

Great Basin HVDC's Comments on the CTPG 2011 Work Plan

In the CTPG 2010 Phase 4 Final Report, the Group noted that a Northwest Nevada Transmission Corridor was a high priority. In January, the WestConnect Sierra Subregion requested that the WECC TEPPC evaluate two projects within the subregion. One such project is Great Basin Energy Development, LLC's ("Great Basin HVDC") proposed nominal 1,000 MW underground HVDC link. Its purpose is primarily to bring renewable resources from northern Nevada to northern California. The eastern terminus of the HVDC line is proposed to be at NV Energy's Tracy switching station and the western terminus is proposed to be at Western Area Power Administration's ("Western") O'Banion switching station. Since publication of the 2010 Phase 4 Final Report, Great Basin HVDC has continued to make development progress on this project such as entering into a Memorandum of Understanding with Western under the federal Transmission Infrastructure Program. We also have made informational filings with the CAISO about the project and continue to work with interconnecting utilities, generators and corresponding load serving entities.

Through this process, Great Basin has become aware of various needs, goals and benefits which would exist via a direct connection to the CAISO BAA beyond our O'Banion terminus. We acknowledge that transmission owners have mentioned that Great Basin's western terminus interconnection point could facilitate transmission system upgrades. These would lead to improved north to south transfer, reduction of the complexities of dynamic scheduling of thermal generation in the Yuba City area to the CAISO BAA, and provide voltage support and stability to the Balancing Authority of Northern California ("BANC") BAA. Additionally, substantial reliability enhancements will be achieved by the dynamic nature of voltage source commutated (VSC) HVDC supply injection.

Great Basin requests that the CTPG form an informal subcommittee or task force during the 2011 planning cycle to coordinate determination of the optimal interconnection of the Great Basin HVDC to the CAISO and BANC BAA's. We would expect that such a working group would include PG&E, WAPA, SMUD, TANC and the CAISO. For example, we have been made aware that it might be desirable to consider a western terminus interconnection that includes a new 500kV element between the O'Banion area and PG&E's proposed Collinsville switching station. This would bring needed generation into the north of San Francisco Bay area. Another item for consideration would be the sizing of an autotransformer at an expanded O'Banion station to allow interconnection of the 230kV and 500 kV systems at this location. Also, Great Basin has flexibility at this juncture to determine if our converter station with its native nominal 400 kV output voltage is to be stepped up to 500 kV or down to 230 kV. Finally, the western converter station could be a three element HVDC system with output being split into both 230kV and 500kV. This configuration has more power flow flexibility but is also more expensive than our baseline configuration.

The Great Basin HVDC provides an opportunity to not only bring renewable energy, predominately baseload geothermal energy, to northern California, but also offers a unique opportunity to construct a more robust and reliable transmission network for the area.

We welcome the continued interest of the CTPG in evaluating our project.

We are now requesting coordination between the transmission owners and operators to determine the best western terminus configuration which offers Northern California the greatest benefits at reasonable costs.

Should the CTPG have questions about our comments, please contact:

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5/27/2011