

<b>DOCKET</b>	
06-IEP-1A	
DATE	DEC 7 2006
RECD.	DEC 18 2006



# enXco Development Corp.

## 2006 Integrated Energy Policy Report Update

### Committee Draft

CEC Docket No. 06-IEP-1A

Committee Workshop

Sacramento, CA

December 7, 2006

# enXco Comments



- Introduction
- General Comments
- 2006 IEPR Update Highlights
- Concerns with Committee Draft
- Conclusion



# enXco Overview

- California-based enXco develops, constructs, operates and manages wind energy projects throughout the United States.
- enXco is one of the leading providers of operation and maintenance services for wind energy projects.
- enXco has emerged as an industry leader in wind project development and construction.
- In California, enXco has developed wind energy projects in Solano County and Tehachapi area and is developing major new projects in Solano County and Antelope Valley.
- enXco is an affiliate of Edf Energies Nouvelles and is a member of the Edf (Electricite' de France) Group.

*our energy knows no limits*



# General Comments



- enXco supports many of the issues identified in the RPS Mid-Course Review section of the 2006 IEPR Update.
- Lack of transmission infrastructure to access renewable resources is the most critical barrier to meeting California's 20 percent target by 2010.
- Committee Draft needs to be updated to reflect recent progress on the Tehachapi Renewable Transmission Project.
- enXco is a member of CalWEA, CEEERT and IEP and support, in general, their comments in this proceeding.

*our energy knows no limits*

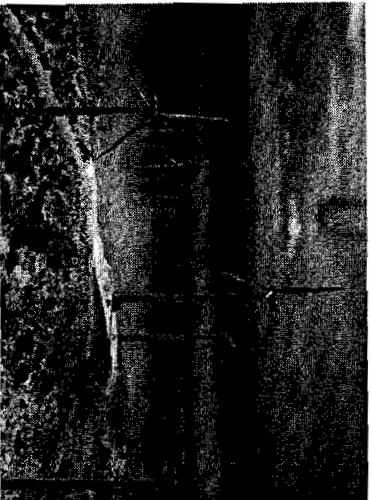




# 2006 IEPR Update Highlights

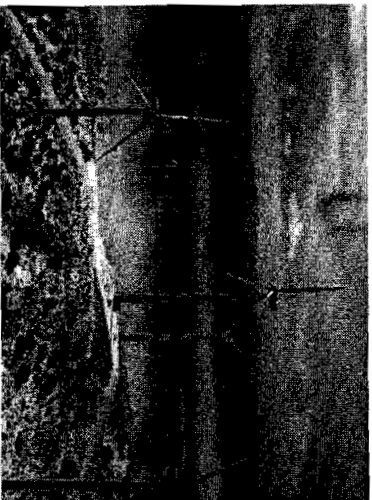
- Agree with the five primary barriers to achieving “Renewable Energy Development”.
- Strongly support the option to eliminate the MPR and SEP entirely with one payment from LSE and support acceleration of this issue.
- Support the recommendation to allow the IOUs a higher rate of return on Renewable power contracts.
- State’s energy agencies should evaluate possible incentives to encourage repowering of aging wind facilities to boost renewable generation from these prime sites.

# Concerns with Committee Draft



- Tone of the draft implies that the RPS process is not working when in fact projects are being permitted and renewable RFO's are being issued on an accelerated basis.
- No language on a public education program on the RPS goals and what that means for reliability and cost.
- No discussion on the energy agencies processes that are slowing down renewable development (Ex: CEC Avian Guidelines).
- No discussion regarding Greenhouse Gas Reduction Adder as additional incentive for renewable development.

# Conclusion



- In general, enXco supports the 2006 Integrated Energy Policy Report Update.
- While lack of transmission infrastructure is main impediment to Renewable Energy development the process of building new transmission is actively underway.
- Not all RPS compliance delays are necessarily the fault of the utilities, and that should be taken into account in assessing non-compliance penalties if targets not be met.
- There is continued lack of transparency in the utilities least-cost, best-fit methodologies. More transparency is needed especially if utility ownership of renewable projects is allowed and encouraged.

*our energy knows no limits*

**enXco**