

**Comments of the California Wind Energy Association (CalWEA)
on Draft Version 1.1 of
Central California Clean Energy Transmission Project (C3ETP) Study Plan**

CalWEA supports generally the proposed new C3ETP transmission line from the Fresno area to the Tehachapi area, as stated in our January 23rd comments. This new line will increase ISO ability to move more clean energy to the north and better accommodate intermittent resources through off-peak operation of the Helms Pumped Storage Project (and, therefore, increase its availability to meet on-peak load and Ancillary Services needs).

However, we do have two concerns: (1) omission of a Midway-Vincent #3 line upgrade from the Project; and (2) inclusion of a major Canada/Northwest-to-northern California transmission line in the Base Case assumptions, supposedly to access additional renewable energy from the north. Both of these concerns are addressed below.

Midway-Vincent #3 upgrade: The ISO and PG&E should very seriously consider including an upgrade of the PG&E Midway-Vincent #3 line, i.e., conductors to make its ampacity at least equal to the ampacity of the SCE portion of the same circuit. This upgrade was mentioned in the Tehachapi Transmission Plan as a “low-cost upgrade” enabled by the Tehachapi improvements.

Among other major benefits, this upgrade will prevent Path 26 from becoming the next bottleneck in the ISO grid, once the C3ETP relieves the Path 15 south-to-north bottleneck. CalWEA is concerned about the “see saw” Path 15 and Path 26 upgrade patterns in recent years, where improvements are made to one path only to create bottlenecks at the other. It would be best to match the capability of both these lines, to increase operational flexibility throughout the state.

For example, the resulting increased south-to-north capability would give PG&E the flexibility to access additional renewable energy from the south (from the San Bernardino or Imperial Valley areas) instead of (or in addition to) supplies north of California that may require expensive transmission construction. The upgrade could also alleviate the current problems meeting 30-minute contingency requirements in the south that require out-of-market dispatches in the south, to leave Path 26 capacity open for contingency events,

Base Case assumptions: CalWEA continues to have concerns about the Base Case transmission assumptions – specifically, the inclusion of a major Canada/Northwest-to-northern California transmission line, supposedly to access additional renewable energy from the north. (This line is listed as a project under development in the 2008 ISO Transmission Plan, but PG&E did not request approval for the project this year, and it has not gone through an ISO stakeholder process.)

At the February 6th stakeholder meeting, the ISO and PG&E explained that inclusion of this line resulted from the following assumptions:

- 33% renewable-energy requirement by the 2020/2022 timeframe;
- 26%/74% northern-vs.-southern California split for future renewables development, per the recent CEC Intermittency Assessment Project (IAP) report; and
- A conclusion that the 26% renewable-energy figure could only be met through accessing substantial supplies from the north.

PG&E said that the new line will be physically modeled through a 1,250 MW renewable-energy injection at Tesla Substation, with Bay Area upgrades proposed to accommodate this. However, this could just as easily be viewed as 1,250 MW of renewable-energy development in northern California (CalWEA notes that the ISO interconnection queue contains more than this amount of northern California renewable energy capacity.)

The slides at the meeting mention a possible sensitivity case without this new line, in response to our January 23rd comments, but no other details were provided; moreover, this sensitivity study is not mentioned at all in the latest Study Plan.

In view of this latest information, and additional helpful clarifications provided by PG&E staff, we request that PG&E include the following clarifications about the Canada/Northwest-to-northern California line in its Final C3ETP Study Plan:

This conceptual project is included in the study because it is in PG&E's current 10-year transmission plan; however:

- Inclusion in the C3ETP study does not constitute a proposal to build this line or assumption that it will actually be built, nor does it prejudge whether the 26% of California renewable energy not provided by southern California/Southwest sources would come from Northern California or Northwest/Canadian sources; and
- In any case, whether the power comes from Northern California or Northwest/Canadian generation will have no material impact on the C3ETP analysis results.

We offer this compromise in consideration of our overall support for the C3ETP project, without waiving, in any way, CalWEA's rights to question the need for a Canada/Northwest-to-Northern California line in the future, if or when it is proposed for ISO and/or CPUC approval.