

**Response of the California Transmission Planning Group (CTPG)
Technical Study Team
to
Nevada Hydro Company
on
Draft CTPG Phase 3 Study Report**

Comment Received

NHC has again found CTPG Phase 3 Studies and Draft Report on the TE/VS Project to be, at best, disingenuous, fictitious, discriminatory, non-compliant with FERC Order 890, and with FERC NOPR RM10-23-000. This Report is also inconsistent with findings contained in the above studies and FERC's 1221a Critical Congestion Area study, CEC Transmission Reports, CREZ Planning, and RETI Planning.

In addition, because no Independent Project was evaluated fairly in your Draft Report, and all Utility Projects were given good results, it is my personal belief; this is just another attempt of SDGE/CAISO to use its position of power and reputed independence, to create an unfair advantage, thereby picking winners and losers for transmission development in California. SDG&E and the CAISO are discriminating against the Independent Transmission Developers, plain and simple. This is proven statistically, if by no other means: how many independent projects have been approved (zero) and how many utility sponsored projects have been approved (all).

CTPG Study Team's Response

The CTPG objective is to identify transmission needs to facilitate the state's Renewable Portfolio Standard (RPS) goals. In this process CTPG has adhered to FERC Order 890 compliance principles in being transparent with stakeholders by providing study plans, study basecases, and numerous opportunities to contribute in stakeholder calls and in person meetings. While significant effort has been contributed by the CTPG stakeholder community in describing potential transmission solutions CTPG is not deciding "winners and losers". The intent is for Balancing Area Authorities (BAA) to develop their transmission plans using the CTPG studies as input and guidance in meeting RPS targets. As a result need determination for specific transmission projects is to be conducted by the respective BAAs.

CTPG appreciates the willingness of stakeholders to provide conceptual transmission solutions for consideration in the Phase 3 study. As identified in Chapter 8 of the Phase 3 Draft Report, of the twelve transmission solutions submitted by Independent Transmission Developers, three met the identified transmission needs. CTPG has reached out to each of the parties submitting transmission alternatives to discuss the respective study results. The CTPG call with Nevada Hydro was successful in developing a re-study of the proposed Talega-Escondido/Valley-Serrano 500kV Interconnect Project based on a revised model provided by Nevada Hydro. As was emphasized in the calls with Nevada Hydro, the fact that a conceptual transmission project does not meet a need highlighted by one of the CTPG study cases does not disqualify it from consideration by a BAA. Furthermore, the fact that CTPG study results might not arrive at the same results as other study efforts does not diminish the value of any of the studies in question.