

Arizona Corporation Commission

Fifth Biennial Transmission Assessment Commission Decision 70635

**Workshop on Transmission to Support
Renewable Energy Development**

**Overview of ACC BTA Order and
Planned Utility Response Process**

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April 20, 2009

Docket E-00000D-07-0376

BTA Order 70635

First Part:

“Commission-regulated electric utilities shall, by April 30th, 2009 conduct a joint workshop or series of planning meetings to develop ways in which new transmission projects can be:

- *Identified*
- *Approved for construction*
- *Financed*

in a manner that will support the growth of renewables in Arizona”

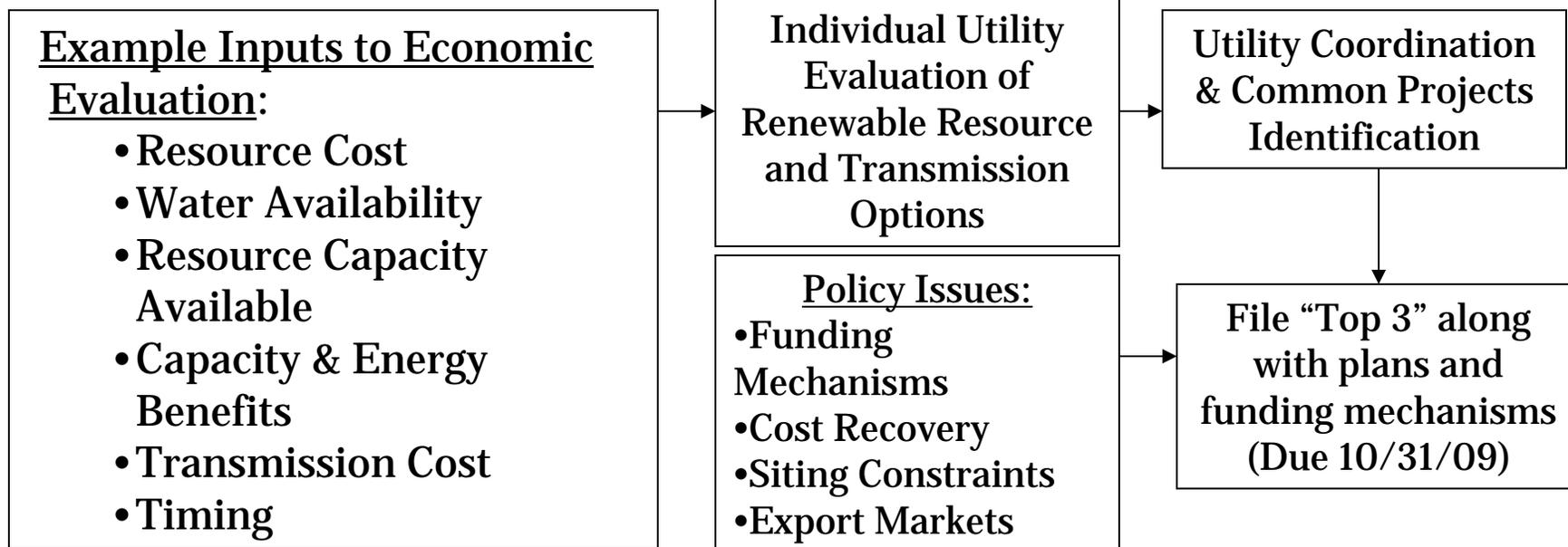
BTA Order 70635

Second and Third Parts:

Each Commission-regulated utility, either alone or in cooperation with other utilities, and by 10/31/09:

- Use the results of the RTTF and identify the top three potential transmission projects**
- Develop plans to identify future renewable transmission projects**
- Develop plans and propose funding mechanisms to construct the top three renewable transmission projects**

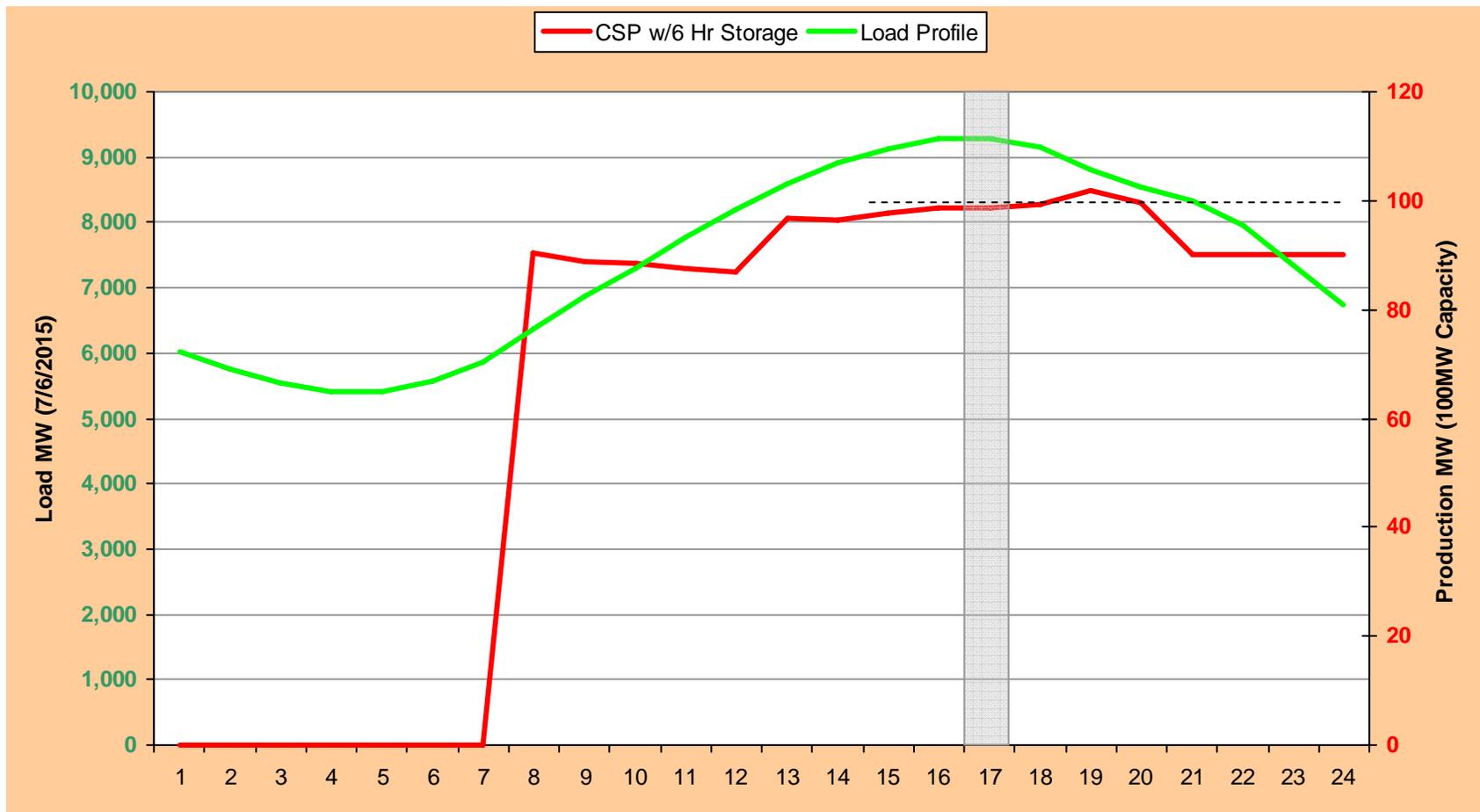
Utilities Evaluation Process



Economic Analysis of Resource & Transmission Project Options

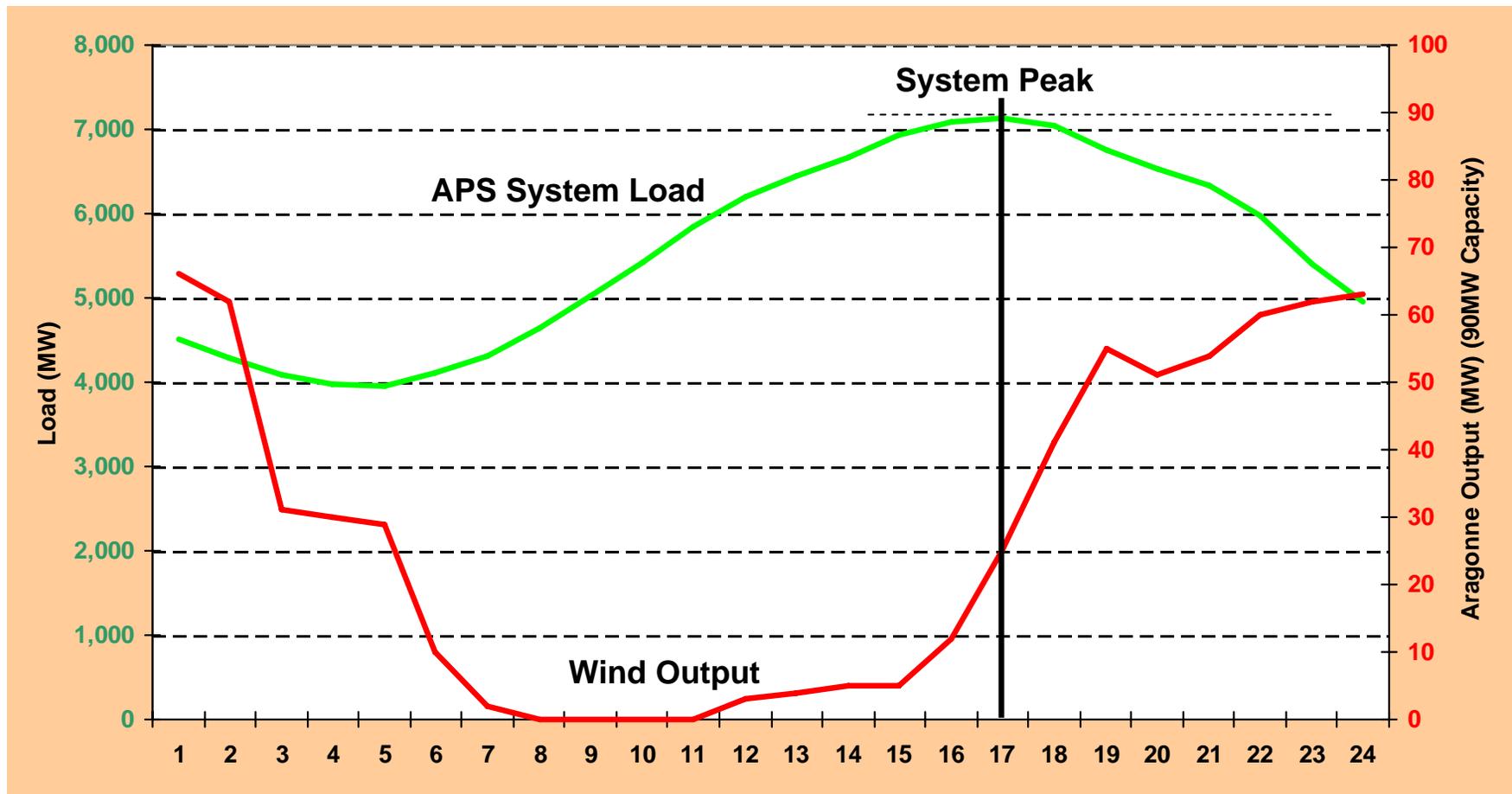
- Overall value will be assessed comparatively to determine highest priority transmission projects
 - Resource and Transmission Combinations will be evaluated
 - Goal: To develop transmission lines and resources that we expect will bring the best value proposition for our customers
- Includes:
 - Financing
 - Capital Cost of transmission
 - Capital Cost of resource
 - Timing of resource in-service dates
- Takes into account expected delivery of energy for resource
 - Quantity
 - Timing
- Assesses value to customers due to:
 - Capacity value of resource
 - Energy value of resource

CSP Production and APS Load Profile



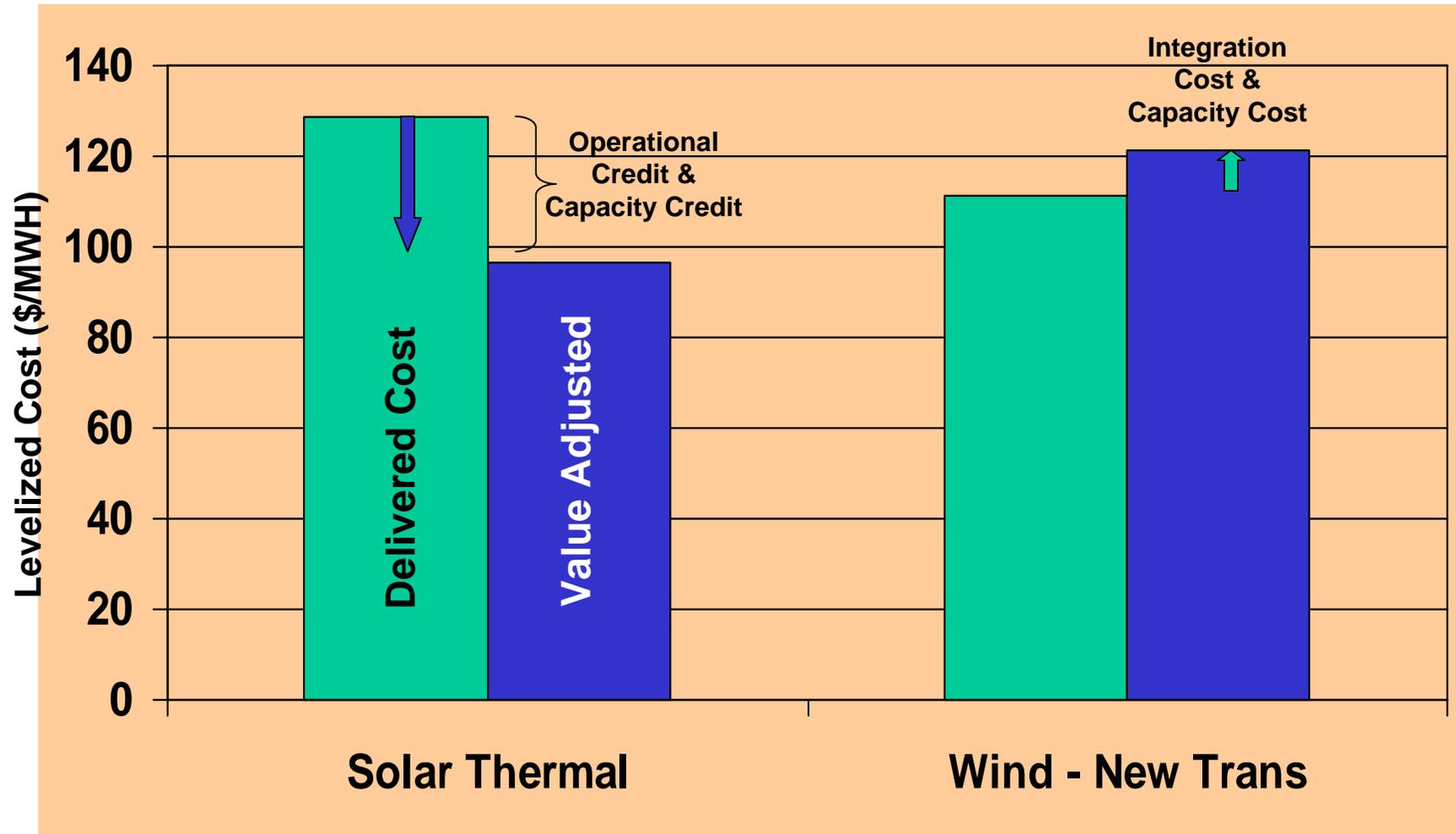
- **Solar Production Data from Forecast for July 6, 2015**
- **Figure 49 from APS Resource Plan Filing (Page 121), Docket No. E01345A-09-0037**

Wind Production and APS Load Profile



• **Figure 50 from APS Resource Plan Filing (Page 122),
Docket No. E01345A-09-0037**

APS Value Example



Utility Evaluation Process

