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Arizona Corporation Commission
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ORIGINAL

**RE: SWTC'S COMMENTS TO FIRST DRAFT EIGHTH BIENNIAL TRANSMISSION ASSESSMENT STAFF REPORT
DOCKET NO. E-00000D-13-0002**

Enclosed please find Southwest Transmission Cooperative, Inc.'s (SWTC) comments to the First Draft of the Eighth Biennial Transmission Assessment (BTA) 2014-2023 Staff Report.

An original copy plus thirteen copies pursuant to Docket Control requirements, has been included for the Comments.

Sincerely,

Boris Tumarin
Manager of Transmission Planning

Arizona Corporation Commission
DOCKETED

JUL 29 2014

DOCKETED BY

Enc.

cc: C. Fecke-Stoudt, K. R. Saline & Associates (via email)
E. Stoneberg, ACC Staff (via email)

<http://azgt/sites/azgt/powerpln/Managed Documents/Transmission Planning/ACC BTA Filings/ACC1stDraft8thBTALtr.docx>

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Arizona Electric Power Cooperative, Inc. • Southwest Transmission Cooperative, Inc. • Sierra Southwest Cooperative Services, Inc.

SOUTHWEST TRANSMISSION COOPERATIVE, INC.
COMMENTS TO
FIRST DRAFT EIGHTH BIENNIAL TRANSMISSION ASSESSMENT
2014-2023

AZ CORP CO.
DOCKET COB.

Staff Report
Docket No. E-00000D-13-0002

2014 JUL 29 PM 1 18

Southwest Transmission Cooperative, Inc. (SWTC) appreciates the opportunity to comment on the First Draft of the Eighth Biennial Transmission Assessment (BTA) Staff Report.

The comments listed below will reference first, the page number of the draft Report and second, the Section and item number or paragraph being commented on, with specific words, phrases or sentences highlighted in quotes. The next line after the reference contains SWTC's comments.

- 1) Page iv, Executive Summary, Paragraph No. 4 "Suitability of the transmission planning processes utilized."

Please note that NERC is the "North American Electric Reliability Corporation."

- 2) Page x, Recommendations, Paragraph 2d regarding the effects of EE and DG on load forecasts.

SWTC wishes to clarify that, unlike APS, SRP and TEP, SWTC does not own and operate a distribution system. The Member Cooperatives that own SWTC do own and operate distribution systems and therefore are responsible for EE and DG. With respect to DG, the Member Cooperatives do not have RES targets as do the investor-owned utilities but they submit RES plans to the Arizona Corporation Commission (ACC). Further, the load forecasts of each of the Member Cooperatives is compiled based on historical usage data, which does not quantify the EE or DG that may be installed in the Members' system. Under these circumstances, we suggest that any EE and DG offsets to load growth of the Member Distribution Cooperatives would be difficult for SWTC to quantify and impossible to project.

SWTC aggregates the loads of the forecasts of the Member Distribution Cooperatives. The aggregate forecast is used by SWTC to determine specific projects that benefit the Member Cooperatives. SWTC submits those projects to a Class A Operating Committee (CAOC), which consists of the six Member Cooperatives, and then to SWTC Board of Directors. Once approved, the project is included in a Construction Work Plan (CWP). These "planned" projects are then included in the current ACC Ten Year Plan.

As a result, there are no known transmission projects in SWTC's Ten Year Plan that would be delayed or eliminated as a result of the Member EE and DG.

- 3) Page 3, Section 1.2 “Purpose and Framework,” Paragraph No. 4 “Suitability of the transmission planning processes utilized.”

Similar comment to 1) above: NERC is the “North American Electric Reliability Corporation.”

- 4) Page 5, Section 1.3.1 “Workshop 1: Industry Presentations,” First bullet at the top of the page.

“SAIC” has not been previously identified.

- 5) Page 11, Section 2.2. “Plan Changes Since the Seventh BTA.” Table 8 – “Significant EHV Project Changes Since the Seventh BTA.”

The table references two SWTC Projects, the Greenlee second 345/230 kV Transformer and the Bicknell 345/230 kV Transformer Replacement. The in-service date for both projects lists them as “Postponed Indefinitely.” Please change this to “Removed.” As noted on Page 9 of SWTC’s Ten Year Plan, 2013-2022, these projects have been “. . . removed from this report.”

- 6) Page 11, Footnote 29 “The Fifth BTA forecast does not include SWTC’s loads.”

This is likely an inadvertent omission for the Fifth BTA, as SWTC did provide a response to Staff’s first data request for the Sixth BTA that includes the Fifth BTA forecast. The following table is a reproduction of a response provided to Staff’s first data request for the Sixth BTA, submitted on June 18, 2010, to PB 1.2 “Provide a comparison of the demand forecast used in formulating the project plans filed in 2010 for the Sixth BTA (2010-2019 period) vs. the demand forecast used for the plans filed in the Fifth BTA (2008-2017 period).”

SWTC’s MEDIUM ECONOMIC COINCIDENT LOAD FORECAST			
	2007	2009	
	Demand Forecast Used In The FIFTH BTA (2008-2017)	Demand Forecast Used In The SIXTH BTA (2010-2019)	Difference
2008	631.6		
2009	669.3		
2010	706.4	629.2	-77.2
2011	743.5	639.5	-104.0
2012	784.6	651.9	-132.7
2013	823.0	674.4	-148.6
2014	862.4	691.1	-171.3
2015	900.3	709.8	-191.3
2016	940.3	725.0	-215.3
2017	975.9	746.6	-229.4
2018		768.7	
2019		792.2	

Please use these numbers in populating the data for the Fifth BTA in Exhibit 9 “Arizona Demand Forecast Data” of this draft Report.

- 7) Page 12, Section 2.3 “Driving Factors Affecting the Ten Year Plan – Load Forecast,” First paragraph under Figure 1 “Change in Arizona Demand Forecast” states that data included in Exhibit 9 shows SRP and SWTC Eighth BTA demand forecasts being higher than in the Seventh BTA, while TEP and APS forecasts are lower.”

There is a simple explanation for this. For the first time in the Eighth BTA, SWTC provided a load forecast that was based on non-coincident peak loads, and not coincident peak loads as was provided in the past. A footnote to SWTC’s response to Staff’s first data request for the Eighth BTA, specifically for request “MTL 1.1,” states this and provides detail in the data request regarding the forecasts for the loads of each Member Cooperative.

- 8) Page 13, Section 2.4 “Driving Factors Affecting the Ten Year Plan – Generator Interconnections.” Table 9 – “Summary of Arizona Generator Interconnection Queue.”

SWTC is shown, from information obtained from the Seventh BTA, as having 340 MW of generation in its utility queue. Please remove this entry; SWTC is unaware of the genesis of this number. On page 13 of the Seventh BTA Report, Section 2.1 “Summary of Arizona Plan,” Table 4 – “Summary of Filed Generator Interconnection Projects,” there is no listing for SWTC. Please note also, that in response to the First Set of Data Requests for the Seventh BTA, SWTC responded to Item PB 1.3, that asked for a copy in electronic format reflecting all generation project changes, additions and deletions based on our current queue status, with the statement that “SWTC has no generation projects in its queue.”

- 9) Page 55, Section 5.5.1 “Steps to Integrate Renewables,” first paragraph under “Individual Utility Integration Steps.”

“OMP,” in the second to last sentence of this paragraph, has not been previously defined.

- 10) Page 58, Section 5.5.2 “Effects of EE/DG,” second to last paragraph of this Section states: “SWTC has not quantified the effect of EE/DG as it relies on demand forecasts provided by its Member utilities.”

Please see the response in No. 2 above that relates to this issue.

- 11) Page 60, Section 5.6.2 “Technical Study Work,” second to the last paragraph of this Section.

“CR,” in the last sentence of this paragraph, has not been previously defined.

- 12) Page 61, Section 5.6.3 “Coordination.”

Please note that WWSIS, as referenced in this Section, is the “Western Wind and Solar Integration Study.”

- 13) Page 66, Section 6.1 “Adequacy of the Existing and Planned Transmission System to Reliably Serve Local Load.” Item “b” of paragraph No. 3 states: “The CCSG participants monitored the reliability in Cochise County, but did not offer any future ten year plans.”

Please note that on page 6 of SWTC’s 2014 Ten Year Plan filing, a potential project was discussed (in response to the Seventh BTA Recommendation No. 7D) that provides a promising alternative to the plans submitted to the ACC by the CCSG that were deemed too costly. The project is the Tombstone Junction Project, which is currently undergoing review by SWTC, APS and SSVEC.

- 14) Page 70, Section 6.3 “Adequacy of System to Reliably Support Wholesale Market,” Paragraph No. 3 discusses project completions to date for utility top three RTP’s as ordered in the Fifth BTA.

In its filing to the ACC, in fulfillment of the Fifth BTA Decision No. 70635, entitled “Southwest Transmission Cooperative, Inc. Plans for Top Three Renewable Transmission Projects,” dated October 28, 2009, SWTC identified the following projects: 1) San Manuel Interconnect Project, 2) Apache to Bicknell 230 kV Line Upgrades, and 3) Western Saguario to Apache 115 kV Line Upgrade.

SWTC continues to monitor the first project, the San Manuel Interconnect Project, which was noted on page 9 of SWTC’s 2014 Ten Year Plan filing that discusses the Apache/Hayden to San Manuel 115 kV line or San Manuel Interconnect Project.

The Western Saguario to Apache 115 kV Line Upgrade that was contemplated by TEP and SWTC will not be pursued because Western is working with the Southline Project to rebuild the line to 230 kV.

The Apache Bicknell 230 kV Line Upgrades as noted in the report, indicated that a need existed to upgrade the existing 795 ACSR conductor to a higher ampacity rating to meet NERC Reliability Standards and support continued growth in the area. SWTC hired LiDAR in 2009 to fly the 115 kV system from Marana Tap to Bicknell and the 230 kV system from Apache to Bicknell. The information provided by LiDAR allowed SWTC to fix certain problems and to increase this transmission line’s rating (as well as others). In 2013 and 2014, SWTC completed a re-rate of its transmission lines according to IEEE Standard 738 “IEEE Standard for Calculating the Current/Temperature of Bare Overhead Conductors.” The results of the re-rating process has resulted in an increased rating of the Apache to Bicknell 230 kV line that has deferred any needed upgrades to the line to well beyond the timeframe of this BTA.

- 15) Appendix C-1 “2014 BTA Workshop I and II List of Attendees.”

Please change the title for Mr. Bruce Evans from “Power” Engineer to “Planning” Engineer.