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Defenders of Wildlife and Sierra Club comments on August 3 IEPR workshop

Additional submitted attachment is included below.

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From: Kim Delfino, Defenders of Wildlife
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Date: August 18, 2015

Subject: Comments to the Integrated Energy Policy Report Commissioner Workshop on Landscape-Scale Environmental Evaluations for Energy Infrastructure Planning and the Strategic Transmission Investment Plan (August 3, 2015)

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I. Introduction and Summary

Defenders of Wildlife and Sierra Club respectfully submit these comments to the California Energy Commission (CEC) regarding the Integrated Energy Policy Report Commissioner Workshop on Landscape-Scale Environmental Evaluations for Energy Infrastructure Planning and the Strategic Transmission Investment Plan, held on August 3, 2015.

We thank the CEC for hosting the workshop. We strongly support the ongoing work of the CEC, the California Public Utilities Commission (CPUC), the California Independent System Operation (CAISO) and California's county governments regarding aligning renewable energy development, transmission, and natural resource protection.

Achieving a low carbon energy future is critical for California – for our economy, our communities and the environment. Key to this future is not only a rapid decarbonization of the energy and transportation sectors, but also protecting and managing the natural and working lands which will help mitigate climate change impacts by providing vital carbon sequestration benefits[1] as well as providing crucial habitat for California's diverse ecosystems.

The comments below are informed by a dedication to achieving this future at the pace and scale necessary to reduce the worst impacts of climate change. In these comments we

[1] http://www.arb.ca.gov/html/fact_sheets/nwlfactsheet.pdf

answer select workshop discussion questions, and address other themes from the workshop.

II. Right Sizing Transmission

We appreciate that the CEC has continued to prioritize evaluating options and solutions for synchronizing generation, transmission and landscape-scale planning processes.[2] Evaluating the potential for right-sizing to serve as an option or solution is important in this context.

Right-sizing transmission lines to add capacity later can be useful in maximizing existing transmission corridors, reducing on-the-ground natural resource impacts from transmission lines. Right-sizing should be considered as a possible tool when the state is evaluating how best to serve preferred areas for renewable generation that have been identified through landscape-scale planning process. Shifting to a paradigm where transmission capacity is determined by the predicted development capacity in specific geographic locations could help assure development is concentrated in low-impact locations instead of scattered across a landscape. As noted in our previous comments, landscape-scale planning for energy and biodiversity conservation should serve as a roadmap for planning future renewable energy and related transmission development needs.[3]

Included in the agenda for the August 3 workshop were questions related to right-sizing transmission. Below we offer comments related to these questions:

> Renewable energy development in California is going through an important transition; while aspects of our energy planning tools still emphasize the project-by-project approach to long-term energy and transmission planning, it's clear that there is real interest and investment in shifting the paradigm from piecemeal development towards comprehensive energy planning. Key to this is developing planning alternatives which first identify areas appropriate for renewable energy potential, informed by the best available scientific information and input from county jurisdictions and other stakeholders. This shift would require "right-sizing" the potential capacity of a line based on the size of the area or areas designated for renewable energy development through planning efforts like the DRECP. As an example of how this might work, DRECP included the assistance of a Transmission

[2] California Energy Commission. 2013. 2013 Integrated Energy Policy Report. Publication Number: CEC-100-2013-001-CMF.Page 174.

[3] The Nature Conservancy, Natural Resources Defense Council, Defenders of Wildlife, Sierra Club. Comments to the Lead Commissioner Workshop on Integrating Environmental Information in Renewable Energy Planning Processes (August 19, 2014).

Technical Group to analyze possible transmission needs once areas of lower resource conflict were identified.

The results of the current San Joaquin solar convening should inform transmission-planning decisions. The San Joaquin Valley is an area with significant renewable energy resource potential, coinciding with areas of low natural resource value and low agricultural resource value on salt-impacted lands in Kern and Kings Counties. Developing these lands for solar energy is supported by conservation groups, local governments and the agricultural community. Although the San Joaquin planning process is permit-oriented than the DRECP and will not independently develop data, transmission to this area should be developed based on the size of the potential solar resource in the consensus area, rather than power purchase agreements, the lack of which have traditionally stymied development in this area. As discussed in Section III, transmission to this area should be prioritized.

Ideally, sustainable planning for renewable energy would first review availability of existing transmission lines and the potential to add new lines on existing towers. Those opportunities, where available, should then be aligned with lowest-impact areas identified through landscape scale planning. In terms of new transmission, our organizations strongly believe in the importance of a California energy future that uses landscape-scale planning to *first* identify preferred areas of least-impact for generation development and <u>then</u> strategically plans transmission investments to these areas for timely development and delivery of renewable energy. In this paradigm, the evaluation of needed transmission would consider the feasible buildout of consensus generation areas as the guide for transmission proposals, together with need to protect and manage natural and working lands.

III. Other Issues Raised during Workshop

1. <u>RETI 2.0 Process</u>

The following comments are provided in response to the announcement of commencement of a second iteration of the Renewable Energy Transmission Initiative (RETI 2.0).

A. RETI 2.0 should use the best available information and science.

In the years since the first Renewable Energy Transmission Initiative (RETI) was developed, tremendous public and private investments have been made in landscape-scale planning for energy at the local, state, and federal levels (e.g., BLM's Western Solar Energy Program, Desert Renewable Energy Conservation Plan, San Joaquin Valley Solar Assessment, County renewable energy and conservation planning efforts). These planning processes have generated high-quality scientific data, in particular regarding

vegetation and habitat value. County-led planning processes have resulted in more information on where renewable energy generation aligns with local government and community values. Additionally, natural and working landscapes are increasingly recognized for their value in sequestering carbon as well as providing biodiversity values and identified as such.

At a minimum, these data are invaluable in determining locations where renewable energy development permitting will encounter fewer barriers or delays. At best, they provide greatly improved on-the-ground information to determine where the least-impact places for large-scale renewable energy and transmission are located. We strongly support using data generated by these efforts as a foundational building block for RETI 2.0, to ensure transmission and generation investments occur in areas that align with conservation and local government values, rather than being primarily driven by commercial interest. Utilizing these data, areas throughout the state can be identified that may be appropriate for renewable energy zones and related transmission, located on the lowest-impact lands and avoiding environmentally and culturally sensitive lands. This ultimately will provide for greater certainty in the renewable energy project development, as well as protecting important natural and working lands for carbon sequestration and habitat and biodiversity values. The Databasin platform developed by the Conservation Biology Institute for the CEC presents an opportunity to provide the best available data, generated not only through renewable energy planning processes, but also by state and federal wildlife agencies, other agencies, and conservation institutions, transparently, to guide transmission investments to locations which align with appropriately located projects as well as conservation and community values.

B. Provide incentives for transmission to serve consensus lands in Western San Joaquin Valley

In the time since the first RETI process, it has become clear that the paradigm of transmission investments following power purchase agreements may not lead to development of those areas in alignment with conservation, community and local government values. The poster child for this is the salt-impacted in the Western San Joaquin Valley. Developing these lands for solar is supported by conservation groups, local governments and the agricultural community. Converting these lands for solar energy development would benefit land, water and air quality. However, developing this area has been stymied by the chicken-and-egg transmission process whereby projects are unable to obtain a power purchase agreement (PPA) because of a lack of adequate transmission yet, the transmission planning process heavily weights whether a project has an approved PPA in determining transmission investments. An early

priority of any new energy and transmission initiative such as RETI 2.0 should be to prioritize transmission and development to the consensus lands in the Western San Joaquin Valley. Developing these lands for solar will provide environmental benefits and developing these lands should be a first priority of any initiative.

C. Enable transparent and robust stakeholder engagement

In order to be truly successful, the RETI 2.0 must correctly identify locations which align with community, conservation and energy values. Therefore, this process must get input from a wide range of on-the-ground stakeholders during the entire process at meaningful decision points. These include tribal and county governments, utilities, environmental groups, community groups, renewable energy developers and wildlife agencies. Furthermore, RETI 2.0 must be conducted in an open and transparent process in order for stakeholders and other interested parties to understand the data and decisions made during this process.

2. <u>County Perspective on Landscape-scale Planning</u>

Presentations from California counties at the workshop revealed the challenges and opportunities that counties face with implementing landscape-scale renewable energy and conservation planning. Across all counties, development of large-scale wind and solar is often not viewed favorably by the public whom the County Supervisors serve. The science underlying landscape-scale planning typically recommends development in less intact habitat that is often heavily parcelized and at least partially disturbed. However, these areas also tend to coincide with where people have chosen to live due to the rural values, including sweeping desert vistas and natural landscapes. Wind and ground-mounted solar facilities of any size are typically undesirable for residents in desert counties. As planned for in Phase II of DRECP, the CEC must work with local governments, particularly the counties, to address this issue as part of completing the landscape-scale planning for the public-private lands planning vision of the DRECP.

Similarly, counties such as Kern, San Bernardino and Inyo Counties, suffer from a lack of property tax revenue from private lands that they approve for solar development as solar projects are exempt from state property tax. Likewise, these counties have little incentive to designate conservation areas for the same reason – conservation lands generate little property tax revenue. For San Bernardino and Inyo counties, in particular, the small percentage of private lands within the counties is what they depend on for a tax revenue base.. For landscape-scale planning to be implementable, the state must work closely with the affected counties and dedicate resources to finding a solution to this challenging issue.

Completing Phase II of the DRECP will require participation from all DRECP counties. Thus, we highly recommend the CEC work with the DRECP counties to resolve the issues that

have surfaced repeatedly. One possibility would be for the CEC to conduct a workshop with DRECP counties to attempt to resolve some of these issues that seem inherent in applying landscape-scale planning for renewable energy and conservation on the ground. This workshop should focus on the economic issues facing local governments in designating renewable energy development and conservation areas, and ways to provide benefits to residents and taxpayers from solar development. The workshop could be designed to help provide CEC and the counties with more informed answers to the public's many unanswered questions regarding the need for landscape-scale renewable energy planning and the DRECP, as well as providing a tool-kit for County governments to obtain benefits for their residents.

IV. Conclusion

We appreciate the opportunity to participate in the wide-ranging discussion at the workshop, and to provide these follow-up written comments. Adopting landscape-scale approaches into all facets of energy planning becomes increasingly important as we look to California's energy future. With landscape-scale planning for energy development, transmission, and conservation, we can create a path forward where we develop meaningful incentives through good planning to enable accelerated renewable energy development while protecting natural and working lands. We look forward to continuing to work with you on this important issue.

Respectfully submitted,

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