

CALIFORNIA ENERGY COMMISSION

1516 NINTH STREET, MS 2000
SACRAMENTO, CA 95814-5512

April 6, 2009

DOCKET**99-AFC-1C**DATE APR 06 2009RECD. APR 06 2009Taylor O. Miller
Senior Environmental Counsel
Sempra Energy
925 L Street, Suite 650
Sacramento, CA 95814**SUBJECT: ELK HILLS POWER PLANT (99-AFC-1C) – APPROVAL OF PHASE 1
230KV SWITCHYARD MODIFICATIONS**

Dear Mr. Miller:

On March 26, 2009, the California Energy Commission (Energy Commission) received a request from Occidental of Elk Hills (OEHL), for expedited review of its project to convert the current PG&E 115kV system to the PG&E 230kV system. OEHL operates the Elk Hills oil field. As presented in the OEHL's Summary Project Description (see enclosure) provided to staff on March 30, 2009, the conversion project will include a new substation on OEHL property, modifications to the Elk Hills Power (EHP) Switchyard and a short transmission line to connect the two. The proposed project will be completed in two phases. Phase 1 is scheduled to begin April 1, 2009 and end on May 10, 2009, followed by Phase 2 which is scheduled to be done in late 2009 or early 2010.

The Energy Commission is approving your request to begin work on Phase 1 of the 230kV switchyard modification project as outlined in the OEHL's Summary Project Description. All conditions of certification imposed in the original license will apply to any ground disturbance activity during the Phase 1 work within the EHP Switchyard.

Prior to any work on Phase 2, the Energy Commission is requiring that the information provided thus far, and any additional information requested (i.e., surveys related to biological and cultural resources and land use information), be reviewed by Energy Commission staff as an amendment to the existing Elk Hills Power Plant. Staff will review the information to determine which amendment process will be followed and to prepare an analysis, as needed, in order to provide approval to proceed with Phase 2.

Sincerely,

Mary Dyas
Compliance Project Manager

Enclosure

cc: Dockets
Robert Hoffman, Director Business Development, OEVC

ELK HILLS POWER PLANT - 230 KV SWITCHYARD MODIFICATIONS

Proposed Scope of Work

March 30, 2009

OBJECTIVE

Occidental of Elk Hills (OEHI), which operates the Elk Hills oil field, is planning to improve the reliability of its electricity supply by converting from the current PG&E 115kV system to the PG&E 230 kV System. This conversion is scheduled to be completed by late 2010.

The conversion project will include a new substation on OEHI property, modifications to the Elk Hills Power Switchyard within the power plant premises, and a short transmission line to connect the two. These modifications will allow OEHI access to the existing 230 kV transmission line from Elk Hills Power (EHP) to PG&E Midway Substation, in Buttonwillow.

The work to be done in the EHP Switchyard is planned to take place during the power plant's downtime for routine maintenance. The will be done in two phases in order to best coordinate field construction with material deliveries and minimize impact on Elk Hills Power operations. Phase 1 will take advantage of the EHP maintenance outage starting April 1, 2009 and ending on May 10, 2009, in order to install structures and modify bus work. Phase 2 will be performed during a maintenance outage to install a 230 kV breaker with associated control equipment and will be done in the Fall of 2009 or Spring of 2010.

PHASE 1 - PRELIMINARY SITE WORK AT EHP SWITCHYARD

Construction work within the EHP Switchyard will start in April 2009 as part of a planned maintenance outage and involve excavation, forming, and pouring foundations, modify bus work, install steel and switches, and install underground conduit and grounding. All work will take place within the existing switchyard and switchyard control building. Work will include, but not be limited to:

1. trenching for underground conduits,
2. excavation, forming, and pouring foundations,
3. underground conduit installation,
4. ground grid tie-ins,
5. steel structure assembly and setting (take-off, bus support, PT stands),
6. AC and DC distribution panel installation in switchyard control building,
7. cut-out in existing panel in switchyard control building,
8. assembly and installation of steel switch supports item 9,
9. install isolation switches for 230 kV breaker 52-6,
10. install bus between switches,
11. addition of control switches to mimic panel in switchyard control building,
12. modify existing bus work to extend to new take-off structure.

ELK HILLS POWER PLANT - 230 KV SWITCHYARD MODIFICATIONS
Proposed Scope of Work
March 30, 2009

PHASE 2 - COMPLETION OF 230 KV TIE-IN AT EHP SWITCHYARD

Phase 2 will install a 230 kV breaker, potential transformers, relay and metering panels, AC and DC distribution panels, DCS tie-ins, add metering CT's to existing 230 kV breaker, and perform equipment commissioning.

The construction work will start 2 weeks prior to a plant maintenance outage during the Fall of 2009 or Spring of 2010 and be complete 7 days after the start of the outage. This will potentially extend the typical 5 day outage by 2 days. Prior to the outage the following will be installed:

1. relay and metering panels
2. cables
3. DCS tie-ins.

During the maintenance outage, the following will be installed:

4. 230 kV breaker 52-6
5. potential transformers (PT's)
6. metering CT's in existing 230 kV breaker 52-1
7. all equipment will be tested and commissioned.