



**Pacific Gas and  
Electric Company**

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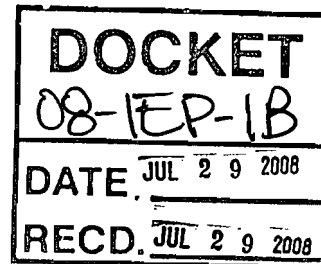
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July 29, 2008

**Electronic Delivery**

California Energy Commission  
Docket Office, MS-4  
Attn: Docket No. 08-IEP-1B  
1516 Ninth Street  
Sacramento, CA 95814



**Re: Docket No. 08-IEP-1B**

Docket Office:

Please find attached PG&E's comments on the workshop held July 23, 2008, regarding Transmission Issues for 33% Renewables by 2020.

Please contact me should you have any questions. I can be reached at 415/973-4185.

Sincerely,

Kathy Treleven

Attachment

PG&E's Comments in Response to the CEC Staff's  
Workshop on Renewable Transmission Issues  
Held July 23, 2008

PG&E appreciates the CEC staff's acknowledgment of the many electric transmission issues associated with expanding the development of renewable generation. PG&E has been participating in many of the electric transmission reform initiatives and appreciates the many different efforts that the CEC, other state agencies, the CAISO, and other entities are engaged in to address these barriers. These efforts, to achieve the stated goal of expanded renewable generation, will only be successful if they result in the accelerated development of cost-effective and targeted transmission investments to achieve this public policy goal.

One critical factor to ensure these initiatives will be successful is to match the resulting transmission plans or requirements with commercial realities. Receiving more information on where and when the commercial development of renewables will occur would assist in better coordination and planning of new electric transmission facilities; one of the goals of integrated planning. Without true integrated planning, PG&E is concerned about building transmission lines and missing the commercial reality and viability of the renewable generation that might utilize them. PG&E will continue to work with the CEC and others in these many state-wide and region-wide efforts to arrive to an optimum deployment of new transmission facilities for the renewable resources.

The availability of new electric transmission capacity is one of the key issues to increasing renewable supply. Given the remote locations of renewable resources, significant upgrades in the transmission infrastructure will be required, both in California and throughout the WECC. New transmission infrastructure will be capital intensive and will require many years to plan, permit and construct, generally considerably longer than it takes to construct a renewable generating facility. For example, one estimate prepared for the CEC, in California alone, exceeds \$6 Billion for a 33% RPS test case, excluding land and right of way costs.<sup>1</sup> Transmission limitations will have a direct impact on how quickly and at what total cost California will be able to add increased renewables to its resource mix.

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<sup>1</sup> CEC-500-2007-081, "Intermittency Analysis Project: Final Report," July 2007.

Along with the CEC and other stakeholders, PG&E is working hard on the many initiatives through which the state is attempting to resolve transmission questions related to encouraging renewable development. PG&E has been actively participating in the Renewable Energy Transmission Initiative (RETI) and in the Western Governors' Association's Western Renewable Energy Zones task forces, as well as the Northern California Regional Integration of Renewables (RIR) study. PG&E works with the CAISO on regularly updated grid transmission expansion plans and with the CEC and the federal government on transmission corridor planning. PG&E has been a part of the CAISO's effort to reform the transmission queue. PG&E has continued to invest to expand its transmission infrastructure, and has proposed the Central California Clean Energy Transmission Line (C3ET), among other projects, to bring greater access to new clean energy resources currently under development in California and the western States.

Thank you for the opportunity to add our comments to the CEC's ongoing discussion within the 2008 IEPR Update proceeding on barriers to expanding renewable resource investment in California.

**Docket Optical System - Docket No. 08-IEP-1B**

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**From:** "Denzler, Jacquelyn" <JJF9@PGE.COM>  
**To:** <docket@energy.state.ca.us>  
**Date:** 7/29/2008 4:29 PM  
**Subject:** Docket No. 08-IEP-1B  
**CC:** "Patry, Daniel" <DbP0@PGE.COM>, "Treleven, Kathleen" <KTT3@PGE.COM>  
**Attachments:** Scan4158.pdf; 2008\_07\_29 Transmission Issues for 33% Renewables by 2020.doc

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Docket Office:

Attached are PG&E's comments.

<<Scan4158.pdf>> <<2008\_07\_29 Transmission Issues for 33% Renewables by 2020.doc>>

Thank you,

Jackie Denzler

PG&E State Agency Relations

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