11-IEP-1G
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THE STATE OF CALIFORNIA
BEFORE THE
CALIFORNIA ENERGY COMMISSION

In the Matter of:	)	Docket No. 11-IEP-1E, 11-IEP-1G
	)	
Preparation of the 2011 Integrated	)	COMMITTEE WORKSHOP
Energy Policy Report	)	RE: Transmission Needed to Meet
(2011 IEPR)	)	State Renewable Policy Goals

POST-WORKSHOP COMMENTS OF THE CALIFORNIA MUNICIPAL UTILITIES ASSOCIATION ON TRANSMISSION NEEDED TO MEET STATE RENEWABLE POLICY GOALS AND MANDATES

Pursuant to the procedures established by the California Energy Commission ("Commission" or "CEC") in its Notice of May 3, 2011, the California Municipal Utilities Association ("CMUA") respectfully submits these Post-Workshop Comments on Transmission Needed to Meet State Renewable Policy Goals and Mandates, in response to issues raised at the IEPR Workshop of May 17, 2011.

CMUA is a statewide organization of local public agencies in California that provide water, gas, and electricity service to California consumers. CMUA membership includes over forty electric distribution systems and other public agencies directly involved in the electricity industry ("POUs").[1] CMUA members own and operate significant local and interregional transmission facilities for the benefit of their customers

[1] CMUA electric utility members include the Cities of Alameda, Anaheim, Azusa, Banning, Burbank, Cerritos, Colton, Corona, Glendale, Healdsburg, Lodi, Lompoc, Los Angeles, Needles, Palo Alto, Pasadena, Pittsburgh, Rancho Cucamonga, Redding, Riverside, Roseville, Santa Clara, and Vernon, as well as the Imperial, Merced, Modesto, Turlock Irrigation Districts, the Northern California Power Agency, Southern California Public Power Authority, Transmission Agency of Northern California, Lassen Municipal Utility District, Power and Water Resources Pooling Authority, Sacramento Municipal Utility District, the Trinity and Truckee Donner Public Utility Districts, the Metropolitan Water District of Southern California, and the City and County of San Francisco, Hetch-Hetchy.

and all of California. In total, CMUA members provide electricity to approximately one quarter of all Californians.

Panelists at the Workshop made excellent points about needed improvements to the transmission planning process, including (1) the need to better marry commercial development timelines with transmission planning, siting, and construction lead times; and (2) the desirability of incorporating environmental and land use factors earlier in the transmission planning process. CMUA agrees with both of those points.

However, CMUA does not want the Commission to lose site of the considerable progress and improvements that have occurred since the last IEPR cycle. First, as on outgrowth of the Renewable Energy Transmission Initiative ("RETI"), but in recognition that RETI lacked the technical wherewithal to do technical planning studies, the major transmission providers and Balancing Authorities within California formed the California Transmission Planning Group ("CTPG"). CTPG is an unprecedented collaborative of both investor-owned and publicly-owned transmission providers in California, that are looking across electrical and service territory boundaries to examine transmission investments that meet renewable goals in a comprehensive and cost-effective manner. CTPG study results feed directly into the transmission plans of the relevant Balancing Authority Areas. While methodological and process improvements at CTPG will continue to be made, criticisms leveled at CTPG from some quarters cannot be allowed to overshadow the groundbreaking collaboration and the resulting work product that CTPG has produced.

Second, the CAISO proposed and had approved by the Federal Energy Regulatory Commission, a Revised Transmission Planning Process ("RTPP"). Fundamental reforms

and improvements through the RTPP include: (1) a move from a project-by-project analysis to a comprehensive plan that examines needs first, then projects that meet needs identified through the comprehensive plan; and (2) the establishment of a "policy-driven" category of facilities that affirmatively recognizes the needed to develop transmission lines to meet policy goals in addition to economic and/or reliability criteria. The former project-driven approach frustrated holistic analysis and considered fairly narrow project objectives.

It is worth noting that the CAISO Board recently approved $7.2 billion of transmission upgrades, which the CAISO believes will allow sufficient renewable resources to be delivered to meet a 33% renewable goal. The CAISO is now in the process of considering further reforms to its Generator Interconnection Process to better marry results of studies accomplished through the Large Generator Interconnection Process, with the overall transmission planning process. CMUA believes these additional reforms are necessary to realize the full benefit of the RTPP, including a more comprehensive analysis that ensures that consumers are paying for the most cost-effective transmission development. CMUA is highly concerned that transmission rates have increased many-fold in the past five years. These additional reforms will build on the RTPP improvements achieved to date.

In summary, while it is important to strive for continued improvements in the transmission planning process, CMUA urges the Commission to ensure that the IEPR record reflects the tangible process in transmission planning that has already resulted in benefits to California consumers.

Dated: May 24, 2011

Respectfully submitted,

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