

California Energy Commission
DOCKETED
11-AFC-03
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Ella Foley Gannon
Direct Phone: +1.415.393.2572
Direct Fax: +1.415.262.9251
ella.gannon@bingham.com

January 3, 2013

Siting Committee
Raoul Renaud, Hearing Officer
Eric Solorio, Project Manager
California Energy Commission
Docket No. 11-AFC-03
1516 9th Street
Sacramento, CA 95814

**Re: Cogentrix Quail Brush Generation Project - Docket Number 11-AFC-03,
Initial Response to HomeFed Fanita Rancho, LLC Intervenor Data Requests,
85-106**

Docket Clerk:

Pursuant to the provisions of Title 20, California Code of Regulations, and on behalf of Quail Brush Genco, LLC, a wholly owned subsidiary of Carlyle Infrastructure Partners, L.P., Bingham McCutchen LLP hereby submits *Initial Response to HomeFed Fanita Rancho, LLC Intervenor Data Requests, 85 through 106*. The Quail Brush Generation Project is a 100 megawatt natural gas fired electric generation peaking facility to be located in the City of San Diego, California.

If you have any questions regarding this submittal, please contact Rick Neff at (704) 525-3800 or me at (415) 393-2572.

Sincerely yours,



Ella Foley Gannon

cc: Lori Ziebart, Cogentrix
John Collins, Cogentrix
Rick Neff, Cogentrix
Proof of Service List

- Beijing
- Boston
- Frankfurt
- Hartford
- Hong Kong
- London
- Los Angeles
- New York
- Orange County
- San Francisco
- Santa Monica
- Silicon Valley
- Tokyo
- Washington

Bingham McCutchen LLP
Three Embarcadero Center
San Francisco, CA
94111-4067

T +1.415.393.2000
F +1.415.393.2286
bingham.com



Quail Brush Genco, LLC

A Project Company of Cogentrix Power Holdings, LLC

9405 Arrowpoint Boulevard
Charlotte, North Carolina 28273-8110
(704) 525-3800
(704) 525-9934 – Fax

January 3, 2013

Siting Committee
Raoul Renaud, Hearing Officer
Eric Solorio, Project Manager
California Energy Commission
1516 Ninth Street, MS-15
Sacramento, CA 95814

Re: **Quail Brush Generation Project (11-AFC-03)
Initial Response to HomeFed Fanita Rancho, LLC Intervenor Data Requests, 85
through 106**

Dear Members of the Siting Committee, Hearing Officer Renaud, and Mr. Solorio:

In its initial response to HomeFed Fanita Rancho, LLC (Intervenor) Data Requests, 85-106, dated December 14, 2012, Quail Brush Generation Project (Quail Brush) objects to the following data requests pursuant to Section 1716(f) of the Commission's regulations: Requests 85.c, 85.d, 86.b, 90, 91, 92, 93, 94.b, 94.c, 95, 96, 97.b, 99, 100, 106. Each of these Data Requests is itemized below along with a description of the grounds for the objection or the reasons for the inability to provide the information at this time, as applicable. Quail Brush will respond to the remaining data requests on or prior to January 14, 2013.

General Objections to Data Requests

Section 1716 of the Commission's regulations permits any party to request "information reasonably available to Quail Brush which is relevant to the notice or application proceeding or reasonably necessary to make any decision on the notice or application." Quail Brush objects to the data requests below because they seek information that is not relevant to this proceeding, and that is not reasonably necessary for the Commission to render a decision as required by Section 1716(b) of the Commission's regulations. Quail Brush further objects to these data requests to the extent they request information that is not reasonably available to it.

Specific Data Requests and Responses Thereto, Objections Thereto, or Reasons for Inability to Provide Responses

I. Data Requests regarding Quail Brush Genco, LLC's ("QB") 10/30/12 letter to the CEC regarding need for the project.

85. QB's item I.h.ii, on pp. 4-5 of the 10/30/12 letter, cites SDG&E witness Jan Strack as having testified that "if the Encina sub-area is eliminated, then, for purposes of satisfying San Diego area local capacity requirements, generation anywhere within the San Diego area would exhibit 'electrical equivalence' with generation at Encina."

c. Please identify all locations within the SDG&E area which QB has analyzed as potential locations for alternatives to the proposed QB project. Sections 1.3 to 1.5 of the *Alternatives Analysis for the Quail Brush Generation Project, San Diego, California* (October 2012) ("Alternatives Analysis") docketed on October 30, 2012 identify and analyze all locations which Quail Brush has analyzed as potential locations for alternatives to the proposed Project. No further information regarding analysis of potential locations for alternatives is necessary. Accordingly, the Applicant directs HomeFed's attention to this document and will not provide any further information in response to this data request.

d. To the extent not already provided, please provide copies of all analyses done by QB of locations and/or projects at such locations within the SDG&E area that could be potential alternatives to the QB project. The Alternatives Analysis docketed on October 30, 2012, provides all the necessary documentation of the Applicant's analysis of alternative locations for the proposed Project. Accordingly, the Applicant directs HomeFed's attention to this document and will not provide any further information in response to this data request.

86. QB's item I.d.i, on p. 2 of the 10/30/12 letter, cites CAISO witness Rothleder as having testified that "there will be substantial needs for new, or repowered, generation resources in ... the San Diego area, in as early as 2018 when the existing OTC units must comply with the OTC requirements."

b. Please confirm that Mr. Rothleder's testimony does not identify any need for new or repowered generation resources in the San Diego area prior to 2018. Quail Brush objects to this data request because it mischaracterizes Mr. Rothleder's testimony. Mr. Rothleder's testimony supports the procurement of flexible thermal resources "as soon as possible." See Testimony of Mark Rothleder on Behalf of the California Independent System Operator Corporation, A.11-05-023, at 4, 5 (March 9, 2012) ("load serving entities should be authorized to procure flexible thermal resources or repowered resources that will meet the SWRCB regulations in the local capacity areas as soon as possible in the timeframe set forth in the LTPP settlement agreement. . . . If these resources are not procured and online [by 2018], it is likely that the system will not be able to operate reliably unless the Encina units are allowed to stay online.").

II. Data Requests regarding the analysis of alternatives to meet SDG&E reliability at the CPUC in A.11-05-023 and A.06-08-010.

90. During A.11-05-023, the CPUC held a workshop on 4/17/12 at which the CAISO presented slides by Robert Sparks on "San Diego Local Capacity Needs." Those slides were subsequently updated on 4/19/12. On Slide 12 (which was not updated on 4/19/12), the CAISO indicates that

the Esco sub-area is projected to have a deficiency of 30-74 Mw after accounting for 40 Mw of QF generation within the sub-area.

a. Does QB have any reason to dispute the accuracy of the CAISO analysis of the Esco sub-area? If so, please provide. For the reasons stated in the general objection, Quail Brush objects to this data request. Quail Brush is not in the Esco sub-area and therefore the information sought by this data request is not relevant to this proceeding or necessary to render a decision on the AFC.

b. Does QB have any reason to dispute that new generation located in the Esco sub-area would meet capacity needs in both that sub-area and the SDG&E area, but QB generation would meet capacity needs only in the SDG&E area (but not the Esco sub-area)? If so, please provide. For the reasons stated in the general objection, Quail Brush objects to this data request. Quail Brush is not in the Esco sub-area and therefore the information sought by this data request is not relevant to this proceeding or necessary to render a decision on the AFC.

c. Has QB made any attempt to identify alternate sites within the Esco sub-area? For the reasons stated in the general objection, Quail Brush objects to this data request. Quail Brush is not in the Esco sub-area and therefore the information sought by this data request is not relevant to this proceeding or necessary to render a decision on the AFC. Information regarding the Applicant's identification and evaluation of potential alternative sites is found within the Alternatives Analysis docketed on October 30, 2012.

d. Please provide all analyses in QB's possession of alternative sites within the Esco sub-area. For the reasons stated in the general objection, Quail Brush objects to this data request. Quail Brush is not in the Esco sub-area and therefore the information sought by this data request is not relevant to this proceeding or necessary to render a decision on the AFC. Information regarding the Applicant's identification and evaluation of potential alternative sites is found within the Alternatives Analysis docketed on October 30, 2012.

III. Data Requests regarding the Proposed Decisions in CPUC A.11-05-023.

91. In A.11-05-023, the presiding administrative law judge has written a proposed decision (ALJ PD), as has Commissioner Ferron (Ferron PD). Both of those PDs would deny approval of the QB-SDG&E PD. With regard to the two PDs in A.11-05-023 please explain why QB does or does not agree with the PDs that:

a. SDG&E does not need new LCR capacity before 2018, and then only if the Encina OTC units retire (Finding of Fact #3).

b. Given the PDs' finding that SDG&E does not need new capacity before 2018 at the earliest, please explain why QB does or does not currently believe it is appropriate to:

i. Have an on-line date of 2014 as a project purpose

ii. Rule out alternatives which could not be on line by 2014

iii. Not analyze project alternatives that would not be available until 2018

Consistent with the general objection above, Quail Brush objects to this data request, including each of its subparts, because it seeks information that is not relevant to this proceeding and that is not reasonably necessary for the Commission to render a decision as required by Section 1716(b) of the Commission's regulations. The referenced proposed decisions have no bearing on the proceeding before this Commission. Further, the CPUC has not yet acted upon the proposed decisions, and they lack any legal authority. Accordingly, Quail Brush objects to providing information regarding any finding or conclusion included in the Proposed Decisions. Quail Brush directs HomeFed's attention to the CPUC proceeding docket, in which Quail Brush has made several filings.

92. Please provide all analysis and documents in QBs provision which lead it to disagree with the following CPUC PD Findings of Fact (FoF) in Commissioner Ferron's alternate PD in A.11-05-023:

a. FoF # 5 (CAISO study omits energy efficiency, demand response, incremental CHP)

b. FoF # 6 (SDG&E demand response analysis reflects CPUC D.12-04-025)

c. FoF # 10 (LCR need in 2021 ranges from -87 to +343 Mw)

d. FoF # 11 (If there is an LCR need, it starts in 2018)

Consistent with the general objection above, Quail Brush objects to this data request, including each of its subparts, because it seeks information that is not relevant to this proceeding and that is not reasonably necessary for the Commission to render a decision as required by Section 1716(b) of the Commission's regulations. The referenced proposed decisions have no bearing on the proceeding before this Commission. Further, the CPUC has not yet acted upon the proposed decisions, and they lack any legal authority. Accordingly, Quail Brush objects to providing information regarding any finding or conclusion included in the Proposed Decisions. Quail Brush directs HomeFed's attention to the CPUC proceeding docket, in which Quail Brush has made several filings.

93. The PDs in A.11-05-023 would deny approval to the QB PPTA "without prejudice to a renewed application for their approval, if amended to match the timing of the identified need." Consistent with the general objection above, Quail Brush objects to this data request, including each of its subparts, because it seeks information that is not relevant to this proceeding and that is not reasonably necessary for the Commission to render a decision as required by Section 1716(b) of the Commission's regulations. The referenced proposed decisions have no bearing on the proceeding before this Commission. Further, the CPUC has not yet acted upon the proposed decisions, and they lack any legal authority.

a. Does QB have any intention of amending its PPTA to provide for a commercial operation date in 2018 or later? Consistent with the general objection above, Quail Brush objects to this data request because it seeks information that is not relevant to this proceeding and that is not reasonably necessary for the Commission to render a decision as required by Section 1716(b) of the Commission's regulations. The PPTA is not at issue in the proceeding before the Commission.

b. Please identify all alternatives to the QB project which could be on-line by 2018 or later, but not by 2014. Consistent with the general objection above, Quail Brush objects to this data request because it seeks information that is not relevant to this proceeding and that is not reasonably necessary for the Commission to render a decision as required by Section 1716(b) of the Commission's regulations. Quail Brush directs HomeFed's attention to the revised Alternatives Analysis, which was docketed on October 30, 2012, and includes analysis of all alternatives to the proposed Project identified by Quail Brush.

94. The PDs in A.11-05-023 find that the CPUC "has yet to determine the particular operational characteristics of resources that are needed to support renewable resources integration or to set procurement targets for them." Please identify any analyses or other documents in this proceeding (at the CEC) which

b. quantify the number of Mw in the SDG&E area of such resources that are needed to support renewable resources integration. Consistent with the general objection above, Quail Brush objects to this data request because it seeks information that is not relevant to this proceeding and that is not reasonably necessary for the Commission to render a decision as required by Section 1716(b) of the Commission's regulations. Quail Brush further objects to this data request because it seeks information not reasonably available to it. SDG&E or the CAISO may be in a position to answer this data request; not Quail Brush.

c. For any analyses or documents produced in response to the previous sub-part (b) of this question, please identify the year for which the need has been quantified, and the number of Mw of renewable resources (by type, e.g. rooftop solar, tracking solar, wind, geothermal, or biomass) triggering the quantified need. Consistent with the general objection above, Quail Brush objects to this data request because it seeks information that is not relevant to this proceeding and that is not reasonably necessary for the Commission to render a decision as required by Section 1716(b) of the Commission's regulations. Quail Brush further objects to this data request because it seeks information not reasonably available to it.

95. Both PDs would authorize a new SDG&E request for offers (RFO) for capacity starting in 2018. Assuming either the Ferron PD or the ALJ PD is approved by the CPUC, please indicate:

a. Would QB respond to such an RFO?

b. If QB and Pio Pico both responded to such an RFO, with offers equivalent to those in the PPTAs that the Ferron PD would reject, what aspects of QB make it superior to Pio Pico (since both cannot be approved within the 298-343 Mw limits set in the PDs)?

Consistent with the general objection above, Quail Brush objects to this data request, including each of its subparts, because it seeks information that is not relevant to this proceeding and that is not reasonably necessary for the Commission to render a decision as required by Section 1716(b) of the Commission's regulations. The referenced proposed decisions have no bearing on the proceeding before this Commission. Further, the CPUC has not yet acted upon the proposed decisions, and they lack any legal authority. Accordingly, it is not appropriate at this time for Quail Brush to opine as if the proposed decisions had been adopted by the CPUC.

96. Please confirm or deny that:

a. Approval of the PDs with their finding that SDG&E has no need for the QB PPTA would be severely detrimental to Quail Brush. Consistent with the general objection above, Quail Brush objects to this data request because it seeks information that is not relevant to this proceeding and that is not reasonably necessary for the Commission to render a decision as required by Section 1716(b) of the Commission's regulations. The referenced proposed decisions have no bearing on the proceeding before this Commission. Further, the CPUC has not yet acted upon the proposed decisions, and they lack any legal authority.

b. Approval of the PDs with their finding that SDG&E has no need for the QB PPTA would make financing for QB extraordinarily difficult to acquire and would likely suspend, if not threaten entirely, any further development of the QB project. Consistent with the general objection above, Quail Brush objects to this data request because it seeks information that is not relevant to this proceeding and that is not reasonably necessary for the Commission to render a decision as required by Section 1716(b) of the Commission's regulations. The referenced proposed decisions have no bearing on the proceeding before this Commission. Further, the CPUC has not yet acted upon the proposed decisions, and they lack any legal authority.

IV. Data Requests regarding other topics

97. Assuming CEC approval of QB in July 2013, how long would it take from that date to:

b. Obtain bank loans or other funding to construct QB? Consistent with the general objection above, Quail Brush objects to this data request because it seeks information that is not relevant to this proceeding and that is not reasonably necessary for the Commission to render a decision as required by Section 1716(b) of the Commission's regulations. The Commission does not consider construction financing when analyzing the proposed Project.

99. In the absence of a PPA or PPTA, when (if ever) does QB expect to be able to obtain construction financing for the proposed project? Consistent with the general objection above, Quail Brush objects to this data request because it seeks information that is not relevant to this proceeding and that is not reasonably necessary for the Commission to render a decision as required by Section 1716(b) of the Commission's regulations. The Commission does not consider construction financing when analyzing the proposed Project.

100. What is the current expected capital cost for QB? Consistent with the general objection above, Quail Brush objects to this data request because it seeks information that is not relevant to this proceeding and that is not reasonably necessary for the Commission to render a decision as required by Section 1716(b) of the Commission's regulations.

106. Please provide copies of the following documents:

a. The study referenced in the AFC, p. 2-22, which shows 1739 hours per year of operation. The applicant does not object to this data request, but notes that the inclusion of 1,739 hours per year of operation in the AFC was an inadvertent

mistake. The Project would be permitted for up to 3,800 hours/year excluding start-ups. For the purpose of the Commission permitting process, 3,800 hours/year excluding start-ups is the relevant figure for analysis. Accordingly, Quail Brush does not have any study which shows 1,739 hours per year of operation.

b. The unredacted Phase 2 interconnection studies (early versions are referenced in the AFC at pp. 2-24, 2-25) which form the basis for removing Table 11.1 from the 8/24/11 Appendix A to the QB Individual Project Report from the CAISO. Note that this question applies only to Table 11.1. It does not apply to the removal of Table 11.2, pursuant to p. 3 of the 2/14/2012 CAISO "Revised Second Addendum to the Cluster 1 and 2 Phase II Final Report. The current information has been docketed with the Commission. Quail Brush directs HomeFed's attention to the Re-Study of C1C2 Phase II report provided by the CAISO on October 22, 2012 and docketed with the Commission. Quail Brush will not provide unredacted versions of documents where redactions are necessary to preserve confidential information.

c. The QB PPTA and all of its amendments, as referenced in the ALJ ruling of 9/11/12 in CPUC A.11-05-023. Quail Brush objects to this data request. This is a confidential document and therefore is not available to the general public or to intervenors.

d. Any SDG&E presentations to its Procurement Review Committee (PRG) which regarding the QB project or projects competing with it. Consistent with the general objection above, Quail Brush objects to this data request because it requests information not reasonably available to it.

e. The signed Large Generator Interconnection Agreement (LGIA) with the CAISO, as referenced in the CAISO queue published on 10/12/12. Quail Brush objects to this data request. This is a confidential document and therefore is not available to the general public or to intervenors

I certify under penalty of perjury that the foregoing is true, correct, and complete to the best of my knowledge.

Regards,



C. Richard Neff
Vice President

cc: Docket (11-AFC-03)



BEFORE THE ENERGY RESOURCES CONSERVATION AND DEVELOPMENT
COMMISSION OF THE STATE OF CALIFORNIA
1516 NINTH STREET, SACRAMENTO, CA 95814
1-800-822-6228 – WWW.ENERGY.CA.GOV

**APPLICATION FOR CERTIFICATION FOR THE
QUAIL BRUSH GENERATION PROJECT**

DOCKET NO. 11-AFC-03
PROOF OF SERVICE
(Revised 12/28/2012)

SERVICE LIST:

APPLICANT

Cogentrix Energy, LLC
C. Richard "Rick" Neff, Vice President
Environmental, Health & Safety
John Collins, VP Development
Lori Ziebart, Project Manager
Quail Brush Generation Project
9405 Arrowpoint Boulevard
Charlotte, NC 28273
rickneff@kogentrix.com
johncollins@kogentrix.com
loriziebart@kogentrix.com

CONSULTANTS FOR APPLICANT

Tetra Tech EC, Inc.
Connie Farmer
Sr. Environmental Project Manager
Sarah McCall
Sr. Environmental Planner
143 Union Boulevard, Suite 1010
Lakewood, CO 80228
connie.farmer@tetrattech.com
sarah.mccall@tetrattech.com

Tetra Tech EC, Inc.
Barry McDonald
VP Solar Energy Development
17885 Von Karman Avenue, Ste. 500
Irvine, CA 92614-6213
barry.mcdonald@tetrattech.com

COUNSEL FOR APPLICANT

Bingham McCutchen LLP
Ella Foley Gannon
Camarin Madigan
Three Embarcadero Center
San Francisco, CA 94111-4067
ella.gannon@bingham.com
camarin.madigan@bingham.com

INTERVENORS

Roslind Varghese
9360 Leticia Drive
Santee, CA 92071
roslindv@gmail.com

Rudy Reyes
8655 Graves Avenue, #117
Santee, CA 92071
rreyes2777@hotmail.com

Dorian S. Houser
7951 Shantung Drive
Santee, CA 92071
dhouser@cox.net

Kevin Brewster
8502 Mesa Heights Road
Santee, CA 92071
lzpup@yahoo.com

Mr. Rob Simpson, CEO
Helping Hand Tools
1901 First Avenue, Suite 219
San Diego, CA 92101
rob@redwoodrob.com

Sierra Club, San Diego Chapter
c/o Law Office of Robert W. Wright
Robert W. Wright
716 Castro Street
Solana Beach, CA 92075
bob.wright@mac.com

Sunset Greens
Homeowners Association
c/o Briggs Law Corporation
Cory J. Briggs
Isabel E. O'Donnell
99 East "C" Street, Suite 111
Upland, CA 91786
cory@briggslawcorp.com
isabel@briggslawcorp.com

INTERVENORS (cont'd.)

HomeFed Fanita Rancho, LLC
c/o Allen Matkins Leck Gamble
Mallory & Natsis LLP
Jeffrey A. Chine
Heather S. Riley
501 West Broadway, 15th Floor
San Diego, CA 92101
jchine@allenmatkins.com
hriley@allenmatkins.com
jkaup@allenmatkins.com
vhoy@allenmatkins.com

Preserve Wild Santee
Van Collinsworth
9222 Lake Canyon Road
Santee, CA 92071
savefanita@cox.net

Center for Biological Diversity
John Buse
Aruna Prabhala
351 California Street, Suite 600
San Francisco, CA 94104
jbuse@biologicaldiversity.org
aprabhala@biologicaldiversity.org

*California Pilots Association
Andy Wilson
31438 Greenbrier Lane
Hayward, CA 94544
andy.wilson@calpilots.org

INTERESTED AGENCIES

California ISO
e-recipient@caiso.com

City of Santee
Department of Development Services
Melanie Kush
Director of Planning
10601 Magnolia Avenue, Bldg. 4
Santee, CA 92071
mkush@ci.santee.ca.us

City of San Diego
Morris E. Dye
Development Services Dept.
1222 First Avenue, MS 501
San Diego, CA 92101
mdye@sandiego.gov

County of San Diego
Mindy Fogg
Land Use Environmental Planner
Advance Planning
Department of Planning & Land Use
5510 Overland Avenue, Suite 310
San Diego, CA 92123
mindy.fogg@sdcounty.ca.gov

ENERGY COMMISSION –
PUBLIC ADVISER

Jennifer Jennings
Public Adviser's Office
publicadviser@energy.ca.gov

COMMISSION DOCKET UNIT

California Energy Commission –
Docket Unit
Attn: Docket No. 11-AFC-03
1516 Ninth Street, MS-4
Sacramento, CA 95814-5512
docket@energy.ca.gov

OTHER ENERGY COMMISSION
PARTICIPANTS (LISTED FOR
CONVENIENCE ONLY):

*After docketing, the Docket Unit
will provide a copy to the persons
listed below. **Do not** send copies
of documents to these persons
unless specifically directed to do
so.*

KAREN DOUGLAS
Commissioner and Presiding
Member

ANDREW McALLISTER
Commissioner and Associate
Member

Raoul Renaud
Hearing Adviser

Eileen Allen
Commissioners' Technical
Adviser for Facility Siting

Galen Lemei
Adviser to Commissioner Douglas

Jennifer Nelson
Adviser to Commissioner Douglas

David Hungerford
Adviser to Commissioner McAllister

Patrick Saxton
Adviser to Commissioner McAllister

Eric Solorio
Project Manager

Stephen Adams
Staff Counsel

DECLARATION OF
SERVICE

I, Margaret Pavao, declare that on January 3, 2013, I served and filed copies of the attached Applicant's Initial Response to HomeFed Fanita Rancho, LLC Intervenor Data Requests, 85 through 106, dated January 3, 2013. This document is accompanied by the most recent Proof of Service list, which I copied from the web page for this project at: <http://www.energy.ca.gov/sitingcases/quailbrush/index.html>.

The document has been sent to the other parties in this proceeding (as shown on the Proof of Service list) and to the Commission's Docket Unit, as appropriate, in the following manner:

(Check one)

For service to all other parties and filing with the Docket Unit at the Energy Commission:

- I e-mailed the document to all e-mail addresses on the Service List above and personally delivered it or deposited it in the US mail with first class postage to those parties noted above as "hard copy required"; OR
- Instead of e-mailing the document, I personally delivered it or deposited it in the US mail with first class postage to all of the persons on the Service List for whom a mailing address is given.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that I am over the age of 18 years.

Dated: January 3, 2013



Margaret Pavao