### **BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

In the Matter of the Application of San Diego Gas & Electric Company (U 902 E) for a Certificate of Public Convenience and Necessity for the Sunrise Powerlink Transmission Project

Application 06-08-010 (Filed August 4, 2006)

# COMMENTS OF THE CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION IN RESPONSE TO THE SECOND CEQA SCOPING NOTICE

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Dated: February 26, 2007

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# I. Introduction

On January 19, 2007, the Commission issued a Notice of Second Round of Scoping Meetings on Alternatives to the Proposed Sunrise Powerlink Project (Sunrise) (hereinafter referred to as "Second Scoping Notice"). In the Second Scoping Notice, the EIR/EIS team explained that its preliminary assessment of nearly 100 alternatives to Sunrise had been completed, and 30 alternatives were being recommended for detailed EIS/EIR analysis as well as a "no action" alternative. The team also noted that research on the feasibility of these alternatives is ongoing, and that final decisions on alternatives will be presented in the Draft EIR/EIS after consideration of the comments received during this second scoping round.

The California Independent System Operator (CAISO) has been actively involved in this proceeding, and is in the process of evaluating the economic and reliability feasibility of certain alternatives to Sunrise. Some of these alternatives have been identified by the EIS/EIR team. While it is not the usual practice of the CAISO to

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become involved in routing and environmental issues associated with proposed transmission projects, there is a certain amount of overlap in the alternatives being studied in the CPCN phase of this proceeding and those recommended for evaluation by the EIS/EIR team. Thus, the CAISO has conducted a very preliminary review of the Second Scoping Notice and offers a brief overview of some of the alternatives in these comments. Without more information, the CAISO is unable to provide in-depth comments, except for those alternatives being studied as part of its ongoing analysis. Comments are only being offered on alternatives that pose possible economic or reliability concerns.

### II. Comments On Specific Segment Link Alternatives.

### A. Description of the Project

For routing purposes, the project was divided into the following links:

- Imperial Valley Link
- Anza-Borrego Link
- Central Link
- Inland Valley Link
- Coastal Link
- Other system upgrades, including upgrades to the Imperial Valley;
  Sycamore Canyon and Penasquitos substations; reconductoring the existing Sycamore Canyon to Elliot 69 kV line; modification of the San Luis Rey substation with a third 230/69 kV transformer and a 230 kV, 63 MVAR shunt capacitor; South Bay substation modified with the addition of a 69 kV, 50 MVAR shunt capacitor.

These comments will identify alternatives associated with certain of these links, as well as the "No Project" alternative, non-wires alternatives and project alternatives. Not all alternatives will be addressed; these preliminary observations will concentrate on scenarios that raise concerns or are being studied by the CAISO.

#### B. No Project (Second Scoping Notice, 10)

Under the No Project scenario, the team predicted that new generation in the San Diego area would be required; that other projects such as LEAPS or the Crestwood Area wind project might develop, or that transmission upgrades would be made that could increase import capability (Mexico Light and/or Path 44 Upgrade). Similar No Project scenarios are being studied by the CAISO and will be the subject of further detailed testimony in this proceeding. At a high level, the CAISO has reliability concerns with the No Project scenario.

#### C. Imperial Valley and Anza Borego Link Alternatives (Scoping Notice, 10-13)

Of these alternatives, the SDG&E Desert Western Alternative raises reliability issues with the proposed additional 50 miles of 500 kV line running parallel to the SWPL 500 kV line. These concerns are similar to the ones expressed by the CAISO in response to the routing alternatives proposed by SDG&E on October 2, 2006 Scoping Ruling (see CAISO Comments Regarding the Alternative Route Proposals Submitted by SDG&E, October 11, 2006). The CAISO notes that the Imperial County location of this portion of the line poses a lightning risk similar to the fire/lightning risks associated with other proposals that would place a portion of the line parallel to SWPL in San Diego County.

D. <u>Central Link Alternatives (Second Scoping Notice, 13-14)</u>

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The Santa Ysabel partial underground alternative includes the additional costs of undergrounding a 230kV line through the Santa Ysabel Valley but could provide the advantage of reducing fire risk.

#### E. Inland Valley Link Alternatives (Second Scoping Notice, 14-15)

The Cleveland National Forest (CNF) Alternative presents possible reliability concerns due to fire exposure.

#### F. Coastal Link Alternatives (Second Scoping Notice, 15-18)

With the exception of the Rancho Penasquitos Boulevard Bike Path alternative, all of the other Coastal Link Alternatives include portions of the line being placed underground, raising the costs of the project. Additionally, as noted in the Second Scoping Notice, the CAISO is studying the three optional project approaches proposed in the Coastal Link System Upgrade Alternative for the segment between the Sycamore Canyon and Penasquitos substations and will provide the results of its reliability studies in testimony.

#### G. Southwest Powerlink (SWPL) Alternatives (Second Scoping Notice, 19-20)

With the exception of the West of Forest Alternative, the SWPL Alternatives involve additional SWPL parallel lengths and pose all of the fire/reliability concerns noted in the CAISO's October 11, 2006 Comments on the SDG&E Corridor BCD alternatives.

### H. Non Wires Alternatives (Second Scoping Notice, 20-22)

All of the non wires alternatives are being studied by the CAISO in one form or another. The CAISO is studying these alternatives with respect not only to reliability and economic concerns, but also whether they present an economically efficient means by which SDG&E can meet its RPS goals.

#### I. System Alternatives/ Upgrades (Second Scoping Notice, 22-23)

The EIS/EIR team identified LEAPS or Serrano Valley North, Mexico Light and Path 44 as possible system alternatives or upgrades in lieu of Sunrise. Like the non wires alternatives, these alternatives are also being evaluated by the CAISO in terms of economic and reliability benefits and access to renewables.

### III. Conclusion

The CAISO appreciates this opportunity to provide preliminary comments on the alternatives described in the Second Scoping Notice and looks forward to working with the EIS/EIR team and the parties in this proceeding.

Respectfully submitted,

/s/Judith B. Sanders

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Attorneys for the California Independent System Operator

# **CERTIFICATE OF SERVICE**

I hereby certify that I have this day served, by electronic and U.S. Mail, a copy of the Comments Of The California Independent System Operator Corporation In Response To The Second Ceqa Scoping Notice In Docket Number A06-08-010.

Dated at Folsom, CA, on this 26<sup>th</sup> day of February, 2007.

<u>/s/Susan L. Montana</u> Susan L. Montana