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# **STATE OF CALIFORNIA**

### ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION

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*In the Matter of:* 

Application for Certification of the Pecho Energy Storage Center Docket No. 21-AFC-01

### APPLICANT'S MOTION TO SUSPEND THE APPLICATION FOR CERTIFICATION PROCEEDING

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August 30, 2023

Attorneys for Pecho LD Energy Storage, LLC

## STATE OF CALIFORNIA

#### ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION

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*In the Matter of:* 

Application for Certification of the Pecho Energy Storage Center

Docket No. 21-AFC-01

#### APPLICANT'S MOTION TO SUSPEND THE APPLICATION FOR CERTIFICATION PROCEEDING

Pursuant to Section 1211.5 of Title 20 of the California Code of Regulations, Pecho LD Energy Storage, LLC (the "Applicant") hereby submits this Motion seeking an order from the Committee to suspend the Application for Certification ("AFC") proceeding for the Pecho Energy Storage Center ("PESC") through December 31, 2024, to allow the Applicant to explore options to develop a modified energy storage resource that serves the Central Coast while addressing feedback from multiple stakeholders, including consideration of alternative sites located outside of the California Coastal Zone.<sup>1</sup> A suspension would allow CEC staff and other parties to postpone work on this proceeding while the Applicant completes its diligence of modified energy storage resources and alternative sites.

On November 23, 2021, the Applicant filed an AFC to construct and operate the PESC.<sup>2</sup> The PESC would be a nominal 400-megawatt, 3,200 MW-hour, advanced compressed air energy storage ("A-CAES") facility capable of flexibly charging and discharging daily as well as on a real time basis. PESC would compress air into a purpose-built underground cavern, using electricity from the grid, most likely off-peak, excess, or surplus electricity. The heat from the air compression process would be captured and stored in an aboveground thermal storage system using distilled water as the thermal storage fluid. The compressed air would be stored in the cavern under the pressure of a hydrostatic head of an onsite, aboveground water reservoir. When electricity is needed by the grid, the compressed air would be released using the hydrostatic head pressure, reheated using the stored thermal energy, and directed through aboveground turbine-generators to produce electricity. PESC would provide fossil fuel-free and greenhouse gas emissions-free electricity.

By order dated June 8, 2022, the California Energy Commission ("CEC") determined, among other things, that the PESC is only technologically or economically feasible to site at or near the energy source and that the PESC is therefore exempt from the Notice of Intent ("NOI") process under Public Resources Code section 25540.6(a)(3).<sup>3</sup>

Good cause exists to grant the motion to suspend this proceeding. As a result of stakeholder feedback, including from the California Coastal Commission, the Applicant is diligently examining

<sup>&</sup>lt;sup>1</sup> 20 CCR § 1211.5.

<sup>&</sup>lt;sup>2</sup> TN # 240712-1 et seq., available at: <u>https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=21-AFC-01</u>.

<sup>&</sup>lt;sup>3</sup> TN # 243542, "Adoption Order on Joint Decision Regarding Exemption From The Notice Of Intention Process."

options to optimize the project and the project location, including evaluating alternative sites located outside of the Coastal Zone. Because the PESC has been assigned full deliverability status by the California Independent System Operator ("CAISO"), the Applicant is exploring the best project configuration and alternative locations to utilize and maximize the full deliverability allocation assigned by the CAISO.

The Applicant respects the time and commitment of the public, CEC Staff, the staffs of other agencies, and other stakeholders for this important long-duration energy storage project. The Applicant will use the suspension period to diligently continue development of an energy storage resource to serve the Central Coast. While we expect that this diligence will identify expeditiously an optimized project design and location, it is nevertheless prudent to suspend the proceeding through December 31, 2024.

For the reasons discussed herein, the Applicant respectfully brings this Motion requesting that the Committee issue an Order suspending the Pecho AFC proceeding through December 31, 2024, as follows:

# PROPOSED ORDER

- 1. All proceedings in the above-captioned matter are temporarily suspended until December 31, 2024. During the temporary suspension, all parties to this proceeding may suspend work on the application, which has not yet been deemed data adequate.
- 2. The proceedings are temporarily suspended until either (1) December 31, 2024, or (2) such time as the Applicant files a single Supplemental AFC prepared to update the project description and all required elements of the Application reflecting any and all project modifications to satisfy the information requirements for an Application as detailed in Appendix B to Article 6 of Title 20 in the California Code of Regulations. Along with all amended sections of the Application and related appendices, the Applicant shall submit a cover letter attesting to the completeness of the supplemental AFC.
- 3. If by December 31, 2024, the Applicant has not filed a Supplemental AFC as described in Ordering Paragraph 2 above, the Applicant shall, on or before that date, either file a new motion to further suspend the proceeding by making a showing of good cause or voluntarily terminate the Application.

Dated: August 30, 2023

Respectfully submitted,

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