

Comments on Draft Environmental Impact report for the San Diego Gas & Electric Sycamore-Peñasquitos 230-kV Transmission Line Project (Application No. 14-04-011)

Submitted by	Company	Submitted to	Date Submitted
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Silicon Valley Power (SVP) appreciates the opportunity to provide comments to the California Public Utilities Commission (CPUC) on the scope of the Draft Environmental Impact Report (DEIR) for the San Diego Gas and Electric Sycamore- Peñasquitos Transmission (Proposed Project).

CPUC's Basic Project Objectives

In Chapter 3, the DEIR identifies three CPUC basic project objectives as follows:

1. Maintain long-term grid reliability in the absence of San Onofre Nuclear Generating System (SONGS) generation
2. Deliver energy more efficiently to the load center in San Diego
3. Support deliverability of renewable resources identified in SDG&E's Renewable Portfolio Standard (RPS) portfolio

SVP supports the first objective to maintain reliability of service to load in accordance with the applicable reliability criteria.

The application of the second objective is unclear. The DEIR describes alleviating both congestion and thermal overloads as parts of this objective. Thermal overloads that impact the reliability of service to load are addressed in the first objective and should not be doubly considered in this objective. An assessment of congestion and the value in relieving congestion cannot be adequately addressed by a power flow analysis of a limited set of system conditions. Such power flow analyses only provide a snapshot view of the system, typically under stressed and typically infrequent system conditions. To understand the degree to which various alternatives support this objective, a more informative tool would be a multi-area production simulation model. This would allow quantification of the estimated congestion in terms of energy and consumer savings associated with its relief. No such studies have been presented in the DEIR. As a determination of efficiency includes consideration of both the economic costs and benefits, the degree to which each alternative supports the efficient delivery of energy cannot be adequately determined from the information in the DEIR.

As for the third objective, California’s renewable energy goal is just that, an energy goal. Deliverability is simply a mechanism for determining the extent to which a specific resource counts toward a Load Serving Entity’s Resource Adequacy requirements. If the purpose of this objective to support SDG&E’s need for RA compliance, more information is necessary to understand SDG&E current state of compliance and the economics of its alternatives. If the purpose of this objective is to support California RPS goals, inadequate information is presented to understand the role of the Proposed Project and its alternatives on the state’s ability to meet such goals. If the lack of deliverability is simply a reflection of the severely stressed system conditions under which such studies are done, the potential for congestion and the impact on the achievement of the state’s goals may be very small. Again, a multi-area production simulation model would be a better tool for understanding the Proposed Project and the alternatives’ impacts on this objective.

Given the lack of congestion information and the economic and RPS impacts of its relief, if any, SVP recommends that the selection of the environmentally preferred alternative focus primarily on Objective One and that any consideration of the other two objectives either be rejected or only of a secondary concern unless more information becomes available.

Environmental Impacts of the “No Project” Alternative

SVP would encourage the CPUC to re-evaluate the environmental impacts of the “No Project” alternative. The “No Project” alternative consists of three components:

1. Mission—Peñasquitos 230-kV Transmission Line
2. Second Poway—Pomerado 69-kV Power Line
3. Series Reactor at Sycamore Canyon Substation

The two transmission elements of the project, the new Mission-Penasquitos 230kV Transmission line and the second Poway-Pomerado 69kV line, are already approved by the CAISO as stand-alone transmission projects as shown in the most recent CAISO 2014-2015 Transmission Plan.¹ Therefore, the “No Project” alternative does not require any additional transmission line construction beyond what is already in the CAISO transmission plan.² Selecting the Proposed Project is unlikely to avoid these environmental impacts. However, the DEIR compares the work associated with these projects against the work associated with the other alternatives. A more appropriate comparison would be to only consider the incremental environmental impacts associated with the “No Project” alternative elements that have not been approved by the CAISO as separate projects. Such a comparison would likely make the “No Project” alternative the environmentally superior option.

¹ <http://www.aiso.com/Documents/Board-Approved2014-2015TransmissionPlan.pdf> Pages 251 and 264. The New Mission-Penasquitos 230kV has an expected in-service date of June 2019. The Poway-Pomerado 69kV #2 project has expected In-Service Date of June 2016.

² It is expected that the series reactor would be installed inside an existing electric substation.

Comparison of the “No Project” Alternative

The “No Project” alternative is very similar to Alternative 36 except that Alternative 36 includes a reconductored Poway-Pomerado 69 kV line rather than the installation of a second circuit. Table 3.4-1 identifies that Alternative 36 does not meet objectives Two or Three.³ However, based on the above discussion, insufficient information is available to determine how the alternatives perform against these two objectives. Therefore, the “No Project” alternative should be considered as meeting the primary project objective. Coupled with the environmental considerations described above, the DEIR should rank the “No Project” alternative as environmentally superior.

Conclusion

SVP appreciates the opportunity to provide these comments to the Commission. It is imperative that the state’s electricity infrastructure provide safe and reliable electricity to the state’s homes and businesses. However, in doing so, it is critical that all proposed applications are presented to the Commission for complete review in a manner consistent with the Commission’s general orders and rules, and that the state’s ratepayers not be burdened with costs for unnecessary facilities and projects.

³ By being silent on Objective One, the presumption is that Alternative 36 meets that objective