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STATE OF CALIFORNIA

ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION

In the matter of:

DOCKET NO. 15-AFC-01

Application for Certification of the PUENTE POWER PROJECT

APRIL 20, 2018 JOINT STATUS REPORT OF THE CITY OF OXNARD, THE SIERRA CLUB LOS PADRES CHAPTER, THE ENVIRONMENTAL DEFENSE CENTER, THE ENVIRONMENTAL COALITION OF VENTURA COUNTY, THE CALIFORNIA ENVIRONMENTAL JUSTICE ALLIANCE, AND THE CENTER FOR BIOLOGICAL DIVERSITY

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The City of Oxnard, the Sierra Club Los Padres Chapter, the Environmental Defense Center, the Environmental Coalition of Ventura County, the California Environmental Justice Alliance, and the Center for Biological Diversity file this joint report regarding the status of the Puente Power Project. Since the Committee's November 3, 2017 Order suspending NRG's application for the Puente Project, several events have occurred that demonstrate the Puente project is no longer considered a viable option for meeting local capacity requirements in the Moorpark subarea. First, The Moorpark Sub-Area Local Capacity Requirements Procurement Plan Of Southern California Edison Company Submitted To Energy Division Pursuant To D. 13-02-015 was submitted and approved by the CPUC. On February 28, 2018 SCE announced the launch of its Moorpark Local Capacity Requirements (LCR)/Goleta Resiliency Request for Proposals (RFP) (LCR RFP) to procure resources to meet long-term LCR needs in the Moorpark sub-area of the Big Creek/Ventura local reliability area by 2021. This procurement process is still ongoing.² This RFO prioritizes the procurement of preferred resources and is focused primarily on meeting a resiliency need in the Goleta/Santa Barbara area.³ The RFO is clear that, if any gas bids are to be considered at all, they will be for small projects (less than 55 MW) in the Goleta/Santa Barbara area. Because Puente is located outside the Goleta/Santa Barbara area, it is ineligible to meet Moorpark local area need.

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¹ TN 223249 (February 7, 2018 Letter from Ed Randolph, CPUC Energy Division to Colin Cushnie and attached Procurement Plan.)

² See timeline available at https://scemoorparkgoletarfp.accionpower.com

³ TN 223249 at p. 6.

⁴ TN 223249 at p. 2.

Second, on March 22, 2018, the California Independent System Operator ("CAISO") approved its 2017-2018 Transmission Plan.⁵ This plan approves Southern California Edison's proposal to string a fourth Moorpark-Pardee 230 kv circuit along the existing transmission towers to serve the Moorpark subarea. CAISO's approval of the Moorpark-Pardee project will "enable the retirement of the Mandalay Generating Station and the Ormond Beach Generating Station in compliance with state policy regarding the use of coastal and estuary water for once-through cooling." This new transmission line will be in service by December 31, 2020 and reduces the local capacity requirement in the Moorpark subarea to just 86 megawatts. With the installation of 10 mw of storage in Goleta, the total need for the Moorpark subarea is 76 mw. 8

Together, the Edison RFO and the 2017-18 Transmission Plan demonstrate that the Puente Project is no longer needed and support denial of the application. Nonetheless, in its status report, NRG claims that the application should remain suspended until the RFO process is completed. This argument should be rejected. First, the RFO is highly likely to meet is procurement target because it allows for both preferred resources and a small gas plant only in the Goleta/Santa Barbara area if necessary. When the Committee assigned to the Puente project issued its statement on October 5, 2017, it anticipated that the previously identified LCR need would need to be met entirely through an RFO and the procurement of preferred resources. However, the transmission upgrade has eliminated more than two-thirds of the need driving the

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⁵ TN 223248 (California Independent System Operator 2017-2018 Transmission Plan, approved March 22, 2018.)

⁶ TN 223248 at p. 10.

⁷ *Id.* at p. 193.

⁸ TN 223249 at p. 12-13.

⁹ Although the record in this case demonstrates that the 76 MW goal can easily be met with preferred resources, the solicitation of multiple sources of energy effectively ensures that RFO will meet its target.

contract for the Puente project in the first place. Thus, even if the RFO were to fail entirely, the

Puente project is not needed to meet the minimal 76 MW procurement target and it certainly

could not do so in a cost effective manner. 10 The transmission upgrade should not require a

certificate of public convenience and necessity, 11 and it is planned to come on line by December

31, 2020. By contrast, with NRG's request for a continued suspension, there is no realistic

scenario under which the Puente project could be constructed and operational by that date. 12

Continuing the suspension of an application for a project that far exceeds the LCR need and

could not be built in time to meet that need in any event makes no sense.

As this Committee previously indicated, the Puente Project is inconsistent with Laws,

Ordinances, Regulations or Standards (LORS) and will have significant and unavoidable

environmental impacts. 13 Those inconsistencies and environmental impacts remain. But, now it

is clear that the Puente project is not needed under any scenario. Therefore, the application

should be denied.

DATED: April 20, 2018

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By: /s/ Ellison Folk

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¹⁰ The transmission upgrade will cost \$45 million (TN 223248 at 6) compared to the \$200 million price-tag for Puente.

¹³ TN#221401 at p. 1.

¹¹ TN 223248 at 192.

¹² 4/28/17 Transcript, 37:16-24 (NRG asserts it will take 28-30 months from the issuance of a final, nonappeable decision to complete the project.)

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