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MEETING NOTICE AND AGENDA

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- Imperial Beach
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- San Marcos
- Santee
- Solana Beach
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- and
- County of San Diego

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- Imperial County
- California Department of Transportation
- Metropolitan Transit System
- North San Diego County Transit Development Board
- United States Department of Defense
- San Diego Unified Port District
- San Diego County Water Authority
- Mexico

ENERGY WORKING GROUP

The Energy Working Group may take action on any item appearing on this agenda.

August 24, 2006

11:30 a.m.-2:00 p.m.

SANDAG, 7th Floor Conference Room
 401 B Street, Suite 800
 San Diego, CA 92101-4231

Staff Contact: Rob Rundle
 (619) 699-6949
rru@sandag.org

AGENDA HIGHLIGHTS

- SUNRISE POWERLINK TRANSMISSION PROJECT
- LTRP RECOMMENDATIONS

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ENERGY WORKING GROUP

August 24, 2006

ITEM #		RECOMMENDATION
1.	WELCOME AND INTRODUCTIONS	
+2.	MEETING SUMMARY FOR THE JULY 27, 2006, MEETING Please review the attached meeting summary and provide any comments.	APPROVE
3.	PUBLIC COMMENT AND COMMUNICATIONS Anyone who would like to address the Energy Working Group (EWG) on a topic not on the agenda should do so at this time.	COMMENT
+4.	RECOMMENDATIONS TO SDG&E LONG-TERM RESOURCE PLAN EWG members will vote on a letter that provides recommendations to SDG&E's LTRP development, as it relates to the Regional Energy Strategy. If approved, the letter will be presented to the Regional Planning Committee and the SANDAG Board for their consideration.	RECOMMEND
+5.	SUNRISE TRANSMISSION PROJECT Staff will lead a panel comprised of SDG&E, environmental and consumer experts, generators and the California Independent System Operator (CA ISO) in discussion of the Sunrise Powerlink application. Subsequent EWG meetings will further this discussion. The EWG will present a recommendation on this project, as it relates to the Regional Energy Strategy, to the SANDAG Board in November. Please see three attachments.	INFORMATION/ COMMENT
6.	SUGGESTED TOPICS FOR NEXT MEETING EWG Members should suggest additional items to be discussed at the next or future meetings. The Sunrise Powerlink will continue to be discussed.	INFORMATION/ COMMENT
7.	ADJOURN The next EWG meeting will be held September 28, 2006. The meeting will be held at SANDAG from 11:30 a.m.-2:00 p.m. in the 7 th floor conference room.	

+ next to an item indicates an attachment

San Diego Association of Governments
ENERGY WORKING GROUP

August 24, 2006

AGENDA ITEM NO.: **2**

Action Requested: APPROVE

July 27, 2006 Meeting Summary

File Number [Insert File #]

Members in Attendance:

Henry Abarbanel, EWG Chair, North County Coastal
Scott Anders, Energy Policy Initiatives Center
Dave Carey, Port of San Diego
Steve Hoffmann, San Diego Regional Chamber of Commerce
Laura Hunter, Environmental Health Coalition
Bill Reed, SDG&E
Rick Van Schoik, SDSU
Linda Wagner, South Bay
Dave Weil, UCSD
Stephen Zolezzi, Food & Beverage Association

Others in Attendance:

Michael Shames, UCAN	J.W. Naish, S.D. Unified School District
Robb Anderson, SDG&E	Linda Giannelli Pratt, City of San Diego
Timothy Burroughs, ICLEI	Brendan Reed, City of Chula Vista
Claudio Carrillo, SDG&E	Bob Resley, Resley Consulting
Jaleh Firooz, Advanced Energy Solutions	Donna Tisdale, Boulevard Sponsor Group
Skip Fralick	Don Wood, C-3/PEPC
Julie Gelfat, IBEW	Susan Freedman, SDREO
Alexandra Hart, IBEW	Jennifer Porter, SDREO
David Hicks, LS Power	Rob Rundle, SANDAG
Charlie Johnson	Trisha Rominger, SANDAG
Nate Lewis, Caltech	
Anita Mangels, Californians Against Higher Taxes	

1. Welcome

Co-chair Henry Abarbanel called the meeting to order.

2. MEETING SUMMARY FOR THE JUNE 22, 2006, MEETING

The June 22, 2006, meeting summary was approved with the understanding that if any members had any corrections or additions, they would be forwarded to staff.

3. PUBLIC COMMENT AND COMMUNICATIONS

None.

4. SB 1: CALIFORNIA SOLAR INITIATIVE

Ms. Jennifer Porter went over the attached draft letter of support for SB 1 addressed to Senator Murray. Ms. Porter added that the Assembly voted to accept the bill with changes on June 29, 2006. The attached letter was changed to convey full support for SB 1 as amended. Ms. Porter added that the next steps for SB 1 are for it to go back to the Senate for approval, then to the Governor to be signed into law. If it is signed, it will be effective in 2008. Mr. Bill Reed commented that he is concerned with how the net metering credit will be designed and that may have an impact on the nonparticipants. Mr. Steve Hoffmann motioned to approve letter of support for SB 1 as written. Ms. Linda Wagner seconded the motion. Motion passed unanimously.

***Agenda item #6 was discussed out of sequence due to a guest speaker.**

6. ICLEI: LOCAL GOVERNMENTS FOR SUSTAINABILITY

Mr. Timothy Burroughs, Program Officer with International Council for Local Environmental Initiatives (ICLEI), gave a presentation, providing background information on ICLEI and its efforts. ICLEI is a membership association of governments (towns, cities, and counties), paying annual dues based off of its respective populations. ICLEI provides technical and policy assistance to member jurisdictions to assist them in achieving their climate protection goals. There are approximately 600 member agencies worldwide, with 190 in the United States. There are offices worldwide, with member agencies on each continent. In California, 43 jurisdictions have joined ICLEI and last year, California member agencies reduced 7 million tons of greenhouse gas emissions through implementing policies in their transportation, waste and energy sectors. The City of Chula Vista and City of San Diego are both member agencies of ICLEI. Mr. Burroughs spoke about how ICLEI is embarking upon a county-wide strategic approach to greenhouse gas reduction with Alameda County. All 11 jurisdictions within Alameda County have joined ICLEI; they are each measuring their emissions and developing action plans to help achieve climate protection goals. Mr. Burroughs stated that it is his hopes that speaking with the Working Group may open up the opportunity to consider a coordinated effort for San Diego County, similar to that of Alameda County.

The Cities for Climate Protection Campaign is ICLEI's main campaign. Mr. Burroughs expressed that he believes that local governments represent enormous potential to affect greenhouse gas emission reduction in the United States. He added that he believes that there is an opportunity cost as a result of inaction. Cities can achieve a lot of economic, environmental and social benefits through addressing global warming. Yet, there are huge risks if more action is not taken.

Mr. Burroughs discussed forecasts that indicate that wildfires are expected to increase by 35 percent by 2050. He also stated that this could have a huge economic impact on the cities in this region. Mr. Burroughs discussed biodiversity and the San Diego region's diverse threatened flora and fauna. He added that global warming will have a tremendous impact on species shift. Agriculture and tourism will also be affected by climate change. Energy demand will increase as temperatures continue to rise. But, at the same time, as heat increases, supply goes down because 15 percent of the energy in the state comes from hydroelectricity. As water resources become scarce, it makes producing energy to meet the increased demand more difficult.

Local governments are in a good position to address greenhouse gas emissions because they ultimately affect a lot of the sources that produce the emissions (including energy, waste, and transportation).

Once a local government becomes a member of ICLEI, it is provided a five-step framework to help measure and monitor greenhouse gas emissions. The first milestone is to develop a baseline emissions inventory. Mr. Burroughs stated that this can be thought of as a snap shot of what emissions a jurisdiction is responsible for. ICLEI provides an emissions analysis software tool to all member jurisdictions. This tool can be used to measure emissions and model potential measures that could provide a reduction benefit. Mr. Burroughs added that you cannot manage what is not measured and that is why it is so important to take a baseline measurement of current emission levels. Mr. Burroughs clarified that this inventory is a measure of emissions that the respective jurisdiction is responsible for. It uses more of an in-use approach, looking at energy consumption, vehicle miles traveled in the community, and the waste the community produces. ICLEI currently has a Memorandum of Understanding (MOU) with the Registry and Chicago Climate Exchange. ICLEI is trying to make it as easy as possible for local governments to get their inventories certified if they so choose.

The second milestone is to set an emission reduction target. Mr. Burroughs stated that there is no wrong way to set an emission reduction target. Jurisdictions do it differently depending on their size and the scope. One benefit of being a part of ICLEI is that it has a database that contains information on hundreds of cities that are working towards similar reduction goals, experiencing similar barriers and successes. ICLEI promotes an exchange between the cities it works with.

The third milestone is to develop a Local Climate Action Plan. The Local Climate Action Plan consists of measures, when implemented, will reduce the emissions that a city is responsible for. Mr. Burroughs offered to provide several sample action plans for anyone that requests them. The action plans contain measures across the sectors; transportation, waste, and energy.

The fourth milestone ICLEI provides is technical and policy assistance to its members to help them implement their plans.

The fifth milestone is to monitor and evaluate progress. ICLEI encourages members to update their inventories every few years, definitely within five years. Mr. Burroughs stated that this is truly the only way to show whether emissions are growing or whether the measures that have been implemented are resulting in emissions shrinking.

Progress has been made with local cities. Mr. Burroughs stated that local governments fill a policy void and doing a lot to reduce emissions. Mr. Burroughs added some statistics on what local governments have accomplished thus far:

- 23 million tons of annual ECO₂ reduced
- 535 million tons saved after payback
- 400 MW hours of energy reduced through municipal energy efficiency improvements
- 75 million gallons of fuel reduced annual

Mr. Burroughs urged the Working Group to consider joining ICLEI, to collaborate efforts to protect the climate in the County of San Diego. Mr. Burroughs added that working together will help the cities, but additionally will help the state implement its Climate Action Plan.

Mr. Brendan Reed, Environmental Resource Manager from the City of Chula Vista, introduced himself and spoke about the City's working relationship with ICLEI. Mr. Reed added that Councilmember Steve Castaneda is the elected official representative for ICLEI from Chula Vista. Mr. Reed and Councilmember Castaneda attended the ICLEI North American World Congress held in Chicago, IL. Mr. Reed felt that it was a great experience and was able to exchange ideas and progress with other cities. Ms. Wagner added that the City of Chula Vista was one of the founding members of ICLEI in 1993.

Mr. Reed explained that in 1996, the City of Chula Vista developed its CO₂ reduction plan. This was a big effort, taking a baseline inventory and forecast where Chula Vista would be in 2010. Chula Vista also set up 20 action items that would help it arrive on target. Another large component of its efforts was the CO₂ Reduction Task Force. The 24-member task force included representatives from SANDAG, SDG&E, SDSU, among others. It has been 10 years since the initial action plan. Chula Vista has begun taking a new inventory to see how much progress has been made. Some of the things that have been done have included updating traffic signals with LEDs, handing out over 9,000 compact fluorescent light bulbs to residents with the help of SDG&E, and starting a Green Star Energy Efficiency Building Program. Chula Vista built a new Public Works facility, installing photo voltaic systems, a cool roof, and sky lights. Mr. Reed mentioned that ICLEI has been extremely helpful, as he is new to the position.

Ms. Linda Pratt, City of San Diego, spoke to the group about the City of San Diego's relationship with ICLEI. Ms. Pratt handed out the City of San Diego's Action Plan and informed the Working Group that the Action Plan is also available on the City's web site. The City of San Diego has made transportation efficiency improvements. The City has a draft fuel efficiency policy, which is awaiting approval. On September 13, 2006, the Natural Resources and Culture Council Committee will meet and climate changes will be a part of the agenda. The City has established a policy that requires justification to purchase larger vehicles and purchases Ford Focuses as a default vehicle. The City also purchases hybrid sedans and SUVs. Ms. Pratt mentioned that the greatest reduction in greenhouse gas emissions has been through changes in waste management and capturing the methane in its co-generation plants. The City also has an advisory committee. She also passed out a U.S. Mayor's Climate Protection Agreement. The City of San Diego's mayor is considering signing it.

Ms. Laura Hunter mentioned a group named Architecture 2030 that focuses on promoting green buildings and energy use reduction. Ms. Hunter expressed her challenges working with developers on creating green buildings because they believe that it is too expensive. She requested any up to date information on green buildings that Mr. Burroughs had. Ms. Pratt suggested that she also consider reviewing US Green Building Council's web site (www.usgbc.org) to see a number of examples. Ms. Pratt stated that the return on investment for the City's green building was approximately two years. Ms. Hunter stated that she runs into a lot of obstacles convincing builders to consider building green. Ms. Hunter requested information from ICLEI regarding local government building policies. Mr. Burroughs stated that he would provide examples and real world data information on others that are building green buildings.

Co-Chair Abarbanel stated that the Working Group would need to evaluate whether or not there is significant value in SANDAG joining ICLEI. Mr. Dave Carey and Ms. Laura Hunter will work on developing a recommendation on whether or not the Energy Working Group should join ICLEI. The recommendation will be given at the September meeting. Ms. Pratt and Mr. Reed will assist Mr. Carey and Ms. Hunter with this task.

5. PROPOSITION 87: CALIFORNIA CLEAN ALTERNATIVE ENERGY INITIATIVE

Co-Chair Abarbanel introduced Mr. Nate Lewis, Chemistry Professor at Caltech, who spoke to the Working Group in favor of Proposition 87.

Mr. Lewis stated that he is not politically motivated or financially interested with the proposition. He explained that California is doing a lot for solar power and renewable energy portfolios, but two-thirds of the greenhouse gas emissions in the state come from transportation. One main focus of Proposition 87 is to get more clean cars on the road. The proposition would raise over \$4 billion over the next ten years. Fifty-seven percent will be devoted to a fund that would provide incentives to businesses and consumers to purchase clean cars. It would also provide loans and incentives for alternative fuel infrastructure, such as electrifying existing ports and fueling stations, utilizing a competitive proposal process.

There would also be a research account established, which would grow to \$1 billion over ten years. These funds would go to California universities to conduct research and development in solar, wind, stationary and renewable energy technologies, as well as energy efficiencies. The third fund is to assist the technologies getting out to the market place. There will be a one to one match to assist with start up costs for technologies and to license them in the marketplace. The last component is a public education and "green" training in community colleges, etc.

Funding for this would not be sought through bonds, but by royalties on crude oil produced in California. Mr. Lewis stated that California is the only region in the world that has a minimal 3 percent royalty on its natural resources. At this time, Alaska's is 12 percent and federal offshore drilling excises 12 percent. Historically, California has not had a severance tax. Severance Tax in Texas is 5 percent, and in Louisiana it is 8 percent. A sliding scale severance package was proposed to be levied against crude oil produced in the state the same way as water rights are excised. This would be a royalty on depletion of the natural resources. California is the third largest producer of crude oil in the country. A 4 percent royalty on a sliding scale would produce \$400 million a year. The royalty would phase down if crude oil prices went down, so that oil would go out of or slow in production.

Mr. Lewis explained that the other issue is whether the royalty can be passed on to the consumer. Passing of this proposition would bring California in compliance with the rest of the world in levying a royalty on crude oil. The other thing to understand is that there is a world market for crude oil. Crude oil is sold on the world market at a price that is not sensitive to regional prices and cost of oil. This means that the royalty cannot be passed on to consumers, because no matter where crude oil is sold, it is the same price. Mr. Lewis stated that this is a royalty on the depletion of a natural resource. He added that you may hear that this proposition is wasteful because there are no stated exact goals. Yes, there are not exact, specified goals outlining how much oil must be saved. But, the proposition ensures that the goals are carried out in the most cost effective ways according to a strategic plan, which is updated every two years, with public comment. This proposition is

technology neutral, as it does not dictate that one must, for example, create a certain number of ethanol stations. Mr. Lewis included that it is competitive at every stage.

Anita Mangels, Californians Against Higher Taxes, spoke in opposition of Proposition 87.

Ms. Mangels stated that there is not any disagreement of whether or not the state needs energy diversification and a reduction in greenhouse gases. She believes that the question is whether this is the right way to pay for these efforts. She stated that this initiative is only about goals and levying taxes. She added that the proposition does not propose a royalty, but a tax and has been deemed to be a tax by the Attorney General and will be stated as such on the ballot. This initiative is not meant to bring California into overall aggregate parity with taxes in other states. She mentioned that California oil companies already pay among the highest taxes already of oil producing states. Ms. Mangels explained that if you look at other states that have severance taxes, for example, Alaska, yes, it may have a higher severance tax. Yet, it doesn't have a personal income tax and no sales tax. If this proposition is passed, it will make California oil the most heavily taxed in the country. Ms. Mangels stated that the question then becomes, does California want to put a constitutional amendment in place to levy an additional \$4 billion and have no accountability in how it is spent. The Legislative Analyst's Office has said that it will cause a decrease in property tax revenues. The Legislative Analyst's Office has also said that it will probably decrease revenue to the general fund, which means there will be less revenue for local governments. Ms. Mangels added that there are no benchmarks or requirements that any of the goals are achieved.

She also finds it interesting that a reinvigorated agency that would be responsible for overseeing Proposition 87. Essentially, a constitutional amendment will recreate this agency with nine individuals, including the state treasurer and state controller. This agency will have the authority to appoint committees and commissioners to implement all the various goals of this initiative. Ms. Mangels added that the agency members will not have any accountability whatsoever. The initiative is written in such a way that the members write their own conflict of interest rules. The proposition would exempt this agency from state contracting provisions. If taxes were raised on oil by \$4 billion, chances are it would discourage others to consider obtaining oil in California and would go elsewhere. Ms. Mangels encouraged the Working Group to look at who is supporting and opposing this initiative. Opposition comes from the California Chamber of Commerce, California Taxpayers Association, many local taxpayer and Chamber of Commerce offices, and PORAC. In her opinion, the initiative is written in such a way that there is absolutely no accountability. The proposed board will have the authority to issue \$4 billion in general obligation bonds, without the need for taxpayer approval or vote, with a 50-year maturity. She feels that this initiative is riding the coat tails of the worthy desire to reduce global warming and reliance on petroleum oil. It ignores the fact that a lot is being done to deal with reduction of greenhouse gas emissions and reliance on petroleum oil – every time one registers its car, you pay a couple of dollars that goes to the air quality management district for emissions reduction and exploration of alternatives; every time you pay your electric and gas bill, there are more fees that you pay.

Mr. Dave Carey stated that the Port of San Diego already has an active agreement with the state to reduce emissions. He added that it is his belief that regulators are already moving in the direction that the initiative is proposing. Mr. Carey asked Mr. Lewis if this initiative is mandated by the state, would it help agencies such as the Port of San Diego and school districts. Mr. Lewis stated that if the Port of San Diego or schools were pursuing implementing policies that would use the most cost effective method to reduce their emissions, they could apply for funding.

Mr. Michael Shames asked Ms. Mangels how a tax, that might add \$1 to the cost of producing oil in California, somehow transcended the world oil market. Ms. Mangels stated petroleum is global and that if you make it less competitive to produce the product within the state, then you will end up importing more oil and that in turn will make it more expensive.

Mr. Bill Reed asked how would tax pass through would be prevented. Mr. Lewis answered that it is true that legally, there is a prohibition on tax pass through. The Legislative Analyst's Office, in its most recent analysis, in practice, cannot be passed on. The reason it cannot be passed on is because oil prices are set on the world market. Furthermore, many of retailers in California already pay this tax to other states. If crude producers passed this on, they would either have to collude, break the law, or selectively raise their prices relative to the competition. Ms. Mangels responded that the Legislative Analyst's Office stated that it would be impossible to track the tax. She feels it is important to understand that one can apply for funds, but nothing guarantees that one will receive them. The former Secretary of Education and co-author of Proposition 98, stated that this initiative would cost the schools \$1.9 billion of lost revenues through losses of Proposition 98.

Co-Chair Abarbanel asked that Mr. Scott Anders and Mr. Steve Zolezzi make a recommendation to the Working Group at the September meeting on support or opposition of Proposition 87.

7. SDG&E'S LONG-TERM RESOURCE PLAN

Co-Chair Abarbanel wrote a draft recommendation for the Working Group to review and begin formulating a statement for the SANDAG Board of Directors. The top priority coming out of the 2004 Working Group retreat was to focus on the SDG&E Long-Term Resource Plan and make a recommendation on it. The subcommittee has been working on it and has been reporting back to the Working Group on its progress. The Subcommittee used a resource tool obtained from Duke Energy to formulate assumptions as to what resources were available in the region such as generation, technology, and what will be needed to move forward. Information was taken from CEC's Integrated Energy Policy Report and Regional Energy Strategy Document. The subcommittee is focusing on giving SDG&E policy guidelines so that its Long-Term Resource Plan coincides as much as possible with the Regional Energy Strategy as much as it can. And the recommendations presented are for SDG&E to consider with regards to the filing application with the PUC.

At the Resources Subcommittee, it was determined that focusing on long-term goals was more beneficial than using short term, quick fixes. This goal would be more cost-effective and allow more time to develop contracts. Ms. Porter added that initial goals should be aggressive building up to more aggressive goals as years go on.

One of the goals that came out of the Resources Subcommittee is to support the establishment of renewable energy parks. The group wanted to streamline the permitting and the transmission process so that access to energy parks can become as easy as possible. Ms. Hunter asked if she was referring to in-basin, in-county energy parks. Ms. Porter clarified that they are in or out of region energy parks. Mr. Shames stated that we could only affect in-region parks, and had no control over out of county projects.

The subcommittee also recommends support for all technically, politically, and economically feasible renewable energy technologies, which includes rooftop photovoltaic systems and central plant

solar, wind, and geothermal systems. Ms. Hunter asked who defined what economically feasible is. Ms. Porter stated that there is a recommendation that identifies that.

The subcommittee also recommends developing in-region renewables along existing transmission corridors. The subcommittee would like to see support for renewables that are close to existing transmission lines to avoid having to build new transmission lines to them. Mr. Reed asked if there was any effort to map the transmission corridors with the regional resource study that was completed recently and whether or not it determined good alignment with existing corridors and where the study found wind or solar resources. Mr. Fralick stated that level of detail could not be obtained at this time. The recommendation was a general goal. Mr. Reed stated that it would be coincidental that the existing transmission facilities were on top of the renewable resources studied within the last year. Mr. Ball stated that perhaps the group should look at it as focusing the transmission corridors where potential renewables are concentrated. Mr. Shames agreed that this was the sentiment of this concept during the discussion with the subcommittee. Ms. Donna Tisdale expressed her concern with wanting to place transmission lines in risky areas prone to fires.

The subcommittee also recommends developing a metric criteria for evaluating prospective competing conventional and renewable technologies that score each technology on the basis of at least:

- Cost-effectiveness to ratepayer
- Cost-effectiveness to system owners
- Role in global warming
- Other environmental impacts
- Community economic impact
- Sensitivity to gas supply risk

Ms. Porter added that the subcommittee would like to see transparency in SDG&E's decision-making processing when deciding which energy sources would be procured. For example, why was one project chosen over another? Mr. Reed stated that community impact has never been a part of an analysis done by SDG&E. Other than that aspect, the other topics are being analyzed. Mr. Reed asked if it was a sense of the group that these items are not being analyzed. Mr. Shames stated that the purpose of the metric SDG&E is proposing is to assist prospective investors in renewable resources and energy parks and determine whether investing their time and effort into creating a proposal is worth their time. This is a different approach rather than the traditional RFP process. Mr. Shames added that this would assist the market to see what SDG&E is interested in buying. He believes that it will be something that fits squarely on what SDG&E will do in the long term to promote and develop alternatives. Mr. Reed asked Mr. Shames if the private sector does not already do this in the same way that is being proposed for SDG&E to do. Mr. Shames stated that SDG&E is the buyer, so it is the only one that can define this. Ms. Porter stated that the idea and goal is to promote transparency. Mr. Reed added that in some cases information is provided to SDG&E confidentially. Mr. Shames stated that SDG&E would still go through a RFP process, but this recommendation would be preliminary to the RFP. Ms. Linda Wagner asked Mr. Shames if community choice aggregators would make any difference to this scenario. Mr. Shames stated that yes they would be just like a potential buyer. Mr. Shames added that he does not believe this will be the case within the next five years.

The subcommittee recommends the development of an incentive formula to ensure that most power passed through transmission lines will be from renewable energy rather than fossil fuels. A way to do that is to implement other recommendations that they have suggested. It is understood that SDG&E cannot control the power that goes through the lines but through incentivizing renewables it can ensure that a lot of the power that is going through in this region is renewable. Mr. Reed stated that to increase the amount of renewables would have the effect of increasing the power that flows over the transmission lines. Mr. Reed suggested that phrasing the goal of aligning the transmission lines and providing incentives for more renewable energy should be together and would prefer incentives rather than mandates. Mr. Reed added that he cannot determine which power will flow over the transmission line but he can put the line closer to renewable energy. Mr. Fralick added that SDG&E did have a performance-based incentive program. SDG&E set goals with the PUC on how much conservation could be made. Mr. Reed stated that developing a goal to surpass the mandate is good.

The subcommittee recommends that customer side renewables, e.g. rooftop solar installations, should be counted toward the state's Renewable Portfolio Standard goal of 20 percent renewables by service territory by 2010 and 33 percent by 2017. Ms. Porter stated that this goal was more for the PUC to consider.

The subcommittee recommends that Load Serving Entities (LSE) should meet the same renewables standards (e.g. RPS) as IOUs. Ms. Porter added that this, too, was more of a goal for the PUC to consider.

The subcommittee also recommends supporting the continuation of the Self-Generation Incentive Program, revising rates/tariffs to prevent prohibitive costs for distributed generation use comparatively and locating distributed generation sources for maximum benefit. Mr. Reed commented that he feels that the issue is the participating customer versus the nonparticipating customer. There is a rate tariff issue that needs work to ensure that there are no prohibitive costs for distributed generation. On the other hand, he believes that nonparticipating customers are not required to subsidize other customer's choices. SDG&E is working on this issue. Mr. Reed suggested rephrasing the recommendation to recognize the fact that this is shifting costs from one customer to another and SDG&E wants to be equitable when it sets its rates. Ms. Porter argued that the subcommittee may not agree with Mr. Reed's point. Ms. Porter added that the idea is to have some sort of collaboration between SANDAG and SDG&E on potentially developing some sort of compromise on it.

The subcommittee recommends encouraging ultra clean distributed generation technologies (emergency backup generators not included) and maintaining reasonable utility rates. Ms. Porter added that backup generators were not included because they are trying to encourage distributed generation technologies that are not in that category. Mr. Anders stated that cleaning up emergency generators is an option and that excluding them dismisses the potential to clean them up. Mr. Reed asked if there was a reason why subcommittee did not encourage a cost-effective distributed generation component in this recommendation. Mr. Hoffmann stated that cost-effective distributed generation is affected by market behavior. Mr. Shames stated that there are other ways to encourage distributed generation. Mr. Reed suggested adding goal to create research and development alliance with other entities, particularly universities to improve cost-effectiveness of distributed generation technologies.

The subcommittee recommends that SDG&E follow the state-approved loading order (#1 being energy efficiency and demand response).

The subcommittee recommends achieving and maintaining capacity to generation 65 percent of summer peak demand with in-county generation by 2010 and 75 percent by 2020. Mr. Shames stated that the subcommittee spent a lot of time focused on this goal and suggested that they spend more time on other issues. Ms. Hunter suggested to consider thinking about when replacing plants, it be done as clean as possible. She added that the air emissions at the South Bay plant are about the same as the old one it replaced.

The subcommittee recommends increasing the transmission system capacity as necessary to maintain required reliability and to promote better access to renewable resources and low-cost supply. Mr. Reed stated that he believed this goal was consistent or where they were currently at.

Co-Chair Abarbanel drafted a letter that he provided to the group for review and build upon. Mr. Shames asked if the Working Group's letter was going to be submitted along with SDG&E's LTRP submission. Mr. Shames suggested deferring authoring of comments to staff at a subsequent time. Co-Chair Abarbanel stated that the letter would be to both SDG&E and PUC. Mr. Shames asked if the letter would be submitted in advance of filing. Mr. Reed stated that SDG&E will acknowledge SANDAG's comments within document and the comments would be included. Co-Chair Abarbanel stated that the letter would be a part of the filing, included perhaps as an appendix. Mr. Shames stated that he does not understand why one would comment unless the Working Group has seen the LTRP document first. Co-Chair Abarbanel stated that the Working Group would see the LTRP document before SDG&E filed with the PUC. Co-Chair Abarbanel asked Mr. Reed if the Working Group would have a chance to review the final document. Mr. Reed stated that the Working Group would be provided with a penultimate document and does not believe it will contain any surprises in it. Mr. Shames suggested that the Working Group wait and respond like any other agency would and avoid looking like SANDAG is SDG&E. Ms. Freedman stated that after assessing the 2004 LTRP plan, the EWG determined it would be better to participate in the development process through discussions with SDG&E before filing. This serves to reduce areas of contention that caused local stakeholders to intervene in the proceeding. She stated that the EWG recognizes that there will still be issues of contention, but one purpose of this process has been to increase areas of consensus among local stakeholders and the utility. Co-Chair stated that he counted on the subcommittee to review and comment on the LTRP document when it is released.

Ms. Hunter stated that she was concerned on the text referring to less aggressive short term goals and no concern with in-basin goals. She suggested focusing on in-basin goals and felt there was a lot of stuff to do locally. Mr. Anders stated that waiting until later to do more renewables would be more economical later.

The group reached consensus that the goal of continuing to build more aggressive goals should read "initial goals should be more aggressive building up to increasingly more aggressive goals as years go on".

Mr. Van Schoik suggested that the peak demand be met by in-basin and relying on out of region resources.

With regard to energy parks, Ms. Hunter suggested focuses on in county as a location as a priority. Mr. Van Schoik suggested that when referring to "region" to include Imperial Valley and Mexico.

Co-Chair Abarbanel directed subcommittee to formulate initial document letter to respond and incorporate into SDG&E's filing. The Resources subcommittee will present a final letter for approval at the next EWG meeting. Mr. Reed added that SDG&E is committed to including the Working Group's comments with their filing.

8. SUGGESTED TOPICS FOR NEXT MEETING

The next EWG meeting will address the Sunrise Powerlink project.

9. ADJOURN

The meeting was adjourned. The next meeting will be held August 24, 2006. The meeting will be held at SANDAG from 11:30 a.m. – 2 p.m. in the 7th floor conference room.

Key Staff Contact: Rob Rundle, (619) 699-6949; rru@sandag.org



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August 24, 2006

Mr. William Reed
San Diego Gas and Electric Company
8306 Century Park Court, Suite 41D
San Diego, CA 92123-1530

Dear Mr. Reed:

SUBJECT: SANDAG Recommendations on SDG&E's Long-Term Procurement Plan

MEMBER AGENCIES

- Cities of
- Carlsbad
- Chula Vista
- Coronado
- Del Mar
- El Cajon
- Encinitas
- Escondido
- Imperial Beach
- La Mesa
- Lemon Grove
- National City
- Oceanside
- Poway
- San Diego
- San Marcos
- Santee
- Solana Beach
- Vista
- and
- County of San Diego

ADVISORY MEMBERS

- Imperial County
- California Department of Transportation
- Metropolitan Transit System
- North San Diego County Transit Development Board
- United States Department of Defense
- San Diego Unified Port District
- San Diego County Water Authority
- Mexico

The San Diego Association of Governments Energy Working Group (SANDAG EWG), in cooperation with SDG&E, has had the opportunity to raise questions about and collaborate on future SDG&E energy resource planning and procurement policies. Following an extensive fact-finding project with stakeholders from businesses, environmental groups, and local governments, SANDAG has developed policy guidelines and recommendations for SDG&E to use in moving toward the goals of the *Regional Energy Strategy 2030 (RES)*, which favors a balanced approach to energy policy issues. These recommendations are to offer guidance to SDG&E in its mandated Long-Term Procurement Plan (LTPP) submittal to the state.

The RES was written by a regional stakeholder group formed as a product of the *Regional Energy Infrastructure Study (REIS)*, prepared in 2002. For over a year, these stakeholders held meetings and reached consensus on the goals for the San Diego region's energy policy. The RES's short-term quantitative assumptions were ultimately voted on and supported by the SANDAG Board of Directors as an energy planning tool for the region. The SANDAG Board also voiced its commitment to revisit the longer-term goals of the RES as needed.

The SDG&E LTPP serves as a roadmap for how the utility plans to address San Diego's resource needs for the next 10 years. In SDG&E's LTPP filing, SANDAG looks for carefully thought out, long-term goals that satisfy a number of concerns, rather than offering quick fixes for the region's energy shortfalls. With respect to renewables and distributed generation procurement goals, SDG&E's goals should be aggressive in the short-term, building up to more aggressive goals in subsequent years.

The following are SANDAG's policy recommendations for SDG&E to consider and implement in its long-term planning, including its upcoming LTPP filing to the California Public Utilities Commission (CPUC).

- Focus on California's preferred loading order
- Evaluate technologies' costs and benefits
- Support renewable energy technologies
- Support distributed generation technologies
- Support in-region generation

Focus on California's Preferred Loading Order

In its procurement activities, SDG&E must follow the state-approved loading order, which gives highest priority to energy efficiency and demand response when planning for the state's energy future. These energy-saving measures are followed in priority order by renewable energy and distributed generation, conventional large-scale generation and transmission respectively.

The state's top priorities must also be SDG&E's. The LTPP submittal should clearly demonstrate how the utility is meeting or exceeding the state-mandated energy-saving targets for energy efficiency and demand response followed by renewables and distributed generation. Information imparted to the public should be as accurate, complete, and understandable as possible.

Evaluation of Technologies' Costs and Benefits

A planned approach for procurement should involve developing metrics for evaluation of prospective conventional and renewable technologies. Scoring criteria for each technology should include, but not be confined to, the following:

- *Cost-effectiveness to ratepayers*-All technologies that are selected by SDG&E for their long-term plans need to ensure the costs incurred by ratepayers on a project do not increase their bills unduly or unreasonably, if at all.
- *Cost-effectiveness to systems*-Projects that are selected by SDG&E should not propose higher than reasonable costs to be expended to develop needed technologies.
- *Role in global warming*-Projects should advance the state toward baseline GHG emission standards, e.g. the Governor's Executive Order S-3-05, which states specific reduction goals for California.
- *Community economic impact*-A broader set of guidelines reviewing costs related to pollution mitigation, health risks, aesthetic impacts, jobs, etc.
- *Sensitivity to gas supply risk*-When determining the cost of a project, SDG&E should take the cost and projected price volatility of natural gas into consideration as a component of the total cost for the project.

In project evaluation, SDG&E has noted that it already favors those with the least environmental impact, have the ability to meet specific reliability timelines and that are the most cost-effective. SANDAG's goal is to recommend enhancements to this procurement procedure to ensure a more open and transparent process. The utility's request for proposals (RFP) should provide prospective developers with the information they need to submit relevant projects to meet San Diego's resource needs. After completion of each bid process, SDG&E could alert all bidders as to why their proposals

were accepted or rejected. This could continually improve the solicitation process and quality of bids.

Support for Renewable Energy Technologies

- The RES goal #3 states, “Increase the total electricity supply from renewable resources with an emphasis on in-region installations,”¹ and includes a target of 50 percent of those renewables from in-region. Therefore, it is imperative that SDG&E supports all economically and technically feasible renewable energy technologies. This is especially true for rooftop photovoltaic systems and central plant solar, wind, and geothermal systems as mentioned in the 2005 study: *Potential for Renewable Energy in the San Diego Region*.
- In order to achieve the state’s Renewable Portfolio Standard (RPS) goals, SANDAG supports the establishment of in-region renewable energy parks and the streamlining of the permitting and transmission process for access to these parks. This measure could effectively intensify interest in renewables in the region. In addition to large-scale projects, this could promote research, development and demonstration (RD&D) projects by greatly expanding the amount of renewable technologies available to study within the San Diego region. RD&D could include next generation renewable technologies as well as studies on the maturity of existing technologies, like fuel cells and combined heat and power (CHP) systems utilizing renewable fuel. These measures will produce vital information for SDG&E and other decision-making bodies that shape energy policy, and will reflect an accurate picture of the energy sources available and their associated costs.
- In addition to this goal, locally placed renewables within and outside of energy parks should be incentivized prior to providing incentives for out-of-region renewables. As part of any RFP bid evaluation, SDG&E should include significant weighting for renewable projects.
- Another issue gaining importance for renewable energy development is ownership of credits that contribute to the state’s RPS goals. The CPUC is currently addressing this complex issue for the entire state. Once the CPUC establishes which resources can be counted toward the utilities’ RPS goals with Renewable Energy Credits (RECs) and which cannot, SANDAG can revisit how this may or may not impact our regional renewable goals.

Support for Distributed Generation Technologies

RES goal #4 addresses the desire to increase the amount of distributed generation in the San Diego region. This is an area where there has not been significant progress toward the RES goal. SANDAG supports efforts to more aggressively reach the distributed generation target of 12 percent of peak demand by 2010, and recommends that SDG&E also take additional steps to reach this goal. Measures can include supporting the continuation of the Self Generation Incentive Program (SGIP), which provides incentives for distributed generation (DG) projects. (This program is currently scheduled to sunset December 31, 2007.)

¹ Energy 2030: The San Diego Regional Energy Strategy, May 2003, www.sdenergy.org

Another measure can be an assessment of any barriers in the utility's rate and tariff structures available for end-users who are interested in taking advantage of distributed generation. For instance, the noncoincident peak demand tariff may be cost prohibitive for clean onsite DG use. Although these measures may not directly correlate to the long-term procurement plan filing, SANDAG would appreciate added attention to be given to enhancing the role of distributed generation in the San Diego region. SANDAG, through its Energy Planning program and the EWG, is poised to work with SDG&E and regional stakeholders in this area, both on technology development and on regulatory efforts.

Support In-Region Generation

With regard to renewable and nonrenewable electric generation in the region, SANDAG requests that all cost-effective and viable large-scale in-region generation projects be considered in SDG&E's procurement plans. RES goal #2 calls for achieving and maintaining capacity to generate 65 percent of summer peak demand with in-county generation by 2010.

Sunrise Transmission Project to be Addressed Separate from these Recommendations

SANDAG will address transmission planning questions separate from these recommendations. RES goal #5 refers to increasing transmission system capacity as necessary to maintain required reliability and to promote better access to renewable resources and low-cost supply. SANDAG will further review the relationship between transmission planning in general and for the Sunrise Powerlink, and in-region renewable and nonrenewable generation.

We look forward to reviewing your draft submittal of the Long-Term Procurement Plan prior to your filing with the Public Utilities Commission. We also would like to thank you for the occasion to participate in the LTPP process as a planning partner, and look forward to an ongoing collaborative relationship in this realm.

Sincerely,

MICKEY CAFAGNA
Chair, SANDAG Board of Directors

MC:RR:dd

cc: Commissioner Michael Peevey, CPUC
Administrative Law Judge Carol Brown, CPUC

Sunrise Transmission Project August 24, 2006, Panel Discussion

At this meeting, the SANDAG Energy Working Group (EWG) will review the SDG&E application for Certification of Public Convenience and Necessity (CPCN) submitted to the CPUC on the Sunrise Powerlink (A. 05-12-014). Discussion will be led by a panel of experts from SANDAG, SDG&E, environmental and consumer groups, area generators, and the California Independent System Operator (CA ISO).

This forum will serve to:

- Frame the review of the Sunrise Powerlink project in relation to the San Diego *Regional Energy Strategy 2030* (RES)
- Provide a synopsis of SDG&E's August 4, 2006, CPCN application
- Include review of the application proceeding's timeline
- Provide assessments of the project from:
 - Environmental perspective
 - Large-scale generator perspective
 - California ISO perspective
 - Consumer Advocate perspective
- Identify next steps for SANDAG EWG on this proceeding

At the conclusion of the meeting, we expect to have a broader understanding of SDG&E's application, varying perspectives of the need and impact of this transmission line, and an understanding of how a thorough vetting of the Sunrise Powerlink proceeding fits within the policy direction of the Regional Energy Strategy.

SDG&E Sunrise application: www.sdge.com/sunrisepowerlink/CPUC.shtml

Additional Meeting on Sunrise Powerlink – September 13, 2006

1. The California Public Utilities Commission will hold a **prehearing conference (PHC)** to identify additional parties or changes to the positions of the parties, discuss the scope of the proceeding, and consider other procedural matters.
2. In addition, this PHC will serve as a **Public Participation Hearing (PPH)** so that members of the public who are not parties will have an opportunity to offer comments on the new application.

The PHC and PPH will occur on September 13, 2006, at 4 p.m., at the Olive Pierce Middle School, Charles Nunn Performing Arts Center, 1521 Hanson Lane, Ramona, California.



**BOARD OF DIRECTORS
AUGUST 4, 2006**

**AGENDA ITEM NO. 06-08-10
ACTION REQUESTED - INFORMATION**

**STATUS REPORT ON SDG&E'S PROPOSED
SUNRISE POWERLINK TRANSMISSION LINE**

File Number 3003000

Introduction

On August 4, 2006, San Diego Gas & Electric Company (SDG&E) is expected to file an application for the Sunrise Powerlink with the California Public Utilities Commission (CPUC). The Sunrise Powerlink is a proposed electrical transmission line that would stretch from the Imperial Valley to San Diego. The application filing will be the first opportunity for the Energy Working Group (EWG) and the public to review SDG&E's environmental and economic basis for the project.

In April, the Board of Directors requested that the EWG make a recommendation on the project as it relates to the Regional Energy Strategy. The purpose of this report is to outline the schedule for bringing such a recommendation to the Board.

Discussion

The following project milestones have been tentatively established for the Sunrise Powerlink project:

August 2-3 California Independent System Operator (CA ISO) will determine if there is a need for a transmission line.

August 4 SDG&E expects to file its amended application with the CPUC.

September 13 CPUC will host a prehearing conference in the San Diego region to discuss procedural matters for considering SDG&E's application and outline a schedule for the decision-making process.

After the preconference hearing, it is anticipated that evidentiary hearings for the project will begin in late fall 2006 and the proceedings could last approximately one year with a final decision not expected until late 2007.

To generate local discussion of the project issues, the EWG is devoting its August 24 meeting to discuss the Sunrise Powerlink. EWG Members have been generating questions (Attachment 1) that have been provided to SDG&E so issues about the project can be discussed. A letter soliciting input from all local elected officials, city managers, and other interested parties also was sent so that everyone has an opportunity to provide input or ask questions about the project.

It is anticipated that the September EWG meeting and possibly part of the October EWG meeting also would be devoted to this topic in order to formulate a recommendation on the project.

Assuming the information that has been requested is provided, the EWG would make a recommendation to the Regional Planning Committee at its November meeting which would be presented to the Board of Directors at its November 17, 2006, meeting.

GARY L. GALLEGOS
Executive Director

Attachment: 1. Questions to SDG&E from EWG Members

Key Staff Contact: Rob Rundle, (619) 699-6949, rru@sandag.org

Funds are budgeted in Work Element #3003000

Questions to SDG&E from Energy Working Group Members on the Sunrise Powerlink Transmission Project

1. Please provide a comparative table on the alternatives to transmission in meeting the goals of the Regional Energy Strategy (RES) adopted by SANDAG in 2003.
2. Is it possible to meet renewable energy goals without transmission lines coming into the San Diego region?
3. Is the building of new transmission lines related to reliability of energy delivery in the San Diego region? Are there existing or proposed transmission projects elsewhere in Southern California which might cover San Diego's needs?
4. What are the overall benefits of a new transmission route?
5. What alternatives to the proposed project exist, and how can we as a region evaluate them and recommend to the California Public Utilities Commission (CPUC) which is our preference? What are the routes associated with those alternatives, the costs, and the relation to the RES?
6. Can one underground the entire project? At what cost, now and in the long run, for maintenance?
7. During 2005, what percentage of power imported here via the Southwest Powerlink (SWPL) actually was consumed within SDG&E's service area?
8. During 2005, what percentage of SWPL imported power coming to San Diego was then exported to Southern California Edison (SCE) under Sempra's contract with the State Department of Water Resources?
9. What were SDG&E's actual regional Reliability Must-Run (RMR) and congestion costs in 2005? What have they been so far in 2006?
10. What impacts on regional RMR costs and congestion will the 2011 expiration of Sempra's contract with the State DWR have? How much less power will need to be imported via SWPL for export to SCE's service area?
11. On page 1.6 of its earlier incomplete CPUC application, SDG&E provides a chart showing projected increases in regional RMR and congestion costs. That chart shows RMR and congestion costs actually declining, beginning in 2006, due to construction of several powerplant and transmission upgrades, including:
 - The Miguel to Mission transmission upgrade,
 - Operation of the Palomar powerplant,
 - Operation of the Otay Mesa powerplant, and
 - Construction of the Sunrise Powerlink transmission line.

For each of these individual projects, please indicate how much each will reduce regional RMR and congestion costs between 2006 and 2010, and clarify the marginal RMR and congestion cost reduction that will be created solely by the construction of the Sunrise Powerlink project.

12. If 10 percent of the \$3.2 billion the CPUC has authorized for the California Solar Initiative is spent in SDG&E's service area supporting the development of new solar energy systems, what impacts will that have on projected regional peak demand between now and 2010?
13. SDG&E's earlier incomplete Sunrise Powerlink application assumes that the existing South Bay Powerplant will be retired by 2010, but Duke has indicated that it, or its successor owner, plans to replace the existing South Bay Powerplant with another powerplant nearby. How would construction of such a new plant, assuming that it would produce 600 MW of combined cycle natural gas-based power, impact SDG&E's regional peak power demand and supply projections?
14. SDG&E's earlier incomplete CPUC application indicates that construction of the Sunrise Powerlink ultimately may be necessary for SDG&E to meet its CPUC mandated renewable power portfolio goals. Would SDG&E be able to meet those goals if the CPUC allows Renewable Energy Credits, and new renewables generated in the Imperial Valley are moved from the valley to coastal areas via the proposed Imperial Irrigation District Green Path transmission line upgrades project? If not, please explain why this model is not feasible.
15. Has SDG&E analyzed the option of using the proposed Green Path transmission project to import renewables from Imperial Valley by way of SCE's transmission grid? If not, please explain why this option was not included in SDG&E's assessment of alternatives.
16. What impacts does SDG&E believe that Calpine's bankruptcy will have on plans for construction of the Otay Mesa Powerplant? Does SDG&E's current contract with Calpine allow SDG&E to take over the project and construct the new plant if Calpine is unable to do so?
17. The recent settlement in the Continental Forge class action lawsuit calls for Sempra to modify its contract with the State DWR. What impacts will that change have on regional RMR and congestion due to less power being moved through SDG&E's service area to SCE to service Sempra's DWR contracts?
18. How many MW of peak demand reduction does SDG&E plan to achieve prior to building the new Sunrise Powerlink? What impact will these demand reduction efforts have on SDG&E's projected 2010 peak electric demand levels? Shouldn't those peak demand savings be included in any analysis of the Sunrise Powerlink?
19. Does SDG&E have information on the history of wildfires that disrupted SWPL over the last 20 years, compared to the number of wildfires that have hit the various alternative routes SDG&E is considering for the Sunrise Powerlink? If the key concern over double lining SWPL is wildfires, it would be useful to see how many fires that corridor has had over the last two decades compared to the northern corridors in which you are considering placing the Sunrise Powerlink.
20. Also, since one of the key justifications for building the Sunrise Powerlink is to import renewable power from Imperial Valley, would SDG&E be willing to commit to the CPUC that some minimum percentage of power imported to San Diego over the Sunrise Powerlink will come from renewable sources over the life of the line?
21. SDG&E is planning to re-file its Sunrise Powerlink application in early August. What are the differences between this most recent filing and the earlier one?

22. What is the total project cost for the Sunrise Powerlink, and does this updated cost include the costs of the extensive undergrounding proposals made by SDG&E for much of northern San Diego?
23. Is it true that the CPUC staff hasn't begun its analysis of the Sunrise Powerlink application, and even has not hired consultants who will do the analysis? If so, when is it expected that the CPUC staff will complete their analysis?
24. The Utility Consumer Action Network (UCAN) has posted five sets of requests for documents and information (data requests) on its Web pages, most of which were given to SDG&E in February and March of this year. According to UCAN, only the first set of data responses have been answered. Most all of its other information requests have not yet been answered by SDG&E. If this is true, when will UCAN be provided complete responses to all of its information requests?
25. At its Web pages, UCAN has posted an April 11 memo to the California Independent System Operator (CA ISO) that proposes a series of alternative routes for the transmission upgrades that do not go through Anza Borrego State Park and may be less costly than the SDG&E Sunrise Powerlink proposal. Has SDG&E conducted studies of the UCAN alternatives, and what are its conclusions?
26. There is much dispute over whether the proposed transmission lines actually will bring in renewable power. SDG&E entered a large power purchase contract with Stirling to purchase solar thermal-generated power. However, Stirling is proposing to use a technology that is commercially untested. If Stirling is unable to make its machinery work at a mass scale, what other cost-effective renewables is SDG&E planning to bring over the proposed powerlines?
27. Please explain why SDG&E can't bring renewable power from Imperial County over the existing Southwest Powerlink. That link currently is transporting natural gas-generated electricity. Why can't renewables be substituted for the existing gas-generated power currently clogging up that line?
28. SDG&E states that high congestion costs are compelling the building of this new Sunrise Powerlink, yet the Mission-Miguel transmission upgrades are supposed to alleviate most of the high congestion costs. And, with Palomar and Otay coming on line prior to the completion of the Powerlink, won't most of SDG&E's congestion cost issues already have been addressed? If not, then please quantify the amount of congestion costs that will be eliminated specifically by the building of this new Sunrise Powerlink.
29. If the LS Energy proposed South Bay repower is constructed, isn't the need for the Sunrise Powerlink pushed off by at least five years?
30. Please provide a list of all of the other transmission lines proposed to be built in the Southern California region and, in doing so, provide the estimated cost of each of those lines as well as how much of the costs of those transmission lines will be assigned to SDG&E ratepayers to pay.