

RE: California Transmission Planning Group (“CTPG”) Comments on Phase 4 Draft Study Results, Draft Statewide Transmission Plan, and January 7, 2010 Stakeholder Meeting discussion (collectively, the “Phase 4 Results”)

Dear CTPG Members:

I am writing on behalf of the Large-scale Solar Association (“LSA”). LSA represents 12 of the nation’s largest providers of utility-scale solar generating resources. Collectively, LSA’s members have contracted to provide over 6 GW of clean, sustainable solar power to California’s load-serving entities (“LSEs”). Its members develop, own and operate various utility-scale solar technologies, including photovoltaic and solar thermal system designs. LSA, and its individual member companies, are renewable energy industry leaders, advancing solar generation technologies and advocating competitive market.

LSA supports the CTPG’s efforts to date, and we are specifically encouraged by the procedural improvements that the group has made since its inception. LSA is filing these comments on the Phase 4 Results to generally support the process and the overall findings with respect to the need for new transmission, and to offer suggestions about the CTPG’s work going forward.

**Review of past LSA comments:** LSA’s past input on the CTPG processes and analyses have focused on the following points:

- ***Openness and transparency of the CTPG process***, i.e., lack of broad stakeholder involvement and input opportunities;
- ***Lack of a time element in CTPG transmission plans***, e.g., correlation of transmission-construction timing with on-line dates in Power-Purchase Agreements (“PPAs”), and the need for new transmission to be in service for renewable generation to come on-line throughout the 2010-2020 period, in a more expeditious fashion than current studies indicate;
- ***Clarification of which LGIP generation projects are included in CTPG portfolio analyses***, e.g., passed the “commercial interest” criterion used to identify the viable generation projects used to determine the “High-Ranking CREZs;” and
- ***Lack of consideration of information from out-of-state BAAs***, including generation and transmission projects that are being specifically being planned to carry renewable generation from those areas to California and the CAISO.

**Comments on Phase 4 Results:** The Phase 4 Results, and the CTPG’s latest efforts overall, have gone a long way toward resolving some of the more serious issues related to three of the four points above. The CTPG has specifically:

- **Greatly increased stakeholder input opportunities**, especially compared to the initial CTPG studies, where results were basically presented as a “done deal” that would not be changed in the absence of a “fatal flaw.” While CTPG did not accept LSA’s suggestion to place at least two non-utility representatives on its executive committee (which LSA still advocates), LSA is encouraged that CTPG has:

- **Instituted the practice of issuing Study Plans and draft reports before producing final reports**, for subsequent study phases; and
- **Allowed at least two weeks for stakeholder review and comments**, e.g., postponing the comment deadline for this round of studies because of the late issuance of the draft statewide plan.
- **Provided more specific information about the criteria for generation-project inclusion in the in-state CTPG portfolios.** However, the CTPG should include, in the final report, further information about exactly which generation projects are included in the analysis. The LSA also agrees with comments from stakeholders at the meeting that MW capacity numbers, and not just MWh, should be provided for each CREZ.
- **Incorporated considerably more information on out-of-state high-potential renewable-energy areas.** The Phase 4 Results extensively consider generator-interconnection queues and planned transmission projects in surrounding states. The criteria used to identify the “high potential” transmission corridors for further study in 2011 are explicit, relevant, and practical.

As a separate matter, LSA also appreciates the transmission analysis showing the amount of the 33% RPS requirement that could be satisfied using the currently approved transmission projects and the high-potential projects identified in the CTPG studies. Unlike recent CAISO studies, which appeared to conclude that no additional transmission might be needed, the CTPG analysis concludes that those transmission upgrades collectively would accommodate about only a 22-24% RPS.

LSA strongly believes that more transmission is necessary for California to reliably meet RPS goals, and to provide access to additional high-potential and economic renewable-energy areas (both in- and out-of-state). Viable supply competition between renewable-energy projects and areas will require some degree of “slack” transmission capacity, as will uncertainties about where generation projects will develop. The Phase 4 Results, while not explicitly considering these other factors, at least finds that additional transmission is needed that could serve these purposes.

**Next steps for 2011:** In 2011, LSA urges the CTPG to address the remaining issues raised in LSA’s earlier comments, namely:

- ***Addition of a timing element to the transmission plan.*** It is unlikely that all the high-potential projects can be built simultaneously, and the plan should prioritize those projects intended to serve generation with feasible on-line dates in the next 2-5 years first.
- ***Clarification of the “commercial interest” criterion.*** In addition to updating the generation projects in the Phase 4 portfolio analyses, the CTPG should provide more specific information about CTPG members’ Load-Serving Entity (“LSE”) procurement plans and how the targets in them are reflected in the study scenarios.

- ***More active and explicit cooperation with other planning entities in neighboring BAAs and throughout the WECC*** in its further analysis of the high-potential transmission corridors.

Please contact me by email at [shannon@consciousventuresgroup.com](mailto:shannon@consciousventuresgroup.com) or by phone at (415) 819 4285 with any questions. Thank you for your consideration.

Sincerely,

Shannon Eddy  
Executive Director of the Large-scale Solar Association