

Ferguson: Energy Matters

August 3, 2007

Renewable Transmission Initiative Is Underway

California's lofty goals for increasing the use of renewable energy for electric generation and limiting climate change will require major improvements to the state's electricity transmission grid. The multi-agency group coordinating the planning effort released its mission statement document after considerable cogitation and argument. *Energy Circuit* readers are encouraged to peruse this document—which includes much more than the usual terse mission statement—at the link provided below.

This historic effort has finally been given the awkward but descriptive moniker of the California Renewable Energy Transmission Initiative—CRETI. The coordinating committee is comprised of representatives from the California Public Utilities Commission, the California Energy Commission, the California Independent System Operator, and publicly owned utilities. With luck, the final product will be in accord with all the policies and processes that emanate from these august organizations.

The Initiative's goals are threefold. The first is to assess all the major renewable energy resource areas in California and perhaps also in neighboring states if appropriate diplomatic arrangements can be made. The second is to provide an in-depth analysis of those areas deemed worthy of development, including transmission requirements. The last step is to see that detailed "plans of service" for the needed transmission facilities are developed.

This two-year process will be facilitated by your humble scribe and colleagues from Center for Energy Efficiency and Renewable Technologies under contract with the Energy Commission.

What the Initiative is *not* is perhaps as important as what it *is*. As many readers are aware, a host of contentious issues beset transmission planning in California. Munis would like to see changes in CAISO tariffs, for example. There are differences of opinion regarding the appropriate boundary lines between CEC, CPUC, and CAISO turf. Investor-owned utilities want more certainty in cost recovery rules. How best to keep the Federal Energy Regulatory Commission happy is always an issue. Renewable developers have their own issues with the bureaucrats and utilities. And so on and so on.

It is a huge job just to decide what renewable energy resources would be best to develop and what transmission facilities would be needed. Only a minor miracle will enable the group to complete its tasks in the scheduled time. This will be impossible if we also have to referee all the squabbles and resolve all the problems.

We all should be doing everything we can to address these problems, of course, but the CRETl process is not the place. My advice to the coordinating committee is to assist the parties in resolving their differences in appropriate venues but not to attempt to do so under the Initiative's umbrella. We should proceed under the assumption that the present status quo between the combatants will continue.

The coordinating committee is now finalizing the schedule, committee structures, subcontractor, and other details. Public meetings are expected to begin this month or early September.

CRETl is committed to being a wide open public process. To reach a satisfactory conclusion will require the broadest possible consensus. We encourage all interested parties to participate with the proviso that they be committed to the Initiative's goals and to working collaboratively to reach consensus recommendations.

Anyone wishing to receive CRETl announcements and notices should send their contact information to:

Merrisa@ceert.org with the subject line "CRETl contact list".

The CRETl Mission Statement is available from the CEERT home page at:

www.cleanpower.org.

A CRETl web site is hosted by the Energy Commission at:

www.energy.ca.gov/creti/

—Dr. Rich Ferguson, Research Director, CEERT, rich@ceert.org.