



California Wind Energy Association

April 23, 2007

Energy Division
California Public Utilities Commission
Attention: Tariff Unit
505 Van Ness Avenue
San Francisco, CA 94102

Re: CalWEA Comments on Southern California Edison Advice Letter 2062-E-A

Dear Energy Division:

This letter provides the comments of the California Wind Energy Association (CalWEA) on Southern California Edison's (SCE) Advice Letter 2062-E-A, filed April 2, 2007. AL 2062-E-A seeks Commission authorization to establish a Renewable Transmission Feasibility Study Costs Memorandum Account. This account would track the costs associated with certain studies that SCE wishes to perform to assess the feasibility of developing new transmission lines to access areas in southeastern California, western Nevada, and western Arizona in which there is significant potential to develop new renewable resources for electric generation. SCE would like to spend approximately \$6 million on these studies over the next 18 to 24 months.

In a recent Stakeholder Meeting, SCE explained that a significant portion of the effort would be directed toward on-the-ground studies to find suitable locations for transmission facilities that would be needed in conjunction with these conceptual plans. CalWEA agrees with the importance of finding good siting for transmission paths in the areas where environmental and interference issues may exist. It is important that these conceptual plans are quickly converted into permit applications so that these resources can be available in a timely fashion to support the California RPS goals.

The utility argues that the development of the renewable resources in these areas may be crucial if California is to obtain 33% of its electric generation from renewable resources by 2020, a goal that the Governor has set and that the Commission has directed SCE and the other regulated utilities to include in their long-term procurement plans. A lack of well-defined transmission access is a major factor preventing developers of new renewable generation from proposing more projects in these regions.

CalWEA strongly agrees with SCE on the importance of developing transmission access for new renewable generation, and supports the request that the utility has made in AL 2062-E-A, provided the plan is adjusted to include a number of likely least-cost, best-fit renewable resources in the planned study area that have been overlooked or missed in the plans as described in AL 2062-E-A. CalWEA appreciates SCE's initiative to undertake these important studies, and wants to help make them as useful and productive as possible.

CalWEA's primary comment on AL 2062-E-A is that, while the general area selected for the studies is correct, the specific boundaries and the choice of renewable resources to include in the study are too narrow. For example, in both eastern San Bernardino County and the Salton Sea region, the studies must include the substantial, well-defined wind energy projects that are also located along the same transmission corridors as the referenced solar and geothermal projects. It may simply be that the circles marking the areas to be studied in Figures 2 and 3 were drawn too small, and are poorly described, but substantial active renewable resources appear to be excluded, while others were included for no apparent reason, which would be to the detriment of a fair, inclusive process. It is important that all renewable energy resources in these areas be studied on an equal basis. In earlier conceptual studies that SCE has conducted, all projects in the CAISO transmission queue, plus all additional projects that developers disclosed to SCE, were included in the studies. To this end, any projects in the CAISO queue by June 1, 2007, or disclosed to SCE by that date should be included in these conceptual studies to assure fairness and the greatest probability that the state's RPS goals will be met on time.

For the "Eastern San Bernardino" study area comprising the Eldorado/Mohave to Pisgah to Lugo corridor, it is important to include all renewable projects interconnecting on that corridor, including those at Eldorado, Mohave, and Pisgah, and not just the solar projects at Pisgah that are noted in AL 2062-E-A. The total capacity of active renewable projects in this corridor is large, and multiple new lines are likely to be needed under current planning rules, and must be studied, including the planned or conceptual substation at Silverwood intended to expand Lugo. This corridor, likely to be network facilities, appears to have at least 9,500 MW of renewable resources in the CAISO queue and CalWEA is aware of an additional 2,500 MW of wind energy projects in the active-planning stage. There is a significant opportunity for a very cost-effective expansion of the transmission network in this area to serve these renewable facilities, and thus to contribute in a major way to RPS goals. This corridor thus deserves substantial focus, and accelerated planning and permitting. CalWEA strongly recommends that the entire corridor capacity from Lugo to Eldorado / Mohave in Nevada be planned as a part of the "Eastern San Bernardino County" area.¹ This corridor includes a portion of southwest Nevada adjacent to the California border.

CalWEA also notes that, although the development of significant new transmission resources (up to 4,500 MW) for the Tehachapi wind resource area is well underway, in the longer term this region may require further expansion. Conceptual studies of additional transmission for the Tehachapi area logically should be coordinated with the "east-of-Tehachapi" studies of the resources in eastern San Bernardino County that SCE proposes to undertake in AL 2062-E-A.

¹ For example, CalWEA is aware of 1,500 MW of potential new wind generation in southwestern Nevada that is in the CAISO interconnection queue, with a proposed interconnection to the CAISO grid and the SCE transmission system at the Eldorado substation in Nevada. It is unclear from AL 2062-E-A whether SCE's proposed study of wind projects in eastern San Bernardino County would include this significant potential for new wind generation just across the state line in Nevada. Page 19 of the advice letter describes this study as examining projects only as far east as Pisgah substation, whereas the table on page 12 summarizing the CAISO interconnection queue for projects connecting to the SCE grid describes the "Eastern San Bernardino County" area as extending as far east as the Eldorado substation in Nevada.

Further, CalWEA believes that SCE should devote a portion of the effort and money involved in these studies to cooperative transmission planning with other utilities in California. Cooperation among utilities may be essential to maximize access, minimize costs and duplicative facilities, and avoid time-wasting disputes between the utilities. The prime candidate for cooperative planning involves the substantial solar, geothermal, and biomass resources in the Salton Sea / Imperial Valley region, as well as the significant wind resources just south of the Imperial Valley near La Rumorosa in Baja California, Mexico. 2,400 MW of wind projects in La Rumorosa are on the CAISO interconnection queue, with most of this capacity interconnecting to the CAISO grid through SDG&E's Imperial Valley substation. SCE already obtains significant amounts of geothermal generation from the Imperial Valley through its Mirage substation. Both SDG&E and the Los Angeles Department of Water and Power (LADWP) already are proposing major new 500 kV transmission lines to access renewable resources in the Salton Sea / Imperial Valley (SDG&E's Sunrise project and the "Green Path" line jointly proposed by LADWP and Citizens Energy). CalWEA is concerned that all of these utilities, including SCE, should coordinate their efforts to avoid over-building transmission west of the region, yet ensure that adequate capacity is available as soon as possible to provide access to the substantial new renewable resources available in this area. This cooperation should build on the past work of the Imperial Valley Study Group (IVSG, of which SCE was a member), which developed a 2005 plan to expand the Imperial Irrigation District's (IID) 230 kV system in phases to support 2,200 MW of new renewable development in the area.² Thus, SCE's Salton Sea study should (1) be extended to include the significant La Rumorosa wind resources south of the Imperial Valley and (2) include coordination with the efforts of SDG&E, LADWP, IID, and the IVSG to expand transmission access to this region. CalWEA also would support similar funding for SDG&E (through a parallel advice letter filing) to coordinate its future transmission plans in this region (i.e., its plans after the Sunrise project) with those of SCE, LADWP, IID and the IVSG.

Planning for the other areas identified in AL 2062-E-A (central Nevada and Arizona) should proceed in an early conceptual manner, and should be allocated fewer resources than the areas discussed above (Eastern San Bernardino, Tehachapi, and Salton Sea / La Rumorosa) that have major near-term renewable energy potential. Unlike these very promising areas, the central Nevada and Arizona projects do not have project proponents and the central Nevada project appears to be quite expensive for just 700 MW of potential. Planning for areas without committed project proponents should focus on 500 kV facilities, to conceptually plan for future linkages with more distant renewable resources that can make a meaningful, cost effective contribution to the RPS goals.

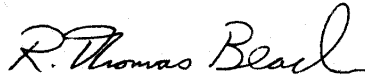
In conclusion, CalWEA strongly supports the memorandum account that SCE asks to establish in AL 2062-E-A. The Commission's approval of this account should clarify that (1) SCE's Eastern San Bernardino study should include projects interconnecting as far east as the Eldorado/Mohave substations in Nevada and (2) SCE's Salton Sea study should include the significant La Rumorosa wind resources south of the Imperial Valley and should coordinate with the efforts of SDG&E, LADWP, IID, and the IVSG to expand transmission access to the Salton Sea / Imperial Valley area.

² This plan is available at www.energy.ca.gov/ivsg/documents/2005-09-30_IVSG_REPORT.PDF.

Sincerely,

A handwritten signature in black ink that reads "Nancy Rader". The signature is fluid and cursive, with the first name being more prominent.

Nancy Rader
Executive Director

A handwritten signature in black ink that reads "R. Thomas Beach". The signature is cursive and somewhat stylized, with the first name being the most legible part.

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