LATHAM & WATKINS LLP

December 7, 2009

DOCKET

08-AFC-9

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File No. 039610-0003

VIA FEDEX

CALIFORNIA ENERGY COMMISSION

Attn: Docket No. 08-AFC-9 1516 Ninth Street, MS-4

Sacramento, California 95814-5512

Re: City of Palmdale Hybrid Power Plant Project: Docket No. 08-AFC-9

Dear Sir/Madam:

Pursuant to California Code of Regulations, title 20, Sections 1209, 1209.5, and 1210, enclosed herewith for filing please find a letter from James Kelly to James Ledford, Jr. regarding Southern California Edison's position on Transmission Line Technical Feasibility.

Please note that the enclosed submittal was filed today via electronic mail to your attention and to all parties on the attached proof of service list.

Very truly yours,

Paul E. Kihm

Senior Paralegal

Enclosure

cc: 08-AFC-9 Proof of Service List (w/encl., via e-mail and U.S. Mail)

Michael J. Carroll, Esq. (w/encl.)



James A. Kelly Senior Vice President Transmission & Distribution 2244 Walnut Grove Avenue Rosemead, California 91770 (626) 302-2284

November 19, 2009

The Honorable James C. Ledford, Jr. Mayor, City of Palmdale 38300 Sierra Highway Palmdale, CA 93550

Subject: Palmdale Hybrid Power Project

Dear Mayor Ledford:

In response to your letter dated October 20, 2009 and in consideration of our subsequent telephone conversation on October 26, I want to provide you with Southern California Edison's (SCE's) position regarding the Palmdale Hybrid Power Project. I assure you that SCE is sensitive to the City's concerns regarding this Project and its efforts to receive a permit from the California Energy Commission (CEC).

I understand that the CEC Staff has focused on a statement made by SCE in our June 29, 2009 letter to the CEC as one of the causes for delay in processing the Project's permit application. The statement indicated that SCE cannot determine that the Project's proposed transmission route is technically feasible without a detailed ROW study.

My staff has subsequently reviewed the documentation supplied by the City's team of consultants and we are now able to determine that the Project's proposed transmission line route is technically feasible, given sufficient resources, time, and money, and, of course, barring any insurmountable legal or regulatory challenges. SCE has not found any fatal flaws to date. As the Project moves forward into final design and financing, the studies needed to determine costs, and schedule (such as a detailed Right of Way (ROW) study) will be undertaken in due course. SCE has built about 100,000 miles of transmission and distribution lines in California and, with enough resources, money, and time the proposed line will be built.

On a related note, California Department of Water Resources (CDWR) is a significant SCE customer that has expressed some concern about the proposed project. In an effort to accommodate such concerns, SCE is conducting an ongoing dialog with CDWR. Recently, SCE included the City and your team of consultants in that dialog during a conference call on the topic. As a result of our dialog, SCE is certain that CDWR concurs with the feasibility of the proposed approach given adequately protective permit conditions. CDWR detailed examples of those conditions in their June 1, 2008 letter to the CEC.

The Honorable James C. Ledford, Jr. November 19, 2009 Page 2

In conclusion, SCE believes that the information and analysis provided to date is sufficient to determine the proposed transmission line's technical feasibility for the purposes of a CEC permit.

Mayor Ledford, I hope that this information is helpful. Palmdale is a very important regional center in the SCE family of communities and we stand ready to assist you with this important project. I would be happy to meet with you to answer any further questions.

Sincerely,

James A. Kelly

STATE OF CALIFORNIA ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION

In the Matter of:) Docket No. 08-AFC-9	
Application for Certification, for the CITY OF PALMDALE HYBRID) PROOF OF SERVIC	E
POWER PLANT PROJECT) (Revised October 1, 2009)	
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DECLARATION OF SERVICE

I, Paul Kihm, declare that on December 7, 2009, I served and filed copies of the attached:

LETTER FROM JAMES KELLY TO JAMES LEDFORD, JR., MAYOR, CITY OF PALMDALE, RE SOUTHERN CALIFORNIA EDISON POSITION RE TRANSMISSION LINE TECHNICAL FEASIBILITY

to all parties identified on the Proof of Service List above in the following manner:

California Energy Commission Docket Unit

Transmission via electronic mail and by depositing a copy with FedEx overnight mail delivery service at Costa Mesa, California, with delivery fees thereon fully prepaid and addressed to the following:

CALIFORNIA ENERGY COMMISSION

Attn: DOCKET NO. 08-AFC-09 1516 Ninth Street, MS-4 Sacramento, California 95814-5512 docket@energy.state.ca.us

For Service to All Other Parties

- 区 Transmission via electronic mail to all email addresses on the Proof of Service list; and
- × by depositing one paper copy with the United States Postal Service via first-class mail at Costa Mesa, California, with postage fees thereon fully prepaid and addressed as provided on the Proof of Service list to those addresses **NOT** marked "email preferred."

I further declare that transmission via electronic mail and U.S. Mail was consistent with the requirements of California Code of Regulations, title 20, sections 1209, 1209.5, and 1210.

I declare under penalty of perjury that the foregoing is true and correct. Executed on December 7, 2009, at Costa Mesa, California. Paul Kihm