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Bob Cupit
Public Utilities Commission
121 – 7th Place East, Suite 300
St. Paul, MN 55101

Marya White
Dept. of Commerce - Energy
85 – 7th Place East, Suite 500
St. Paul, MN 55101

RE: UMTDI Comments

Dear Mr. Cupit and Ms. White:

Thanks for the opportunity to submit these comments. Please incorporate my submissions from yesterday, specifically the MISO queue for Illinois and the NYISO & ISO-NE 2/4/09 letter.

Once more with feeling, this is being done exactly backwards, being backwards “engineered” to produce a result, a transmission result. Three major issues:

- 1) **This is economic, market-based and market-driven planning, not transmission planning.**
- 2) **There is no need defined, and need is the basis for transmission planning. There is no market for renewable energy in other jurisdictions, they are developing their own and have no need for transmission capital costs, transmission service cost, or cost of line losses.**

This process, the combined efforts of UMDTI, MISO through MTEP, and JCSP (MISO and others), is grossly disturbing, as it circumvents and makes a mockery of transmission planning and public participation. This is a policy based attempt to lock in “Joint Coordinated System Planning” transmission for MISO market transactions, in the guise of “transmission planning.”

I. THIS IS ECONOMIC PLANNING, NOT MARKET PLANNING.

It is economic planning, not transmission planning. Note the distinction. From the JCSP site:

[Transmission Planning using Economic Tools Presentation \(3.3 MB\)](#)

[Transmission Planning using Economic Tools Presentation \(2.9 MB\)](#)

Transmission planning, as I know it is very different, and from the engineers I saw shaking their heads and rolling their eyeballs yesterday at the meeting, I believe I'm not the only one thinking this is bizarre and overreaching.

This is all about the MISO Midwest Market and displacing natural gas with coal, it's the goal of the MISO Midwest Market, the PJM Market and every other electric market in the interconnected grid. This, however, does not make it in the public interest:

[ICF Final Deck - PowerPoint](#)

[ICF's Independent Assessment of Midwest ISO Operational Benefits](#)

II. THERE IS NO MARKET FOR TRANSMISSION HEADED EAST

The Midwest is not the only place where development of wind energy is taking off. Other jurisdictions are fully capable of developing wind and other renewable energy sources on their own, and they are doing it. It's the utmost in arrogance to presume that there's a market for ours – we need to produce the market analysis. Or we should listen to what those stakeholders are saying, that there is no market for transmission headed east. Ask NYISO and ISO-NE!

New York State has put into place an aggressive policy to incent the development of a substantial level of both renewable resources as well as energy efficiency. In his recent State-of-the-State message Governor Paterson announced a further expansion of the State's efforts to achieve a "45x15" goal: i.e. a 30% level of renewable resources and a 15% reduction in the forecasted energy usage in the State by the year 2015. The energy efficiency program alone, if these goals are achieved, will reduce statewide electric demand by over 5000MW. New York already has nearly 1000MW of wind resources now in operation and the NYISO has another 8000MW in its interconnection queue, including off-shore projects totaling over 1200MW. The NYISO is working with regulators and stakeholders in New York to analyze the local transmission reinforcements that may be required to fully integrate such substantial local wind resources into the wholesale electric markets for the benefit of all consumers in the State.

*With the shared geography and history of energy trading patterns between New York and New England with Eastern Canada, significant consideration is also being given to transmission options that would strengthen our access to new supplies of renewable energy—both hydro and wind—now being developed north of our states in Canada. **Given these activities, it is reasonable to assume that these resources being developed in the Northeast may be deliverable to customers in our region sooner and more cost-effectively than Midwest wind resources. Given the renewable development, energy efficiency, and likelihood of new ties to Canada, the need to construct long transmission lines to the Midwest would likely be reduced and in turn overall transmission costs may be lower.** We believe New England and New York policymakers and stakeholders should have the opportunity to compare such a scenario with the scenarios assumed in the current JCSP report and urge that they be included in future JCSP planning efforts.*

NYISO & ISO-NE Letter, Feb. 4, 2009. Further:

In addition, we believe it is likely that the transmission and wind project capital cost estimates contained in the initial JCSP are understated and suggest that modifications to the estimates and estimating process would help to develop a better understanding of the true costs of the expansion scenarios.

Id. It's true for NYISO & ISO-NW, and it's true for the target market, Chicago and Illinois, too: I've submitted a hard copy of the MISO queue. This so obviously isn't needed, or necessary, because there's SOOOOO much wind already in Illinois, and anywhere else that is targeted. Any efforts in the Midwest must take this into account. This spreadsheet below is in Excel and sortable:

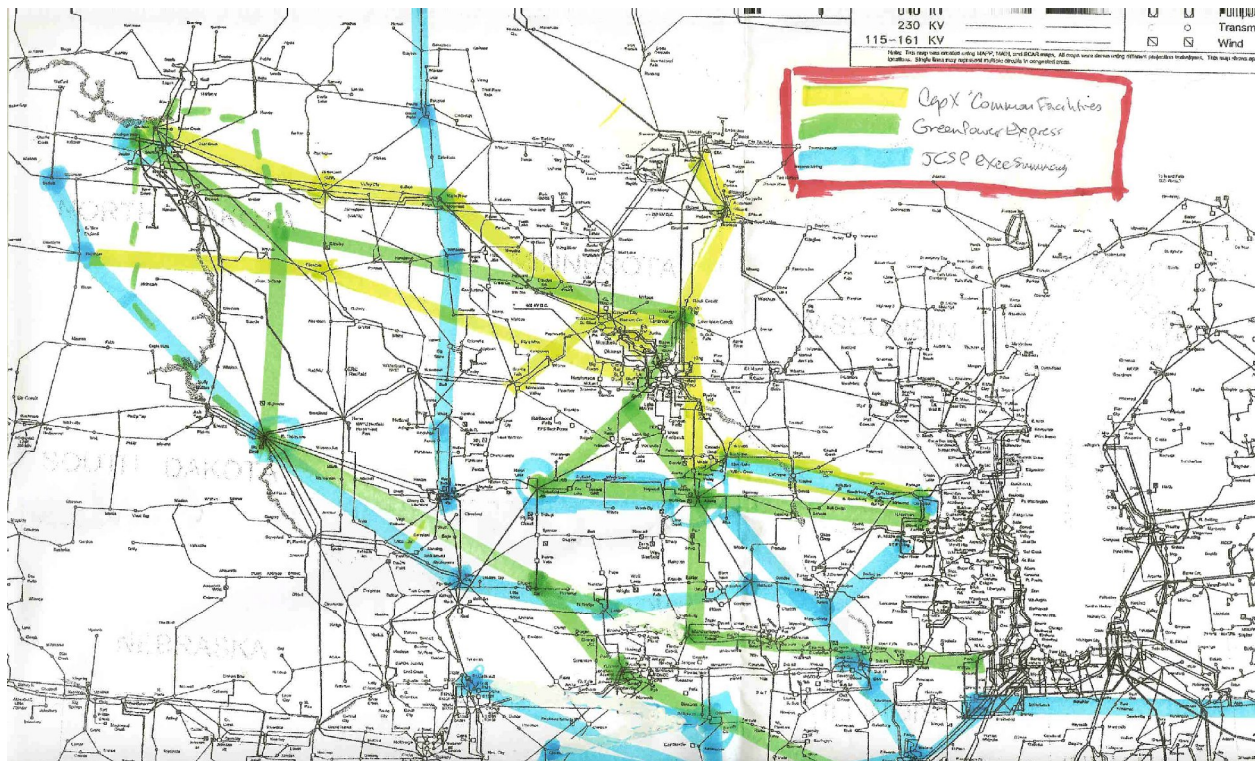
[MISOqueue608](#)

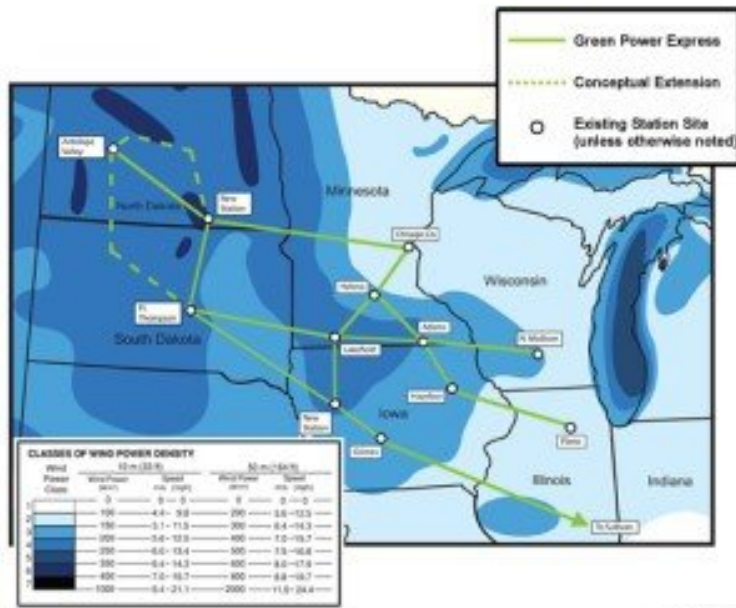
And as Jeff Webb of MISO testified in the CapX 2020 Certificate of Need hearing, there's over 7,000MW of wind in ILLIONIS, a target market for these projects. Click at the link to find Illinois wind projects sorted from above MISO Queue (note that some of that 11,281MW is already in service):

[misoqueue-illwind](#)

III. THIS TYPE OF PLANNING AND WHOLESALE TRANSMISSION GRID IS NOT IN THE PUBLIC INTEREST.

When considered as a whole, from CapX 2020 to JPSC/MTEP09 and Green Power Express the result is... hard to describe – it's what a coal transmission superhighway looks like:





The Green Power Express separately covering “common facilities” of CapX 2020 and released this week to try to catch the wave of federal economic stimulus funding because there is no construction capital to be had, period:

And the JCSP version, also released this week to try to bootstrap into stimulus funding →

All of this is tied in with the “[Upper Midwest Transmission Development Initiative](#)” which is a group of utility “stakeholders,” transmission oriented folks who have a lot to gain from a superhighway through the Midwest.

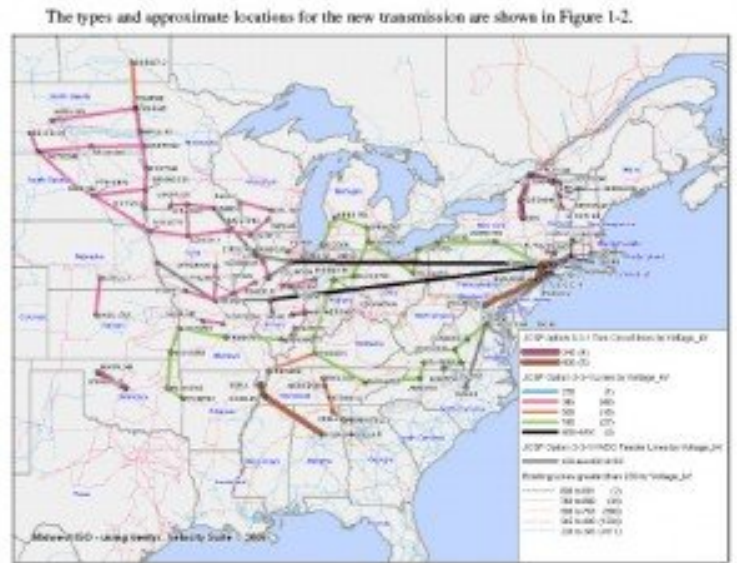


Figure 1-2: Reference Scenario Conceptual Transmission Overlay

This is not transmission planning, it’s a well orchestrated attempt to push through this market driven transmission system which would give utilities and transmission owners the opportunity to sell power for their private profit on the market, but worse, to build it at ratepayer expense, on the backs of landowners with federal taxpayers stimulus money, and receive a return on the construction costs in the rates!

Deal? **NO DEAL!**

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