Transmission Chickens and Alternative Energy Eggs

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Yakout Mansour
President and CEO, California ISO
THE NEW TRANSMISSION PLANNING PROCESS / STREAMLINING

Generators
- Merchant Interconnections
- Contracts

California Energy Commission
- 10 Year Load Forecast
- Resource Assessment
- Generation Scenarios: Reflect Policy Preferences
- Possible Transmission Corridors

California ISO
- Short Term Plans: WECC Criteria
- Long Term Scenario Plans: Reliability and Economics
- Determination of Needs

Transmission Owners
- Develop Procurement Plans
- Propose Zonal Transmission Plans
- Adhere to ISO Plans or Better Alternatives

Public Utilities Commission
- Reviews Utility Procurement Plans for Alignment with the CAISO Plans and Approves
- Rebuttal Presumption to the ISO Determination of Needs
- CPN

FERC
- Approves Rate Recovery

Public Utilities Commission reviews utility procurement plans for alignment with the CAISO plans and approves or rebuts the presumption to the ISO determination of needs. FERC approves rate recovery. The California Energy Commission is responsible for the 10-year load forecast, resource assessment, and generation scenarios reflecting policy preferences. Transmission owners develop procurement plans, propose zonal transmission plans, and adhere to ISO plans or better alternatives. California ISO handles short-term and long-term scenario plans, reliability, and economics. Generators include merchant interconnections and contracts.
By 2010, projections are that more wind-powered resources will be built than any other renewable resource. Historically, wind resources have a low “capacity factor.” Further development of demand-response resources may help, however the integration of demand resources has its own set of challenges. Meanwhile, load continues to grow and congestion patterns continue to shift.
Common Challenges

- Far and large footprint
- Scattered in ownership and time
- First come, First serve, Nail

The Solution: Filed a Declaratory Order

- Re-defines discrimination
- Establishes criteria, “build and the other half will come”
- Generators pay pro-rata share as they come
- Financing versus Funding
- Remove the barriers as we go
ELIGIBILITY CRITERIA FOR TRANSMISSION PROJECTS

- A non-network facility
- Facilitate access to an area with a significant source of non-transportable energy
- Turned over to CAISO control
- Serve multiple power plants fueled by non-transportable energy source
- Cost effective
- Each project not to increase the TAC rates by more than 5% on average over 10-years
- Able to demonstrate adequate commercial interest