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California Energy Commission

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California Energy Commission
Dockets Office, MS-4
Docket No. 09-RENEW EO-01
1516 Ninth Street
Sacramento, CA 95814-5512

Re: Desert Renewable Energy Conservation Plan (“DRECP”): Comments of Pacific Gas and Electric Company on the “Description and Comparative Evaluation of Draft DRECP Alternatives”

I. INTRODUCTION

Pacific Gas and Electric Company (“PG&E”) appreciates the opportunity to comment on the Renewable Energy Action Team (“REAT”) agencies’ “Description and Comparative Evaluation of Draft DRECP Alternatives” (“Draft Alternatives”) published in December 2012. We commend the collaborative work of the state and federal agencies, and other stakeholders in developing strategies to resolve the complex issues associated with achieving California’s greenhouse gas (“GHG”) reduction goals and 33%-by-2020 Renewable Portfolio Standard (“RPS”) mandate. PG&E supports the development of renewable resource technologies, as well as recognizes the need for protecting sensitive habitat and species in California, and supports a balanced approach to meet both objectives.

II. KEY ELEMENTS SHOULD BE ADDRESSED TO ENSURE SUCCESSFUL IMPLEMENTATION

PG&E appreciates the efforts of the agencies in ensuring that all of the key energy policymakers work together to achieve our mutual energy and environmental goals in a coordinated, comprehensive, and cost-effective manner. Fundamental to the success of the DRECP, is the completion of the key elements of the DRECP (that are still forthcoming) as well as the opportunity for stakeholders to provide input on those elements.

PG&E offers the following comments for consideration:

- PG&E agrees with Southern California Edison’s (“SCE”) principle that a DRECP conservation strategy should have clear objectives with mitigation measures that are transparent and based on sound science,

- Establishment of the Biological Goals and Objectives (“BGOs”) is an important step to inform the development of the conservation reserve design, identification of the areas for conservation, and development of the conservation actions. While the BGOs have been updated, they remain incomplete. It is not clear how the goals and objectives, for the Golden Eagles as a Covered Species, will be implemented (i.e., additional detail is needed, such as clear expected deliverables).
- The mitigation measures should be well defined to facilitate a clear understanding of the requirements and how those measures will be implemented. This will provide certainty to developers about the requirements and costs of mitigation when they are planning their projects and will lead to more timely permitting and effective planning of projects while providing the necessary level of protection for covered resources. In addition, the DRECP should offer meaningful permitting incentives/improvements to facilitate renewable energy development in Development Focus Areas (“DFAs”).
- The DRECP plan should provide for enduring and lasting conservation. PG&E supports the Environmental Groups’ Joint comments on the key concepts of durability related to mitigation:
 - Designation: Conservation lands should be protected from future administrative decisions that undo or undermine the designation.
 - Management: The administering agencies must have authority and expertise to implement/enforce the conservation actions, including monitoring implementation and adaptively managing processes to ensure implementation achieves the BGOs.
 - Funding: Agencies should be assured sufficient funding for initial development and for ongoing conservation management costs.

III. TRANSMISSION PLANNING CONSIDERATIONS

PG&E supports the collaborative efforts of the DRECP to bring both land-use and transmission planners together in development of the DRECP. The DRECP transmission studies complement existing and on-going transmission planning activities in California by integrating land use into the DRECP planning efforts.

As an active participant in the Transmission Technical Group (“TTG”), PG&E supports the continued efforts of the TTG and offers the following comments for consideration:

- Planning improvements to the grid should consider the long lead time for development of large transmission infrastructure projects (e.g., new transmission lines, new power plants). In addition, PG&E agrees with SCE’s recommendation that the DRECP should recognize the need for utilities to acquire sufficient lands to support transmission corridors, upgrades, and additions and provide flexibility in the Reserve Design to facilitate those activities in the most cost-effective and environmentally sound manner.
- The increasing penetration of renewables poses several challenges to California’s electric grid. As intermittent and non-dispatchable renewable resources are brought online, the

variability of the system increases, which in turn increases the operational requirements of the system. The DRECP should recognize the cumulative impact to the electric system and need for future transmission system upgrades to integrate renewable resources.

- Given the time constraints, Alternatives 4 and 7 were not reviewed by the TTG. To the extent that new alternatives are developed, the TTG should be given sufficient time and opportunity to review. In addition, it is important to emphasize that the new transmission facilities, specifically those connecting into PG&E service areas, are evaluated at a conceptual level (i.e., not site/route specific), as stated in the TTG Report (Appendix A).
- The CAISO's Transmission Planning Process is one of the primary venues for making long-term transmission infrastructure decisions in California. The DRECP should be closely coordinated with the CAISO planning process, as well as other regional planning efforts, to inform DRECP's anticipated impact to the electric grid.

IV. CONCLUSION

We look forward to continuing our participation with the REAT agencies and other stakeholders to support California's renewable energy goals while protecting species, habitats, and natural communities. In particular, PG&E encourages the continued efforts of the lead agencies and other stakeholders to work collaboratively towards the goal of improving the timing and efficiency of the permitting process for renewable energy projects in the DRECP area.

Sincerely,

/s/

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