

COMMENTS OF TERRA-GEN POWER ON CTPG PHASE 3 STAKEHOLDER INPUT CONFERENCE CALL

Terra-Gen Power (TGP) hereby submits these comments on the discussion on the March 25th stakeholder input conference call discussion. Our comments continue to focus on geothermal and other imports from the Northern Nevada CREZ and their treatment in the CTPG analyses.

The CTPG's Phase 2 Study Plan contained only solar generation from Northern Nevada, and no wind or geothermal energy from that area, in the Generation Interconnection, Desert Southwest, and Owens Valley Portfolios. However, it did include 400 MW of geothermal and 600 MW of wind generation from this area in the Northwest Case, based on the large amount of renewable resources in the NV Energy interconnection queue (and "expressions of interest" to the Lassen MUD). This generation was assumed to come into California through the California-Oregon Intertie (COI) through Round Mountain and/or Olinda Substation.

TGP is an active developer in Northern Nevada, and we continue to believe strongly that the most feasible import path into California for this generation is over the Silver Peak path (Path 52) to Control Substation, and then south to Kramer Substation. As noted in our prior comments, the northern Nevada regional utilities (e.g., NV Energy) have no concrete plans or commitments to build transmission to COI, and such a plan would be unlikely to win public support in Nevada. Access to this generation over Path 52 would be a less-risky and more economical assumption for Northern Nevada generation.

The CTPG's response to our earlier comments for the Phase 2 draft study plan, and our responses for Phase 3, are shown below.

- **Earlier CTPG response:** There won't be "enough time to conduct" sensitivity analyses in Phase 2 assuming that Northern Nevada CREZ generation would enter California through Control Substation, but that the CTPG would "consider it for future phases of CTPG's work."

TGP comment here: Phase 3 is the "future phase" that offers an opportunity to consider an alternative delivery point.

- **Earlier CTPG response:** It is "also feasible that this generating capacity will connect to the California Grid at Round Mountain substation." The CTPG added on the conference call that PG&E and WAPA have "held discussions with NV Energy and transmission owners in western Nevada" about this possible import path.

TGP comment here: No information was provided about the nature of these discussions, nor have they been with the CTPG Open and Transparent required per FERC Order 890, or any commitments that might have been made. The Path 52 import path is at least as "feasible" as the COI alternative, and refusing to consider it would risk stranding a significant source of high-capacity-factor renewable generation in Nevada.

An enhancement of the Generation Interconnection Portfolio offered on the conference call offers a ready means to incorporate this assumption into the Phase 3 analysis. One "attendee" suggested that the CTPG consider for this portfolio in Phase 3, not only in-California generation advanced in CTPG members' interconnection queues, but also generation at a similar development phase in the interconnection queues of surrounding Balancing Authority Areas (BAAs).

The aforementioned 1,000 MW of Nevada North generation, including the 400 MW of geothermal generation in the NV Energy interconnection queue, should be included in the Phase 3 Generation Interconnection Portfolio, with a Path 52 import point into Control Substation. These assumptions would:

- Include consideration of generation, being developed specifically for the California market, that is as likely to be successfully constructed as the in-California generation in this portfolio; and
- Provide additional information needed to assess the transmission needed if this generation does – as we expect – seek entry into California across Path 52, along with the central Nevada generation already assumed to come in through this route.

In conclusion, now that we are entering CTPG Phase 3, TGP asks the CTPG to take this opportunity to include these additional assumptions. We appreciate the CTPG's consideration.