

## DOCKETED

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**PG&E Comments re: RETI 2.0**

*Additional submitted attachment is included below.*

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DOCKET 15-RETI-02**California Energy Commission  
Dockets Office, MS-4  
Docket No. 15-RETI-02  
1516 Ninth Street  
Sacramento, CA 95814-5512Re: Docket 15-RETI-02: Pacific Gas and Electric Company Comments on the May 2, 2016 Joint Agency Workshop for the Renewable Energy Transmission Initiative 2.0

Pacific Gas and Electric Company (PG&E) appreciates the opportunity to provide comments on the May 2, 2016 Joint Agency Workshop of the Renewable Energy Transmission Initiative (RETI) 2.0, hosted by the California Public Utilities Commission (CPUC), California Energy Commission (CEC), and California Independent System Operator (CAISO).

As PG&E has maintained throughout the RETI 2.0 process, RETI 2.0 should focus on how best to inform the inputs into existing regulatory proceedings, facilitating the study of renewable and transmission capacity in context of the RPS Calculator, Long-Term Procurement Plan (LTPP), and Transmission Planning Process (TPP) proceedings. In light of California's existing, robust energy planning processes, it would be counterproductive for RETI 2.0 to produce conclusive recommendations for specific resource combinations or transmission investments which could conflict with or needlessly duplicate the results of other proceedings.

Section I of these comments addresses this point in the context of the new Transmission Assessment Focus Areas (TAFAs) presented at the May 2 meeting. Section II contains a number of specific suggestions regarding data and assumptions to be used as the study of the TAFAs continues.

**I. RETI 2.0 Transmission Assessment Focus Areas (TAFAs) Should Align with Existing Regulatory Geographies**

PG&E is concerned with the shift proposed at the May 2<sup>nd</sup> workshop to create three different areas of study for the TAFAs (in-state resources, import/export paths, and out-of-state resources)<sup>1</sup>, and to align the TAFAs study areas with non-regulatory planning geographies. RETI 2.0 TAFAs should align with the Super Competitive Renewable Energy Zones (CREZs) and Energy-Only (EO) zones in the RPS Calculator to provide helpful renewable and transmission capacity information to inform future regulatory transmission planning processes (TPP). The new proposed TAFAs include partial CREZ areas (Tehachapi TAFAs), problematically pick a subset of CREZs from an EO-zone while assigning the full EO capacity

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<sup>1</sup> RETI 2.0 Agency Management Team, "Transmission Assessment Focus Areas. Introduction, Proposed List, and Next Steps." May 2, 2016, slide 4.

(Victorville/Barstow TAFAs, which also includes partial CREZ areas), and combine CREZs from multiple EO-zones without considering the EO capacity of the combined zones (San Joaquin Valley TAFAs). By aligning the TAFAs with the Super CREZ/EO zone boundaries established by the CPUC and the CAISO, RETI 2.0 initially set up a process which could provide helpful information for existing regulatory processes. Based on the design of the new proposed TAFAs, the information studied by the Environmental and Land Use and Transmission Technical Working Groups in the proposed TAFAs will be misaligned with existing regulatory planning processes and not useful in these forums.

## II. Specific Recommendations as RETI 2.0 Advances

***TAFAs projected study ranges are not aligned with the identified data sources and should be considered exploratory:*** The link between the data sources in the proposed TAFAs and the proposed study ranges is unclear. For example, in the San Joaquin Valley TAFAs the RPS Calculator shows that only 599-808 MW of renewables would be selected through plausible least-cost best-fit procurement, yet RETI 2.0 proposes to study up to 10,000 MW of solar alone. Similarly, in the Victorville/Barstow TAFAs, the RPS Calculator selected less than 50 MW and the CAISO queue shows less than 100 MW of near-term commercial interest, yet RETI proposes to study 5,000 MW of new wind and solar. RETI 2.0 should be transparent about the connection between the proposed data sources and the calculation of the resulting TAFAs study ranges. Given that these proposed study ranges far exceed the ranges supported by the data sources considered in RETI 2.0, these values should be considered exploratory ranges and RETI 2.0's final report should be clear that these exploratory ranges are neither projections nor recommendations.

***RETI should include a variety of study ranges and consider a diverse resource mix for further study:*** RETI 2.0 should provide the Environmental and Land Use and Transmission Technical Committees with a range of renewable capacity values to study, ranging from a "low case" to an "exploratory case" of renewable energy penetration. Since there is much uncertainty and limited information on renewable potential ranges from existing interconnection studies in several of the proposed TAFAs or Super CREZ/EO areas, PG&E recommends that RETI 2.0 provide these value ranges to cover a variety of potential renewable development scenarios. This way, if there is no interconnection information available for the potential "exploratory" ranges there may still be information available on some of the "low" ranges. Additionally, transmission upgrades are incremental (i.e., "lumpy"), and a variety of renewable capacity values will help identify when particular upgrades might be triggered.

***RETI 2.0 should utilize the final LTPP RPS Scenarios:*** RETI 2.0 should utilize the RPS scenarios in the forthcoming final assumptions and scenarios ruling in the 2016 LTPP proceeding as a data source for the TAFAs to ensure alignment with the regulatory planning proceedings. Additionally, RETI 2.0 should utilize the final version 6.2 of the RPS Calculator. The "sensitivity studies" performed by Energy Division used a "draft" version of the RPS Calculator, for which CPUC staff have stated they plan to update input assumptions upon final release. PG&E's comments on the draft RPS portfolios in the RPS proceeding identify specific concerns with the analysis done using the "draft" version of the RPS Calculator v6.2.<sup>2</sup>

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<sup>2</sup> CPUC Rulemaking 15-02-020. PACIFIC GAS AND ELECTRIC COMPANY'S (U 39 E) COMMENTS IN RESPONSE TO RULING ACCEPTING INTO THE RECORD ENERGY DIVISION STAFF PAPER ON DRAFT 2016 RPS PORTFOLIOS FOR GENERATION AND TRANSMISSION PLANNING, March 29, 2016.

***CAISO Queue and CEC Database:*** RETI 2.0 should not use the CAISO queue or the CEC database to calculate proposed transmission capacity in any given TAFAs. The CAISO's revised Generator Interconnection and Deliverability Allocation Procedures-TPP process considers project viability and not just the interconnection queue in assessing transmission needs, and RETI 2.0 should align its consideration of the CAISO queue similarly. Additionally, the CEC Project Database shows renewable projects in development and is an indicator of developer interest; however, some of these projects may not receive all necessary permits, may receive permits but not contracts, or may otherwise not come to fruition.

***Draft DRECP Assumptions are Redundant as Part of RETI 2.0:*** RETI 2.0 should not consider the draft Desert Renewable Energy Conservation Plan (DRECP) assumptions as a data source for the TAFAs. When finalized, the DRECP will be a guiding document for renewable development focus areas within DRECP boundaries, but its impact has already been modeled in the RPS Calculator using the "Environmentally Preferred Scenario" which includes resource screens based on the DRECP.

***Transmission locations and sub-transmission network:*** From a transmission planning perspective, RETI 2.0 should consider that the location of the interconnection of the individual resource is equally as important as the broader geographic area in which the resource might be located. PG&E suggests that the RETI 2.0 Transmission Technical Working Group consider the transmission location (point of interconnection) and the sub-transmission network within the TAFAs. For example, RETI should examine if there is sufficient capacity on the sub-transmission network to deliver EO capacity to the high voltage "backbone". Sub-transmission challenges were noted in the CAISO's 50% RPS Special Study when modeling large volumes of EO resources. PG&E suggests that the Transmission Technical Working Group consider these issues when examining transmission needs related to EO procurement.

### **III. Conclusion**

PG&E appreciates this opportunity to comment on the Joint Agency Workshop for RETI 2.0 and looks forward to continued participation in this effort.

Sincerely,

/s/

Nathan Bengtsson