

criteria originally proposed in the Application, as explained below. In all other respects, the Application remains unchanged.

TransWest respectfully **requests that the Commission issue an order granting the requests in this filing by February 26, 2021.** Issuance of a Commission order by that date will facilitate commencement of the open solicitation shortly after March 1, 2021, the subsequent formal negotiations with potential transmission customers, and the timely start of construction. **Consequently, TransWest requests a shortened notice period for this amendment of five (5) days after the date of this filing.** The shortened comment period is appropriate because, as discussed below, TransWest is proposing only to eliminate one of six eligibility criteria and is not revising any other aspect of the original Application.

II. BACKGROUND

The TWE Project is a new high-voltage interregional transmission system designed primarily to deliver renewable wind energy from Wyoming to the Desert Southwest region (California, Nevada, and Arizona). It will include three interconnected segments extending a total of 732 miles between Wyoming and Nevada: (1) a 405-mile, 3,000 MW, 500 kV high-voltage direct current (“HVDC”) system between Wyoming and Utah; (2) a 278-mile, 1,500 MW, 500 kV high-voltage alternating current (“HVAC”) transmission line between Utah and Nevada; and (3) a 49-mile, 1,680 MW, 500 kV HVAC transmission line in Nevada. The TWE Project will provide multiple benefits, including but not limited to enhancing the stability of the existing transmission system, providing greater access to location-constrained resources, and assisting western states in meeting their renewable portfolio standards.⁴

⁴ *Report on Barriers to and Opportunities for High Voltage Transmission, a Report to the Committees on Appropriations of Both Houses of Congress Pursuant to the 2020 Further Consolidated Appropriations Act*, prepared by the Staff of the Federal Energy Regulatory

TransWest plans to commence its proposed open solicitation process shortly after March 1, 2021, pursuant to which TransWest will allocate up to 100 percent of the TWE Project's transmission capacity. TransWest has retained PA Consulting as an Independent Solicitation Manager ("ISM"), to run the open solicitation process.⁵ The open solicitation will be conducted in three steps. In the first step, TransWest and the ISM will broadly solicit interest in the TWE Project from potential customers. In the second step, the ISM will screen the Statements of Interest against the eligibility criteria set forth above to determine eligibility for the third step of the open solicitation process described below. Once the ISM determines all eligible entities, the ISM will rank eligible entities using a set of objective criteria. The third and final step will include phased bilateral negotiations between TransWest and the highest-ranked eligible entities resulting from the ISM screening and ranking process described above.

The open solicitation will include the following two primary long-term firm transmission service product offerings: a 1,500 MW Wyoming to Utah point-to-point service; and a 1,500 MW Wyoming to Nevada service. Each of these products will provide transmission service from Wyoming to market off-take points in Utah and Nevada. The TWE Project can be built in stages generally defined by each of the two primary products. The customer commitments resulting from the initial capacity allocation will be used to secure funds for the initial build-out of the TWE Project. It is likely the initial capacity allocation will include either the full or near-

Commission at 3-4 and 11 (June 2020) ("June 2020 FERC Staff Report"). This report can be found at: <https://docs.house.gov/meetings/II/II06/20200922/111020/HHRG-116-II06-20200922-SD003.pdf>.

⁵ The Commission has accepted comparable arrangements in prior orders granting negotiated rate authority to transmission projects. *See, e.g., Linden VFT*, 162 FERC ¶ 61,297, at P 31; *Southern Cross Transmission*, 157 FERC ¶ 61,090, at P 30; *MATL LLP*, 166 FERC ¶ 61,051, at P 28 (2019) (committing to retaining an independent evaluator if an affiliate wishes in the future to participate in any open solicitation process).

full subscription of the Wyoming to Utah product or the full or near-full subscription of both primary products.

III. AMENDMENT OF THE OPEN SOLICITATION ELIGIBILITY CRITERIA

TransWest files this amendment to the Application to revise the eligibility criteria proposed to be used in the open solicitation. As proposed in the Application, there were six eligibility criteria labelled (a) through (f).⁶ These criteria were developed based on TransWest's review of the criteria proposed by other applicants and accepted by the Commission.⁷ On further review of the criteria, however, TransWest has determined that criterion (d)⁸ as proposed in the Application is not needed, and TransWest therefore is amending the Application solely to remove that criterion from its proposed open solicitation eligibility criteria. While it is important to the ability to finance the construction of the TWE Project to have transmission customers that have achieved key milestones in the development of customer generation projects, TransWest has determined that customer development risk can and should be evaluated as part of the originally proposed ranking factors, which are not modified by this amendment.

Therefore, as revised by this amendment, the eligibility criteria will include the following:

- (a) Readiness to commit, *i.e.*, the customer's commitment to pursue a customer agreement within TransWest's designated negotiation window as set forth in the Notice;

⁶ Application at 20.

⁷ Other applicants have proposed, and the Commission has accepted, similar criteria. *See Grain Belt*, 147 FERC ¶ 61,098, at PP 20, 23; *Plains and Eastern Clean Line LLC*, 148 FERC ¶ 61,122, at PP 22, 25 (2014) ("*Plains and Eastern*"); *Western Spirit*, 155 FERC ¶ 61,252, at PP 23, 28.

⁸ This criterion was as follows: "(d) If capacity is for a new Wyoming generation project, the generation project must be in a highly advanced stage of development (*e.g.*, a development status comparable to the TWE Project development status, which is essentially shovel-ready)[.]" Application at 20.

- (b) Commitment to pay a non-refundable deposit upon execution of a customer agreement.
- (c) A firm transmission service request for at least 300 MW of capacity of either primary product for at least 20 years;
- (d) The ability of the entity to directly interconnect to a TWE Project interconnection point or interconnection with a third-party system, and the ability to secure third-party firm transmission service on an existing transmission system to deliver to or receive from a TWE Project interconnection point; and
- (e) An investment-grade credit rating or alternative evidence of creditworthiness.

As proposed in the Application, once the ISM determines all eligible entities, the ISM will rank eligible entities using the following set of objective criteria:⁹

- (a) Level of Creditworthiness: Reduction in counterparty risks by entering into contracts with customers with the highest level of creditworthiness and/or credit support;
- (b) Larger Capacity Reservations: Maximize support for the full project by executing larger capacity reservations that utilize the HVDC segment and one or two of the linked HVAC segments;
- (c) Longer Term of Service: Securing of long-term revenues by obtaining customer commitments with longer terms;
- (d) Project Risk-Sharing: Ability to provide financial commitments during the TWE Project development cycle and the term of any customer agreement;
- (e) Access to TWE Project Substation: Reduction of the risk that customers will not be able to access the TWE Project by selecting customers that can directly interconnect to a TWE Project interconnection point or have secured TSAs to a TWE Project interconnection point;
- (f) Generation Customers: Reduction of project-on-project development risk by entering into contracts with customers based upon completion of generation development milestones and generation commercial operation date (under construction or shovel-ready); and

⁹ Other applicants have proposed similar criteria, which the Commission has accepted. See *Grain Belt*, 147 FERC ¶ 61,098, at PP 20, 23; *Plains and Eastern*, 148 FERC ¶ 61,122, at PP 21, 25; *Western Spirit*, 155 FERC ¶ 61,252, at PP 24, 28.

(g) Non-Generator Customers: Reduction of development risk by evidence of need for capacity, ability to obtain any required regulatory approvals, and the timing of transmission service commencement date.

As noted in the Application,¹⁰ these criteria may be weighted differently depending on the needs of the TWE Project. The criteria will be applied in a not unduly discriminatory manner, and potential customers with identical ranking characteristics will be afforded the same weight for that particular characteristic. It may be necessary to refine these criteria based on market circumstances, in which case the ISM and TransWest will provide public notice of any changes and apply any changes equally to all potential customers.

IV. CONCLUSION

For the reasons set forth above, TransWest respectfully requests that the Commission (1) grant the Application with the narrow amendment described above, and (2) provide for a shortened notice period of five (5) days for this amendment so that the Commission can issue an order on the Application by February 26, 2021, to enable the open solicitation to be conducted shortly thereafter.

Respectfully submitted,

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¹⁰ Application at 21-22.

CERTIFICATE OF SERVICE

I hereby certify that the foregoing document has been served upon each person designated on the official service list compiled by the Secretary of the Federal Energy Regulatory Commission in this proceeding.

Dated at Washington, D.C., this 5th day of February 2021.

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