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PUC DOCKET NO. 35665

PUBLIC UTILITY COMMISSION OF TEXAS

COMMISSION STAFF'S PETITION

FOR THE SELECTION OF ENTITIES RESPONSIBLE

FOR TRANSMISSION IMPROVEMENTS NECESSARY TO DELIVER

RENEWABLE ENERGY FROM COMPETITIVE RENEWABLE ENERGY ZONES

CROSS-REBUTTAL TESTIMONY OF

PAUL HASSINK AND WILLIAM BOJORQUEZ

FOR

ELECTRIC TRANSMISSION TEXAS, LLC

AND SHARYLAND UTILITIES, LP

NOVEMBER 14, 2008

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I. INTRODUCTION

Q. PLEASE STATE YOUR NAMES AND BUSINESS ADDRESSES.

A. Paul Hassink and William Bojorquez. Mr. Hassink works in Tulsa, Oklahoma, at 212 East Sixth Street. Mr. Bojorquez' business address is 701 Brazos Street, Suite 970, Austin, Texas.

Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?

A. Paul Hassink is the Manager of Texas Transmission Planning for American Electric Power Service Corporation (AEPSC), a wholly-owned subsidiary of American Electric Power Company, Inc. (AEP). William Bojorquez is a consultant for Hunt Transmission Services, L.L.C. (HTS). HTS provides consulting and other services to Sharyland Utilities, L.P. (Sharyland) and seeks investment opportunities in connection with regulated electric transmission and distribution facilities. Mr. Bojorquez has accepted a position of Vice President of Planning for HTS effective January 1, 2009.

Q. PLEASE DESCRIBE YOUR RESPONSIBILITIES, PARTICULARLY AS THEY RELATE TO THIS PROJECT.

A. Paul Hassink oversees and assists in formulating transmission plans for Electric Transmission Texas, LLC (ETT) and for AEP's Electric Reliability Council of Texas (ERCOT) transmission, which consists of the transmission systems for AEP Texas Central Company (TCC) and AEP Texas North Company (TNC). Through his participation in the ERCOT Regional Planning Groups and other ERCOT committees and working groups and through coordination with ERCOT system planning personnel, Paul and personnel at AEPSC under his supervision are directly involved in the

alternative evaluations and ultimately the determination of the purpose and need for transmission projects in ERCOT.

William Bojorquez joined HTS in September 2008. His responsibilities include supervising and coordinating planning engineers in the evaluation of transmission projects under development, directing transmission planning studies, preparing and evaluating new techniques and implementation plans for projects through North America, and representing HTS and Sharyland with regional ISOs/RTOs, including ERCOT. With respect to Sharyland's CTP Proposal, Mr. Bojorquez has participated in the planning of the proposed facilities and will oversee the planning and coordination of the new transmission facilities for which Sharyland is designated to construct.

Q. PLEASE DESCRIBE YOUR EDUCATIONAL/PROFESSIONAL QUALIFICATIONS AND BUSINESS EXPERIENCE.

A. Paul Hassink received a Bachelors degree in Electrical Engineering from the Georgia Institute of Technology in 1979 and a Masters of Science degree in Electrical Engineering from Purdue University in 1980. He is a Registered Professional Engineer in the State of Texas, and a member of the Institute of Electrical and Electronics Engineers. He has held engineering and management positions in the Central and South West system (CSWS)[1] in both the power system protection and planning areas since 1981 and has held his current position with AEPSC since 2000. He has served as the Chair of the ERCOT Transient Stability Task Force in 1996, the ERCOT Engineering Subcommittee in 1997, and the ERCOT Ad Hoc Task Force on Unplanned

[1] In 2000, the CSWS was merged into AEP.

Transactions in 1998. He has provided written and oral comments before the Public Utility Commission of Texas ("Commission") on transmission pricing methodologies and generator interconnection issues.

Mr. Bojorquez received a Bachelor of Science degree in Electrical Engineering (with an emphasis in Power Systems Engineering) from California Polytechnic State (CalPoly) University in 1990 and a Master of Business Administration degree from CalPoly University in 1996. He is a Registered Professional Engineer in the State of California and a member of the Institute of Electrical and Electronics Engineers. He is currently the Chairman of the North American Energy Reliability Corporation (NERC) Reliability Assessment Subcommittee and has previously served as the Chairman of the NERC Standards Evaluation Subcommittee.

Mr. Bojorquez was employed by ERCOT from 2000 to 2008 and most recently held the position of Vice President, System Planning. During his eight years with ERCOT, Mr. Bojorquez was responsible for transmission and generation adequacy and planning in the ERCOT region and oversaw transmission system additions, new generation interconnection studies, and the development of transmission service policies. He also represented ERCOT in transmission system planning-related activities at NERC, FERC, the Commission, and the Texas Legislature. Prior to his employment at ERCOT, Mr. Bojorquez worked at the California ISO as Director of Market Operations for three years and for Southern California Edison Company for eight years, in both system operations and system planning roles.

Q. HAVE YOU PREVIOUSLY PERFORMED WORK RELATED TO THE PURPOSE AND NEED OF TRANSMISSION LINES?

A. Yes. We have analyzed or participated in the analysis of the purpose and need for numerous transmission projects that have been filed at this Commission.

Q. HAVE YOU TESTIFIED PREVIOUSLY?

A. Paul Hassink has testified before this Commission in Docket No. 21741, *Application of Central Power and Light for a CCN for a Proposed Transmission Line in Goliad and Karnes Counties, Texas,* Docket No. 22798, *Application of West Texas Utilities to Amend a Certificate of Convenience and Necessity for a Proposed Transmission Line Within Sterling, Coke, Tom Green, Concho, Coleman, and McCulloch Counties,* Docket No. 27180, *Joint Application of LCRA Transmission Services Corporation and West Texas Utilities Company for a Certificate of Convenience and Necessity (CCN) for a 138-kV Double-Circuit Transmission Line and a 345-kV Double-Circuit Transmission Line in Tom Green County*, Docket No. 33033, *Joint Application of AEP Texas Central Company and South Texas Electric Cooperative, Inc. for a Certificate of Convenience and Necessity (CCN) for a Double Circuit 345 kV Transmission Line in Atascosa, McMullen, LaSalle, and Webb Counties, Texas,* Docket No. 33672, *Commission Staff's Petition for Designation of Competitive Renewable Energy Zones* and Docket No. 35994, *Application of Electric Transmission Texas, LLC for Regulatory Approvals Related to Installation of a Sodium Sulfur Battery at Presidio, Texas.*

William Bojorquez has filed testimony in Docket No. 35785, *Application of the Electric Reliability Council of Texas for Approval of the ERCOT System Administration Fee.*

II. PURPOSE AND SUMMARY OF TESTIMONY

Q. WHAT IS THE PURPOSE OF THIS TESTIMONY?

A. This testimony addresses the Responsive Testimony of ERCOT witness Dan Woodfin, Staff's position as set out in two emails from Staff attorney Andres Medrano, and the assertion by WETT witness Frederick W. Buckman that the Joint Parties have not offered a coordinated proposal.

Q. PLEASE SUMMARIZE YOUR RESPONSE TO MR. WOODFIN.

A. Mr. Woodfin makes important points concerning the need for flexibility to address significant engineering design issues related to CREZ transmission facilities going forward. These issues include coordinating generator interconnection requests and designing the series compensation included in the CTP. He notes that a variety of modifications may be advisable as specific projects are developed, but that any proposed changes will need to be evaluated by the designated TSPs and ERCOT. He concludes that "when designating TSPs in this docket, it is important for the Commission to consider the potential need for additional studies."

With significant experience in the ERCOT planning process, we want to emphasize that additional studies are required to successfully expedite and implement the CREZ transmission plan and that these studies are driven by the designated TSPs,

as opposed to ERCOT. Those TSPs must have the technical expertise and commercial relationships with vendors necessary to perform such complex and project specific analysis.

As a case in point, the CREZ transmission plan relies heavily on series compensation to function properly. Series compensation is not widely used and relatively few entities have the knowledge and experience to manage the interaction with vendors that will be required to design and customize those devices for the CREZ plan. A similar base of experience and knowledge will be necessary to design interconnection facilities that most efficiently utilize and upgrade existing infrastructure for the benefit of both generators and native load.

We believe these ongoing planning issues, crucial to implementation of the CREZ transmission plan going forward, are why it is important for the Commission to consider the need for additional studies when designating TSPs in this docket, as Mr. Woodfin testifies.

Q. PLEASE SUMMARIZE YOUR RESPONSE TO STAFF.

A. Mr. Medrano's November 7, 2008 email indicates that Staff has substantially changed it methodology and recommendations from its Responsive Testimony filed on October 28th, so we are addressing the recommended assignment of CTP facilities contained in his email rather than the recommendation in Staff's Responsive Testimony. We will focus on the results of Staff's proposed recommendation rather than the rationale for the proposal.

Our initial reaction to Staff's most recent proposal is that it suggests an extraordinarily fragmented ERCOT electric grid, where CREZ lines belonging to numerous different entities would overlay and interconnect with the underlying grid belonging to other entities. This would significantly complicate and frustrate efforts to complete upgrades in a timely manner and achieve coordinated grid planning and operation. In addition, Staff's proposal does not appear to differentiate between applicants based on qualifications, but instead splits the CREZ projects evenly among almost all of them. As discussed above with respect to Mr. Woodfin's testimony, we believe that the qualifications, experience and knowledge of the TSPs that will plan and run the ERCOT transmission grid are extremely important. As a result, we view Staff's proposal as a bad idea and, frankly, a dangerous recommendation for a vital piece of Texas infrastructure.

III. RESPONSE TO MR. WOODFIN

Q. WHAT POINTS RAISED BY MR. WOODFIN'S RESPONSIVE TESTIMONY FOR ERCOT ARE YOU ADDRESSING?

A. Mr. Woodfin's testimony states that it is important for the Commission to consider the need for additional studies when designating TSPs in this docket. He points out that a substantial amount of detailed engineering analysis of the CREZ transmission facilities remains to be done by the TSPs designated to build those facilities and by ERCOT. That additional analysis will include optimizing the interconnection facilities that will connect wind generators to the grid, performing facility studies on

the CREZ switching stations, and analyzing and providing the series compensation that will be needed for the CREZ transmission. According to Mr. Woodfin, a number of modifications may be advisable as project specifics are developed, but any such changes will need to be fully evaluated by the designated TSPs and ERCOT.

Q. WHAT IS YOUR RESPONSE TO MR. WOODFIN'S OBSERVATIONS?

A. Detailed planning of the CREZ transmission facilities has not yet occurred, and there is need for flexibility to study and adjust the facilities as more information becomes available. The Commission should consider this need for additional analysis when designating TSPs in this docket, because there is a significant difference in the capabilities of the applicants to perform these tasks. We believe the Joint Parties have superior knowledge and expertise in ERCOT transmission planning and in the specification and evaluation of technology that impacts implementation of the CREZ plan.

Q. WHY IS THE NEED TO PERFORM ADDITIONAL DETAILED ANALYSIS OF THE CREZ FACILITIES IMPORTANT?

A. For several reasons. First, there is an opportunity to optimize the CREZ transmission system during the detailed engineering of that system. Mr. Woodfin alludes to this when he discusses the "need for adequate flexibility so any such issues may be considered by ERCOT and the designated TSPs in developing the most cost-effective designs for the designated CREZ transmission upgrades." Both the transfer capability and the total cost of the CREZ transmission will be impacted by the detailed design of the facilities. And second, some of the detailed analysis is performed in coordination

with the vendors that supply the equipment to be installed. It is up to the responsible TSPs to promptly take the lead in such analyses and then to present the results to ERCOT and other stakeholders for evaluation. The skills and knowledge of the TSPs selected by the Commission will bear directly on level of success and speed with which these additional planning studies, and ultimately the CREZ transmission facilities, are executed.

Q. PLEASE EXPLAIN THE CHALLENGES POSED BY THESE ADDITIONAL PLANNING STUDIES IN MORE DETAIL.

A. One of the examples cited by Mr. Woodfin, the series compensation analysis, highlights the challenges posed by these additional studies. The CREZ transmission plan calls for a significant amount of series compensation to help direct and balance flows across the main west-to-east lines to achieve the targeted transfer capability. As Mr. Woodfin points out, the amount of series compensation in the plan has not yet been optimized, nor has a related analysis of sub-synchronous resonance been conducted. Sub-synchronous resonance can result from interactions between series compensated lines and the control systems of the wind generators, and can pose a serious threat to generation equipment and the stability of the transmission grid. As a result, installing the right level and technology of series compensation in the right location to achieve maximum transfer capability and to mitigate the risk of sub-synchronous resonance is fundamental to the success of the CREZ transmission plan.

However, relatively few entities have the knowledge and experience necessary to manage the design, installation, and operation of the series compensation identified

in the CREZ plan. In fact, the only existing series compensation in ERCOT is owned and operated by AEP. Series compensation is a very specialized product that involves an iterative process of establishing performance specifications, seeking bids, and negotiating the design specification for the applications being considered. The responsible TSP must take a lead role in this process, coordinating with neighboring TSPs with and without series compensation projects, designing performance specifications for vendors, analyzing their responses and developing a short list, engaging ERCOT when the selection has been narrowed to a few alternatives, and then making the final selection with ERCOT's oversight.

The risk of sub-synchronous resonance is addressed during the vendor selection process described above. After the vendor is selected, the sub-synchronous resonance analysis provided by the vendor and supervised by the designated TSP is used to tailor the design specifications of the series compensation for each installation. This is a challenging process requiring an assertive, knowledgeable and experienced TSP. The Commission should carefully consider which TSPs will be responsible for the series compensation on the CREZ transmission system. The Joint Parties' proposal is tailored to address these concerns by assigning facilities with series compensation to ETT and Oncor.

Q. HOW ELSE WILL PLANNING IMPACT THE EFFICIENCY OF THE CREZ TRANSMISSION SYSTEM?

A. Mr. Woodfin also cites the need for additional planning relating to generator interconnections. As he notes, when TSPs study interconnection requests, they

should consider the proximity to CREZ facilities, existing infrastructure, and non-CREZ reliability upgrades. These studies could impact both the design of CREZ facilities and the use and upgrade of non-CREZ facilities to achieve the most efficient and cost-effective configuration. TSPs with existing knowledge of underlying facilities are presently reviewing thousands of MWs of generation interconnection requests in West Texas and will be better situated to plan system upgrades that efficiently address interconnection needs. In many instances, these upgrades will also provide service enhancement to native load in the same area. A new entity would lack knowledge of the area as well as any interest in or obligation to serve load.

Q. ARE ADDITIONAL ISSUES POSED BY THE PURPOSE OF THE CREZ TRANSMISSION SYSTEM TO SERVE WIND GENERATION?

A. Yes. The ability to model wind turbine operations is not yet mature. There may be complications and significant ramifications for the ERCOT grid if the controls for areas with significant wind generation and other transmission customers are not adequately planned and engineered. It is important for the Commission to select TSPs that have the capability to analyze the interaction of wind generation with the transmission system and can work closely with wind generators to implement effective controls to prevent disturbances. Experience shows that wind generator performance does not always match the behavior predicted by models. With as much at stake as contemplated in the CREZ plan, direct measurement of existing wind generator performance and commitments to validate future wind generator performance is needed to avoid potential collapse of wind generation regions and the

resulting load shed that could be necessary to rebalance the ERCOT load and generation. We have been actively participating in these ongoing efforts and will seek to address this issue in advance of CREZ implementation.

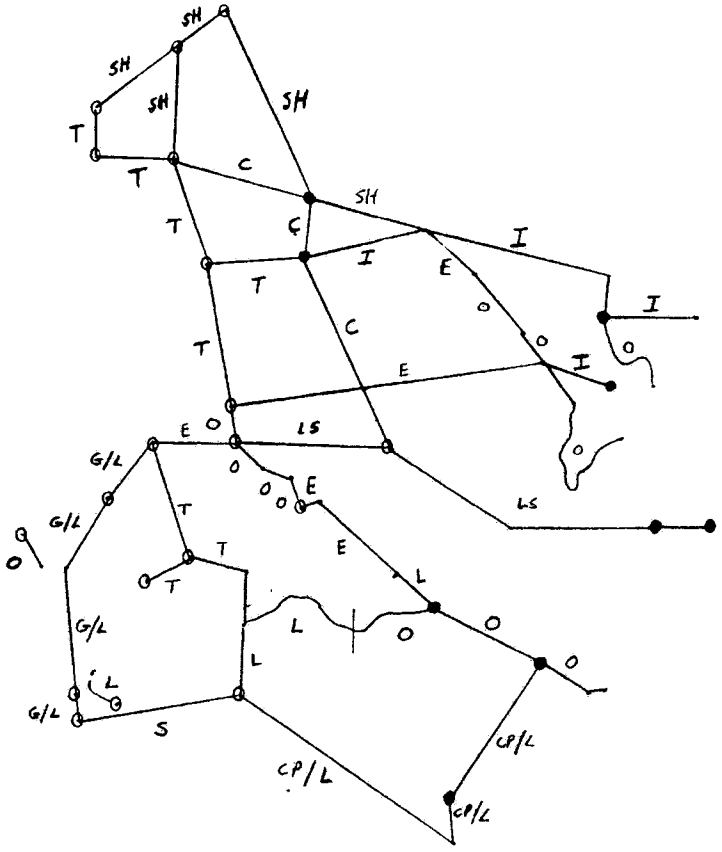
IV. RESPONSE TO STAFF

Q. WHAT IS YOUR RESPONSE TO STAFF'S RECOMMENDED ASSIGNMENT OF CREZ TRANSMISSION FACILITIES, AS SET OUT IN MR. MEDRANO'S NOVEMBER 7, 2008 EMAIL?

A. The following map of Staff's proposed assignments was provided with Mr. Medrano's email:

C – Cross Texas
CP – CPS Energy
E – ETT
G – Garland
I – Isolux
LS – Lone Star
L – LCRA
O – Oncor
S – STEC
SH – Sharyland
T – Tejas

● **New 345 kV station**
o **Collection station**



From reviewing the proposed assignments on this map, it seems clear that system planning and operational considerations were not motivating factors behind Staff's position.

Q. WHY DO YOU SAY THAT?

A. Staff's proposed assignments would greatly increase the fragmentation of the western ERCOT grid, leading to significantly larger coordination challenges and costs among multiple overlapping and adjacent TSPs.

Q. DOESN'T ERCOT ALREADY HAVE OVERLAPPING LINES AMONG TRANSMISSION PROVIDERS?

A. Yes, to some extent, although Staff's proposal would greatly increase the situation. However, most of the existing lines in ERCOT that overlap other service areas were built to connect remote generation to the load served by the owner of the generation. This situation does not commonly occur with new lines in ERCOT today, since most generation is built to serve the competitive market rather than specific load. Instead, the ERCOT planning process tends to rationalize new transmission construction by assigning it to the owner or owners of the endpoints of the new facility. As a result, contiguous transmission, along with the underlying network, tends to be owned and operated by the same entity.

One area of overlap is the region around McCamey that receives transmission service from AEP and LCRA. AEP and LCRA work closely together to manage this area. Nonetheless, the efforts to do so have been challenging at times and have required more effort than would otherwise be required. Jointly managing a

transmission system in an area requires many hand-offs across organizations, rather than across groups within a company, on issues ranging from daily operations, to planning, to construction and maintenance, to budget alignment. AEP and LCRA have developed joint processes to address these issues, but it has been a challenging effort that would be vastly more difficult if several more entities were involved.

Q. WHAT LEVEL OF OVERLAP AMONG TRANSMISSION PROVIDERS DOES STAFF PROPOSE?

A. A look at Staff's proposed map in the area south and east of the Panhandle is instructive. In that area, AEP Texas North Company and Oncor already provide transmission and distribution service. On top of their networks, Staff proposes to add five additional utilities, Cross Texas, WETT/Isolux, Tejas, Lone Star and Sharyland. Numerous substations will have lines belonging to three or even four utilities terminating into them, counting the owner of the underlying grid. Wind and possibly other generators will be seeking to interconnect in the area, and Staff proposes to award series compensation to Cross Texas, an entity with little transmission experience. The level of complexity and coordination challenge presented by Staff's proposal is extraordinary, and far exceeds anything currently existing on the ERCOT grid. Other areas of Staff's map reflect similar situations.

Q. PLEASE GIVE SOME EXAMPLES OF THE TYPES OF ACTIVITIES THAT WOULD NEED TO BE COORDINATED AMONG MULTIPLE ENTITIES UNDER STAFF'S PROPOSAL.

A. In the planning process, many grid alternatives could impact as many as five or six transmission entities rather than one or two. All of these entities would need to be involved in system studies and other analyses that could impact them. In construction, the location of the terminating substation and the associated line routes, the timing of CCN applications, and budget allocations would need to be coordinated. Design standards, downstream effects, ratings, protection and control arrangements, substation configuration, and line terminations would all have to be coordinated among multiple entities. In operations, line clearances, voltage regulation and series compensation operational levels would have to be coordinated on an ongoing basis. Outage restoration and routine maintenance would need to be coordinated. For CREZ lines, it is likely that some lines will need to be opened during some low-load levels, which would require coordination among adjacent and overlapping TSPs.

Q. WHY ARE SUCH COMPLEXITY AND COORDINATION CHALLENGES A PROBLEM?

A. For many reasons, which can be summed up as delay, cost, and reliability concerns.

Q. WHAT TYPES OF DELAY COULD BE CAUSED BY ADOPTION OF STAFF'S PROPOSAL?

A. Imagine a generator interconnection request in an area or into a substation connected to three or four or even five TSPs. The system impact study would need to be coordinated with all of those entities, as opposed to the one or sometimes two TSPs that must be involved today. As a result, the study process would be much more complicated, and probably more lengthy, than it is now.

The impact study could determine that upgrades are required on several of the adjacent utility systems. System upgrades are frequently required to accommodate a significant new generator. In that instance, there would be a need for coordination among multiple TSPs with respect to planning, budget alignment and construction in order to bring the upgrades on line in the same time frame. Again, this process is likely to be slower than having one or in some instances two entities perform these functions.

This generator interconnect scenario would be repeated in all other types of system planning exercises undertaken in an area with multiple overlapping and adjacent transmission utilities.

Q. HOW WOULD STAFF'S PROPOSAL LEAD TO INCREASED COSTS?

A. In several ways. First, multiple overlapping and adjacent transmission utilities would lead to redundant organizations, since a single transmission organization in an area can do the same job as three or four or five transmission organizations in the area. Once a base transmission organization is in place, relatively little incremental organization is required to cover an expanded area. However, with multiple utilities in place in an area, each would require sufficient staff to operate its own facilities, resulting in duplicative organizations. Moreover, there is little incentive for one organization to take the lead and operate facilities for others, since Texas law allows a utility to recover its costs for providing services but not to make a profit on such services.

Additional costs would also be incurred due to the additional study and coordination that would be required among multiple utilities, as we discuss above. Studies that must be coordinated across several entities would not only take longer, but would also generally cost more than a single transmission study of the same issues conducted within a single entity, possibly by a single individual or group.

Q. HOW WOULD STAFF'S PROPOSAL CAUSE INCREASED RELIABILITY CONCERNS?

A. Just as multiple utilities operating in a relatively small area of the transmission grid would increase costs and slow response time, it would also complicate operations, resulting in increased reliability concerns. For example, system operations would need to be coordinated among multiple control centers or, even in the best case, between multiple companies operating combined control centers if such consolidation can be achieved. Switching of lines for operational or maintenance purposes would similarly need to be coordinated among multiple entities. Each company has its own protocol for switching, leading to safety concerns if switching must be accomplished with personnel who are not from the organization dispatching the switch orders. At each decision or action point, the potential for coordination errors would be multiplied, increasing the likelihood of negative impacts on safety and reliability.

Q. IN RESPONDING TO MR. WOODFIN ABOVE, YOU DISCUSSED THE SIGNIFICANT ROLE THAT TRANSMISSION PROVIDERS CURRENTLY PLAY IN SYSTEM PLANNING AND ANALYSIS. WOULD STAFF'S PROPOSAL HAVE AN IMPACT ON THAT ROLE?

A. We believe it would. Currently, one TSP generally has the responsibility for system studies and improvements in a defined area, so that TSP plays the lead role in analyzing and proposing solutions to the needs of the grid in that area. With a more fragmented grid as Staff proposes, with three or four or five TSPs having responsibility in an area, no single TSP would be responsible for the grid in that area, nor would any single TSP own all of the improvements required to implement grid solutions. As a result, it is likely that increasing responsibility for analyzing and solving issues on the grid would be shifted away from the TSPs to ERCOT. These increased responsibilities would probably need to be outsourced by ERCOT, absent a significant increase in internal resources. More transmission analysis would be conducted at the committee level at ERCOT rather than by a single TSP taking the lead to propose grid improvements and solutions. Such sharing of responsibility can only extend the time required to execute studies and purchase equipment.

Q. YOU ALSO DISCUSSED ABOVE THE IMPORTANT ROLE THAT TRANSMISSION PROVIDERS PLAY IN INTERACTING WITH VENDORS ON CHALLENGING APPLICATIONS LIKE SERIES COMPENSATION. WOULD THAT ROLE CHANGE UNDER STAFF'S PROPOSED ASSIGNMENT OF CREZ FACILITIES?

A. Yes. Instead of one or two TSPs being impacted by complex devices like series compensation, many more entities would be impacted. As a result, the vendors of such devices would need to engage with multiple TSPs in the challenging design specification process we discussed above, rather than a single TSP leading the

process. Such a committee approach would greatly complicate and slow resolution of reactive compensation design and other complex issues.

Q. DO YOU HAVE ANY CONCERNS ABOUT STAFF'S PROPOSED ASSIGNMENT OF SERIES COMPENSATION?

A. Yes. As discussed above, design and management of the series compensation on the CREZ transmission facilities is essential to the proper and reliable operation of those facilities. Staff proposes to assign a significant amount of series compensation to Cross Texas, a company with little transmission experience and no demonstrated capability to handle the challenges associated with those facilities. The Joint Parties' proposal, by contrast, assigns series compensation responsibility to ETT and Oncor.

V. RESPONSE TO MR. BUCKMAN

Q. DO YOU AGREE WITH WETT WITNESS MR. BUCKMAN'S ASSERTION THAT THE JOINT PARTIES HAVE NOT PRESENTED A COORDINATED PROPOSAL?

A. No. The Joint Parties proposal is coordinated in important respects. For example, the proposal presents a plan addressing both the entities that will assume responsibility for each CREZ transmission facility and the schedule for build-out of those facilities in a coordinated manner among the parties. The Joint Development Plan presented in the direct testimony of Oncor witness Charles Jenkins is the result of significant effort by the Joint Parties to design a coordinated build-out of the CREZ transmission

facilities for completion in 2012. No other applicant offers anything like this level of planning provided by the Joint Parties.

Equally as important, interconnections between the Joint Parties have existed for several decades. As a result, routine interactions have been necessary to plan, construct, operate and maintain transmission facilities that interconnect the Joint Parties, and those interactions have been captured in bilateral interconnection agreements and protocols that have evolved and been tested by time. The resulting understanding of the working organizations enabled the Joint Parties to form a cohesive and effective plan for the CREZ facilities, demonstrating what can be accomplished by TSPs that have a standing relationship.

While the Commission has not yet released any major CREZ facilities for construction, the same understanding developed between the Joint Parties over decades will allow them to make any adjustments to the proposed development plan necessary to address concerns regarding feasibility, cost and availability of wind resources. No other applicant or group of applicants can offer such a history or evidence of effectiveness.

Q. DOES THIS CONCLUDE YOUR CROSS REBUTTAL TESTIMONY?

A. Yes.