

## DOCKETED

<b>Docket Number:</b>	07-AFC-06C
<b>Project Title:</b>	Carlsbad Energy Center - Compliance
<b>TN #:</b>	204969
<b>Document Title:</b>	Committee Order Denying Robert Simpson's Motion to Require Amended Petition to Amend and Motion to Deny
<b>Description:</b>	Denied Motions were filed on April 14, 2015 (TN 204185) and June 3, 2015 (TN 204877)
<b>Filer:</b>	Paul Kramer
<b>Organization:</b>	Energy Commission Hearing Office
<b>Submitter Role:</b>	Committee
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BEFORE THE ENERGY RESOURCES CONSERVATION AND DEVELOPMENT  
COMMISSION OF THE STATE OF CALIFORNIA  
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**PETITIONS TO AMEND THE  
CARLSBAD ENERGY CENTER PROJECT**

**Docket No. 07-AFC-06C**

**COMMITTEE ORDER DENYING ROBERT SIMPSON'S MOTION  
TO REQUIRE AMENDED PETITION TO AMEND AND DELAY  
PROCEEDING AND MOTION TO DENY**

Upon consideration of Robert Simpson's April 14, 2015, Motion to (A) Require the Project Owner to Submit a Petition to Modify Its Application for Certification and (B) Delay the Issuance of a Proposed Decision in this Proceeding Until the Commission Has Fully Examined the Petition to Modify<sup>1</sup> (Simpson Motion 1) and June 3, 2015, Motion to deny AFC or stay PMPD and grant leave to brief CPUC Decision Conditionally Approving Power Purchase Tolling Agreement with SDG&E<sup>2</sup> (Simpson Motion 2), the Committee assigned to conduct proceedings on the Carlsbad Energy Center Project Amendments (Committee) makes the following findings:

1. On April 1 and April 2, 2015, this Committee held Evidentiary Hearings on the Petitions to Amend the Carlsbad Energy Center Project (CECP) approved by the Energy Commission in May, 2012.<sup>3</sup>
2. On June 9, 2015, this Committee filed its Presiding Member's Proposed Decision (PMPD) recommending approval of the CECP Amendments.<sup>4</sup>
3. Simpson Motion 1 was filed at a time when two alternative decisions regarding a proposed Power Purchase Tolling Agreement (PPTA) between the CECP and San Diego Gas & Electric were before the California Public Utilities Commission (CPUC). One alternative would have denied approval of the PPTA; the other would approve a modified PPTA for 500 megawatts (MW) instead of the originally proposed 600 MW.<sup>5</sup> On May 21, 2005, the CPUC approved the 500 MW PPTA.<sup>6</sup>
4. Simpson Motion 2 describes the CPUC decision approving the 500 MW PPTA as requiring "an entirely different technology which included a 'synchronous condenser.'" It asserts that the amended CECP will "never get built" as proposed and that the Energy Commission should not approve the amended CECP or any further

<sup>1</sup> TN 204185.

<sup>2</sup> TN 204877.

<sup>3</sup> Transcripts may be found at TN 204130 and TN 204131; 2012 Decision: TN 203721.

<sup>4</sup> TN 204953.

<sup>5</sup> TN 203789 (denial); TN 204066 (approve 500 MW).

<sup>6</sup> TN 204830.

amendments until it is reimbursed for its full costs of processing them.

5. Simpson Motion 2 mischaracterizes the CPUC decision, which provides:

“Lastly, the Commission [CPUC] has become aware of the potential for the proposed LMS-100 units to provide even greater benefits through the addition of a clutch inserted between the turbine and the generator unit, which would allow the unit to operate in synchronous condenser mode (without the burning of fuel) when positive MW output is not required. This minor modification could offer valuable VAR support in an area of the grid that otherwise requires it. Therefore, we direct SDG&E to evaluate the feasibility and cost-effectiveness of this clutch technology.”<sup>7</sup>

This is not an “entirely different technology,” but simply the possible insertion of a part (clutch) between the already proposed turbine and generator unit. The CPUC is not requiring its addition, only that it be evaluated. The CPUC itself characterizes it as a “minor modification.”

6. Both Simpson Motion 1 and Simpson Motion 2 presume that the Energy Commission is required to conform its permits to procurement contracts approved by the CPUC. In the PMPD, we addressed and rejected that premise and concluded that it is not appropriate to do so for this project.<sup>8</sup>
7. Simpson Motion 2 describes no legal basis for recovering the actual costs of processing these or future amendment petitions.

**THEREFORE, THE COMMITTEE ORDERS** that Simpson Motion 1 and Simpson Motion 2 are **DENIED**.

Dated: June 10, 2015, at Sacramento, California.

Original signed by

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KAREN DOUGLAS  
Commissioner and Presiding Member  
Carlsbad Amendments Committee

Original signed by

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ANDREW McALLISTER  
Commissioner and Associate Member  
Carlsbad Amendments Committee

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<sup>7</sup> TN 204830, pp. 21-22.

<sup>8</sup> TN 204953, p. 3-6.