

Figure 5-4 is useful in communicating the overall level of uncertainty that can be ascribed to the analysis. There is significant overlap in the uncertainty bands, which indicates considerable uncertainty in identifying a discrete set of clear CREZ priorities. The uncertainty results indicate that many CREZs may be competitive with the most economic CREZs once uncertainty is considered. Assuming all projects are successfully developed, the RETI Net Short could theoretically be satisfied at a rank cost of about \$0/MWh. If costs are at the low end of the uncertainty range, there many other resources that could be competitive with this cost. These additional resources are shown in Figure 5-4 resources whose lower uncertainty band drops below zero cost. Those resource areas that are within one and two standard deviations of \$0/MWh are tabulated in Table 5-8. There are another 35,000 GWh/yr of resources within one standard deviation of the mean. Almost all of the CREZs and resources are within two standard deviations of the mean. This implies that many more resources could be cost effective considering uncertainty.

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**Table 5-8. Resources Potentially Competitive Considering Uncertainty.**

CREZ Name	Annual Energy (GWh/yr)	Rank Cost (\$/MWh)		
		Base	Base less One Standard deviation	Base less Two Standard Deviations
Solano	2,721	-29	-42	-56
Central Nevada-A	2,470	-26	-37	-47
Palm Springs	2,465	-20	-34	-47
Oregon-A	2,848	-19	-34	-44
Victorville-A	2,112	-17	-29	-46
Imperial North-A	10,095	-13	-26	-39
Baja-A	7,633	-11	-26	-39
Round Mountain-A	1,598	-11	-24	-37
British Columbia-A	1,553	-9	-23	-33
Fairmont	18,318	-9	-21	-38
Northern Nevada-A	773	-8	-20	-32
Tehachapi	25,091	-3	-19	-37
Riverside East-A	2,339	3	-15	-33
Victorville-B	2,267	4	-14	-32
Kramer	16,251	5	-13	-31
British Columbia-B	2,526	5	-10	-24
Inyokern	7,136	8	-8	-27
Owens Valley	3,433	10	-8	-25
Twentynine Palms	1,944	15	-3	-22
San Bernardino - Lucerne	10,722	16	-3	-22
Pisgah-A	4,283	16	-3	-21
San Diego South	1,829	16	-2	-20
San Diego North Central	702	19	-1	-20
Carrizo North	3,225	19	-1	-23
Barstow	5,106	21		-17
Riverside East-B	15,552	22		-15
Oregon-B	1,730	24		-12
Cuyama	847	24		-13
Pisgah-B	8,844	27		-12
Mountain Pass	6,942	27		-10
Iron Mountain	12,713	27		-11
San Bernardino - Baker	2,705	28		-11
Central Nevada-B	1,871	28		-8
Imperial North-B	4,282	29		-10
Victorville-C	860	29		-9
Imperial South	8,776	31		-7
British Columbia-C	4,996	32		-6
Arizona	16,836	32		-7
Baja-B	6,093	33		-7
Southern Nevada-A	14,118	34		-6
Imperial East	3,991	34		-3

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**5.8.2 Sensitivity Analysis – Elimination of Tax Credits**

A sensitivity run was made to evaluate the effect that tax credits have on the CREZ rank results. To perform this assessment, the following steps were taken:

- The production tax credit was removed for wind, biomass, and geothermal
- The 30 percent investment tax credit was eliminated for solar projects
- No changes were made for accelerated depreciation assumptions