

Bay Area Municipal Transmission Group's Comments on the Draft CTPG Phase 4 Study Plan and the West of the River Stress Scenario Development

October 27, 2010

The Bay Area Municipal Transmission Group¹ (BAMx) appreciates the opportunity to comment on the Draft California Transmission Planning Group (CTPG) Revised Phase 4 Study Plan October 14, 2010 and discussed during the Stakeholder webconference on October 20, 2010. Below we include a few questions and comments based upon our review of the Revised Study Plan and the CTPG stakeholder webconference presentation. We hope that these comments will be addressed in the Draft Phase 4 Study Report to be posted on November 22nd.

Need to Address Prior Comments/Requests

In our prior comments we had asked CTPG to provide additional information on the *shift factor* analysis that was undertaken in Phase 3. In particular, we had requested the details on the tool, the data, the methodology and the process that was implemented to conduct the shift factor analysis. However, this information was neither included in the Final Phase 3 report nor was it provided in any separate response. We are aware that the Phase 4 study plan envisions performing additional power flow studies to determine whether the current list of “high potential” and “medium potential” transmission upgrades should be revised. We believe that the stakeholders should have access to all the data regarding the Phase 3 analysis that identified these “high” and “medium” potential transmission projects including the shift factor analysis, which received very little stakeholder input.

West of the River Stress Scenario

In our last comments dated October 7, 2010, BAMx had stated the following.

“It is our understanding that CTPG will model this case using the same “seed” (Base) case that they used in the earlier scenarios that model certain transmission upgrades with key approvals and environmental permits. Please confirm that the Southwest Scenario will not include any of the “High” and “Medium” potential transmission projects identified by CTPG in Phase 3.”

Please address this question in response to our comments and/or state this clearly in the Draft Phase 4 Study Report.

¹ BAMx consists of Alameda Municipal Power, City of Palo Alto Utilities, and the City of Santa Clara's Silicon Valley Power

The CTPG states the following at the bottom of Page 6 of the Revised Phase 4 Study plan.

“The sum of the renewable energy in the discounted core (20,907 gWh) and the “additional southwest out-of-state import” category (21,106 gWh) is less than the renewable net short requirement of (52,764 gWh). The remaining amount of renewable energy (10,751 gWh) for the “West of the River Stress” scenario consists of in-state energy resources evaluated by RETI in their Phase 2B Report as having the best estimated economic and environmental ranked scores.”

In the Draft Phase 4 Study Plan, CTPG has not elaborated on its rationale for choosing the RETI Phase 2B CREZs. The RETI Best CREZs are based on economic and environmental criteria only. They are not selected based on any “commercial interest” potential of the renewable projects. Please explain how the use of RETI California Best CREZs to “fill-in” the remaining amount of net short renewable energy is more reasonable and realistic assumption than utilizing the CREZs related to existing and approved transmission projects for this scenario.

In Table A below we have compiled (only) the *In-State* Discounted Core renewable projects data from CPUC and the renewable projects data from CTPG *West of the River Stress* scenario for each CREZ to calculate the RETI Best CREZ renewable project amounts. For instance, under the proposed CTPG approach, the *Kramer* CREZ has only 548 GWh of renewable generation in the *Discounted Core* as shown in Table A below. In order to fill the “net short” CTPG has accounted for nearly 2,577 GWh of additional renewable projects under the RETI Best CREZ criterion from *Kramer* rather than relying on additional potential resources within CREZs such as, Westlands, San Diego South, Pisgah, Tehachapi or Palm Springs, which are already selected by CTPG under the *Discounted Core* criterion for the *West of the River Stress* scenario. Each of these CREZs has additional renewable resources under the generation interconnection queue that exceed the *Discounted Core* amounts.² Furthermore, please explain, for instance, why the renewable projects from the Tehachapi CREZ were restricted to 9,455GWh while the RETI Best CREZ approach indicated that Tehachapi CREZ was ranked higher than Kramer CREZ based on both, the economic and environmental scores.³

² See Table 10.1: High Ranked CREZs by Commercial Potential and RETI Environmental Score in the 2010 Final CTPG Study Phase 3 Report dated September 10, 2010.

³ See Figure 7-13. CREZ Economic and Environmental Scores Phase 2B, Bubble Chart, in the RETI Phase 2B Final Report dated May 2010.

Table A: In-State Annual Renewable Resource Energy (GWh) Assumed in the CTPG West of River Stress Scenario			
CREZ	In-State Discounted Core*	CTPG West of River Stress Scenario**	Imputed RETI Best CREZ
	GWh	GWh	GWh
Carrizo South	1,859	1,859	(0)
Round Mountain-A	-	445	445
Round Mountain-B	206	206	-
Solano	100	100	0
Westlands	-	110	110
San Diego South	92	319	227
Pisgah	1,095	1,095	-
San Bernardino - Lucerne	110	110	(0)
Tehachapi	5,024	9,455	4,431
Palm Springs	202	202	(0)
Riverside East	2,282	2,282	0
Imperial South	1,064	1,064	-
Santa Barbara	217	217	-
San Diego (Border substation)	110	92	(18)
Sylmar	44	44	-
Stockton	197	197	-
McFarland	193	193	-
Petaluma	22	22	-
Hanford	9	9	-
Blue Lake	48	48	-
Fairmont	504	1,724	1,220
Imperial North-A	-	1,759	1,759
Iron Mountain	329	329	-
Kramer	548	3,124	2,577
Mountain Pass	898	898	0
Total	15,153	25,903	10,750
* Source: The discounted core data from the CPUC (Anne Gillette Mill) distributed by RETI dated October 11, 2010.			
** Source: Table 4.5: West of River Stress Scenario in CTPG Revised Draft Phase 4 Report Dated October 14, 2010.			

Generation Re-Dispatch

The CTPG’s Revised Phase 4 study plan proposes to utilize the arbitrary 70/30 in-state/out-of-state generation re-dispatch approach. We urge CTPG to reconsider this assumption. As we have indicated in our earlier comments, deploying an “out-of-state” re-dispatch method in Phase 4

similar to the one CTPG implemented in a couple of scenarios (A-Q and B-Q) in Phase 3 would be more appropriate. Such a method would assume a WECC-wide carbon-based dispatch permitting the decrement of fossil generation across WECC based on minimizing carbon footprint for electricity production. We encourage CTPG to take full advantage of the recent work of the CEC in determining how to decrement fossil generation in all their base cases.⁴ We also encourage CTPG to have a detailed stakeholder discussion on this issue before finalizing the dispatch assumptions.

Thank you for the opportunity to comment and we look forward to continued public stakeholder participation.

If you have any questions concerning these comments, please contact Barry Flynn (888-634-7516 and brflynn@flynnrci.com) or Pushkar Wagle (888-634-3339 and pushkarwagle@flynnrci.com)

⁴ A Presentation by CEC (Al Alvarado/Angela Tanghetti) on the "California Electricity Generation Issues" presentation made during the RETI Stakeholder Meeting on October 7, 2010