

Phase 2 Work Group - Briefing

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RETI Stakeholder Steering Committee Meeting
January 27, 2009

Phase 2 mission is to develop conceptual ideas balanced with environmental reality

■ **Goal:**

- Produce conceptual plans for providing transmission access to priority CREZ, developed with stakeholder involvement and including high-level estimates of financial cost and environmental feasibility. These plans will be incorporated in CAISO and POU 2009 transmission planning processes, providing the basis for commercial transmission projects

■ **Our Approach**

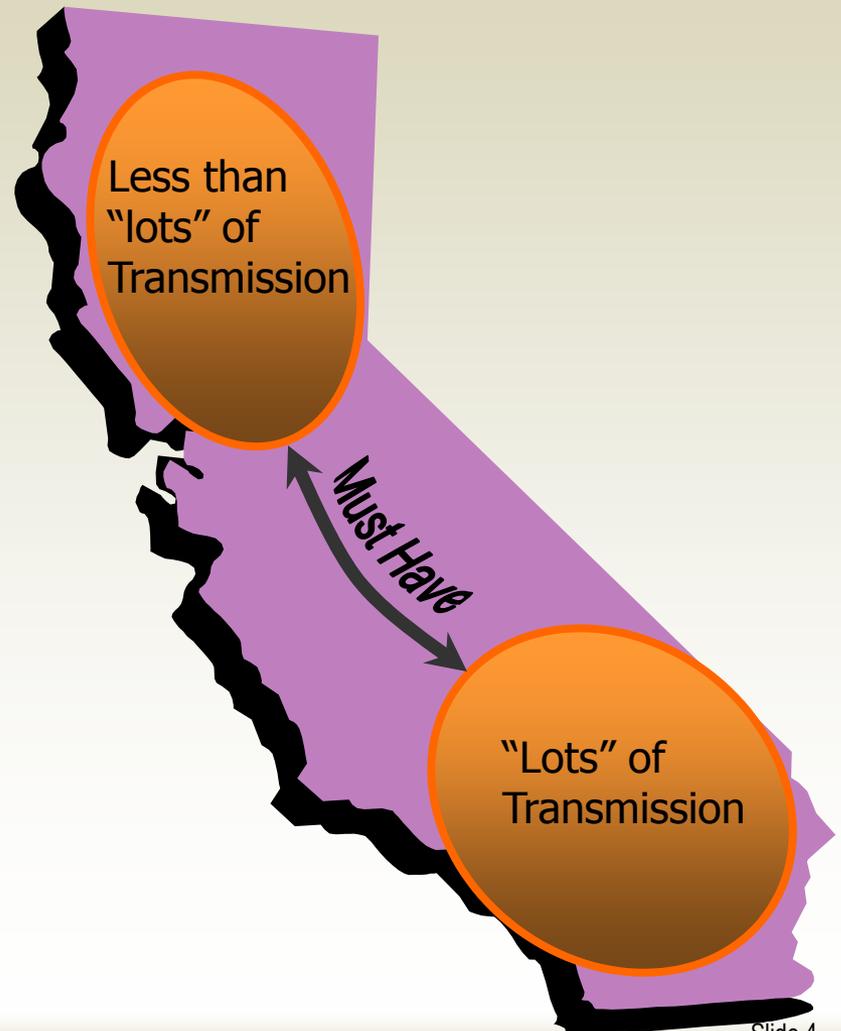
- Prepare a conceptual ultimate build out plan
- Integrate a rigorous environmental assessment
- Identify and recommend a conceptual initial build out plan for RETI Phase 3 analysis

Phase 2 work group members had to grasp & execute a complex task over a short period of time

- Diverse membership
 - Environmental
 - Engineering (technical and non-technical)
 - Resource, regulatory, and “third party” representation
- Aggressive effort
 - Bi-weekly meetings
 - Implemented parallel environmental and engineering efforts
 - Adopted “crayon” engineering approach
 - Supported by general, localized “technical” analysis
 - Focused on statewide solutions
 - Following SSC’s Phase 2 Guidance
 - Target completion: March 31, 2009

Phase 2 engineering effort provides “conceptual guidance”, not specific solutions

- Work group has reached consensus on a conceptual “ultimate” build out
- “Crayon to paper” with some generalized, technical assessment performed as a “sanity” check
- “In the works” transmission projects have been recognized in the assessment
- Lots of transmission in the south
 - Utilization of transmission loops
- Some transmission in the north
- Increased “south – north” transmission capacity needed
- Phase 2 “Guidance” document followed
- All CREZs identified in Phase 1B report are connected



The conceptual ultimate build out in the south is developed around “loops” of transmission



Decisions must be made on how to develop recommendations for an initial “build out”

- ISO and POU 2009 planning processes are moving forward and transmission input from RETI is needed if 2010 transmission recommendation decisions are to become reality
- A robust dialog and development of a criterion on how to “choose” is underway
- Input from environmental work group will be a key component in this assessment
- In the south, the concept of a “ring” development will be adopted
- In the north, straight, from “here to there” alternatives are dominate
- Common transmission elements among “key” CREZs will be important
- Develop a systematic process to prioritize proposed transmission segments

The preparation of the RETI Conceptual Plan is being considered

- Introduction/Background
- Conceptual Transmission Plan
 - Principles/Assumptions
 - 2020 California Transmission Plan
 - Maps
 - Costs
- Project Prioritization
 - Criteria/Assumptions
 - Project Prioritization
 - Maps
 - Timeline
 - Cost
- Summary/Conclusions

Significant work has been completed, but there is still much to do

- Conceptual ultimate build out complete – January 27, 2009
- Development of conceptual build out is underway – January 27, 2009
- Begin documentation – early February
- Complete decisional criterion for initial build out development – early February 2009
- Work group consensus on conceptual initial build out plan – end of February
- Present Work group recommendations to SSC – late March
- Complete Phase 2 work – March 31,2009