

**California Transmission Planning Group (CTPG)
Technical Study Team Response to
Comments by Clean Line Energy Partners (Clean Line) on
CTPG's revised Phase 4 Study Plan**

Clean Line Comment:

As a company focusing exclusively on developing long-haul, high-voltage direct current (“HVDC”) transmission lines to connect renewable resources to load, Clean Line believes California, in line with policy mandates, should pursue a range of opportunities to increase the share of renewable power in its overall generation portfolio. To do this in a manner that is cost-effective for utilities and ratepayers, California should take full advantage of imported renewable energy from other Western states. Clean Line strongly supports the “West of the River Stress” scenario that takes into account these renewable imports as we believe this scenario better reflects the renewable resource availability of the southwestern region of WECC than does the Desert Southwest scenario.

CTPG Technical Study Team Response:

The CTPG Technical Study Team is unclear as to what specific “opportunities” Clean Line is referencing when it suggests California should pursue “a range of opportunities to increase the share of renewable power in its overall generation portfolio.” In any event, the CTPG Technical Study Team appreciates Clean Line’s interest in the “West of River Stress” scenario.

Clean Line Comment:

According to the National Renewable Energy Laboratory’s “Western Wind and Solar Integration Study,” linking diverse renewable resources across the west with new transmission can help achieve up to thirty-five percent (35%) energy penetration of wind and solar power. The proposed Competitive Renewable Energy Zones (“CREZs”) are a step in the right direction, but including only permitted projects in the “discounted core” is an unnecessarily restrictive measure.

CTPG Technical Study Team Response:

The renewable resources included in the CTPG’s Phase 4 West of River Stress scenario are taken from the renewable resource development portfolio provided by the California Renewable Energy Transmission Initiative (RETI). A portion of this portfolio is a “discounted core” of renewable resources provided by RETI. The CTPG intends to use this portfolio without modification. The CTPG Technical Study Team encourages Clean Line to provide its views to RETI on the proper construction of the “discounted core” portion of the renewable resource development portfolio.

Clean Line Comment:

Clean Line also encourages CTPG to consider a range of generation scenarios, including ones that reflect very low carbon emissions requirements, displacement of potentially inefficient “Must Run” units (where possible), as well as infrastructure requirements for integration of renewable resources (referred to as “deliverability analysis” within the Phase 4 report). While California’s renewable energy portfolio standard is robust, long-term transmission planning should take into account the possibility of additional policy requirements for renewable energy.

CTPG Technical Study Team Response:

The CTPG’s Phase 1, 2, and 3 study work evaluated a range of scenarios that included different renewable resource development portfolios and different fossil-fired generation decrementing approaches. The decrementing approaches included backing down fossil-fired generation based on economic merit-order (*i.e.*, “displacement of...inefficient...units”) as well as decrementing based on the most carbon-intensive fossil-fired generation (*i.e.*, coal generation).

The term “deliverability analysis” as used in the revised Phase 4 study report (section 1.5) is a reference to the study methodology used in the California ISO’s Large Generator Interconnection Process (LGIP) for interconnecting generators selecting the “Full Capacity” option in their interconnection requests. The CTPG Technical Study Team addressed the California ISO’s deliverability analysis in responses to previous comments by other stakeholders. For example, Clean Line is encouraged to review the CTPG’s September 30, 2010, response to comments by Z-Global, which is posted at” www.ctpg.us”. Your attention is specifically directed toward the response at pages 10-11.

The CTPG Technical Study Team is interested in knowing the “additional policy requirements for renewable energy” Clean Energy believes long-term transmission planning should “take into account.” It would be helpful if Clean Energy could provide this information.