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California Energy Commission
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VIA EMAIL DELIVERY

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California Energy Commission
Dockets Office, MS-4
1516 Ninth Street
Sacramento, CA 95814-5512
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Re: 2014 IEPR Update – Integrating Environmental Information in Renewable Energy Planning processes (Docket No. 14-IEP-1C)

Dear Commissioners:

Power Company of Wyoming LLC (PCW) appreciates the opportunity to provide comments to the California Energy Commission (CEC) on integrating environmental information in renewable energy planning processes. PCW is an independent wind energy developer that is focused on permitting and developing the Chokecherry and Sierra Madre Wind Energy Project (CCSM Project) in Carbon County, Wyoming.

We agree that considering and reviewing environmental data is an important part of the development process for renewable energy projects. High-level planning data is valuable but should not be seen or used as a substitute for project-specific environmental reviews such as those conducted pursuant to the California Environmental Quality Act (CEQA), the National Environmental Policy Act (NEPA), and numerous other laws and regulations. It is these reviews, conducted as part of the permitting process, that ultimately determine whether a project may or may not move forward to construction and operation. Therefore, we suggest that any planning process should prioritize and recognize the status of the applicable project-specific environmental reviews/permitting.

Our additional comments in response to specific CEC questions follow below.

Question 1. What kind of environmental information is most helpful to the CPUC and California ISO in development of renewable energy scenarios and analyzing related transmission needs? What type and level of information is most suitable and how should it be assembles, vetted and utilized?

First, the CPUC and California ISO should use resource quality information – such as capacity factors and cost estimates per MW – for resource area/ technology combinations to create economic estimates to develop renewable energy area/technology scenarios. Then, those scenarios should be ranked to identify the lowest cost renewable area/technology scenarios. Finally, environmental data in the following priority should be used to further screen the area/technology scenarios by assessing the potential amount of energy (MWh/yr) for each area and the potential amount of capacity (MW) for transmission capacity/projects.

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1. Status of permits/environmental reviews by federal and state agencies for various projects within the resource areas. These project status data should then be generalized and aggregated as follows:
    a. project built (with available output) or in construction,
    b. fully permitted or pre-construction,
    c. undergoing environmental review by authorized agencies,
    d. application complete awaiting authorized environmental review project sited in a suitable area within an authorized landscape level conservation plan (CP) area (e.g. DREPC),
    e. pre-application sited within a CP area <u>or</u> application complete outside a CP area,
    f. pre-application outside of a CP area.

2. Status of permits/environmental reviews by federal and state agencies for transmission capacity/ projects needed to access resource areas. This capacity should be summarized by MW within each category:
    a. transmission capacity available or in construction,
    b. fully permitted or pre-construction,
    c. undergoing environmental review by authorized agencies,
    d. application complete awaiting authorized environmental review of proposed line sited in a suitable alignment within a CP area,
    e. pre-application within a CP area <u>or</u> application complete outside of CP area,
    f. pre-application outside of a CP area.

Acquiring this type of environmental status data is readily available from federal and state agency websites. In addition, the Western Electricity Coordinating Council (WECC) has a transmission line status database that includes developer-provided data that could be verified through cross-checking with the authorized agencies.

Question 3. Should environmental information about transmission needs associated with different scenarios be considered in conjunction with environmental information about differing locations of renewable energy generation in the scenarios? If high-level environmental information about transmission is incorporated in decisions about transmission for renewable energy planning, should that same information be considered by the California ISO in other transmission planning activities (reliability needs or economic needs) that aren't related specifically to renewable energy transmission?

"Pre-screening" transmission lines in advance of the formal environmental analysis/permitting process or in advance of determining economic viability has not been effective. Environmental permitting risks associated with transmission line development should be used as outlined in the response to Question 1. In general, utilizing existing infrastructure is preferable to building new lines. Next, agencies should prioritize the lines that are permitted but not yet constructed. Finally, agencies should consider lines that have not yet been permitted. These transmission lines however should be distinguished by where they are in the environmental analysis/permitting process.

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Question 5. How should the Energy Commission, the CPUC and the CAISO deal with differing levels of information in other regions of the state or out of state where differing levels of information may be available?

With respect to consideration of the potential contribution of out of state projects to renewable energy scenarios, the CEC, CPUC and CAISO could rely upon project-specific information regarding the status of and result of federal or state environmental reviews and permitting processes. This could be in the form of either or both publicly available information, such as the published EIS, or information submitted by the developer of a specific project.

Question 6. How and to what extent should DRECP or related efforts feed into the procurement process? What uses of DRECP or related efforts may not be appropriate in the procurement process?

Typically resource "procurement" processes focus on a shorter time horizon than long term planning processes. As a result, the procurement process should focus first on the status of any project-specific environmental reviews/permitting processes. If there are no available project-specific environmental reviews, then distinction between projects could be made based on whether they are located in areas where there is a plan such as DRECP.

Permitting status of PCW's CCSM Project

The CCSM Project is an example of a project that has undergone extensive environmental analysis under NEPA, has obtained the required state and county permits, and merits consideration by the CEC, CPUC, and CAISO when developing renewable energy scenarios. It was one of six wind energy projects identified in 2012 as a Renewable Energy Priority Project by the U.S. Bureau of Land Management (BLM). PCW is developing the CCSM Project in two distinct Phases. When both Phase I and Phase II are complete, the CCSM Project will consist of 1,000 wind turbines capable of generating up to 3,000 megawatts (MW) of clean, renewable wind energy. Phase I of the CCSM Project will include 500 wind turbine generators located in the western portions of two Wind Development Areas referred to as "Chokecherry" and "Sierra Madre" and associated infrastructure including the Road Rock Quarry, West Sinclair Rail Facility and Phase I Haul Road and Facilities. Phase II will include 500 wind turbine generators and associated infrastructure located in the eastern portions of the Chokecherry and Sierra Madre Wind Development Areas.

Because the CCSM Project is located in Wyoming's checkerboard of alternating private land and federal land managed by BLM, the project has been subject to extensive federal environmental analysis in an Environmental Impact Statement (EIS). On October 9, 2012, Department of the Interior Secretary Ken Salazar signed the Record of Decision (ROD), which approved the site for wind energy development, subject to a second-level review of the final site-specific plans in Environmental Assessments (EA). The first two site-specific EAs addressing Phase I of the CCSM Project – which consists of the base infrastructure and the first 500 turbines – are well under way. The first EA was released to the public on August 11, 2014, including a draft Decision Record finding that "no new or significant impacts were identified beyond those already disclosed in the EIS." The second EA is scheduled for completion before the end of the year.

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After a two-day administrative hearing, the State of Wyoming's Industrial Siting Council unanimously approved a permit for the CCSM Project on August 6, 2014. The Carbon County Board of County Commissioners unanimously approved the necessary conditional use permit for the project on October 2, 2012. In addition, the CCSM Project has been precertified by the CEC as eligible for California's Renewables Portfolio Standard under the criteria established in the Renewables Portfolio Standard Eligibility Guidebook, Sixth Edition, publication number CEC-300-2012-006-CMF, August 2012, and assigned CEC-RPS-ID number: 62339C.

Thank you for your consideration of these comments.

Sincerely,
POWER COMPANY OF WYOMING LLC

W. P. Boyd
Executive Vice President
Chief Operating Officer