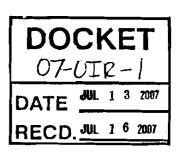


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July 13, 2007

Chris Tooker, Manager California Energy Commission Systems Assessment and Facilities Siting 1516 9th Street Sacramento CA 95814-5512



Subject: Proposed Regulations for an Electric Transmission Corridor Designation Process Under SB 1059

Docket No. 07-OIR-1

Dear Mr. Tooker:

Imperial Irrigation District ("IID") appreciated the opportunity to provide our initial comments on the Staff's Proposed Regulations for an Electric Transmission Corridor Designation Process under SB 1059. We are pleased the Staff's proposed regulations are intended to include a reference to WECC/NERC planning and review processes in Appendix G, Part (d), Item (8). We look forward to reviewing the revised language.

In addition to the above, IID would make the following two recommendations:

Recommendation 1) Senate Bill 1059 defines a transmission corridor as being no "more than 1,500 feet in width unless required to accommodate existing land uses identified in local general or specific plans." Therefore, IID believes that specific corridors should be sited consistent with Senate Bill 1059. IID recommends that the regulations be amended to require an applicant to state the width of the corridor. If a proposed transmission corridor width is greater than 1500 feet then a separate statement in the application should be required to be filed by the applicant. The CEC should carefully scrutinize the reasons for allowing a corridor larger than 1500 feet.

Recommendation 2) Alter Section 2405(a)(3) Public Notification. This proposed section currently requires property owners, federal and state agencies, and others that have a jurisdictional interest in the proposed corridor zone, to be publicly notified.



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IID recommends that Section 2405 (a)(3) Public Notification should be clarified to require that <u>state political sub-divisions of the state, such as IID, as well as</u> non-participating transmission owners of the CAISO, are notified and transmitted a copy of the application if the proposed corridor traverses its control area. It is not clear from the Public Notification provision whether the impacted utility is alerted of the application when filed.

Finally IID would like to reiterate several of the comments we made on the record at the June 29th workshop.

As the Energy Commission is aware IID, along with SDGE and Citizens, has signed a Memorandum of Agreement to jointly explore the development of a 500 kV transmission line from Imperial Valley Substation in Imperial County to the future Central Substation in San Diego County. This project is often referred to as the Sunrise/Green Path Southwest transmission project.

IID would stress that it has been in the lead for decades in promoting the development of rich geothermal, and new solar and wind green energy, development within its service territory by integrating IID's transmission expansion plan with the plans of neighboring utilities, control areas, transmission developers and transmission planning authorities in an effort to attain the most cost effective regional transmission system.

IID would like to emphasize three points:

- 1. We would like to stress that while IID is committed to regional and state-wide energy goals, we must ensure that IID rate-payers are not adversely impacted in the course of assisting in reaching regional or state goals.
- 2. We believe that designated transmission corridors should use existing utility corridors and existing private rights of way to the fullest extent possible, and minimize the impact to valuable agricultural and farm lands.
- 3. Any potential transmission projects and corridor designations must avoid stranding of present or planned IID assets. IID is planning to increase the existing capacity of its current transmission system and to construct new transmission facilities to accommodate the San Diego Gas & Electric's Sunrise Powerlink project and to significantly increase the export of renewable to the rest of the State. IID needs to do this in such a manner as to protect its ratepayers, serve its growing load, and facilitate the needs of generators. IID must ensure that its investments will not be stranded by other utilities' ability to be permitted to



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build facilities that duplicate already existing and planned IID transmission facilities.

To prevent this from happening, IID is actively following new regulation and planning activities in the Western Grid. In supportive and appropriate roles, IID is currently participating in planning activities with regional planning groups as mandated by FERC Order 890. IID is also sensitive to the new National Interest Electric Transmission Corridors proposed by the Department of Energy and to the CAISO Petition for Declaratory Order regarding the financing of trunk lines. In due diligence and with prudent business plans IID is continually modifying its expansion plans to meet regional grid needs.

In conclusion, IID welcomes the opportunity to participate in this proceeding to help ensure that regional and state transmission goals are met while ensuring that its rate-payers are not adversely impacted.

Regards,

Ziad Alaywan