

## DOCKETED

<b>Docket Number:</b>	02-AFC-01C
<b>Project Title:</b>	Sonoran Energy Project (formerly Blythe Energy Project Phase II) - Compliance
<b>TN #:</b>	211538
<b>Document Title:</b>	Order Approving Extension of the Deadline for Commencement of Construction for 18 Months
<b>Description:</b>	N/A
<b>Filer:</b>	Cody Goldthrite
<b>Organization:</b>	California Energy Commission
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STATE OF CALIFORNIA

STATE ENERGY RESOURCES  
CONSERVATION AND DEVELOPMENT COMMISSION

In the Matter of:

SONORAN ENERGY PROJECT

Docket No. 02-AFC-01C

ALTAGAS SONORAN ENERGY INC

ORDER APPROVING Extension of the  
Deadline for Commencement of  
Construction for 18 months

**INTRODUCTION**

On February 4, 2016, AltaGas Sonoran Energy Inc. (AltaGas) filed a petition with the California Energy Commission (Energy Commission) requesting to extend the deadline for the commencement of construction for the Sonoran Energy Project (licensed as Blythe Energy Project Phase II, or BEP II). The petition proposes to extend the deadline to commence construction for 18 months, from December 14, 2016 to June 14, 2018.

The proposed SEP is a natural gas-fired, water-cooled, combined-cycle, 553 megawatt net electrical generating facility. The proposed project will be located within the city of Blythe, approximately five miles west of the city center, and approximately one mile east of the Blythe Airport. The approximate 76 acre project site is immediately adjacent to the operational Blythe Energy Project.

**DISCUSSION**

Since acquiring the project, AltaGas has worked diligently to develop the project as proposed in the 2015 petition to amend. The requested extension of 18 months is not excessive and is a reasonable amount of time to allow for Energy Commission staff's consideration for possible approval, as well as time for AltaGas to secure an engineering, procurement and construction contract and allow completion of all pre-construction conditions of certification.

The original owner of the project, Caithness Blythe II, LLC, was also earnest in its attempts to construct the project, pursuing two deadline extensions and an amendment

to attempt to address electrical interconnection and various other issues that inhibited project construction.

The failure of a key substation to be built, as expected in the approved 2009 petition to amend, was an important piece of the project outside of the control of the project owner. This factor, among others, added to a delay in being able to proceed with construction.

Extending the deadline to commence construction will allow for adequate time for the Energy Commission to consider the petition to amend, and provide time for the project owner to secure an engineering, procurement and construction contract and effectively comply with pre-construction conditions of certification. The 18-month extension will take substantially less time, effort, and resources than that required to process a new Application for Certification.

## **CONCLUSION AND ORDER**

Petitioner AltaGas has shown good cause to extend the deadline for construction. The Energy Commission therefore grants the petition to extend the start of construction for the Sonoran Energy Project from December 14, 2016 to June 14, 2018.

**IT IS SO ORDERED.**

## **CERTIFICATION**

The undersigned Secretariat to the Commission does hereby certify that the foregoing is a full, true, and correct copy of an Order duly and regularly adopted at a meeting of the California Energy Commission held on May 17, 2016.

AYE: Weisenmiller, Douglas, McAllister, Scott

NAY: None

ABSENT: Hochschild

ABSTAIN: None

*Original Signed by*

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Cody Goldthrite  
Secretariat