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Arizona Corporation Commission
1200 W. Washington
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AUG 4 2010

RE: E-00000D-09-0020
Comments on the 2010 draft BTA report

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Mr. Prem Bahl and Mr. Ray Williamson,

Thank you for the opportunity to review and comment on the draft of the 6th Biennial Transmission Assessment report. The BTA is unique in the West. The BTA is a valuable resource that allows stakeholders and the commission to evaluate and assess the transmission system in the state and is helping to chart transmission that is necessary as we rely more heavily on clean energy resources.

As any effort in transmission planning goes forward it is important that utilities, merchant transmission providers and the commission consider:

- the effects of energy efficiency and demand side resources on the amount and location of new transmission,
- more effective and efficient use of the existing transmission systems before constructing new paths, and
- impacts on wildlife and special lands to reduce further habitat fragmentation and loss.

Our comments focus primarily on the renewable energy sections of the draft report.

Page xi

We support staff's recommendation 1a which suggests that information from transmission operators on planned line reconductor projects and bulk power transformer replacements be included in subsequent BTAs. It is important that transmission system operators maximize the use of the existing transmission system before constructing new paths. Providing such information will help inform ACC staff and commissioners on the need for new transmission capacity.

"1) Staff recommends that the Commission continue to support the use of the:
a) Guiding Principles for ACC Staff Determination of Electric System Adequacy and Reliability," but also direct transmission providers to include planned transmission line reconductor projects and bulk power transformer replacements (i.e., capacity upgrades) in filings for future ten year plans in order to foster a more comprehensive assessment process."

Page 27 & 28

Figure 2 is attributed to the work of ARRTIS. The map of possible transmission corridors was prepared by the RTTF.

It should be noted in the report that this map (Figure 2) was intended to characterize ALL possible transmission paths that may be necessary to access renewable energy resource areas AND for reliability purposes.

Page 25 - Section 3.1

- This section should provide more background on the requirements imposed on the electric utilities in the 5th BTA for renewable energy generation so the reader understands what the regulated electric utilities were required to accomplish. At a minimum, the section should reference that utilities were required to file a report with the ACC on financing and their top three transmission project by October 31, 2009.
- It would be useful for the report to provide electronic links to the ARRTIS report, RTTF website and the utilities' filed plans or, at a minimum, a reference so parties interested could find more information.
- The following sentence should be modified as follows: "~~Recommendations by ARRTIS participants were used in a four-tier process to characterize land area into categories to provide specific data.~~" ARRTIS CREATED A FOUR-TIER SYSTEM TO CHARACTERIZE THE ENVIRONMENTAL SENSITIVITY OF LANDS AS LOW, MODERATE AND HIGH SENSITIVITY AND EXCLUSION.

Page 25 - Section 3.1.2

This section inadequately covers the findings and recommendations of the Finance Committee report. The Finance Committee recommended, among other things, the development of Renewable Transmission Action Plans (RTAP). RTAP was conceived as a procedure for the Commission to review and approve a utility's identified RTAP within –or in parallel with– the BTA process. As the ACC will consider how it needs to evaluate renewable energy transmission projects, it is important that this recommendation, and how it may dovetail, supplant or enhance the BTA be explained.

Sections 3.1.2, 3.2.4, and 3.3.4

These three sections all deal with some aspect of the Finance Committee report and its findings. Organizationally it would be preferable to put this information in one section.

Page 36 & 37, Section 3.3.4

There should be a new section number added when the report starts to cover the five questions posed by the Finance Committee. It is not appropriate to be under the section 3.3.4 Utility Estimates of RTP Project Costs.

Page 37, Section 3.3.4

The first sentence of the page states "Staff concurs with the following comments offered by SWAT in regard to questions raised by the RTTF Finance Committee." Please document the source of this information for the quotes attributed to SWAT.

Additional Issues

Page 39

The following statement is made in the report " utility-scale renewable generation will likely require at least some transmission improvements that would not otherwise be needed." To meet load growth whether through renewable energy or energy efficiency will likely require transmission. It may be more accurate to say "UTILITY-SCALE RENEWABLE GENERATION WILL LIKELY REQUIRE DIFFERENT TRANSMISSION IMPROVEMENTS THAN THOSE OTHERWISE NEEDED."

Page 40

Page 40 states "It is unclear from the utility RTAP filing(s) to date how much renewable generation could be delivered as a result of the RTP projects proposed by the Arizona utilities." As the commission moves through a process to evaluate a RTP, it may be beneficial to have this information, an estimate of the renewable and non-renewable generators that will feed the line and how much a line is needed for reliability.

Thank you for the opportunity to comment. We look forward to the second workshop, the commissioner review and final report.

Respectfully submitted,



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