

Arizona Corporation Commission

Fifth Biennial Transmission Assessment Commission Decision 70635

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

**Regulatory Process and Other
Models**

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Typical Process For Line Siting in AZ

Planning Process	STAGE 1 Define Siting Criteria, Define Study Area, and Collect Secondary Data	STAGE 2 Opportunities / Constraints Analysis and Alternatives Identification	STAGE 3 Detailed Inventory and Alternatives Assessment
Public Participation Activities	<ul style="list-style-type: none"> •Brief Community Leaders and elected officials •Identify and contact stakeholders •Project fact sheet •Newsletter •Public Open houses 	<ul style="list-style-type: none"> •Newsletter •Public open houses 	<ul style="list-style-type: none"> •Ongoing activities
Timeline	Start Month - End Month Timing depends on length and complexity of project	Start Month - End Month Timing depends on length and complexity of project	Start Month - End Month Timing depends on length and complexity of project

Typical Process For Line Siting in AZ

<p>STAGE 4 Alternatives Selection and Resource Surveys</p>	<p>STAGE 5 Preparation and Filing of Certificate of Environmental Compatibility (CEC) Application with ACC</p>	<p>STAGE 6 CEC Hearings</p>
<ul style="list-style-type: none"> •Newsletter •Public open houses 	<ul style="list-style-type: none"> •Ongoing activities 	<ul style="list-style-type: none"> •Public hearings before the Arizona Power Plant and Transmission Line Siting Committee and ACC
<p>Start Month - End Month Timing depends on length and complexity of project</p>	<p>Start Month - End Month Timing depends on length and complexity of project</p>	<p>Potential six month process Statute calls for decision in 180 days</p>

State Transmission Authorities

- Enacted to help facilitate, enable, and perhaps finance new transmission facilities to access new traditional and renewable energy resources
- Do not rely on the full faith and credit of the state in issuing bonds
- Advance transmission development and in some cases pursue generation and/or distribution projects as well
- Serve a coordinating function and act as early incubators and catalysts for transmission projects
- Typically formed to tap into extensive in-state resources

Wyoming Infrastructure Authority (WIA)

First Authority - Created June 2004

- Diversify and expand the state's economy by facilitating the planning, financing, building, maintaining and operating of interstate electric transmission projects and corresponding generation including wind, natural gas, and coal resources for sale to load centers in the West
- WIA can construct, obtain, own, and operate any eligible facilities
- Can issue bonds at their own discretion through resolutions of their boards

Wyoming Infrastructure Authority Cont.

- September 2005, WIA financed three-quarters of the cost of the Hughes Transmission Project, a 130-mile, 230 kV transmission line
- WIA held an open season to allocate transmission capacity from the planned Wyoming-Colorado Intertie Transmission Project
- WIA partnered with Trans-Elect and the Western Area Power Administration to develop the Wyoming-Colorado Intertie section
- WIA holds a 10% stake in the TransWest Express/Gateway South project
- Working with High Plains Express Project

New Mexico Renewable Energy Transmission Authority (RETA)

Created March 2007

- Focus on electric system transmission infrastructure planning, financing, and implementation, primarily for the purpose of developing and marketing renewable energy resources to external markets
- RETA can only own facilities as long as they are leased to other entities
- transmission projects are expected to source at least 30 percent of the energy from renewables
- can issue bonds at their own discretion through resolutions of their boards
- Working in conjunction with High Plains Express Project

Colorado Clean Energy Development Authority (CEDA)

Created in May 2007

- Help facilitate development of renewable energy and transmission projects in Colorado in a timely manner
- CEDA can only engage in clean energy projects but, in addition to transmission, can finance generation, transportation, storage, and equipment manufacturing facilities.
- CEDA is a financing authority only and cannot own or operate any facilities
- has pre-authorized approval to issue up to \$40 million in bonds annually for transmission for wind projects and up to \$25 million in bonds annually for solar projects
- Working with High Plains Express Project

Tehachapi Project Model

- Project approved by CAISO and FERC
- Initially costs socialized to all California residents through CAISO, interconnectors will take on the cost as they connect
- Federal regulatory uncertainty exists such cost treatment for interstate project
- In state project with benefits to load entities in CA

Federal Issues

- Senator Harry Reid introduced a bill March 5 that would establish renewable energy zones and provide FERC with authority to site transmission lines to carry electricity from those zones to load centers.
 - The bill gives FERC authority to issue a construction permit and the right of eminent domain for green transmission projects that meet specific conditions, including a minimum renewable requirement and providing transmission access to states the through which the project passes
- Senator Jeff Bingaman plans to include provisions in legislation he is working on to expand FERC's role in all transmission siting