

## Proposal “i”

### **Framing point:**

Transmission planning is a complicated process, and a project’s relative value in accessing renewable generation is only one of many factors taken into consideration when determining whether a specific project should be built. Furthermore, the methodology developed in RETI Phase 2 was only one of many methods that could have been used as an initial step to focus the selection of priority transmission infrastructure based on access to renewable generation and environmental concerns. It is very simple and was selected because it was workable with stakeholders under a tight timeframe. The results of RETI Phase 2, therefore, are only data points for the RETI SSC to consider when determining which areas/conceptual projects should be the focus of more detailed assessment in Phase 3. The Phase 2 results are not an end or a decision in and of themselves.

### **Proposal:**

The base case would include only transmission projects *having permits to construct*. Specifically, the base case would include:

- IOU transmission projects with a Permit to Construct or Certificate of Public Convenience and Necessity from the CPUC and, if applicable, a ROD from the federal NEPA lead agency.
- POU transmission projects with a certified EIR and an approval by the “Decision Maker”, per CEQA<sup>1</sup>, to construct the project and, if applicable, a ROD from the federal NEPA lead agency.
- Merchant transmission projects with a certified EIR and, if applicable, a ROD from the federal NEPA lead (?)

As applied, this proposal would include Tehachapi segments 1-3 and the Sunrise Powerlink in the base case. All other lines would be evaluated and rated in the RETI process.

### **Rationale:**

- 1.) RETI aims to develop a conceptual statewide plan that accesses valuable renewable resources in the most cost efficient and least environmentally harmful way, regardless of line ownership/operation. A criterion that results in the exemption of a large number of proposed projects from assessment in the RETI process significantly reduces RETI’s options for developing a statewide plan that is in the best interest of all California ratepayers, economically and environmentally. *Note: The Phase 2 assessment, being conceptual and focused only on access to renewables, does not yet represent this “best” statewide plan. However, it is a decent first step.*
- 2.) Another of RETI’s primary goals, per the Mission Statement, is “to build active and consensus support for specific plans for renewable energy and related transmission development,” thus smoothing permitting processes. RETI’s analysis must be as objective and consistent as possible in its treatment of proposed generation and transmission projects, both to maintain analytic integrity (as discussed in #1) and to

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<sup>1</sup> CEQA §15356: “‘Decision-making body’ means any person or group of people within a public agency permitted by law to approve or disapprove the project at issue.”

minimize public perception that the outcome was “rigged” or skewed in any way. Such a perception would seriously compromise RETI’s ability to build stakeholder support, greatly diminishing the value of the process. An inconsistently-applied base case criterion, or a base case criterion against which individual project developers can choose to be evaluated (opting in or out of the base case), risks compromising the integrity, consistency, and objectivity of the RETI process, and thus its effectiveness.

- 3.) Non-permitted transmission project proposals typically evolve over time for various reasons. Projects often continue to evolve during the permitting process, which experience indicates may be lengthy and contentious. Therefore, including non-permitted projects in the base case, i.e. assuming they will be built as currently configured and timed, can erode the integrity of RETI.