



California Wind Energy Association

April 6, 2009

John Boccio
Justin Seastrand
CPUC/USDA Forest Service
c/o Aspen Environmental Group
30423 Canwood Street, Suite 215
Agoura Hills, CA 91301
Via TRTP@aspene.com

Re: A.07-06-031 – Draft EIR/EIS for Proposed Tehachapi Renewable Transmission Project

Dear Messrs. Boccio and Seastrand:

The California Wind Energy Association (“CalWEA”) wishes to provide limited comments on the February 2009 Draft Environmental Impact Report/Environmental Impact Statement (“Draft EIR/EIS”) on Southern California Edison’s (“SCE”) Proposed Tehachapi Renewable Transmission Project (“TRTP”).

CalWEA strongly supports the TRTP, without which the state’s utilities and other load-serving entities will be unable to meet the 20%-by-2010 renewable energy requirement that California has placed on them. As it is, completing the project on the schedule set forth by SCE in its project application will result in achievement of the requirement three years late. To maintain confidence in the state’s commitment to achievement of its established environmental goals, it is essential that the schedule be met. As the greatest threat to the schedule is over the routing of Segment 8A, we encourage the Commission and the Forest Service to support a recently proposed modified version of Alternative 4C as a viable compromise so that the development of the TRTP can move forward without significant delays.

As the Draft EIR/EIS makes clear, in the absence of the TRTP or a project alternative, a similar project would be needed to interconnect new wind turbine-based electricity generated from the Tehachapi Wind Resource Area (“TWRA”) and deliver the energy to load centers. This is true not only because the wind generation is needed to meet the state’s mandated renewable energy and greenhouse gas reduction goals, but because federal transmission rules require the California Independent System Operator to provide wind generators access to the grid.

As the Draft EIR/EIS discusses, the TWRA is already zoned for wind energy production, and environmental review of proposed wind projects is subject to review by the CEQA lead agency and is not at issue under the TRTP application. Nevertheless, it is important that the discussion of wind project impacts on a programmatic level in this Draft EIR/EIS be complete and accurate. To that end, the

document should accurately represent the potential impacts and more fully consider the contribution of TWRA development toward achievement of the state's important environmental goals.

Further discussion of these issues follows.

Timely Completion of the TRTP is Urgently Needed

The TWRA is the largest and most concentrated source of wind energy in the state. The TRTP, together with the Antelope Transmission Project, will enable the interconnection of up to 4,500 MW of new generation resources, primarily wind energy projects, which have already applied for interconnection to the state transmission grid, as indicated in Draft EIR/EIS Table 6.2-2. The CPUC has identified lack of transmission as one of two main risk factors in achieving the state's 20%-by-2010 goals.¹ The TRTP is essential if the state is to meet its 20% renewable energy goal anywhere close to the intended timeframe.²

The completion of the TRTP is essential not only to *enable* achievement of the state's RPS goal, but completing the project by Winter 2013, as scheduled, is necessary to *realize* achievement of the goal. Timely completion of the project is critically important to preserve the viability of projects now in development. Recently extended federal tax credits, including a production tax credit and an investment tax credit option, will expire on December 31, 2012, and January 1, 2013, respectively.³ If the TRTP is not on schedule, considerable economic uncertainty will be created, greatly increasing project risk. In addition, certain environmental studies may expire and would need to be conducted again. Finally, carrying costs for landowners and purchased turbines are incurred with delayed project development.

We note that this Draft EIR/EIS has been completed six months later than the schedule provides for. While this apparently enabled further studies sought by the permitting agencies, it will be important to make up this lost time over the course of the rest of the schedule.

At this point, the greatest threat to the TRTP schedule is clearly the risk that the City of Chino Hills ("Chino Hills") will pursue litigation over the route for the south of Vincent portion of Segment 8A of the TRTP. Based on SCE's current plan, this segment would traverse populated areas of Chino Hills. We understand that Chino Hills has filed a lawsuit challenging SCE's real property rights to install 200-foot towers on its 150-foot right-of-way through dense residential communities as set forth in SCE's proposed route. We also understand that Chino Hills has proposed several alternatives for Segment 8A, all of which involve adding new transmission structures and/or rerouting existing transmission structures within Chino Hills State Park.

¹ The other identified main risk factor was the extension of federal tax credits. See "Renewables Portfolio Standard Quarterly Report," California Public Utilities Commission (July 2008), available at http://docs.cpuc.ca.gov/word_pdf/REPORT/85936.pdf.

² According to the California Independent System Operator (ISO), the TRTP, along with the Sunrise Powerlink project, are necessary to achieve the state's 20% RPS goal. See, e.g., "Report on Preliminary Renewable Transmission Plans," California ISO (2008).

³ "Summary of the American Recovery and Reinvestment Act (ARRA) of 2009: Provisions of Interest to the Wind Energy Industry," American Wind Energy Association (March 2009). Available at: http://www.awea.org/legislative/pdf/ARRA_Provisions_of_Interest_to_Wind_Energy_Industry.pdf.

We also understand that since the issuance of the Draft EIR/EIS on February 13, 2009, Chino Hills has continued its ongoing discussions with Hills for Everyone -- a non-profit organization dedicated to preserving open space in the Puente-Chino Hills region of southern California, which includes Chino Hills State Park -- in an effort to come to a solution that works for all affected stakeholders. These discussions have resulted in Hills for Everyone recommending changes to Alternative 4C, originally proposed by Chino Hills, to further mitigate the environmental impact on Chino Hills State Park. It is our understanding that Chino Hills concurs with these recommended changes.

Our review of Alternative 4C (modified) leads us to believe that it is a workable solution for all parties and, as such, CalWEA supports its development. We encourage the Commission and the Forest Service to support Alternative 4C (modified) as a viable compromise so that the development of TRTP project can move forward without any significant delays.

A Similar Transmission Project Would Be Needed Absent TRTP

As the Draft EIR/EIS makes clear, in the absence of the TRTP or a project alternative, a similar project would be needed to interconnect new wind energy facilities in the TWRA to enable energy deliveries to load centers. This is true not only because the wind generation is needed to meet the state's mandated renewable energy goals, but because federal transmission rules require the California Independent System Operator to provide wind generators access to the grid.

The multi-agency, multi-stakeholder Renewable Energy Transmission Project (RETI) assumes that the TRTP and the Sunrise Powerlink projects will be constructed and that several additional bulk transmission upgrades will be needed statewide to achieve the state's 33%-by-2020 Renewables Portfolio Standard ("RPS") goal, after accounting for reasonable estimates of distributed forms of renewable energy not requiring transmission expansions.⁴ The 33% RPS goal, in turn, must be achieved in order to achieve the state's AB 32 greenhouse gas reduction goals, according to the California Air Resources Board.⁵ The legislature has declared the establishment of this goal in law as a top priority for the 2009 legislative session.⁶

The Discussion of Wind Project Impacts, While Informational Only, Should Be Complete and Accurate

As the Draft EIR/EIS discusses in Section 6.1.3, much of the TWRA is already zoned for wind energy production, and environmental review of proposed wind projects is subject to review by the CEQA lead agency and is not at issue under the TRTP application. Nevertheless, it is important that the discussion of wind project impacts in this Draft EIR/EIS be complete and as accurate as possible. To that end, we concur with the April 1, 2009, comments of Terra-Gen Power, LLC, on the Draft EIR/EIS

⁴ See "Renewable Energy Transmission Initiative Phase 1B Final Report," California Energy Commission, California Public Utilities Commission et al., (January 2009), available at <http://www.energy.ca.gov/2008publications/RETI-1000-2008-003/RETI-1000-2008-003-F.PDF>.

⁵ "Climate Change Proposed Scoping Plan," California Air Resources Board (October 2008, adopted December 11, 2008). Available at <http://www.arb.ca.gov/cc/scopingplan/document/scopingplandocument.htm>.

⁶ "Bass, Steinberg Announce Joint Effort on Renewable Energy" (December 9, 2008, press release). http://democrats.assembly.ca.gov/speaker/News_Room/Press/press_releases/20081209AD47PR02.aspx.

regarding the informational nature of the discussion of wind project impacts and the specific updated information that is now available.

Further, CalWEA believes that the Draft EIR/EIS should consider the contribution that development of the TWRA will make toward achievement of the state's important environmental goals, which get very little attention in the document. Together with the nearly 700 MW of wind projects already operating in the area, whose output has been curtailed due to insufficient transmission capacity, the TRTP will enable five percent of the state's electric load to be served from TWRA – one-quarter of the state's 20% RPS requirement, and as much energy as is generated by California's Diablo Canyon nuclear power plant.

The TRTP, therefore, will play an essential role in meeting the state's adopted renewable energy and greenhouse-gas reduction goals, which address the ongoing problem of urban air pollution and the many expected (and already experienced) impacts of climate change, including more droughts, more frequent and extreme heat waves, decreases in winter snow pack, a rise in sea level, and increased occurrence of wildfires, among many others. The localized potential impacts of wind project development must be put in this broader context.

In conclusion, we urge the Commission and the Forest Service to do everything possible to keep the TRTP on schedule, including support of a recent proposal to modify Segment 8A. The Draft EIR/EIS should reflect the substantial contribution of the TRTP to achievement of the state's important environmental goals, which address urgent environmental problems.

We appreciate this opportunity to comment on the TRTP EIR/EIS and look forward to timely progress on the project.

Sincerely,

A handwritten signature in black ink, appearing to read "Nancy Rader". The signature is fluid and cursive, written in a professional style.

Nancy Rader
Executive Director

