

**California Transmission Planning Group (CTPG)
Technical Study Team Response to Comments by Joyce Dillard on
CTPG's Proposed 2011 Work Plan**

Comment:

The Southern California Leadership Council (Governors Gray Davis and George Deukmejian) and Southern California Association of Governments presented reports that include a return to manufacturing; even if energy is dirty, to help the California economy. So, how will baseline energy be supplied to handle this anticipated increase in demand? Please network with these planners to see what geographic areas are anticipated in this growth.

CTPG Technical Study Team Response:

In December 2010, the Southern California Leadership Council posted a presentation by former governor Gray Davis on a "*Southern California Green Jobs Strategy*." The presentation states that southern California must retain and expand its manufacturing and research and development base:

"This can be done with a focus and emphasis on clean, green solutions for the future – with renewable, more efficient energy, water and transportation technologies, applications and bioscience products for the world that improve quality of life while moderating climate change and/or improving human health and productivity. And, good paying, less than college education type jobs, in manufacturing are uniquely important in meeting the demographic and educational profile of Southern California's diverse population."

The Southern California Association of Government's 2008 Regional Comprehensive Plan notes, "If energy and climate change policies are designed to create direct incentives for California companies that invest in new technologies, the Gross State Product (GSP) could increase by up to \$74 billion annually and create 89,000 new jobs by 2020." This observation stems from the plan's view of "The Green Economy":

"Environmental quality and economic growth go hand in hand. Promoting clean energy and jobs has been found to have a positive impact on the economy and individual pocketbook.

"A study by the Economic Policy Institute found that a policy package including development of new energy-efficiency and renewable energy technologies, transitional assistance to compensate any workers and communities harmed by the policies, and a modest carbon/energy tax would reduce U.S. carbon emissions by 27% in 2010 and by 50% in 2020 and increase GDP...

" 'Economic Growth and Greenhouse Gas Mitigation in California,' offered an independent assessment of the economic impacts of AB32. This study conducted by the University of California, Berkeley, and delivered to the state legislature on August 16, 2006, found that returning California greenhouse gas emissions to 1990 levels by 2020, as identified in AB 32, can boost the annual Gross State Product (GSP) by \$60 billion and create 17,000 new jobs by 2020. The study found that gains could be up to \$74 billion in annual GSP and

89,000 new jobs by 2020 – if climate policies are designed to create direct incentives for California companies to invest in new technology.”

The above references do not suggest a return to energy that is “dirty.” In fact, they are premised on the benefits of developing green energy technologies and reducing greenhouse gas emissions. The CTPG’s 2011 work plan is being developed with the objective of developing a conceptual transmission plan that supports California’s 33-percent Renewable Portfolio Standard (RPS) goal for year 2020 (on November 17, 2008, then governor Arnold Schwarzenegger signed executive order S-14-08 which mandated a RPS of 33 percent by 2020). The 33-percent RPS goal will require the development of green energy technologies and will result in a reduction in greenhouse gas emissions.

With respect to an “anticipated increase in demand,” CTPG’s 2011 work plan will be designed to identify transmission infrastructure additions that will allow forecast loads for year 2020, at all geographic locations within the state California, to be reliably served - even in the event of critical contingencies on the transmission system.