

DOCKETED

Docket Number:	09-AFC-05C
Project Title:	Abengoa Mojave Compliance
TN #:	202977
Document Title:	Shaun Gonzales Comments: Need for Petition to Amend Abengoa Mojave Solar Project
Description:	N/A
Filer:	System
Organization:	Shaun Gonzales
Submitter Role:	Public
Submission Date:	8/24/2014 12:50:20 PM
Docketed Date:	8/24/2014

Comment Received From: Shaun Gonzales

Submitted On: 8/24/2014

Docket Number: 09-AFC-05C

Need for Petition to Amend Abengoa Mojave Solar Project

Additional submitted attachment is included below.

August 24, 2014

Re: Comments on the Abengoa Mojave Solar Project and the Coolwater-Lugo Transmission Project (CEC Docket 09-AFC-05C, BLM CACA 52096, BLM CACA 53643, and CPUC A.13-08-023)

To Whom It May Concern:

Southern California Edison's (SCE) and Abengoa's proposal to build the Coolwater-Lugo Transmission Project (CLTP) for the primary purpose of connecting the Abengoa Mojave Solar project (AMS) should require Abengoa to submit a petition to amend the California Energy Commission's (CEC) approval of AMS because Abengoa led CEC and BLM to believe that the CLTP was not necessary during NEPA and CEQA review of AMS. If Abengoa fails to submit a petition to amend, CPUC and BLM should ensure that SCE removes AMS from the description, purpose and need for CLTP since the record of information reviewed by multiple California and Federal agencies during review of AMS in 2010 and 2011 shows that Abengoa does not require CLTP for interconnection. The reasons given by SCE for connecting AMS via CLTP – transmission bottlenecks – existed at the time of review by these State and Federal agencies in 2010, but SCE and Abengoa chose to forego the CLTP alternative.

- The CEC issued a Final Decision for AMS on September 8, 2010 and stated that Abengoa selected interconnection "Alternative 2," which involved connecting AMS through the Lockhart substation and upgrading the existing Coolwater-Kramer radial lines. CEC staff assessment leading up to the Final Decision, and the Final Decision itself show that Abengoa explicitly decided against interconnection via CLTP, which was only briefly described in Alternative 1. CEC did not evaluate the impacts of CLTP, which will significantly expand the impacts of AMS and potentially conflict with LORS.
- The Bureau of Land Management issued a Finding of No Significant Impact (FONSI) on July 6, 2011 after reviewing the AMS interconnection facilities proposed to be built on public lands, and the main AMS project built on private lands as a connected action. BLM was led to believe that Abengoa's interconnection would only involve construction of the Lockhart substation, upgrades within existing transmission rights-of-way (Coolwater-Kramer), and only one new right-of-way (approximately 18 acres) to connect Lockhart to Coolwater-Kramer. The BLM did not acknowledge or evaluate CLTP as a connected action.
- The U.S. Fish and Wildlife Service's Biological Opinion for AMS, dated March 17, 2011, did not discuss or consider the potential need for the CLTP right-of-

way, and only considered impacts to wildlife associated with Abengoa and SCE's plans to construct the Lockhart substation and upgrade existing facilities and rights-of-way, consistent with the BLM's understanding of AMS' interconnection plans.

- The Department of Energy (DOE) issued a Finding of No Significant Impact (FONSI) for AMS on July 8, 2011, which it describes as only requiring the Lockhart substation and "interconnection to existing transmission line, and fiber-optic telecommunication lines." DOE does not acknowledge or evaluate the impacts of CLTP.
- The California Public Utilities Commission (CPUC) on July 28, 2011 issued a final decision (Decision 11-07-055) approving SCE's plan to interconnect AMS through existing rights-of-way, and does not acknowledge or evaluate the CLTP.

Abengoa and SCE Knew of Transmission Constraints during Review of AMS, but Decided to Forego CLTP

The CEC, Abengoa and SCE were aware in 2010 that upgrading existing transmission facilities would *not* enable AMS to deliver its full power generation, but Abengoa told CEC that it would not pursue interconnection through CLTP. According to the CEC Supplemental Staff Assessment Part B for AMS dated May 2010 (page 6.5-7), an October 2009 Interconnection Facilities Study (IFS) conducted for AMS forecasted the inability of SCE to accommodate AMS' complete generation capacity. CEC staff noted that "[u]nder 2013 summer peak and light spring system conditions the study identified new normal (N-0) overloads on the Kramer-Lugo No. 1 & No. 2 230 kV lines (119% of their normal ratings) due to the addition of the AMS." These are the same bottlenecks identified in SCE's current application to CPUC for a Certificate of Public Convenience and Necessity to build the CLTP. It does not appear that there are any material changes since 2010 that would justify Abengoa's or SCE's reconsideration of AMS' interconnection that were not already considered during the 2010/2011 review by CEC and BLM.

CEC staff in 2010 considered two alternatives for interconnection of AMS to address these transmission constraints. Alternative 1 consisted of the 59-mile Coolwater-Lugo transmission line (CLTP) currently proposed by SCE through CPUC and BLM. Alternative 2 – which Abengoa selected – would consist of "congestion management and install a new SPS [Special Protection System] to mitigate overloads through *curtailment of the AMS* generation, and participation in the existing Kramer RAS [Remedial Action Scheme]" (emphasis added). Alternative 2 is consistent with the upgrades to existing rights-of-way analyzed by BLM, DOE, and CPUC. Thus, Abengoa's need for CLTP as a connected action was reasonably foreseeable by all parties involved in the CEC proceedings, but the CLTP was not sufficiently evaluated by CEC because Abengoa specifically selected an alternative that would forego its

ability to fully deliver its generation capacity, and curtail generation capacity when the existing transmission facilities were overloaded.

To be clear, Abengoa and SCE were fully aware of transmission constraints that would hamper full deliverability of AMS power as of 2009, yet Abengoa specifically declined to pursue CLTP as a remedy. Less than four months after the CEC issued its final decision on AMS, SCE and Abengoa belatedly acted upon the results of the Interconnection Facilities Study (IFS) in presenting a Large Generator Interconnection Agreement to the Federal Energy Regulatory Commission (FERC) specifying that AMS could *not* be built without CLTP.

- The IFS was completed in 2009, and incorporated other transmission interconnection and feasibility studies from as early as 2008, according to CEC Staff supplemental assessment, part B. In a letter to CEC Staff in **April 2010 (TN-56289, Docket 09-AFC-5)**, **SCE acknowledged that “[a]ll applicable interconnection studies have been completed,” and “SCE proposes to construct the Lockhart Substation and associated transmission; distribution and telecommunication facilities to interconnect the Abengoa project to SCE’s existing Cool Water-Kramer NO.1 220 kV transmission line.”** No mention of CLTP was included in SCE’s letter, despite acknowledging interconnection studies that pointed out SCE’s inability to provide full deliverability of AMS power to PG&E.
- In November and December 2010, SCE submitted to FERC the Large Generator Interconnection Agreement (LGIA) and a Petition for Declaratory Order requesting approval of incentive rate treatments for financing and construction of CLTP as part of the “South of Kramer” transmission project (FERC Docket ER11-2204-000, consolidated into Docket EL11-10) stipulating that completion of CLTP was necessary for Abengoa to finance AMS (FERC Docket EL 11-10).
- In a January 10, 2011 filing to FERC, Abengoa supported SCE’s request to build the South of Kramer project, which includes CLTP, stating that “[w]ithout completion of the South of Kramer project delivery network upgrades, the LGIA explicitly provides that the Mojave Solar Project will be unable to achieve Full Capacity Deliverability Status, as such term is defined in the CAISO tariff,” and that Abengoa would be unable to comply with the terms of the power purchase agreement with PG&E. Abengoa further states that SCE must finance and build the CLTP, or “Abengoa Solar expects that it will be unable to finance the Mojave Solar Project.”
- Appendix M of SCE’s August 2013 application to CPUC for a Certificate of Public Convenience and Necessity (CPCN) to build CLTP includes a joint statement between SCE and Abengoa indicating that “SCE, CAISO and Mojave Solar LLC all concur that a new 220 kv circuit extending from Coolwater to

Lugo is necessary to meet the deliverability requirements set out in the LGIA for the Mojave Solar Project.”

CLTP Was Reasonably Foreseeable in 2010/2011 and Should Have Been Analyzed as a Connected Action

Based on the above, CLTP was a reasonably foreseeable requirement of AMS that CEC should have reviewed consistent with its duty to consider the “whole of the action” under the California Environmental Quality Act (CEQA), and that the BLM should have reviewed under the National Environmental Policy Act (NEPA) as a connected action.

It is difficult to imagine that Abengoa was not aware of its need to achieve full deliverability status – a stipulation of the PPA that was completed before CEC review began. This requirement would naturally require Alternative 1 (CLTP) rather than Abengoa’s choice of Alternative 2 (upgrading existing facilities). Based on SCE and Abengoa’s December 2010 and January 2011 filings to FERC in regards to the CLTP, Abengoa and SCE were certainly aware of the necessity of CLTP before BLM, CPUC, and DOE completed their environmental review of AMS, yet neither review mentions CLTP.

CLTP Will Have Significant Environmental Impacts and May Be Inconsistent with LORS

The preferred path of CLTP could present significant environmental impacts because it is not entirely within existing rights of way, may conflict with San Bernardino County Resource Conservation Land Use Designations, would cross an area of golden eagle use near the Granite Mountains east of Apple Valley, and traverse desert tortoise habitat, thus requiring further consultation with BLM and USFWS regarding take of special status species.

- The proposed CLTP right-of-way will cross an area identified in preliminary Desert Renewable Energy Conservation Plan documents as playing a significant role in preserving habitat connectivity, and proposed as an area of critical environmental concern in draft DRECP documents.
- The proposed Granite Wind project immediately adjacent to the proposed CLTP right-of-way and west of Apple Valley was withdrawn, probably in part due to wildlife official’s concerns with impacts on the golden eagle population. Transmission lines pose a threat to raptor species.
- The CLTP right-of-way will cross desert tortoise habitat and areas designated in the San Bernardino County General Plan for Resource Conservation.

Abengoa Should Submit a Petition to Amend, or SCE Should Remove AMS from its CPCN Application

Abengoa's and SCE's revision of the AMS project should be submitted to CEC as a petition to amend the Final Decision because it is clearly part of the AMS "whole of action," will have significant impacts on the environment, and may conflict with LORS. As described above, the CLTP alternative was only briefly acknowledged in the CEC proceedings, but its effects on the environment and alternatives were not fully evaluated by CEC, BLM, or CPUC. Abengoa and SCE have made it clear that the primary purpose of CLTP is to connect the AMS, and the rationale given is consistent with facts known to both parties in 2010 before the CEC issued its Final Decision on AMS.

- SCE identifies interconnection of AMS as a primary reason for CLTP in its application to CPUC for a CPCN, and Appendix M of the application includes a joint statement with SCE and Abengoa recognizing the importance of CLTP to AMS. There are no other specific generation projects specified with a concrete timeline, PPA, or LGIA that would substantiate SCE's claim that CLTP is necessary. SCE forecasts unspecified future renewable energy projects in the region, but no other large-scale projects are in advanced permitting stages, and smaller projects could arguably be accommodated with less impactful transmission upgrades.
- The BLM's Notice of Intent published in the Federal Register on August 4, 2014 stated that CLTP "is needed to ensure that power from the nearly completed 275-MW Mojave Solar Project is delivered to population centers in Southern California."

If Abengoa refuses to submit a petition to amend, SCE should revise its 2013 application to CPUC for a CPCN to remove AMS from the purpose and need, and evaluate alternatives that can address the remaining (and less constraining) purposes and needs for transmission upgrades in the "South of Kramer" area. BLM should suspend environmental review of CLTP until SCE has revised its application for a CPCN.

- Removal of AMS from SCE's purpose and need for CLTP would substantially alter the immediate need for the CLTP project as the AMS interconnection is identified as the most pressing factor for CLTP's timeline.
- Removal of AMS from the CPCN application will also enable identification of other alternatives to address transmission planning requirements that may have less environmental impacts than CLTP. In the current CPCN application, SCE dismisses several alternative transmission upgrades and pathways that would likely have less significant impact and use existing rights-of-way.

SCE's primary reason for dismissing some of these alternatives is that they will not fully serve its need to interconnect AMS.

Based on the above, the public was deprived of an opportunity to fully consider the environmental impacts of AMS and its connected actions during the CEC, BLM, CPUC, and DOE review of the project in 2010 and 2011. Abengoa seems to have misled the public regarding the extent of AMS' impacts during past reviews by foregoing the CLTP alternative and avoiding agency review of associated impacts, despite Abengoa's knowledge that existing rights-of-way would be insufficient to meet its obligations under the PPA. Either the CEC must amend its approval of AMS, or SCE should cease inflating the purpose and need of CLTP to allow for a more balanced consideration of alternatives that does not contradict the proceedings and decisions of State and Federal agencies in 2010 and 2011.

Sincerely,

Shaun Gonzales