BEFORE THE ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION OF THE STATE OF CALIFORNIA

Application for Certification for the San Gabriel Generating Station

Docket No. 07-AFC-2

DOCKET

07-AFC-2

DATE MAR 30 2012

RECD. MAR 30 2012

SAN GABRIEL POWER GENERATION, LLC SUSPENSION STATUS REPORT NUMBER 13

March 30, 2012

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BEFORE THE ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION OF THE STATE OF CALIFORNIA

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SAN GABRIEL POWER GENERATION, LLC SUSPENSION STATUS REPORT NUMBER 13

In accordance with the Committee Order Suspending Proceeding dated June 8, 2011, the applicant in this proceeding, San Gabriel Power Generation, LLC ("San Gabriel"), submits its suspension status report number 13. San Gabriel filed an application for certification for the San Gabriel Generating Station, a 696 megawatt natural gas-fired electricity generating facility to be located in Rancho Cucamonga, California within the jurisdiction of the South Coast Air Quality Management District ("SCAQMD").

San Gabriel requested the current suspension of this proceeding due to permitting difficulties associated with the unavailability within the SCAQMD of certain emission offsets needed to satisfy applicable SCAQMD rules. Those difficulties were described in detail in San Gabriel's Request for Additional Project Suspension dated April 27, 2011, and in San Gabriel's prior suspension status reports. Those difficulties continue to persist and a solution that would facilitate permitting and construction of the San Gabriel project has not yet been identified. San Gabriel therefore intends to submit a request for further suspension of this proceeding. San Gabriel will file its request before the current suspension ends on May 10, 2012.

As reported in suspension status reports 10, 11 and 12, San Gabriel continues to monitor activities and participate in venues related to the emission offsets issue. These include public workshops held pursuant to Assembly Bill 1318 ("AB 1318"), which requires the California Air Resources Board, in consultation with the Commission, the California Public Utilities Commission ("CPUC"), the California Independent System Operator ("CAISO"), and the State Water Resources Control Board, to prepare a report for the Governor and the Legislature that evaluates the electrical system needs of the South Coast Air Basin. The report is to include recommendations for long-term emission offsets availability to support any additional fossil fueled facilities that may be needed for reliability purposes. Currently the agencies are awaiting

completion of a CAISO system reliability study. Once the study is available, there are likely to be additional public workshops and other processes to determine next steps.

San Gabriel also continues to monitor the progress of CAISO studies regarding electric system reliability impacts as a result of implementing the State Water Resources Control Board's policy for generating units utilizing once-through cooling technology ("OTC"), and the requirement for load serving entities to meet a 33% renewables portfolio standard by 2020. The CAISO studies so far have shown a need for new generation in the Los Angeles Basin local reliability area to replace retiring OTC capacity, and additional studies are underway that will further clarify the need by the end of 2012. San Gabriel's affiliates also continue to participate in the CPUC's Long Term Procurement Plan ("LTPP") proceeding. The CPUC recently opened a new rulemaking proceeding to continue its evaluation of LTPP issues, including the potential need for new flexible generating capacity in California. That process may lead to competitive solicitations that provide power contracting opportunities to support development of the San Gabriel project.

San Gabriel continues to believe that the San Gabriel project is well suited to meet the electric reliability needs of Southern California while supporting the goals of AB 32 and the integration of new intermittent resources built to meet the State's 33% renewables portfolio standard. The project also offers benefits associated with the use of an existing power plant site.

March 30, 2012

Respectfully submitted,

Lisa A Cottle

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Attorneys for San Gabriel Power Generation, LLC

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DECLARATION OF SERVICE

I, Lisa A. Cottle, declare that on March 30, 2012, I served and filed copies of the attached **San Gabriel Power Generation**, **LLC Suspension Status Report Number 13**. These documents are accompanied by a copy of the most recent Proof of Service list, located at the web page for this project at http://www.energy.ca.gov/sitingcases/sangabriel/index.html.

These documents have been sent to the other parties in this proceeding (as shown on the attached Proof of Service list) and to the Commission's Docket Unit in the following manner:

• For service to all other parties: Sent electronically to all email addresses on the attached Proof of Service list; and by depositing in the United States mail at San Francisco, California with first-class postage thereon fully prepaid and addressed as provided on the attached Proof of Service list to those addresses **NOT** marked as "email preferred;"

AND

• For filing with the Docket Unit at the Energy Commission: Sent an electronic copy to the email address below:

DOCKET@energy.state.ca.us

I declare under penalty of perjury that the foregoing is true and correct.

Lisa A. Cottle



BEFORE THE ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION OF THE STATE OF CALIFORNIA

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APPLICATION FOR CERTIFICATION
FOR THE SAN GABRIEL
GENERATING STATION

Docket No. 07-AFC-2

PROOF OF SERVICE (Revised 7/18/2011)

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^{*} Indicates change