

Submitted by	Company	Date Submitted
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1. Are any of the study results presented at the stakeholder workshop unclear, or in need of additional explanation in the study's final report?

Comment:

It would be beneficial if the final report could provide additional explanation on why certain scenarios exclude resources that need new transmission for delivery to CA or local loads. While E3's point that these resources have been in planning stages for the last 10 years and have not been built yet is well taken, California's renewable policies and landscape are rapidly changing. The 50% renewable goal will put pressure on California land use as acknowledged by the CEC's Renewable Energy Transmission Initiative (RETI) 2.0 http://www.energy.ca.gov/reti/reti2/documents/2016-01-22_workshop/2016-01-22_presentations.php and it is increasingly likely out-of-state renewables will be used to meet California's renewable policy goals. SWPG would also point out that there are a number of well-advanced interstate transmission projects in the West focused on renewable energy because they have been pursuing development for the past 7 to 10 years and are likely to get built in the coming 4 to 6 years because they can deliver high-quality renewables at scale to various energy markets in the West, including California's. It would be helpful if the final report acknowledges the changing reality and qualifies the different scenarios.

SWPG asks the ISO to confirm the New Mexico wind upgrade costs from Pinal Central to Palo Verde used in the study. The May 24th presentation, slide 81 shows costs of going from 1500 MW to 3000 MW increasing from \$50/kW-year to \$129/kW-year. Is it possible, for example, that the transmission costs to Pinal Central are being double counted in scenario 3 for New Mexico wind?

The ISO should consider the reasonability of assumptions carefully before qualifying the study results. For example, E3 developed plausible renewable portfolios and summarized the results in the May 24th presentation on slide 44. In scenario 2 there are high exports allowed and WECC wide operational dispatch, which causes out-of-state wind to displace in-state wind. During the May 24th meeting, the ISO called these

results conservative. SWPG echoes comments made by Dave Smith during the March 24, 2016 meeting that the ISO should consider whether given the high wheeling costs into New Mexico used by the model, if the results really should be qualified as “conservative.” In general, the ISO’s opinion on the robustness of different results will be highly beneficial in the final report.

2. Please organize comments on the study on the following topic areas:

- a. The 50% renewable portfolios in 2030**
- b. The assumed regional market footprint in 2020 and 2030**
- c. The electricity system (production simulation) modeling**
- d. The reliability benefits and integration of renewable energy resources**
- e. The economic analysis**
- f. The environmental and environmental justice analysis**

Comment:

Please see above comments.

3. Other

Comment:

Given the comments during the March meeting, the proposed changes or issues with the study by stakeholders on net will not affect the overall benefit results by a significant amount. Therefore SWPG supports the overall study methodology and believes the results of the report show sufficient benefits to move forward with regionalization.