

## CALIFORNIA ENERGY COMMISSION

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



February 4, 2009

<b>DOCKET</b>	
<b>99-AFC-8C</b>	
<b>DATE</b>	FEB 04 2009
<b>RECD.</b>	FEB 04 2009

Gary L. Hickey  
Project Manager  
Blythe Energy, LLC  
1152 Greenbrier Drive  
Forsyth, IL 62535

**SUBJECT: BLYTHE ENERGY PROJECT TRANSMISSION LINE MODIFICATIONS  
(99-AFC-8C) – METROPOLITAN WATER DISTRICT LETTERS  
REGARDING REQUEST FOR INSIGNIFICANT PROJECT CHANGE #3**

Dear Mr. Hickey:

On December 23, 2008, the California Energy Commission (Energy Commission) received a letter (Attachment 1) from the Metropolitan Water District (MWD) expressing their concern regarding the proposed modifications to the BEPTL outlined in Blythe Energy's Third Request for Insignificant Project Change (IPC3) filed with the Energy Commission on December 1, 2008. The MWD requested more information on the proposed expansion of the Desert Center and Julian Hinds laydown yards.

On January 15, 2009, MWD issued a letter (Attachment 2) to John Tucker of Southern California Edison Company (SCE) providing proposed changes to the IPC3. The letter states that MWD would withdraw their opposition before the Energy Commission if the proposed changes are acceptable to SCE and Blythe Energy.

Blythe Energy issued a letter (Attachment 3) and a revised version of the IPC3 on January 21, 2009 to MWD and the Energy Commission for review of proposed changes.

SCE issued a reply letter to MWD (Attachment 4), dated January 23, 2009, stating that both SCE and Blythe Energy concur with MWD's proposed changes to the IPC3, thus providing clarity to the ambiguities identified by MWD.

The Energy Commission received a letter (Attachment 5), dated January 28, 2009, from MWD formally withdrawing its opposition, contingent on the adoption of Blythe Energy's changes, which adequately address MWD's concerns. Energy Commission staff approves of the IPC3, with the adoption of Blythe Energy's changes noted in the January 21, 2009 revision.

Sincerely,

Mary Dyas  
Compliance Project Manager

Attachments

cc: Dockets  
Penny Jennings Eckert, Ph.D., Tetra Tech EC, Inc.  
Catherine Stites, MWD  
John Tucker, SCE

**ATTACHMENT 1**

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**MWD**

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

Office of the General Counsel

*Via Email and U.S Mail*

December 23, 2008

Mary Dyas  
Compliance Project Manager  
California Energy Commission  
1516 9<sup>th</sup> Street, MS 2000  
Sacramento, CA 95814

**Re: *Notice of Insignificant Project Change, Blythe Energy Project Transmission Line (BEPTL) Modifications; Docket No. 99-AFC-8C.***

Dear Ms. Dyas:

The Metropolitan Water District of Southern California (Metropolitan) wishes to express its concern regarding one of three identified proposed modifications to the BEPTL Project. Preliminarily, Metropolitan notes it is the owner of real property at its Julian Hinds pumping plant. Pursuant to long-term interconnection agreements with Metropolitan, Southern California Edison (SCE) has located a substation on Metropolitan's property at Julian Hinds, and that substation is the proposed terminus of the BEPTL.

With respect to the second proposed modification identified in the above-referenced Notice, "Expansion of the Desert Center and Julian Hinds laydown yards," Metropolitan requires further information. Metropolitan's lead contact for construction of the BEPTL, Ms. Ann Finley, was recently informed by her SCE counterpart, Mr. John Tucker, that SCE needed no further use of Metropolitan's property at Hinds for a laydown area beyond the .5 acre already identified and agreed between the parties. This communication may conflict with Section 2.6.1 of Blythe Energy Project's (BEP) Request for Approval of Third Insignificant Project Change (Request) which triggered the referenced Notice. That Section states that SCE needs an additional 0.3 acre, although it doesn't state for what purpose. Although Section 2.6.2 represents that "an additional 0.3 acre is needed to install additional communications equipment," it nowhere states additional area at Hinds is required for a laydown yard at Hinds. Yet, that is clearly what is described in the Energy Commission's Notice's second proposed modification.

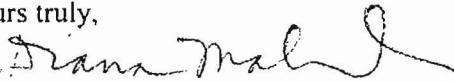
THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

Mary Dyas  
December 23, 2008  
Page 2

Because there is apparent ambiguity in BEP's Request, which ambiguity appears to have been incorporated in the referenced Notice, Metropolitan recommends that the Energy Commission forego approval of the requested change until all parties have a clear understanding of the purpose and scope of the proposed modification.

Metropolitan further submits Blythe Energy Project has not met all applicable criteria for modification of the Commission's final decision in accordance with Title 20, Section 15769 of the California Code of Regulations since the Request does not appear to justify an expansion of the laydown area.

Yours truly,



Diana Mahmud  
Senior Deputy General Counsel

Cc: A. Finley

**ATTACHMENT 2**

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**MWD**

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

January 15, 2009

Mr. John Tucker  
Southern California Edison Company  
Grid Contracts Administration and Billing  
P.O. Box 800  
Rosemead, CA 91770

Dear Mr. Tucker:

Re: Notice of Insignificant Project Change, Blythe Energy Project Transmission Line (BEPTL) Modifications; Docket No. 99-AFC-8C.

Based on your recent telephone discussion and request to Ms. Ann Finley, the Metropolitan Water District of Southern California (Metropolitan) is providing the following proposed changes to the Blythe Energy Project (BEP) Request for Approval of Third Insignificant Project Change (00-AFC-8C) document dated November 2008 (Request). These changes are based on discussions with you as well as the land use at Julian Hinds described in an agreement executed June 13, 2008 between Edison and Metropolitan.

Metropolitan proposed changes to the BEP Request:

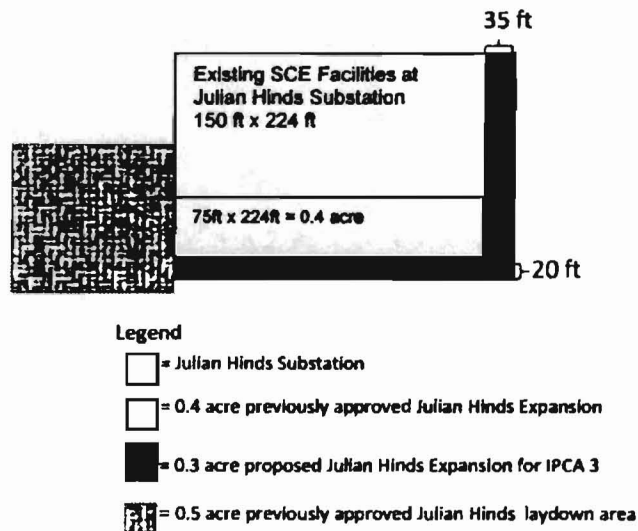
1. Section 2.5.1, page 17:  
Append the first sentence in the second paragraph with the following:  
"which is within the 0.5 acre laydown area referenced in Section 2.6.1."
2. Section 2.6.1, page 19  
It is Metropolitan's understanding that the 0.5 acre laydown area at Julian Hinds (originally listed in the BEPTL May 2006 staff report and in the Metropolitan and Edison Supplemental Facilities Agreement) should not have been relinquished by Blythe Energy, LLC in the BEP Request for Approval of Second Insignificant Project Change dated July 2008. Since Metropolitan and Edison agree that Edison will have access to and use of this 0.5 acre laydown area under the Supplemental Facilities Agreement dated June 13, 2008, the last two sentences in this section should be modified as follows:

"Figure 2-7 illustrates the additional 0.3 acres that Edison has stated is needed to accommodate the addition of the MEER and communications microwave tower (Figure 2-8) referenced in Section 2.5.1, above. This 0.3 acres is in addition to the 0.4 acre expansion already permitted. Also, a previously permitted 0.5 acre laydown area which was relinquished by Blythe Energy is still necessary as it has been agreed upon for

Mr. John Tucker  
Page 2  
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Edison's use in a separate agreement between the Metropolitan Water District of Southern California (MWD) and Edison.”

3. Figure 2-7, page 18:  
Please modify the drawing and legends for clarity similar to the diagram below. The only crosshatched area designating the laydown area is in the smaller left side rectangle as shown below. There should be no laydown area and no crosshatched area within the larger box to the right in Figure 2-7. It is Metropolitan's understanding that the new 0.3 acre of additional substation expansion is to be a strip of land 35 ft to the east of the existing substation and an additional 20 ft to the south of the 0.4 acres of expansion previously approved and described on page 3-4 of the CEC Revised Environmental Assessment dated September 2006. Also, please replace "Hines" with "Hinds" in the lower right hand corner of this figure.



4. Section 3.6, page 24  
Remove the words, "laydown yards" in the fourth line.  
In the third to last sentence insert the words, "expansion and" before "laydown areas on private land...".
5. Request global change in document:  
Replace "Municipal Water District" with "Metropolitan Water District of Southern California".

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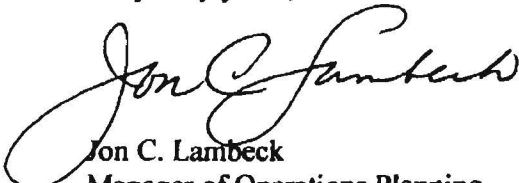
THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

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Page 3  
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If the changes above are acceptable to the parties in the attached letter to the California Energy Commission (CEC), please respond to me by letter or email with a copy to Ms. Mary Dyas that Edison and Blythe Energy, LLC concur with these proposed changes and that the purpose and scope of the proposed modification is clarified by these changes.

Once these changes are incorporated in the pending Request, Metropolitan will remove its opposition before the CEC.

Very truly yours,



Jon C. Lambeck  
Manager of Operations Planning

ATF:ms  
~~01-15-09 MWD letter to SCE on BEPTL third insig project change final clean~~

Enclosure

cc: Ms. Mary Dyas, CEC  
Compliance Project Manager  
California Energy Commission  
1516 9<sup>th</sup> Street, MS2000  
Sacramento, CA 95814

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**ATTACHMENT 3**

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**Blythe Energy, LLC**

January 21, 2009

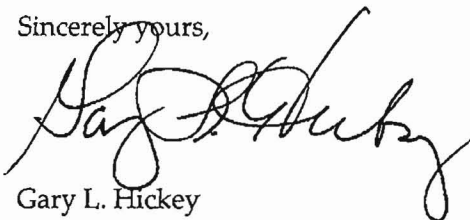
Ms. Mary Dyas  
Project Compliance Manager  
California Energy Commission  
1516 9th Street, MS 2000  
Sacramento, CA 95814-5512

**RE:** Blythe Energy Project Transmission Line (99-AFC-8C)  
Metropolitan Water District Letters Regarding Insignificant Project Change Request #3

Dear Ms. Dyas:

On January 15, 2009, the Metropolitan Water District (MWD) wrote a second letter to you, following up on a letter they wrote December 23, 2008. They requested a series of changes in our Insignificant Project Change Request #3 to clarify the proposed modifications on MWD property. We agree with the proposed changes and are pleased to provide a revised request (enclosed) with all the requested changes made. We trust that this will resolve any issues that the MWD may have had with our application, and that they will so indicate in writing, permitting the approval of this Insignificant Project Change #3.

Sincerely yours,



Gary L. Hickey  
Project Manager,  
Blythe Energy, LLC

**CC:** John Tucker, Southern California Edison  
Ann Findley, Metropolitan Water District

**ATTACHMENT 4**

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January 23, 2008

Mr. Jon C. Lambeck  
Manager of Operations Planning  
Metropolitan Water District of Southern California (MWD)  
700 N. Alameda Street  
Los Angeles, California 90012

**Subject: Notice of Insignificant Project Change, Blythe Energy Project Transmission Line Modifications; Docket No. 99-AFC-8C**

Dear Mr. Lambeck:

Southern California Edison (SCE) has received your letter dated January 15, 2009 regarding Blythe Energy's Request for Approval of Third Insignificant Project Change (Change Request) submitted by Blythe Energy to the California Energy Commission (CEC) on December 1, 2008. Attached to your letter is a copy of MWD's letter to the CEC in which MWD recommends that the CEC forego approval of the Change Request due to ambiguities within the Change Request regarding the size and location of the laydown area and the substation expansion on MWD property at Julian Hinds. Your letter includes specific revisions to the Change Request proposed by MWD to clarify the expanded substation footprint and the laydown area. SCE appreciates MWD's efforts in preparing the proposed revisions.

SCE and Blythe Energy have reviewed MWD's proposed revisions to the Change Request and concur with MWD that such revisions remove the ambiguities identified in your letter and provide the clarity needed regarding the purpose and scope of the Change Request associated with the MWD property.

Blythe Energy has provided a separate response to MWD and the CEC on January 21, 2009 in which Blythe Energy informs MWD and the CEC that they also concur with the Change Request revisions proposed by MWD. Blythe Energy has incorporated MWD's proposed revisions into the Change Request and has re-submitted the Change Request to the CEC via its January 21, 2009 letter. A copy of Blythe Energy's letter is attached.

Mr. Jon C, Lambeck

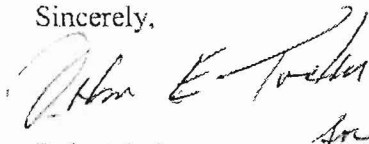
January 23, 2009

Page 2

I would like to thank MWD for working with SCE and Blythe Energy to expeditiously address MWD's concern regarding the Change Request. As indicated in your letter, it is my understanding that after your receipt of SCE's response herein and the Blythe Energy January 21, 2009 letter and re-submittal of the Change Request to the CEC, MWD will remove its opposition to the Change Request at the CEC. MWD's removal of its opposition is critical to the timely approval of the Change Request and the project schedule. SCE would appreciate MWD's removal of its opposition to the Change Request as soon as practicable.

Please call John Tucker of my staff at (626) 302-8623 if you have any further questions or concerns regarding the Change Request.

Sincerely,



Robert J. Lugo

Attachment

cc: Ms. Mary Dyas, California Energy Commission  
Compliance Project Manager

**ATTACHMENT 5**

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**MWD**

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

Office of the General Counsel

January 28, 2009

*Via Electronic and U.S. Mail*

Mary Dyas  
Compliance Project Manager  
California Energy Commission  
1516 9<sup>th</sup> Street, MS 2000  
Sacramento, CA 95814  
Email: [mdyas@energy.state.ca.us](mailto:mdyas@energy.state.ca.us)

**Re: Notice of Insignificant Project Change, Blythe Energy Project Transmission Line (BEPTL) Modifications; Docket No. 99-AFC-8C**

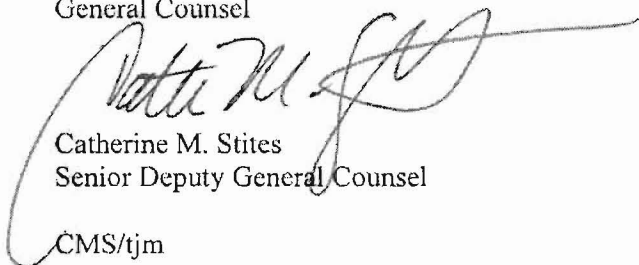
Dear Ms. Dyas:

The Metropolitan Water District of Southern California (Metropolitan) withdraws its opposition to Blythe Energy Project's (BEP) Request for Approval of Third Insignificant Project Change (00-AFC-8C), dated November 2008 (Request), contingent on the adoption of BEP's January 21, 2009 changes. BEP's January 21st changes adequately address Metropolitan's concerns.

We appreciate the parties' cooperation.

Very truly yours,

Karen L. Tachiki  
General Counsel



Catherine M. Stites  
Senior Deputy General Counsel

CMS/tjm

cc: John Tucker  
Southern California Edison Company  
T & D – Federal Regulation and Contracts  
8631 Rush Street  
Rosemead, CA 91770  
Email: [John.Tucker@sce.com](mailto:John.Tucker@sce.com)

# DOCKET / COPY REQUEST FORM

Information in this section is required:

Name: Mary Dyas Phone: 651-8891  
Docket #: 99-AFC-8C  
Project Name: Blythe Energy Transmission Line Project  
Document Title: Approval for Changes to IPC#3 with MWD Comments

## DOCKET REQUEST

**Docket Request:** (Document will be distributed in-house via email unless instructed otherwise)

Docket  No Distribution

### Siting PM Use Only:

(If you require anything other than Docketing, please forward form and document to appropriate Project Sec)

Project Secretary: \_\_\_\_\_

Docket  POS  Post on WEB  Distribute  Do Not Distribute

Mail out to mail list(s) #:

\_\_\_\_\_  \_\_\_\_\_  \_\_\_\_\_  \_\_\_\_\_

**Compliance PM Use Only:** (Dockets will not distribute unless instructed otherwise)

Docket  \*Internal Distribution  Amendment Related Distribution

\*Internal Distribution = Douglas, Byron, G.Fay/Hrg Ofc, PAO, Legal, Marci, CPM

## COPY REQUEST

**Copy Request:** (Complete this section only if you are requesting a copy of a document)

Transaction #: \_\_\_\_\_ Docket Date: \_\_\_\_\_

Document Date: \_\_\_\_\_ \*Mail Stop #: \_\_\_\_\_

E-mail Address: \_\_\_\_\_

- Hard Copy  
 E-mail copy (if available)  
 Docket Log

If requesting a hard copy and you are located outside of CEC, please complete the following information:

Mail to (name): \_\_\_\_\_

Company: \_\_\_\_\_

Address: \_\_\_\_\_

City, State, Zip: \_\_\_\_\_

## SPECIAL INSTRUCTIONS / GENERAL COMMENTS

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