

DEPARTMENT OF WATER RESOURCES

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SACRAMENTO, CA 94236-0001
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DOCKET
08-AFC-9



DATE	JUN 01 2009
RECD	JUN 02 2009

June 1, 2009

Ms. Felicia Miller
Project Manager
Siting, Transmission and Environmental Protection Division
California Energy Commission
1516 Ninth Street, MS-15
Sacramento, California 95814

Dear Ms. Miller:

The California Department of Water Resources – State Water Project (CDWR-SWP) submits the following comments along with some requests for information regarding the Application of the Palmdale Hybrid Power Project (PHPP).

The Application indicates that the Applicant wishes to replace the current 230 KV transmission line that connects CDWR-SWP's Pearblossom Pumping Plant (Pearblossom) to Southern California Edison's (SCE) Vincent substation with a new line that will complete the transmission connection of the PHPP to Vincent. As discussed in the public workshop held on February 4, 2009, CDWR-SWP is concerned that there may be undesirable impacts to Pearblossom during the construction phase of the new transmission line and also during the on-going operation of the PHPP.

Pearblossom serves as an important component in CDWR-SWP's mission of delivering water to its customers. Due to ongoing drought conditions, any disruption to water deliveries can impact CDWR-SWP's ability to successfully serve its mission as well as incur significant additional costs. Therefore, CDWR-SWP wishes to reiterate its concern about any disruptions or impacts to Pearblossom as a result of the proposed PHPP.

While CDWR-SWP understands that SCE will be conducting technical studies related to interconnection and transmission service impacts to the overall grid, CDWR-SWP will conduct its own study of impacts related to Pearblossom. Once all such studies have been completed by SCE, CDWR-SWP, and the Project Owner, CDWR-SWP urges that the Project Owner be required to fully mitigate any impacts that are identified by such studies.

To address CDWR-SWP's concerns for impacts upon Pearblossom, this correspondence includes:

- 1) A proposed Condition of Certification that would provide assurances to CDWR-SWP that there would be no unmitigated impacts to Pearblossom as a result of the PHPP;
- 2) An initial list of data that has been identified by CDWR-SWP as necessary for its in-house analysis; and

PROOF OF SERVICE (REVISED 4/30/09) FILED WITH
ORIGINAL MAILED FROM SACRAMENTO ON 6/2/09

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- 3) CDWR-SWP's preliminary expectations of obligations to which the Applicant/Project Owner would agree as part of the Condition of Certification.

PROPOSED CONDITION OF CERTIFICATION

In the February 2009 workshop, CDWR-SWP suggested that a Condition of Certification would address CDWR-SWP's concerns. CDWR-SWP offers the following text as a possible draft Condition and Verification of Condition:

Proposed Condition:

"The Project Owner shall consult with Southern California Edison Company and CDWR-SWP to determine all impacts on CDWR-SWP's Pearblossom Pumping Plant which may occur during transmission line construction or on-going operation of the PHPP. Such impacts include, but are not limited to,

- i) system and local electrical impacts;
- ii) operational impacts; and
- iii) financial impacts that are attributable to the construction of the new transmission line and to the on-going operation of the PHPP and that line.

The Project Owner shall be responsible to fully mitigate any impact that is identified."

To demonstrate the Project Owner's compliance with the Proposed Condition, CDWR-SWP recommends the following verification be included by the California Energy Commission (CEC).

Proposed Verification of Satisfied Condition:

"A signed letter from CDWR-SWP stating that it is satisfied that either:

- i) there will be no impacts, or
- ii) any identified impacts will be sufficiently mitigated by the Project Owner. Such determination of sufficiency will be made by CDWR-SWP."

CDWR-SWP recommends that the verification be completed prior to transmission line construction.

INITIAL LIST OF INFORMATION REQUIRED BY CDWR-SWP FOR ITS ANALYSIS

To initiate its study of impacts, CDWR-SWP has prepared an initial list of information which must be supplied by the Applicant. Please note that this is an initial list of such necessary information, as its study progresses, CDWR-SWP may need to request additional information from time to time. The following is the initial list of required information that is to be provided by the Applicant to CDWR-SWP.

A. Operations-Related

1. Provide the probable duration of a shutdown at Pearblossom due to transmission line construction.
2. Provide the maximum duration of a shutdown at Pearblossom due to transmission line construction.

B. Transmission Line Construction-Related

1. Provide 230 KV Circuit Breaker data at Vincent Substation that feeds the power to Pearblossom. The data shall include its short circuit ratings.
2. Provide the conductor size and length for 230 KV transmission line between Vincent Substation and Pearblossom.
3. Provide the short circuit MVA rating and X/R ratio of 230 KV Pearblossom Pumping Plant line feeder at Vincent Substation:
 - a. Existing configuration.
 - b. New configuration - Addition of Palmdale Power Plant.
4. Provide the System Impact Study analysis completed for the addition of Palmdale Power Plant to the existing grid at Vincent Substation. The study shall include the three and single phase ground fault conditions.
5. Provide the conductor size, length, and any additional design information for the new proposed 230 KV dual circuit transmission line between Pearblossom and Vincent Substation .

C. General Information

1. Provide a hard copy of the application and any additional design information submitted to California Energy Commission for Palmdale Power Plant certification.
2. Provide a copy of the California Energy Commission evaluation report if available for this application.

CDWR-SWP'S PRELIMINARY EXPECTATIONS OF APPLICANT'S OBLIGATIONS

CDWR-SWP has identified several potential impacts in its initial cursory review of the proposed project, additional impacts may yet be identified. Pursuant to the Proposed Condition such impacts must be mitigated by the Project Owner/Applicant. While the technical analysis will determine any other impacts, CDWR-SWP wishes to provide early notification to the Applicant of these obligations, at the outset, so that the Applicant will be publicly supportive of its obligations.

At a minimum:

- Applicant must provide at least twelve (12) months notice of any planned interruption for Pearblossom Power Plant in order for CDWR-SWP to adjust its water delivery schedules and its planned outages for its other facilities (upstream and downstream)
- Applicant shall pay for any costs related to onsite backup generation that are required at Pearblossom Power Plant including, but not limited to:
 - Fuel
 - Operations & Maintenance
 - Rental Costs, if any
 - Air Quality Management District permit payments
- At the discretion of CDWR-SWP, Applicant may be required to pay for energy costs required to recharge Silverwood Lake because of an interruption of pumping during the outage.

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In closing, CDWR-SWP wishes to thank the California Energy Commission for its efforts during this powerplant application process and its invitation to CDWR-SWP for input and participation in this process. Finally, CDWR-SWP is willing to work with both the CEC and the Applicant to ensure that any impacts will be identified and will be fully mitigated by the Applicant prior to construction.

If there are any questions regarding the content of this correspondence, please feel free to contact me by phone (916) 574-0657 or by email: rbucking@water.ca.gov.

Sincerely,

Rick Buckingham

Rick Buckingham
Senior Transmission Contracts Specialist
State Water Project – Power and Risk Office
California Department of Water Resources

cc: Allen Cadreau
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**APPLICATION FOR CERTIFICATION
For the *PALMDALE HYBRID
POWER PROJECT***

**Docket No. 08-AFC-9

PROOF OF SERVICE
(Revised 4/30/2009)**

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DECLARATION OF SERVICE

I, Hilarie Anderson, declare that on June 2, 2009, I served and filed copies of the attached Department of Water Resources Comments on PPHP Transmission Upgrades. The original document, filed with the Docket Unit, is accompanied by a copy of the most recent Proof of Service list, located on the web page for this project at: **[<http://www.energy.ca.gov/sitingcases/palmdale/index.html>]**. The document has been sent to both the other parties in this proceeding (as shown on the Proof of Service list) and to the Commission's Docket Unit, in the following manner:

(Check all that Apply)

For service to all other parties:

sent electronically to all email addresses on the Proof of Service list;

by personal delivery or by depositing in the United States mail at Sacramento, California with first-class postage thereon fully prepaid and addressed as provided on the Proof of Service list above to those addresses **NOT** marked "email preferred."

AND

For filing with the Energy Commission:

sending an original paper copy and one electronic copy, mailed and emailed respectively, to the address below (preferred method);

OR

depositing in the mail an original and 12 paper copies, as follows:

CALIFORNIA ENERGY COMMISSION

Attn: Docket No. 08-AFC-9
1516 Ninth Street, MS-4
Sacramento, CA 95814-5512

docket@energy.state.ca.us

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

Original Signature in Dockets
Hilarie Anderson