

CalWEA Comments on the CTPG Phase 3 Draft 2 Study Results

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CalWEA appreciates the opportunity to comment on the CTPG Phase 3 report. Our comments address the study approach -- with which we have serious concerns -- and the results of that approach.

As an initial matter, CalWEA supports the role of CTPG as a “technical” body that would, with a solely technical focus, develop a statewide (or better yet, region-wide) conceptual transmission plan for use by all California Balancing Authorities (BAs). We would, however, recommend that this group expand its core study team to include at least one qualified member representing Independent Transmission Companies (ITCs), and at least one qualified member representing renewable resource developers.

More importantly, CalWEA strongly recommends that the CTPG focus on developing a transmission plan that includes only major regional transmission projects based solely on the identified needs of California’s transmission system as well as transmission needs that are common to most, if not all, renewable energy development scenarios for meeting California’s 33% RPS requirement (i.e., least-regrets planning). CTPG’s focus should not be placed on requests to study specific proposed projects, although CPTG should subsequently measure the effectiveness of such proposed projects, if any, in efficiently meeting the needs identified in the overall transmission plan developed by the CTPG.

In the beginning of the CTPG process, we were encouraged by the CTPG team’s willingness to engage stakeholders and solicit their suggestions and comments. We found the team’s willingness to embrace the principles of “least regrets planning” especially encouraging.¹ When CTPG published the Phase 1 study results (see Figure 1, below), we were very pleased to observe that we were, by-and-large, on a path to developing a true statewide regional and “least regrets” transmission plan that various BAs could use to develop their specific transmission projects. This was despite the fact that the methods used were not sufficiently transparent.

Unfortunately, the results from the CTPG’s subsequent Phase 2 and Draft 1 of Phase 3 changed radically, consisting of many local transmission upgrades and therefore departing considerably from the promising “least regrets” conceptual plan that resulted from Phase I – see Figure 2, below. The stark contrast between Figures 1 and 2 clearly shows the effect of moving from a least-regrets

¹ [The importance of the least regrets planning is discussed in CalWEA’s June 25, 2010 filing before FERC on the CAISO’s proposed Revised Transmission Planning Process.](#)

approach to a project-patchwork approach. In our submitted comments on the results from Phase 2 and Draft 1 of Phase 3, CalWEA specifically pointed to the failure of the CTPG process and results and offered ways of addressing the problem. (See CalWEA's 4/30/10 and 7/12/10 [comments](#).) Unfortunately, CTPG, which by this time had by and large disengaged from active stakeholder participation, not only ignored our comments but also failed even to post our April comments on its website for four months.

Given this history, CalWEA is particularly displeased with the Phase 3 Draft 2 results since not only has the CTPG neglected to modify its approach and generate a least-regrets transmission plan, but also, for unknown reasons, strongly recommends a number of transmission projects that:

1. Are largely already in advanced stages of study and development by its member utilities and are not in need of further clarification by CTPG; and
2. Do not meet the least-regrets test, as they are dependent on the development of only one or a few commercial projects and, as such, are at risk of becoming stranded transmission investments.

Therefore, we find that the Phase 3 Draft 2 results are of little value in advancing the stated objective of the CTPG and the CAISO to facilitate achievement of California's 33%-by-2020 RPS goal.

Figure 1. CTPG Phase 1 Transmission Plan Vs RETI Conceptual Transmission Plan

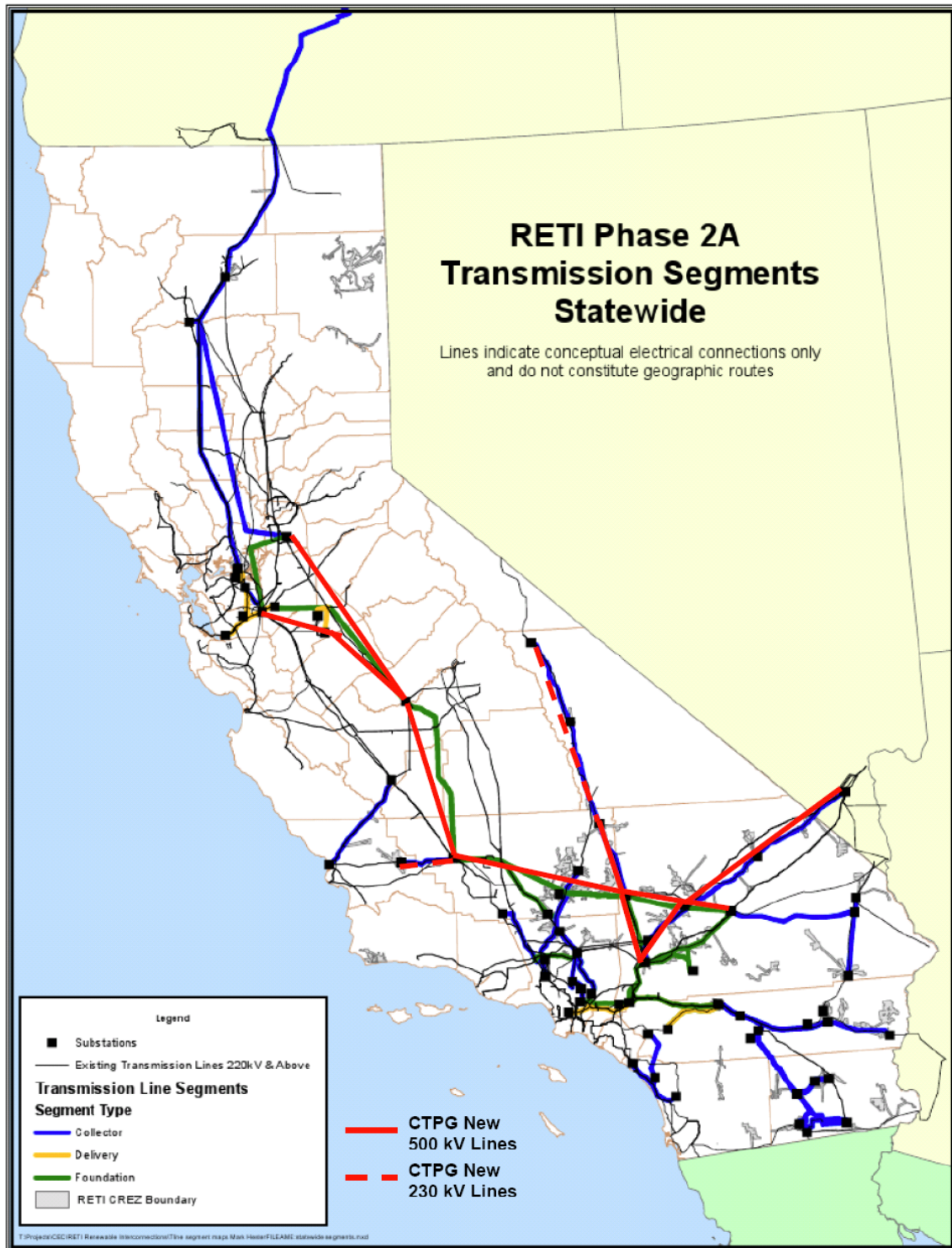


Figure 2. CTPG Phase 3 Draft 2 Transmission Plan

