

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Integrate and Refine Procurement Policies and Consider Long-Term Procurement Plans.

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PUBLIC UTILITIES COMMISSION
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**REPLY COMMENTS OF THE NATURE CONSERVANCY ON THE DECEMBER 18TH,
2013 WORKSHOP MATERIALS ON PLANNING ASSUMPTIONS AND SCENARIOS FOR
USE IN THE CPUC 2014 LONG-TERM PROCUREMENT PLAN PROCEEDING AND CAISO
2014-15 TRANSMISSION PLANNING PROCESS**

Erica Brand
Project Director, California Renewable Energy
Initiative
The Nature Conservancy
201 Mission Street, 4th Floor
San Francisco, CA 94105
(415) 281-0451
ebrand@tnc.org

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The Nature Conservancy (“the Conservancy”) thanks the Public Utilities Commission (“Commission”) for the opportunity to provide reply comments on the December 18th, 2013 workshop materials on *Planning Assumptions and Scenarios for use in the CPUC 2014 Long-Term Procurement Plan Proceeding and CAISO 2014-2015 Transmission Planning Process*, identified in the Administrative Law Judge’s (“ALJ”) ~~verbal~~ ^{written} electronic mail to the service list in the prior Long Term Procurement Plan (“LTPP”) Rulemaking (R.) 12-03-014 on December 19, 2013 (12-19-13 ALJ’s Ruling).

INTRODUCTION

The Conservancy appreciates the opportunity to respond to opening comments on the *Planning Assumptions and Scenarios for use in the CPUC 2014 Long-Term Procurement Plan Proceeding and CAISO 2014-2015 Transmission Planning Process*. In reply comments below we address comments made by various about parties about the environmental score and methodology.

In our opening comments, the Conservancy discussed ~~the~~ ^{the} ~~landscapes~~ ^{landscapes} and scale planning for energy, including ongoing and completed planning efforts within the California deserts, and urged the Commission to modify at least once scenario to give a higher weighting to the zones and draft Development Focus ~~of the~~ ^{of the} Bureau of Land Management (“BLM”) Solar Program and Desert Renewable Energy Conservation Plan (“DRECP”), respectively, to ensure that these areas are appropriately analyzed in the

forthcoming 2014/2015 Transmission Planning Process. Our recommendation is to make this change in the High DG scenario by using the Scoring Methodology (applied in past years to the Environmental Scenario), instead of the Commercial Interest scoring methodology.

I. Desert Renewable Energy Conservation Plan

In opening comments, the Large-Scale Solar Association (“LSA”) asserts that it is premature for the draft Development Focus Areas (“DFAs”) of the Desert Renewable Energy Conservation Plan to be including in the environmental scoring methodology. LSA notes that the DFAs have not been formally proposed as part of the National Environmental Policy Act (“NEPA”) or the California Environmental Quality Act (“CEQA”). The Conservancy disagrees with this assertion and describes below why it is both appropriate and adds value to include the DRECP and draft DFAs in this planning cycle.

As noted in the draft released by the Commission, the scenarios should reflect a “reasonable range of possible energy futures” (Page 200) including Alternatives 1 and 2 from the document *Description and Comparative Evaluation of Draft DRECP Alternatives* (December 2012) is consistent with this objective. The DRECP has been in development for several years, with opportunities for participation by stakeholders and interested parties, and has received significant investments from state and federal agencies, including the BLM, United States Fish and Wildlife Service, California Department of Fish and Wildlife and the California Energy Commission. Including some draft Development Focus Areas within the methodology of the planning assumptions and scenarios has merit in this cycle, even in their draft state, for two key reasons:

1) Analysis of the transmission requirements to the DFAs primarily in degraded lands is needed now to enable implementation on the DRECP.

2) While there are a number of draft alternatives of the DRECP, the majority of land in the DFAs represented by Alternatives 1 and 2 from the document *Description and Comparative Evaluation of Draft DRECP Alternatives* (December 2012) are included in all of the alternatives. These are also the alternatives that contain the highest ratio of lands that are more degraded.

The Conservancy also believes it is not inconsistent with the existing planning process for the LTPP and TPP to analyze DFAs even though they have not been through the NEPA or CEQA processes. The current planning process already makes practice of using draft information, such as including projects that have yet to complete, or initiate, public review processes pursuant to NEPA or CEQA. In summary, including the draft DFAs for the purpose of ensuring that they are appropriately analyzed and modeled in the 2014/2015 Transmission Planning Process ("TPP") is consistent with planning objectives of analyzing a reasonable range of possible energy futures and real world capabilities, and can provide valuable information to policymakers.

II. The Commission should not eliminate the environmental score.

In opening comments, LSA, the California Wind Energy Association ("CalWEA"), and Duke American Transmission Company ("DATC") assert that the Commission should remove the environmental scoring from the RPS Calculator. The Conservancy disagrees with this recommendation.

In opening comments the Conservancy provided feedback on the RPS Calculator, including concerns regarding a lack of transparency and documentation, and with the

scoring methodology. Despite these concerns, we strongly urge the Commission to keep the environmental scoring for this cycle. **We also encourage the Commission to issue a ruling in 2014 directing revision of the RPS Calculator, so that the methodology can be evaluated and reformed through a public process.**

The environmental scoring methodology has utility and provides benefits to this planning cycle, including:

- Incorporating the areas that energy and conservation planning efforts have established as solar energy zones and identified as draft Development Focus Areas.
- Providing policymakers with early notice about potential environmental risks that may impact portfolio or scenario viability.

It is important that California's energy planning processes include environmental data and share a common scientific platform for the supporting landscape-scale planning for energy, as well as identifying environmental risk factors that may affect portfolio or scenario viability. In the LTPP and TPP planning processes, a comprehensive analytic framework is required to measure the costs, reliability, and environmental trade-offs of various paths to achieving California's energy and climate goals. The environmental scoring metric is a necessary first step in this direction, but would benefit from improvement.

III. CONCLUSION

The Nature Conservancy appreciates the opportunity to file reply comments and looks forward to working with staff and other stakeholders to further address these issues.

Respectfully submitted,

A handwritten signature in cursive script that reads "Erica Brand".

Erica Brand
Project Director, California Renewable Energy
Initiative
The Nature Conservancy
201 Mission Street, 4th Floor
San Francisco, CA 94105
(415) 281-0451
ebrand@tnc.org