

DOCKETED

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Comment Received From: Shaun Gonzales

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Additional Comment on the Need for a Petition to Amend

Additional submitted attachment is included below.

December 8, 2014

Re: CEC Docket 09-AFC-05C, and CPUC Proceeding A1308023, concerning the Abengoa Mojave Solar project and the Coolwater-Lugo Transmission Project

To Whom It May Concern:

Since I initially filed a letter to the California Energy Commission (CEC) on August 24, 2014 noting inconsistencies between CEC's Final Decision approving the Abengoa Mojave Solar project (AMS) and an application put forward by Southern California Edison for the Coolwater-Lugo Transmission Project (CLTP), additional documentation has come to my attention underscoring the need for an amendment to the CEC's Final Decision on AMS.

To remind the Commission, the CEC's Final Decision approving AMS documented Abengoa's decision to forego the CLTP interconnection alternative. Thus, CLTP was not fully evaluated for its environmental impacts as a connected action, and the public was led to believe that the impacts and costs of AMS were therefore limited to minor upgrades to existing transmission infrastructure.

Since the Final Decision, Abengoa sought status in the California Public Utilities Commission consideration of CLTP (proceeding A1308023) in September 2013 and has identified the CLTP as necessary to meet its obligation under the Power Purchase Agreement it originally signed with PG&E before the CEC issued its Final Decision.

In a prehearing conference statement filed by Abengoa in August 2013 under the CPUC proceeding, Abengoa asserts the following:

"The Mojave Solar PPA approved by Resolution E-4433 requires that MSP provide a specified amount of Resource Adequacy ("RA") credit to PG&E. As explained in the Resolution, significant transmission network upgrades on the SCE system are required to make MSP fully deliverable, specifically the upgrades that the Coolwater-Lugo Transmission Project ("CLTP") will provide. The PPA provides for increasing financial penalties ("RA Damages") to be paid by MSP to PG&E at various stages of the project if MSP has not received a Full Capacity Deliverability Status Finding from the CAISO by the deadlines set out in the PPA."

It now appears that Abengoa did not fully understand the original PPA's condition for Full Capacity Deliverability Status, and accepted a transmission interconnection conditions that would be inadequate. This prompted PG&E to revise the PPA to protect its own interests, and thus Abengoa to intervene in the CPUC proceeding to ensure construction of CLTP and avoid penalty payments under the revised PPA. CEC should note that Abengoa's Power Purchase Agreement (PPA) was revised under CPUC Resolution E-4433 a year after CEC's Final Decision on AMS.

According to a Southern California Edison filing to CPUC on July 19, 2011, Abengoa was obligated to ensure full deliverability prior to the CEC's Final Decision:

"Under the Original PPA, Mojave Solar was obligated to ensure that all of the required Southern California Edison Company ("SCE") transmission network upgrades ("Transmission Network Upgrades") were complete prior to commercial operation of the Project, which would have ensured that PG&E received full Resource Adequacy ("RA") credit from the Project."

Abengoa was aware of the transmission constraints that would have prevented AMS from reaching Resource Adequacy before the CEC issued its Final Decision, as noted on page 92 of the CEC's Final Decision. Also, Abengoa communicated with CEC twice in February 2010 stating that Abengoa was aware of the risk of curtailment because of transmission bottlenecks, but judged this risk to be insignificant (see letter from Abengoa filed under Docket 09-AFC-5 and dated February 24, 2010) and indicated that AMS would still be viable.

These errors should be corrected in the CEC's Final Decision for AFC 09-AFC-05, and Abengoa should be required to submit a petition to amend, with a specific focus on its interconnection requirements and plans. If Abengoa decides that CLTP is *not* required, then the AMS should be removed from Southern California Edison's purpose and need for CLTP.

Specifically, page 95 of the CEC Final Decision contains the following Finding of Fact regarding AMS' transmission interconnection:

"The mitigation alternative selected by the Applicant involves installation of a telecommunication system using multistranded fiber optic cables and other communication equipment."

And the following Conclusion of Law:

"With the implementation of the various mitigation measures specified in this Decision, and the Conditions of Certification which follow, the proposed transmission interconnection for the AMS project will not contribute to significant adverse direct, indirect, or cumulative impacts."

Sincerely,

Shaun Gonzales