

DOCKETED

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VIA ELECTRONIC FILING

The Honorable Janea A. Scott, Presiding Commissioner
The Honorable Karen Douglas, Associate Commissioner
Hearing Officer Raoul Renaud
California Energy Commission
1516 Ninth Street
Sacramento, CA 95814

**Re: Sonoran Energy Project (02-AFC-01C)
AltaGas Sonoran Energy Inc.'s Status Report #6**

Dear Commissioners and Hearing Officer Renaud:

Pursuant to the Committee's October 27, 2016 Scheduling Order, Project Owner AltaGas Sonoran Energy Inc. ("Project Owner" or "AltaGas Sonoran") herein submits its sixth Status Report related to the pending Petition to Amend ("Petition") the Sonoran Energy Project (formerly Blythe Energy Project Phase II) ("SEP").

Since providing a Status Report to the Committee on March 15, 2016, Project Owner has docketed the Mojave Desert Air Quality Management District's Final Determination of Compliance (docketed March 21, 2016; TN# 210792). In addition, Project Owner submitted a clarification to its Status Report #5 as such related to Western Area Power Administration's recently completed Final System Impact Study ("Study"). Specifically, that clarification confirmed that the Study included the same analysis presented in the Petition to Amend Appendix 2A, but with several alternatives that the Project Owner determined were not viable. To that end, AltaGas Sonoran informed Staff that the Project would move forward under the existing Study provided as Appendix 2A to the Petition. (TN# 210855.)

In addition to the above filings, on March 28, 2016, Project Owner submitted extensive information following the February 24, 2016 Preliminary Staff Assessment Workshop. (TN# 210875.) This follow-up document included information and comments related to Soil & Water Resources, including the voluntary Water Conservation Offset Program; Traffic &



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Transportation, as related to TRANS-9; Biological Resources; Cultural Resources; and, Transmission System Engineering. The Project Owner also participated in the March 30, 2016 Status Conference, during which the parties provided this Committee and Hearing Officer with updates as to the progress of the SEP Petition to Amend proceeding.

During the March 30 Status Conference, Staff reported that it could bifurcate the Transmission System Engineering portion of the Final Staff Assessment (“FSA”), as Southern California Edison’s Affected Systems Study will not be available until mid-July 2016, and that all other sections of the FSA could be published by May 27, 2016. Since that time, however, Staff has informed this Committee and Hearing Officer that it needs additional time to conduct modeling of dry cooling. As such Staff recommends “publishing a single document sometime near the end of July 2016.” AltaGas Sonoran strenuously disagrees with this timing. (*See* Staff’s Status Report #6 (TN# 211078.))

During the Status Conference, the Committee directed Staff to conduct a more complete analysis of dry cooling in the FSA. At that time, therefore, Staff was aware that additional modeling related to dry cooling would be required and did not advise the parties that additional time, beyond May 27, would be required to complete such modeling or any analysis thereof in order to publish the FSA. Moreover, AltaGas Sonoran has submitted significant and detailed analysis of other dry cooling impacts, including economic feasibility, and the information required to take into account for an alternatives analysis, as such relates to dry cooling. (*See* Sonoran Energy Project Data Responses, Set 1 (TN# 206606); Sonoran Energy, Inc. Revised Response to Data Request #43 (TN# 208219); Project Owner’s Water Resources Supplemental Filing (TN# 210068).) While AltaGas Sonoran agrees that some specifics related to Water Resources may require additional evaluation after the Soil & Water Resources Issues Resolution Workshop scheduled for April 21, 2016, dry cooling information in Data Request Set 1 (TN# 206606, TN# 208219) and the Water Resources Supplemental Filing has been available to Staff for evaluation since November 12, 2015, January 21, 2016 and January 28, 2016, respectively. To that end, Project Owner does not believe three additional months is required for Staff to finalize its analysis related to dry cooling and publish findings in a FSA.

AltaGas Sonoran is concerned that pushing publication of a single FSA to the end of July 2016 could seriously jeopardize the schedule for this proceeding. To that end, Project Owner respectfully requests that the Committee direct Staff to publish a bifurcated FSA, with the majority of the FSA being published at the end of May 2016 and deferring only the analysis of any indirect impacts, if necessary, based on Southern California Edison’s Affected Systems



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Study. Such a schedule is consistent with what was suggested by Staff and accepted by Project Owner at the Status Conference.

AltaGas Sonoran looks forward to participating in the upcoming April 21 Workshop in Palm Desert and anticipates soon receiving a Revised Committee Scheduling Order for the remainder of the Petition proceeding. Project Owner remains confident that this Petition can continue to move forward without significant delays, given the above information.

Very truly yours,

Kristen T. Castaños

KTC:jmw