

**California Transmission Planning Group (CTPG)
Technical Study Team Response to the
January 30, 2012 Comments of the Westlands Solar Park (WSP) on
CTPG's draft 2011 Statewide Transmission Plan**

Comment:

Westlands Solar Park (WSP) believes that the 2011 draft statewide plan adequately covers all the key areas of potential renewable resource development that should be studied for the purpose of meeting the states 33 percent renewable portfolio standard (RPS) goal. Specifically, the WSP is in support of the inclusion of Scenario #7 to study large renewable projects on disturbed lands in the Central Valley.

CTPG Technical Study Team Response:

In developing its future work plans, the CTPG Technical Study Team will consider WSP's conclusion that "all the key areas of potential renewable resource development" are "adequately cover[ed]" in CTPG's draft 2011 statewide transmission plan. WSP's conclusion implies that CTPG's future work should continue to focus on renewable resource development in those areas included in the renewable resource development portfolios evaluated by CTPG in its 2010 and 2011 study work, and not other areas.

Comment:

On slide 20 of the presentation from the January 20, 2012 stakeholder meeting the CTPG commented that existing Power Purchase Agreements (PPAs) may be insecure because of the inability to meet some scheduling terms and PPAs may contain milestones that if not achieved render the contract terms invalid. The WSP is in agreement with the CTPG statement on this point and WSP believes that there needs to be recognition of this same uncertainty in the CPUC's long-term procurement plan and its portfolio development process. Furthermore, the CPUC's discounted core needs to be updated to reflect this uncertainty. The WSP suggests that the CTPG consider engaging with the CPUC Energy Division staff to update them on the CTPG 2011 draft plan with the goal of incorporating the new scenarios in their 2012 LTPP portfolio development process. The WSP is concerned that if the CPUC doesn't update its discounted core to reflect where more recent renewable development is emerging in California all the other assumptions around identifying resource zones and needed transmission will be flawed.

CTPG Technical Study Team Response:

The CTPG Technical Study Team shares WSP's view that the California Public Utilities Commission's discounted core is dated and needs to be updated. The CTPG intends to work with the Commission to obtain an updated discounted core for purposes of the CTPG's future study work.

Comment:

On slide 18 the CTPG specifies that high ranked CREZs are expected to carry a significant amount of renewable power from high ranked CREZs to load while medium potential elements carry a comparatively lower level of output from high ranked CREZ or are generally associated with a large build out of high ranked CREZs. Furthermore, in slide 21 the CTPG characterizes that high potential transmission corridors provide California's load serving entities with potential future procurement options beyond the "high ranked CREZ" and recognizes the potential for renewable resource projects that may be developed faster and for less cost and recognizes the potential for reduced total procurement costs from combined generation and transmission costs. All the descriptions in slide 18 and slide 21 describe the unique properties and benefits that the Westlands CREZ brings to California load serving entities and to transmission reliability and cost.

The WSP would like to see the CTPG incorporate into the 2011 draft plan the recognition that more than 8,000 MWs of generation has filed for interconnection to the CAISO in the Westlands Water District area in Fresno and Kings counties and specifically more than 1,000 MWs have been filed in the Westlands CREZ. The high commercial interest, the siting of the Westlands CREZ underneath existing transmission and the long term permit ability of the land should support the elevation of the Midway-Gregg-Tesla line from medium to a high priority line.

CTPG Technical Study Team Response:

As of January 13, 2012, the amount of "active" generation in the California ISO interconnection queue totaled 68,141 MW. There are additional amounts of generation in the interconnection queues of the other California Balancing Authorities (BAs). Further, there are significant amounts of generation currently seeking to interconnect at the distribution level. A relatively small portion of this generation—for example, 14,552 MW of renewable generation in the CTPG's Public Policy scenario—will satisfy California's 33-percent Renewable Portfolio Standard (RPS) requirement for year 2020. Accordingly, while the CTPG appreciates that "more than 8,000 MWs" has filed for interconnection to the California ISO in the Westlands Water District area in Fresno and Kings Counties, one of the most vexing challenges for transmission planning is deciding which of the more than 70,000 MW of generation currently in BA interconnection queues are likely to be built.

The nine different study scenarios undertaken by the CTPG in 2011 incorporated seven unique renewable resource development portfolios.¹ Of the nine study scenarios, three identified reliability criteria violations in the Midway-Tesla area. As described on Table 3 of the CTPG's Draft 2011 Statewide Transmission Plan, mitigation for these reliability criteria violations could include (i) a number of 230 kV reconductors, substation upgrades and new 500-kV facilities (ii)

¹ The nine study scenarios are summarized on Table 5 of the CTPG's Draft 2011 Statewide Transmission Plan. The seven renewable resource development portfolios are set forth on Tables 9 through 15 of the CTPG's Draft 2011 Statewide Transmission Plan.

a new 500-kV Midway-Gates-Gregg-Bellota-Tesla line (with associated substation upgrades), or (iii) a new 500-kV Midway-Gates-Los Banos-Tesla line plus new 500-kV Gates-Gregg line (with associated substation upgrades). The other six study scenarios, including the central California scenario (Scenario #7), did not identify reliability criteria violations in the Midway-Tesla area. Given these results, the CTPG Technical Study Team determined that upgrades in the Midway-Tesla area should retain the “medium potential” designation established in the CTPG’s 2010 study work.²

Comment:

In the CTPG methodology of selecting both the high priority transmission elements and the high priority transmission corridors (slide 18-21) the draft plan should recognize the ability for the central valley to access large amounts of renewable generation, increase the utilization of pump storage opportunities for the integration of renewable generation to meet the 33 percent RPS goal, facilitate greater balancing area agency coordination and be located in the right area of California for the export of renewable generation to the north west.

CTPG Technical Study Response:

The CTPG Technical Study Team understands that there is a significant renewable resource development potential in California’s Central Valley. The central California scenario (Scenario #7) evaluated a renewable resource development portfolio containing 5,077 MW of installed renewable generating capacity in California’s Central Valley.

To date, the CTPG’s technical studies have not included explicit consideration of the dispatchable resources and/or loads that will be required to accommodate large increases in intermittent renewable resource generating capacity. Pumped-storage facilities are one technology that has the capability of supplying these integration resources. In connection with the development of its future work plans, the CTPG will consider whether, and to what extent, renewable integration requirements are to be taken into account.

WSP appears to suggest that renewable resources in the central valley are “located in the right area of California for the export of renewable generation to the northwest.” The CTPG Technical Study Team is uncertain what the basis for this statement is, but notes that depending on system conditions (*e.g.*, month, time of day, Pacific Northwest and northern California hydroelectric conditions), generation from renewable resources in many other areas might also support the efficient export of energy from California into the Pacific Northwest.

The CTPG Technical Study Team is also unclear what WSP means by its statement that “the draft plan should recognize the ability for the central valley to...facilitate greater balancing area agency coordination.” WSP is invited to provide additional information regarding the possibilities suggested by the comment.

² See Section 10.4 and Appendix C of the CTPG’s 2010 final Phase 3 study report.