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September 29, 2010

<b>DOCKET</b>	
<b>09-AFC-2</b>	
DATE	SEP 29 2010
RECD.	SEP 29 2010

Commissioner Karen Douglas, Presiding Member and Chair  
Commissioner Anthony Eggert, Associate Member  
Hearing Officer Kourtney Vaccaro  
Almond 2 Power Plant Project (09-AFC-2)  
California Energy Commission  
1516 Ninth Street  
Sacramento, CA 95814

Re: **Almond 2 Power Plant Project: Hughson-Grayson 115-kV Transmission Line and Substation Project**

Dear Commissioner Douglas, Commissioner Eggert, and Hearing Officer Vaccaro:

At the September 16, 2010, Status Conference, the Hearing Officer asked the Applicant to provide some additional information to address certain issues that had been raised regarding transmission interconnection. Specifically, the Hearing Officer requested an update on the status of the unrelated Turlock Irrigation District (“TID” or the “District”) Hughson-Grayson 115-kV Transmission Line and Substation Project (the “Hughson-Grayson Project”). (9/16 RT 14.) TID is pleased to provide the following information on the status of the Hughson-Grayson Project.

**Project Overview.** The Hughson-Grayson Project has been designed to accommodate current and projected load growth, increase reliability on the transmission system, and relieve load on the existing 69-kV transmission within TID’s service territory. Currently, the Ceres area is only served by the 69-kV transmission system, which is near capacity due to increased electrical demand and lack of expansion.

The Hughson-Grayson Project would promote the safe and reliable operation of the TID system by relieving load on the existing transmission system. Transmission lines will sag when a transmission system operates at or near capacity due to increased heat resulting from high amperage in the lines (“thermal sagging”). Thermal sagging also is affected by higher ambient

temperatures. Thermal sagging impedes the ability to maintain electrical safety “clearances,” the required safe distance between the conductor and the ground or other conductors. In addition to the issues associated with thermal sagging, a transmission system operating at or near capacity is more likely to experience local outages, just like any other system forced to operate near design capacity.

The Hughson-Grayson Project would eliminate these local system constraints in several ways. First, the new 115-kV transmission line extending from the existing TID Hughson Substation to the proposed Grayson Substation would enable the Ceres area to be served by TID’s more robust 115-kV transmission system, thereby increasing system reliability, and reducing the strain on the existing 69-kV transmission system by providing an additional transmission interconnection. Currently the Ceres area is only served by TID’s 69-kV transmission system.

Second, the Hughson-Grayson Project includes a 69-kV transmission line (referred to as the “Section One” 69-kV transmission line) which provides a means of interconnecting the Grayson Substation to TID’s existing Gilstrap-Westport 69-kV line (which extends from TID’s Gilstrap Substation to its Westport Substation). This would result in additional reliability by providing another means of bringing electricity in and out of the area and would also provide voltage support to the west Ceres area to serve forecasted load growth. Thus, the Section One 69-KV feature of the Hughson-Grayson Project results in increased reliability by providing new critical links between substations, allowing TID’s Balancing Authority system operators to move power within TID’s transmission system as system conditions require.

Third, the Hughson-Grayson Project’s “Section Two” 69-kV transmission line from the existing Almond Power Plant substation to the Grayson Substation would provide another way of transmitting electricity generated by the existing TID Almond Power Plant to the Ceres area and the TID transmission system. Finally, the Hughson-Grayson Project would provide additional reliability through a dedicated crossing over State Route (SR) 99, well to the east of the A2PP site, allowing the District to move electricity east-to-west and west-to-east as TID system conditions dictate.

**Project Schedule.** The Hughson-Grayson Project has been in TID’s transmission plans for many years. The August 2009 Draft EIR for the Hughson-Grayson Project concluded that the Grayson Road Route and related facilities would not result in any significant unmitigated environmental impacts. Following presentation of the 2009 Draft EIR to the TID Board of Directors on November 17, 2009, the Board directed the preparation of analyses of additional routes that would locate the majority of the Hughson-Grayson Project transmission lines within the rights-of-way of TID’s Lateral No. 2 and Lateral 2½, two of the major east-west water conveyance systems serving TID’s water customers. This Revised Draft EIR also includes an

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additional alternative location for the Grayson Substation. The Grayson Substation North has been identified on a parcel just south of Lateral No. 2, set back from nearby Crows Landing Road and Grayson Road. For clarity, the Grayson Substation as proposed in the 2009 Draft EIR has been re-named as the "Grayson Substation South." On April 29, 2010, a public information meeting was held to inform the public on the new routes and substation location being analyzed in the Revised Draft EIR. The Revised Draft EIR was released for a 45-day public review on July 23, 2010, which ended on September 7, 2010. TID anticipates releasing the Revised Final EIR and responses to public comments in mid-October. TID anticipates the 2009 Draft EIR, the 2009 Final EIR, the Revised Draft, and Revised Final EIR going to the TID Board of Directors in early November.

**Clarity of the Record.** At the September 16, 2010 Status Conference, the Hearing Officer stated, "...to the extent that we can ensure that the record is clear and we have as much information as possible on that [Hughson-Grayson Project] EIR before the PMPD is issued, the better." (9/16 TR 14.) Applicant agrees.

The Hughson-Grayson Project is a separate and distinct project that will proceed with or without the Almond 2 Power Plant. In simplest terms, to meet the basic project objectives of the Hughson-Grayson Project, the District will build the Hughson-Grayson Project even if, hypothetically, the Commission does not certify the Almond 2 Power Plant. The District's reliability needs as its own Western Electricity Coordinating Council ("WECC") Balancing Authority and the interests of TID's ratepayer owners require that the Hughson-Grayson Project go forward under all circumstances.

In response to the requested clarity, the Applicant respectfully submits that the record is clear. The Hughson-Grayson Project is identified in the Revised Staff Assessment and the potential direct, indirect, and cumulative impacts are considered in each of the subject matter disciplines considered in the Staff's analyses. (See, for example, the "Cumulative Impacts" discussion in each section of the Revised Staff Assessment.)

The District had anticipated that the Hughson-Grayson Project's CEQA approval process would be completed well before the Almond 2 Power Plant was certified. Nevertheless, the current status of the Hughson-Grayson Project should have no effect on the Commission's proceedings. The majority of the Hughson-Grayson Project deals with alternative transmission line segments, which traverse the distance between the District's existing Hughson Substation and the proposed Grayson Substation, which are intended to serve the Ceres service area. The proposed Grayson Substation will be either the Grayson Substation South location identified in the Almond 2 Power Plant's Revised Staff Assessment or the alternative location, the Grayson Substation North, identified in the Revised Draft EIR for the Hughson-Grayson Project.

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The attached Figure shows the location of the Grayson Substation South and 115-kV Circuit Line 1 and Circuit Line 2 as identified in the Revised Staff Assessment. The Figure also shows the location of the Grayson Substation North. The Grayson Substation North would be located south of the A2PP and existing Almond Power Plant sites, just beyond the existing TID 230-kV line and Lateral 2.

If the TID Board selects Grayson Substation North, the transmission line route would be nearly identical to the 115-kV Circuit 2 line shown in the Figure. However, where the Circuit 2 line heads west toward Crows Landing Road and ultimately Grayson Substation South, the transmission line for Grayson Substation North would instead continue south an additional 30 feet to the substation's northern boundary.<sup>1</sup> The 230-kV poles on each side of the 230-kV undercrossing would likely have to be raised to accommodate the transmission line crossing under the 230-kV line at the same location.<sup>2</sup> However, given that there are no sensitive receptors in the area, this would not result in any visual impacts.

In short, the route for the Grayson Substation North is the same route as for the Grayson Substation South, only considerably shorter. In addition, the 30 additional feet beyond Lateral 2 was previously surveyed as part of the environmental surveys conducted for the A2PP AFC and would result in no environmental impacts. A shorter line on the same route within the same area surveyed means the already less than significant impacts would be even less with Grayson Substation North.

It would be both impossible and inappropriate to predict whether TID's elected Board will prefer the Grayson Substation South or the Grayson Substation North location. Nevertheless, the Commission's siting process is sufficiently flexible to accommodate the decision to use either substation location. Specifically, if the Grayson Substation South is selected by the District Board, the analysis in the Revised Staff Assessment would be unchanged.

In the alternative, if the Grayson Substation North is selected by the District Board, the Applicant respectfully submits that the Commission could approve a change to project

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<sup>1</sup> It is important to note that in order to comply with the North American Electric Reliability Council reliability standards as enforced by the WECC, and to meet TID's reliability objectives, the A2PP double-circuit 115-kV line can be placed on a single pole for a length of five poles once the transmission line exits the A2PP switchyard. Given this, in order to travel the greater distance to the Grayson Substation South as described in the AFC and Revised Staff Assessment, after the fifth pole the double-circuit line would be separated into two single circuit lines (115-kV Circuit 1 and 115-kV Circuit 2). Given the short distance to Grayson Substation North, however, only approximately five poles are required so the 115-kV line will remain as a double-circuit line.

<sup>2</sup> As described in the A2PP AFC, the two 115-kV lines cross under the 230-kV line in different locations. Crossing in different locations does not necessitate increasing the height of the 230-kV poles to accommodate the crossings.

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description post-certification. The Grayson Substation North would be an insignificant change to project description because no Conditions of Certification would be affected by this substation site, which is located on the same transmission route already analyzed by the Staff in the Revised Staff Assessment<sup>3</sup>. The District believes that if the TID Board selects the Grayson North Substation location, this change could easily be accommodated either by reopening the record for the limited purpose of addressing the substation location, if the Board's final decision occurs before the Commission's Final Decision, or in a post-certification petition of an insignificant change to project description, if the Board's final decision occurs after the Commission's Final Decision.

Thank you for the opportunity to respond to this inquiry. Should you have any questions, I can be reached at (916) 447-2166.

Sincerely,

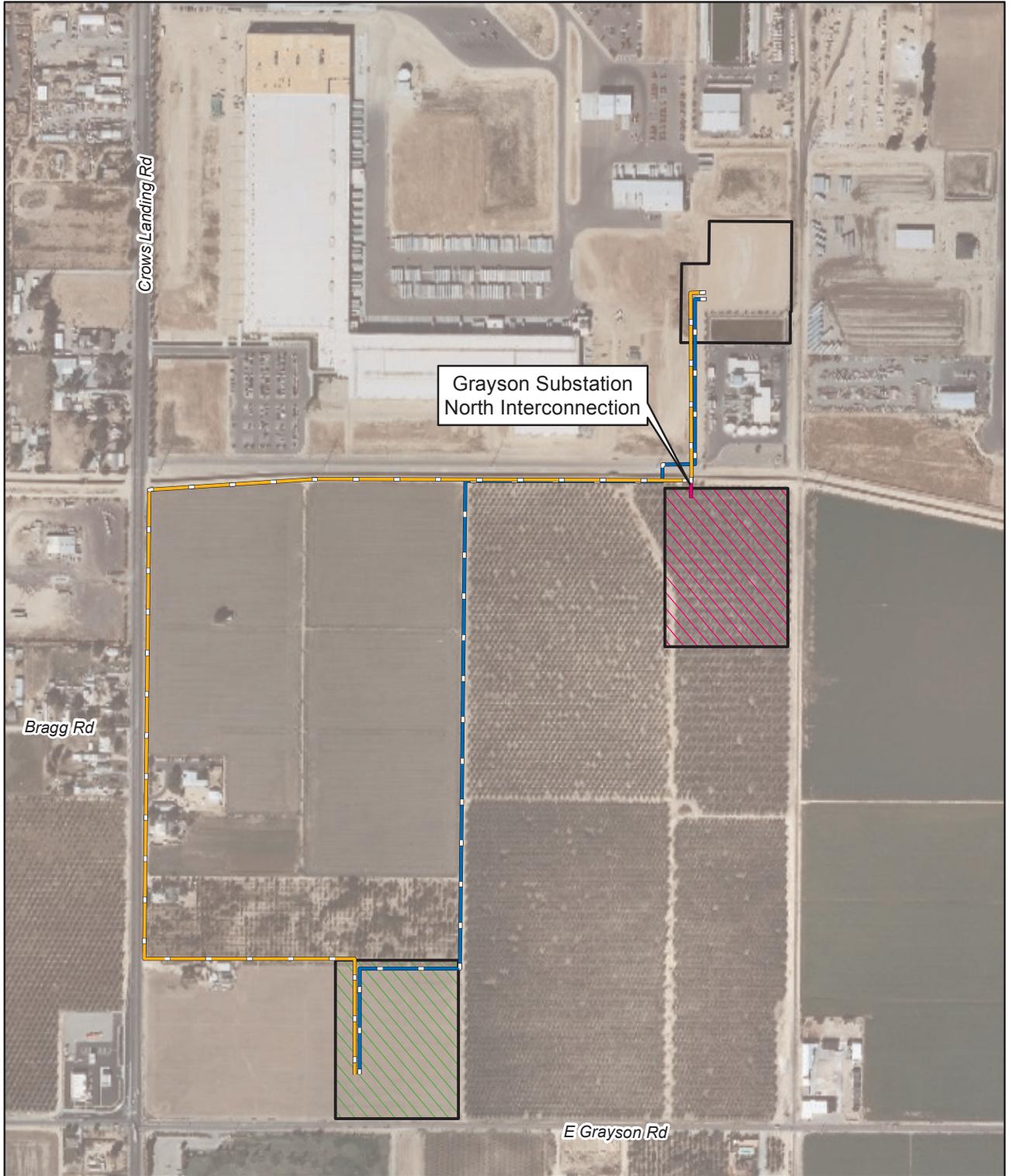


Jeffery D. Harris  
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Attorneys for Turlock Irrigation District

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<sup>3</sup> To be clear, Condition TLSN-3 requires that EMF measurements be taken at certain locations along the longer Grayson Substation South route. If the TID Board were to approve the shorter Grayson Substation North location, the Applicant and Staff could agree to take measurements only at those locations actually built for the Grayson Substation North location.



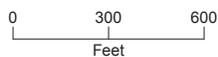
**LEGEND**

- Grayson Substation North Interconnection
- 115-kV Circuit 1 Line
- 115-kV Circuit 2 Line
- Proposed Grayson Substation North
- Proposed Grayson Substation South
- Project Site

**Note:**

The Grayson Substation is being developed as a separate Project

This map was compiled from various scale source data and maps and is intended for use as only an approximate representation of actual locations.



ALMOND 2 POWER PLANT  
CERES, CALIFORNIA

**CH2MHILL**

STATE OF CALIFORNIA

Energy Resources Conservation  
and Development Commission

Application for Certification for the )  
TID ALMOND 2 Power Plant Project ) Docket No. 09-AFC-2  
 )  
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\_\_\_\_\_ )

**PROOF OF SERVICE**

I, Karen A. Mitchell, declare that on September 29, 2010, I served the attached letter regarding *Almond 2 Power Plant Project: Hughson-Grayson 115-kV Transmission Line and Substation Project* via electronic and U.S. mail to all parties on the attached service list.

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

  
\_\_\_\_\_  
Karen A. Mitchell

**SERVICE LIST**  
**09-AFC-2**

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