

COMMUNITIES UNITED FOR SENSIBLE POWER (CUSP)

CUSP MEMBER ORGANIZATION Carmel Valley Concerned Citizens

My name is Laura Copic and I am here today representing CUSP and Carmel Valley Concerned Citizens. I am also a member of the Carmel Valley Community Planning Board.

We finally received responses to the EWGs questions posed to SDG&E but this group should be concerned by the answers given (or lack thereof). For example, question #1 asks for “a comparative table on the alternatives to transmission in meeting the goals of the RES”. SDG&E chose not to answer that question. Instead they implied that they don’t have to because there is a goal in the RES that discusses transmission. It’s true that Goal 5 of the RES includes improvements to the transmission system. However, pursuing Goal 5 before we have scratched the surface on Goals 1-4 is not a prudent approach nor do I think it was the intent of the RES. There is an intended hierarchy to the goals. As you know, goals 1-4 include increasing **in-county generation**, increasing the total electricity supply from renewable resources **with 50% of these renewable resources coming from in-county generation** and increasing the total contribution of electricity from clean distributed generation. I believe, this is why the comparative table was requested.

If these goals are achieved first, is this transmission line even needed? I think even SDG&E realizes that building transmission before achieving these goals would obviate the need and incentive to achieve them altogether leaving us dependent upon imported energy.

To that point the RES states “Reducing electric demand through conservation, energy efficiency and demand response activities should be the first actions that should be taken by the region.”

Even if a new transmission line is needed. Is the one proposed here truly our best option? As noted by Supervisor Diane Jacob: “Sunrise is the single largest energy infrastructure proposal in the history of the region. Seeking to build Sunrise before it is determined whether the renewable resources it purports to access are even viable, is putting the “cart-before-the-horse”. Before the public invests more than \$1 billion in a transmission line, these sources must be deemed dependable. We are far from that point.”

Why is SDG&E pushing so hard for this line when most of these renewables have yet to be sited and, according to their website, the Stirling Solar facility it purports to access has yet to even hire the technical team needed to bring it from a handful of experimental solar thermal dishes to 12,000 by 2010? This raises the question of ulterior motives. As noted by Congressman Bob Filner, both the California Independent Systems Operator (CAISO) and the California Energy Commission have expressed their support for the Sunrise Powerlink, at least in part because it would ultimately result in a 500kV “full loop” that interconnects the Mexican border (Imperial Valley Substation) with Southern California Edison territory in Los Angeles. It is this complete project that will likely result in new

export power plants in Mexicali to serve the Southern California power market. These Mexican plants do not need to meet the same stringent air quality standards as California plants. But air pollution knows no borders. This is one of the reasons the Imperial Valley Board of Supervisors voted 4-0 against the Sunrise Powerlink proposal.

In addition, there ARE other new transmission projects already in the works that can access the renewable resources in the Imperial Valley and they don't run through the middle of our state park and preserves (but they don't happen to be owned by SDG&E). There is also the option of expanding the SWPL line. SDG&E keeps referring to the risk of wildfire taking out these lines as their reason for not co-locating them. To me, this simply highlights the vulnerability of all transmission lines to wildfire and adds to the long list of liabilities associated with these lines when compared to in-county generation. Ironically, a powerline is probably just as likely to CAUSE a wildfire as it is to become damaged by one and it complicates the ability of firefighters to battle these fires when they do occur.

Exploring more creative alternatives to this transmission line would represent true due diligence. The RES recommends pursuing AN additional high voltage transmission interconnection to the region. In question number 30 SDG&E names several under development and in question number 15 admits that it did not analyze the option of using the proposed Green Path transmission project to import renewables from Imperial Valley by way of SCE's transmission grid.

Up-and-coming technologies will soon make Sunrise and other transmission proposals an inefficient, antiquated and unenlightened solution, unworthy of the sizeable investment that is being asked of ratepayers. SDG&E wants us to believe in the viability of Stirling Solar's experimental technology and its ability to ramp up quickly but it gives little merit to the existing roof top solar panel industry to do the same, even though, the most recent issue of Business Week highlighted why some of the world's smartest investors are betting billions on Nanosolar's advanced solar panel assembly factory designed to produce more than one million solar panels per year.

With this proposal, SDG&E is simply doing their job to maximize shareholder value. Their incentives are clear. However, it is decidedly unclear why certain elected officials have jumped to support this proposal with little or no due diligence because they are supposed to represent our (the ratepayer's) interest. Note that the CPUC's own Division of Ratepayer Advocacy was one of the first parties to file a protest in this case. That should give you pause. While certain politicians and business organizations are pushing for a rush to judgment, the DRA is raising red flags and asking for more information and analysis. They suggest the application is inaccurate or incomplete and they ask for the appropriate time to investigate independently the claims made by the utility.

We urge the EWG to follow the DRA's example. The fact that very few of the group's questions posed to SDG&E were answered directly with the information requested should raise a red flag to you as well. We are all owed an in depth examination of the project and ALL alternatives, including non-wire alternatives as required by the Public Utility Code. Only through close examination of the facts and the alternatives can we be sure that it is the ratepayers and the CPUC, rather than the likes of Enron, that are the smartest guys in the room.