

June 29, 2009

DOCKET

08-AFC-9

DATE June 29 2009

RECD. June 29 2009

Terrence O'Brien, Deputy Director
Siting, Transmission and Environmental Protection Division
California Energy Commission
1516 Ninth Street
Sacramento, CA 95814

Dear Mr. O'Brien:

Re: Palmdale Hybrid Power Plant - 08-AFC-9

This letter is in response to your June 10, 2009, letter requesting additional information about the Palmdale Hybrid Power Plant's (Proposed Project) proposed transmission interconnection to the Southern California Edison Company's (SCE) Vincent Substation. It should be noted that the City of Palmdale submitted an application on February 28, 2006 to the CAISO for interconnection.

SCE's response to Mr. O'Brien's letter is presented below. First, though, it should be noted that two types of studies are often confused:

1. Facilities Study of the interconnection between the termination point of a developer's generation tie and SCE substation; and
2. Right-of-Way (ROW) Study which is required by SCE when a developer proposes construction along SCE's right-of-way. The City of Palmdale has proposed a 35 mile generation transmission line (gen-tie) to connect its project to the Vincent Substation. The last eleven miles of that gen-tie is proposed to be along the SCE ROW between Pearblossom Substation and Vincent Substation. Before making a final determination regarding the use of any SCE ROW, SCE requires a thoroughly detailed ROW Study funded by the City and performed by SCE.

A Facilities Study is currently underway for the Proposed Project and will report conclusions related to capital construction and costs required for the interconnection between the Vincent Substation and the small distance outside that substation to the termination point of the 35 mile gen-tie.

In addition to the Facilities Study, a ROW Study is also required for the project because the City of Palmdale has proposed that the last eleven miles of their 35 mile gen-tie line would be built along the SCE right-of-way.

In preparation for that ROW Study, SCE has conducted a limited internal review of the City of Palmdale's proposal to use the Pearblossom/Vincent ROW. During that review, SCE has not

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identified any immediate items that would cause a preliminary finding that the proposed use of the ROW is unacceptable. However, SCE identified several concerns that require further detailed analysis to confirm the technical feasibility of the project. The concerns will be analyzed and addressed in the ROW Study to be funded by the City of Palmdale. Such concerns include but are not limited to: 1) outages during construction, 2) existing ROW easement, and 3) conductor clearances from adjacent transmission lines.

CEC Request: A timeline illustrating the sequence of needed agreements between SCE and the City of Palmdale regarding the transmission route:

SCE Response: The pending agreements and the timeline for such between SCE and the City of Palmdale are as follows:

1. Letter Agreement to study the ROW along the segment between Pearblossom and Vincent Substations – A thorough ROW Study is required before finalizing a Large Generator Interconnection Agreement (LGIA). The scope and schedule for such a ROW Study would be established by letter agreement between SCE and the City of Palmdale.
2. Facilities Study to identify the facilities needed at Vincent Substation to interconnect the Proposed Project's 35-mile gen-tie line - SCE intends to provide a draft of this document to the California Independent System Operator (CAISO) by July 31, 2009, for its review and approval. The timeline for delivery of this study to the City of Palmdale is dependent on the CAISO's review process, and SCE's review. SCE has spoken with the CAISO staff and they have assured SCE that once they are in receipt of the draft, they will immediately begin their review process.
3. Large Generation Interconnection Agreement, which is the contract among SCE, the City of Palmdale, and the CAISO that defines the terms, conditions, scope, cost, and payment for the necessary construction of the interconnection facilities at Vincent Substation - Completing this agreement is contingent upon the completion of the Facilities Study. SCE anticipate that the LGIA will be completed within 120 calendar days of the completion of the aforementioned Facilities Study.

CEC Request: Specifications of the agreed upon transmission interconnection including:

- Probable reconductoring and tower replacement details; and
- Feasibility of crossing double circuit 230 kV lines and towers under SCE's 500 kV lines in the vicinity of the Pearblossom Substation

SCE Response: At this point in time, there is not an agreed upon transmission interconnection identifying the probable reconductoring and tower replacement details or the design for crossing the applicant's proposed double circuit 230 kV lines and towers under SCE's 500 kV lines in the vicinity of the Pearblossom Substation. Consequently, SCE is not in a position to provide any

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specifications until a thorough ROW review is funded by the City of Palmdale and completed by SCE...

CEC Request: Any steps SCE would pursue to coordinate the construction of the proposed transmission facilities with the Department of Water Resources and the Los Angeles Department of Water and Power.

SCE Response: Typically, when SCE is involved with a project that impacts other agencies or utilities such as the California Department of Water Resources (CDWR) or the Los Angeles Department of Water and Power (LADWP), SCE contacts their transmission departments for such agencies or utilities to notify them of the project and to request that a project manager be assigned for the purposes of coordination with SCE. This coordination typically involves SCE staff working with other agency or utility staff to review the facilities that will be affected and identify appropriate construction/ transmission solutions. This is a collaborative process that identifies challenges and possible solutions.

The applicant's proposed transmission upgrades are not yet sufficiently developed at this stage for SCE to initiate any construction coordination with LADWP and CDWR. SCE looks forward to working with LADWP and CDWR when appropriate transmission upgrades are developed.

SCE realizes the information requested in your June 10, 2009, letter is critical to enable staff to analyze potential project impacts and to prepare a schedule for publication of the Preliminary and Final Staff Assessments. SCE hopes that this response indicates to the CEC the efforts to date with regard to the Proposed Project and, consistent with all generation requests, SCE will make every effort to support and facilitate project interconnection.

Sincerely,



Manuel Alvarez

cc by email:

Felicia Miller – California Energy Commission
Thomas M. Barnett, Executive Vice President – Inland Energy, Inc. on behalf of the
applicant (City of Palmdale)
Rick Buckingham - State Water Project
Mo Beshir - Los Angeles Dept. of Water and Power
Linda Wright – CAISO, Project Manager
Drew Brabb – SCE Project Manager
Cathy Hart – SCE Public Affairs Manager

bcc by email:

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