

# COMMUNITIES UNITED FOR SENSIBLE POWER C.U.S.P.

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**CITIZENS UNITED FOR RESPONSIBLE ENERGY  
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California ISO  
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Folsom, CA 95630

July 24, 2006

**CERTIFIED MAIL**

## **RE: Comments on Sunrise Powerlink**

Communities United for Sensible Power (CUSP) is a grassroots, community-based citizens' organization that supports the creation of a modern, diverse and economical energy supply for San Diego County. CUSP is made up of communities from the ocean to the desert, including Carmel Valley, Torrey Hills, Rancho Penasquitos, Ramona, Julian/Wynola, Ranchita/San Felipe, Warner Springs, Santa Ysabel, Mesa Grande, Borrego Springs, Canebrake and Ocotillo Wells. This organization opposes San Diego Gas & Electric's (SDG&E's) proposed county-wide transmission line project known as "Sunrise Powerlink," or SPL.

Thank you for the opportunity to express our concerns regarding this proposal, which is coming soon before the California Independent System Operator Board of Governors.

We would like CAISO to consider the following seven issues that we believe have significant bearing on the upcoming vote before the Board.

1. CAISO has assumed an extraordinarily high level of new renewable energy development in the Imperial Valley, 2,700 MW by 2015, as a base assumption in its transmission model. This is far higher than the very ambitious geothermal development projections of the California Energy Commission's (CEC) Imperial Valley Study Group (IVSG), which projects 645 MW of new renewable exports by 2010 and 1,290 MW (new total) by 2016. According to the CEC's own contracted study of geothermal reserves in Imperial Valley, proven reserves are in the range of 1,350 MW and approximately half of these reserves are over water (Salton Sea).<sup>1</sup> CalEnergy, the only geothermal developer of size in the area, has indicated that the over-water geothermal reserves can not be developed due to prohibitive drilling expense. Stirling Solar is still in an R&D stage, and it is difficult to conceive how even 12,000 Stirling dishes (300 MW total) could be operational by 2015 given the current state of the technology. In addition, SDG&E's official plan for reaching the

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<sup>1</sup> UCAN/Border Power Plant Working Group, Comments on Draft 2005 IEPR Transmission Chapter – The Sunrise Powerlink and Alternatives for Moving Renewable-Generated Electricity, Relieving Congestion, and Assuring Reliability in the Service Territory of the San Diego Gas & Electric Company, October 14, 2005, p. 2.

goal of 20 percent renewables by 2010 was submitted to the CPUC in 2004 and includes less than 100 MW of renewable resources from Imperial County by 2010 and less than 200 MW by 2014.<sup>2</sup> Even if by 2010 Stirling Solar had the commercial capacity to deploy 12,000 dishes (or 2015 with 36,000 to reach 900 MW), there is 1) no mandate for SDG&E to erect even one of these dishes, given the 20 percent renewables target can clearly be met with a different set of renewable resources, and 2) a clear indication from SDG&E/Sempra that SDG&E will not go beyond regulatory minimum targets for renewable energy resources.<sup>3</sup> There is no justification for CAISO to assume that 2,700 MW of renewable energy resources will be available for export from Imperial County by 2015. A much more realistic, yet still very ambitious, assumption would be that as much as 1,000 MW of new renewable energy might be available by 2015.

2. CAISO misrepresents by disregarding, in its modeling assumptions, the contribution of the LADWP-IID Green Path transmission upgrade project, portions of which CUSP understands are already under construction. The IVSG September 30, 2005 final report indicates the Green Path will carry “400+ MW” of power.<sup>4</sup> The January 18, 2006 protest letter filed by IID in response to the December 15, 2005 Sunrise application to the CPUC states that the Green Path will carry 1,100 MW,<sup>5</sup> giving new meaning to the approximation of 400+ MW. It appears that in all likelihood the Green Path, without the Sunrise Powerlink component, will be able to carry all reasonably foreseeable new renewable power generation in Imperial County that might be brought on-line over the next decade.
3. In the West-wide Energy Corridor (WVEC) study Draft Map<sup>6</sup> the Southwest Powerlink (SWPL) is shown as the preferred route. CUSP agrees with this Draft Map to the extent that the SWPL/I-8 corridor is more appropriate for siting a utility corridor when compared to the SDG&E preferred route through Anza-Borrego Desert State Park (ABDSP).
4. It is CUSP’s understanding that LS Power has filed an application with the California Energy Commission (June 2006) to replace the current 700 MW South Bay power plant with a 620 MW combined-cycle project by 2010.<sup>7</sup> SDG&E has not factored in the 620 MW that will be available from this project from 2010 onward in its justification for the Sunrise Powerlink. It also does not appear that CAISO is including this 620 MW in its modeling assumptions for Sunrise Powerlink until 2015, 5 years after LS Power indicates the project will be operational.

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2 San Diego Gas & Electric Company, July 9, 2004, Long-Term Resource Plan of the San Diego Gas & Electric Company (U-902-E), direct testimony of Vincent D. Bartolomucci, California Public Utilities Commission, p. 11 and p. 14.

3 San Diego Union Tribune, Sempra Generating New Energy – Interview with CEO Don Felsing, June 18, 2006.

4 Imperial Valley Study Group Final Report, Development Plan for the Phased Expansion of Transmission to Access Renewable Resources in the Imperial Valley, September 30, 2005, p. 6.

5 Application of SDG&E for CPCN for Sunrise Powerlink Transmission Project, A.05-12-014, Protest of Imperial Irrigation District, January 18, 2006, p. 4.

6 Ongoing Work by Federal Agencies on Potential energy Corridors in the Western States – Draft. June 2006 Status Map for West-wide Energy Corridor.

7 CEC Application For Certification 06-AFC-3: <http://www.energy.ca.gov/sitingcases/southbay/index.html>.

5. SDG&E has filed an application to utilize advanced metering to reduce peak MW demand in the SDG&E service territory. According to SDG&E testimony submitted to the CPUC on July 14, 2006, the advanced metering program will reduce peak demand by 161 MW in 2010 and 249 MW by 2015. The demand response benefits projected by SDG&E are summarized in the Table SSG 6-5 below.<sup>8</sup>

<b>Table SSG 6-5</b>						
<b>Avoided MW for Selected Years</b>						
<b>(MW)</b>						
<b>Customer Segment</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2015</b>	<b>2022</b>	<b>2038</b>
<b>Residential</b>	43	80	105	114	132	168
<b>Small C&amp;I (&lt;20 kW)</b>	1	4	8	14	17	22
<b>Medium C&amp;I (20-200 kW)</b>	13	26	53	63	76	100
<b>Large C&amp;I (&gt;200 kW)</b>	50	51	53	58	68	87
<b>Total</b>	107	161	219	249	292	377

CAISO is not accounting for these demand response benefits in the modeling assumptions for the Sun Path Project, as CAISO calls SPL. This appears to be a significant oversight, given it is SDG&E that is projecting these demand response benefits, and the 249 MW reduction projected for 2015 is 35 percent of the 700 MW deficit identified by SDG&E for 2014 as justification for the Sunrise Powerlink.

6. CAISO has repeatedly stated that their role in electricity transmission planning is in the siting process and geography is not a consideration. CAISO strictly looks at where transmission is needed on a Point A to Point B basis. CUSP respectfully asks CAISO to carefully consider “SDG&E Preferred Route” map presented by SDG&E on March 20, 2006. Geography aside, CUSP clearly sees a more direct path between Point A (IV substation) and Point B (RP Substation). The route CUSP sees is not a direct line between A and B but a route that follows, in part, the WWEC Draft Map proposed Federal Energy Corridor along the SWPL/I-8 corridor, while avoiding Anza-Borrego Desert State Park.<sup>9</sup>
7. There were a number of alternatives noted by UCAN in a communication regarding “ISO’s analysis of the proposed Sunrise project” dated April 11, 2006 addressed to Armie Perez of CAISO. CUSP is in agreement that all of the alternatives listed in this document are superior to the Sunrise proposal by SDG&E.

CUSP is not promoting any of the options in items 6 or 7 above but would need to be assured that they have been fully considered by CAISO. Accordingly, CUSP requests documentation as to why Sunrise is superior over any of the options listed in items 6 or 7 above, if that is the determination of CAISO. The alternative that CUSP would like to see considered is

<sup>8</sup> CPUC Application 05-03-015, Application of San Diego Gas & Electric Company (U-902-E) for Adoption of an Advanced Metering Infrastructure Deployment Scenario and Associated Cost Recovery and Rate Design, CHAPTER 6 DEMAND RESPONSE BENEFITS, JULY 14, 2006 AMENDMENT, Prepared Supplemental, Consolidating, Superseding and Replacement Testimony of Dr. Stephen S. George on behalf of San Diego Gas & Electric Company, p. 13.

<sup>9</sup> “The Route” map, modified to show approximate route of proposed Federal Energy Corridor. Also see Footnote #6 of this letter.

SDG&E's commitment to developing locally sustainable, renewable energy projects within San Diego County in accordance with the San Diego Regional Energy Strategy 2030. **Two important points regarding the Energy Strategy 2030 plan are that it creates permanent jobs, locally, with green energy projects and it does not call for Anza-Borrego Desert State Park to be bisected by a needless transmission infrastructure project.**

Finally, we believe it is important for you to understand, before voting on this issue, that while SDG&E does have an easement for a 69kV line through ABDSP they do not possess an easement sufficient to accommodate the transmission line they are proposing. This observation is based on the fact that SDG&E is currently requesting a 150 foot wide easement for the proposed line through ABDSP. It is our understanding that the existing easement through Anza-Borrego Desert State Park is presently no greater than 100 feet.<sup>10</sup> This creates the unprecedented situation of encroachment on, and destruction of, State Designated Wilderness.

Once, again, the community members of CUSP thank you for the opportunity to comment on this project. We request that the information contained in this letter be thoroughly considered prior to any decision taken by CAISO in this matter. We believe the best results will be arrived at through the exercise of due diligence by CAISO in the establishment and careful weighing of all considerations in connection with this proposed project.

Attached signatures are CUSP member representatives and affiliates. Due to the timing of this important matter not all signatories were available. "/S/" on signature line indicates contact and acknowledgement with individual community representatives of their input and agreement with regard to this letter.

Sincerely,

**Communities United for Sensible Power**

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<sup>10</sup> Attachment D - United States Department of the Interior, Bureau of Land Management letter to San Diego Gas and Electric Company – September 2, 1955

Attachments: (10)

Comments on Draft 2005 EIPR Transmission Chapter – The Sunrise Powerlink and Alternatives for Moving Renewable-Generated Electricity, Relieving congestion, and Assuring Reliability in the Service Territory of the San Diego Gas & Electric Company, UCAN Border Power Plant Working Group, October 14, 2005, p. 2.

San Diego Gas and Electric Company, July 9, 2004, Long-Term Resource Plan of the San Diego Gas and Electric Company (U-902-E), direct testimony of Vincent D. Bartolomucci, California Public Utilities Commission, p. 11 and p.14.

Sempra Generating New Energy, San Diego Union Tribune interview of CEO Don Felsing, June 18, 2006.

Development Plan for the Phased Expansion to Access Renewable Resources in the Imperial Valley, Report of the Imperial Valley Study Group, September 30, 2005.

Protest of the Imperial Irrigation District regarding application of SDG&E for CPCN for Sunrise Powerlink Transmission Project (A.05-12-014), January 18, 2006, p. 4.

Ongoing Work by Federal Agencies on Potential Energy Corridors in the Western States-Draft, June 2006 Status Map for West-wide Energy Corridor Study.

CEC Application for Certification 06-AFC-3,  
go to <http://www.energy.ca.gov/sitingcases/southbay/index.html>.

Chapter 6 Demand Response Benefits, July 14, 2006 Amendment, Prepared Supplemental, Consolidating, Superseding and Replacement Testimony of Dr. Stephen S. George on behalf of San Diego Gas & Electric Company, Application of San Diego Gas & Electric Company (U-902-E) for Adoption of Advanced Metering Infrastructure Deployment Scenario and Associated Cost Recovery and Rate Design, (A.05-03-015), p. 13.

SDG&E Preferred Route Map, March 20, 2006, modified route map showing proposed Federal Energy Corridor and LADWP/IID Green Path plus two existing power plants south of the international border. One owned by Sempra Energy and the other owned by Entergen.

Attachment D, United States Department of the Interior, Bureau of Land Management letter to San Diego Gas & Electric Company, September 2, 1955.