “generation tie line,” Nevada Hydro does not appear to be seeking authorization to develop the two separate generation tie lines that it has requested through the CAISO Generator Interconnection Process. Rather, Nevada Hydro appears to be seeking Commission authorization to develop a single stand-alone networked transmission line intended to transmit power to-and-from the SCE and SDG&E-owned portions of the CAISO-controlled grid.

The Pre-Application Document filed by Nevada Hydro on January 25, 2012, only adds to the confusion. On the one hand, Nevada Hydro states that “the transmission only portion is referred to as the Talega Escondido/Valley-Serrano 500 kV Interconnect (TE/VS Interconnect) Project,” and states that the TE/VS is being pursued before the California Public Utilities Commission (“CPUC”).<sup>5</sup> This description suggests that Nevada Hydro is not seeking this Commission’s authorization to license a stand-alone networked transmission line in connection

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<sup>4</sup> Application, *supra* note 1, at 3, 4.

<sup>5</sup> Lake Elsinore Advanced Pumped Storage Project No. 14227 Pre-Application Document, Project No. P 14227 (*fld.* January 25, 2012).

with its LEAPS application. On the other hand, that same Pre-Application Document states that “the entire project (both generation and transmission) is referred to as the 500 MW Lake Elsinore Advanced Pumped Storage (LEAPS) project.”<sup>6</sup> Thus, Nevada Hydro’s Application appears to still seek this Commission’s approval to develop its purported “32-mile-long generation tie line” – a project that resembles a stand-alone networked transmission line in all but name.<sup>7</sup> The fact that Nevada Hydro’s Application describes its proposed set of generation tie lines as “TE/VS” – the same name given to the stand-alone networked transmission line project before the CPUC – also suggests that Nevada Hydro is treating, erroneously, the two as one-and-the-same.<sup>8</sup> Nevada Hydro’s filings are so unclear as to whether it is proposing to license the two generation tie lines that have been studied as interconnection facilities or a single networked line that has not been studied. Importantly, two generation tie lines do not transform into a single stand-alone networked line, so it is important that Nevada Hydro make its transmission proposal clear.

The ambiguity surrounding the lines portion of Nevada Hydro’s Application goes to the heart of this Commission’s jurisdiction. As this Commission informed Nevada Hydro in the November 17, 2011, dismissal of Nevada Hydro’s earlier LEAPS licensing proceeding: “the

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<sup>6</sup> Pre Application Document, *supra* note 5, at 3.

<sup>7</sup> Application, *supra* note 1, at 8.

<sup>8</sup> Compare Application, *supra* note 1, at 8 (describing generation tie line as “TE/VS”) with Pre Application Document, *supra* note 5, at 3 (describing stand-alone transmission line project before the CPUC as “TE/VS”).

If Nevada Hydro is, in fact, pursuing this Commission’s approval to develop two generation tie lines, then Nevada Hydro should change the names for those two lines. Providing the two lines at issue in this FERC proceeding with the single, combined name of “TE/VS” gives the erroneous impression of a single networked transmission line running from San Diego’s system to SCE’s system; the name also suggests that line will transmit power to-and-from those sources. But if this Project is developed through the LGIA process and this Commission’s licensing authority, there would be two lines involved – one primary line running from SDG&E’s system to LEAPS, and a second, separate primary line running from LEAPS to SCE’s system. Each separate line would transmit power solely from LEAPS, and from no other source, to their respective points of interconnection. Each separate line would have its own specific name. *E.g.*, *Order Denying Rehearing*, 137 FERC ¶ 61,133, at ¶ 5 (Commission can only authorize primary lines). Using a combined name to describe two distinct generation tie lines would be erroneous and confusing.

**Commission is not authorized to license the TE/VS line as a stand-alone transmission line.**<sup>9</sup>

Instead, “the Commission has authority to license only primary lines – those which transmit power from the project to the point of junction with the distribution system or interconnected primary transmission system *and do not transmit power from other sources.*”<sup>10</sup>

If Nevada Hydro is proposing to use the LGIA process and this Commission’s licensing authority to develop two separate, roughly 15-mile-long, primary generation tie lines – one line intended **solely** to transmit power from LEAPS to the SCE portion of the CAISO-controlled grid, and a second line intended **solely** to transmit power from LEAPS to the SDG&E portion of that same grid, then Nevada Hydro should amend its application before this Commission accordingly. In contrast, if Nevada Hydro is seeking Commission authorization to develop a 32-mile networked transmission line intended to transmit power to-and-from SCE’s and SDG&E’s transmission systems (and thus transmit power from sources other than LEAPS), then Nevada Hydro is not in the correct regulatory forum to seek such authorization.<sup>11</sup> More importantly, such a proposal has not been found to be required by the CAISO in any of the annual transmission planning process (TPP) up to and including the recently completed TPP. Simply

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<sup>9</sup> *Order Denying Rehearing*, 137 FERC ¶ 61,133, at ¶¶ 26, 35 (emphasis added).

<sup>10</sup> *Order Denying Rehearing*, 137 FERC ¶ 61,133, at ¶ 5 (emphasis added).

<sup>11</sup> Notably, it is not clear whether Nevada Hydro is following the process for developing a stand-alone networked transmission line. For example, in order to develop such a line, Nevada Hydro must secure multiple studies such as path rating studies and SCE system impact studies designed to evaluate the impact of connecting a stand-alone networked transmission line to SCE’s systems. The LGIA process has not addressed this type of impact, does not meet these needs, and does not serve as a substitute to interconnect a stand-alone networked transmission line to SCE’s system.

It is not clear whether Nevada Hydro intends to pursue any process at SCE to interconnect a stand-alone networked transmission line to SCE’s systems, or to have the impacts of interconnecting such a line studied. Likewise, it is not clear whether Nevada Hydro has a project pending before the CAISO to have a stand-alone TE/VS line evaluated through the CAISO’s Transmission Planning Process. Finally, it is also not clear whether Nevada Hydro has obtained – or even requested – any path ratings studies from the Western Electricity Coordinating Council (“WECC”). Nevada Hydro should clarify these issues.

styling a stand-alone networked transmission line as a “generation tie line” is a cosmetic mask that does not confer Commission jurisdiction to approve the former.

Nevada Hydro should clarify whether it is seeking Commission approval to develop two separate generation tie lines in connection with the LEAPS Project or a single stand-alone networked transmission line beyond this Commission’s authority to approve. Upon receiving the requested clarification, the Commission will be able to focus its resources on matters within its jurisdiction, and to exclude from consideration those which are not. SCE appreciates this opportunity to comment, and reserves the right to submit additional comments as this proceeding develops.

Respectfully submitted,

JENNIFER HASBROUCK  
ROBERT KANG

/s/

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By: Robert Kang

Attorneys for  
SOUTHERN CALIFORNIA EDISON COMPANY

Dated: January 30, 2012

## CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon each person designated on the official service list compiled by the Secretary in this proceeding.

Dated at Rosemead, CA. this **30<sup>th</sup>** day of **January, 2012**.

/s/ Vicki.Carr-Donerson

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