

LUCERNE VALLEY ECONOMIC DEVELOPMENT ASSOCIATION (LVEDA)

To: Com. Michel Florio
Admin. Law Judge Irene Moosen
CPUC
505 Van Ness Ave.
San Francisco, CA 94102 public.advisor@cpuc.ca.gov

From: Chuck Bell, Pres. _____
P. O. Box 193
Lucerne Valley, CA 92356
760 964 3118 chuckb@sisp.net

Date: 5/29/14

RE: NOTICE OF SCE'S AMENDED APPLICATION TO THE CPUC – CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY – COOLWATER-LUGO TRANSMISSION PROJECT – (A. 13-08-023)

Opposition

Request the CPUC to place this project 'on hold' until regional RE planning is complete.

We have "Subscription Service" for e-mail notification of documents and proceedings.

Request a CPUC local hearing on this matter – a major land-use/environmental/cost issue for affected communities which mandates public and agency participation.

Notice of our potential future request for 'party status' per Rule 1.4 (Rules of Practice)

Our comments incorporate by reference the following documents:

Comments on the Proposed Renewable Resource Portfolios for the 2013-14 Transmission Planning Process (R.12-03-014 / R.11-05-005) - Submitted by City and County of San Francisco - January 11, 2013. Said document's arguments accurately reflect LVEDA's opposition/concerns/issues. (1)

CPUC'S Joint Assigned Commissioner and Administrative Law Judge's Ruling Requiring Amended Application, Resolving Outstanding Protest Requests And Motions To Strike. It is our opinion that SCE's amended application cannot meet this ruling's requirements and rationale.

Project Description quotes: "The BarstowLucerne Valley.....areas have been identified to be rich solar and wind resource areas.....The purpose of the Proposed Project is to provide additional transmission capacity needed in theLucerne Valley areas to support large-scale renewable generation development....." Said statement

likely references the draft DRECP's Development Focus Areas (DFAs) – totally engulfing and surrounding Lucerne Valley in all 6 alternatives – formulated with no local stakeholder participation – inferring that solar/wind all over the place is a “done deal”. It's not! The potential MW generation that SCE cites in its application is too speculative and locally opposed to constitute rationale for this transmission project – with some of the proposed RE projects still ‘in study’ - or withdrawn, ‘on hold’, not economically viable, etc. As such – if the potential for “renewable” generation in Lucerne Valley is one of the primary reasons for this transmission project – it is based on a failed premise - not much will come from here – thus SCE and PUC need to re-think the need for and benefit of this project.

Per our meetings, tours and numerous communications: SCE staff, CEC Commissioners, the Governor's Office and San Bernardino County officials are well aware of our community's adamant rejection of said DFAs – our opposition to utility scale solar or wind projects, particularly where they conflict with existing and projected land-uses - providing no real economic benefit – our major concerns re: surrounding property devaluations – our emphasis for and support of “point of use” (Distributed Generation - DG) rooftop/parking lot/backyard PV, not requiring new transmission lines/corridors - etc.

We are working with the County to identify a suitable area in Lucerne Valley for industrial-scale PV that meets reasonable and functional siting constraints – with certain “conditions of approval” – an area about 2% of that identified in the current DFAs – with our strong position contrary to the project description's inference that we are a wide-open space – “available for these things”. We won't be.

Parking lot/rooftop DG generation needs to be included and accounted for in the State's and SCE's 33% RE quota (likely increasing) – not just industrial scale MWs - alleviating the need for additional long-distance transmission lines, their costs and known energy losses. DG doesn't tear up native desert ground – doesn't result in erosion/blowing dirt – isn't a blight on the landscape – certainly provides more LOCAL jobs than do industrial scale projects – and even with various subsidies – provides more property tax revenue than exempt industrial systems – and its presence in a community would promote more incentive for localized installations.

This application should be shelved, at least until regional RE plans are completed. The State's draft DRECP (an ‘energy plan’ - certainly not a ‘conservation plan’) is due sometime this summer. BLM's West Mojave Plan update isn't completed yet. San Bernardino County's Renewable Element to the General Plan (and community zones for industrial scale projects) won't be in draft form for probably more than a year. We are dealing with too many individual projects – too many ‘parts’ before we understand the consequences of the ‘whole’ – a systemic, dysfunctional series of reactions with no real PLAN to guide us – to determine the best places for this stuff with the least environmental/land-use/social damage.

This project is an inefficient, circuitous and costly path to get Abengoa's Mojave Solar Project into PG&E's grid. Our area accommodates enough transmission corridors and

related infrastructure to serve s. California's urban areas. PG&E needs to find its own paths.

IF THIS COOLWATER/LUGO TRANSMISSION LINE IS APPROVED PRIOR TO COMPLETION AND ADOPTION OF ALL THESE PENDING PLANS – IT WILL EITHER TRUMP SAID PLANS OR UNDULY INFLUENCE THEM – WASTING THE TIME AND MONEY SO SPENT – BECAUSE BY VIRTUE OF ITS EXISTENCE, ALIGNMENT AND SUBSTATIONS - IT WILL DETERMINE WHERE INDUSTRIAL SCALE RENEWABLES ARE SITED – WHERE PPA'S WILL BE THE EASIEST TO OBTAIN – AT THE EXPENSE OF WHAT WAS INTENDED TO BE GOOD, REGIONAL PLANNING - JUST MORE TAILS WAGGING THE DOG.

The CPUC's reservations and concerns re: this project constitute sufficient rationale to deny it – and should strongly consider AV Clearview/Critical Path Transmission alignment as a feasible alternative – supported by cities and other entities.

- (1) Footnote: Quotes from SF's submittal: ““The importance of these previously stated points is glaringly obvious in the scenarios presented at the December 19 workshop, which demonstrate that there is no need for additional expensive transmission capacity in the Kramer CREZ(such as the Coolwater-Lugo project—estimated to cost \$542 million..... Moreover, there is ample transmission capacity available to achieve the State's 33% RPS goals without expensive new projects in the Kramer CREZThe City's consultant analyzed a cost-constrained scenario and found that in addition to obviating the need for additional transmission in the Kramer CREZ(such as the aforementioned Coolwater-Lugo)..... a cost-constrained scenario would reduce total annual production costs by \$350 million. These differences are significant..... Thus, scenarios that minimize costs and minimize environmental impacts, both show no need for new transmission in the Kramer CREZ Given that minimizing costs and minimizing environmental impacts are both among the highest priority state goals, there is no justification to proceed with the two projects..... It is worth noting also that increasing DG is also a high priority state goal, and the high DG scenario also shows no need for the projects..... the asserted need for the Coolwater-Lugo project is primarily driven by the Abengoa Solar's Mohave Solar project, a 250 MW project..... In approving the Mohave Solar power purchase agreement (PPA), the Commission recognized that considering the high cost of transmission associated with this project, its total cost would be prohibitively expensive..... The resolution approving the Mohave Solar PPA acknowledges this..... For all the strengths underlying the Mojave Solar project, it has one significant weakness – the cost. Information provided by PG&E shows that this contract is significantly more costly than other procurement opportunities available to PG&E, including projects from the 2009 and 2011 RPS solicitation..... The Mojave Solar contract also exceeds the average price of RPS contract recently approved by this Commission.. the Mojave Solar contract ranks low on a net market value basis, a comparison of an RPS contract's total costs and benefits, relative to other contracts. The low net market value of the contract is further impacted by the significant transmission network upgrade costs required to make the project fully deliverable, which is necessary for the project to provide PG&E with resource adequacy credit pursuant to the PPA.... It is important to note that these transmission network upgrades are not necessary for the project to interconnect and deliver its generation to PG&E. Conversely, proceeding with the

Coolwater-Lugo projects creates a strong risk that these facilities will be underutilized, while adding substantially to the unprecedented growth of transmission costs in California....("It is important to highlight that the ability for Mojave Solar to interconnect and deliver its generation to PG&E does not require the Coolwater-Lugo transmission project. Mojave Solar is responsible for significant interconnection facilities and network reliability upgrades so that the project can interconnect to the transmission grid and deliver its energy. These facilities and upgrades are scheduled for completion prior to Mojave Solar's commercial operation date.")...."