

November 5, 2012

California Energy Commission
DOCKETED
11-AFC-3

TN # 68355 NOV. 05 2012

Eric Solorio, Project Manager California Energy Commission Docket No. 11-AFC-3 1516 9th St. Sacramento, CA 95814

Cogentrix Quail Brush Generation Project - Docket Number 11-AFC-03: Addendum to the Re-Study of C1C2 Phase II Interconnection Study

Docket Clerk:

Pursuant to the provisions of Title 20, California Code of Regulations, and on behalf of Quail Brush Genco, LLC, a wholly owned subsidiary of Cogentrix Energy, LLC, Tetra Tech hereby submits the *Addendum to the Re-Study of C1C2 Phase II Interconnection Study*. The Quail Brush Generation Project is a 100 megawatt natural gas fired electric generation peaking facility to be located in the City of San Diego, California.

If you have any questions regarding this submittal, please contact Rick Neff at (704) 525-3800 or me at (303) 980-3653.

Sincerely,

Constance E. Farmer Project Manager/Tetra Tech

Constance C. Faire

cc: Lori Ziebart, Cogentrix John Collins, Cogentrix Rick Neff, Cogentrix Proof of Service List



BEFORE THE ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION OF THE STATE OF CALIFORNIA

1516 NINTH STREET, SACRAMENTO, CA 95814 1-800-822-6228 – WWW.ENERGY.CA.GOV

APPLICATION FOR CERTIFICATION FOR THE QUAIL BRUSH GENERATION PROJECT

DOCKET NO. 11-AFC-03 PROOF OF SERVICE (Revised 10/29/2012)

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DECLARATION OF SERVICE

I, Constance Farmer, declare that on November 5, 2012, I served and filed copies of the attached Addendum to the Re-Study of C1C2 Phase II Interconnection Study, dated October 22, 2012. This document is accompanied by the most recent Proof of Service list, located on the web page for this project at: http://www.energy.ca.gov/sitingcases/quailbrush/index.html.

The document has been sent to the other parties in this proceeding (as shown on the Proof of Service list) and to the Commission's Docket Unit or Chief Counsel, as appropriate, in the following manner:

(Check all that Apply)

For se	rvice to all other parties:
X	Served electronically to all e-mail addresses on the Proof of Service list;
	Served by delivering on this date, either personally, or for mailing with the U.S. Postal Service with first-class postage thereon fully prepaid, to the name and address of the person served, for mailing that same day in the ordinary course of business; that the envelope was sealed and placed for collection and mailing on that date to those addresses marked *"hard copy required" or where no e-mail address is provided.
AND	
For fili	ng with the Docket Unit at the Energy Commission:
Χ	by sending an electronic copy to the e-mail address below (preferred method); OR

CALIFORNIA ENERGY COMMISSION - DOCKET UNIT

by depositing an original and 12 paper copies in the mail with the U.S. Postal Service with first class

Attn: Docket No. 11-AFC-03 1516 Ninth Street, MS-4 Sacramento, CA 95814-5512 docket@energy.ca.gov

postage thereon fully prepaid, as follows:

OR, if filing a Petition for Reconsideration of Decision or Order pursuant to Title 20, § 1720:

Served by delivering on this date one electronic copy by e-mail, and an original paper copy to the Chief Counsel at the following address, either personally, or for mailing with the U.S. Postal Service with first class postage thereon fully prepaid:

California Energy Commission Michael J. Levy, Chief Counsel 1516 Ninth Street MS-14 Sacramento, CA 95814 michael.levy@energy.ca.gov

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, that I am employed in the county where this mailing occurred, and that I am over the age of 18 years and not a party to the proceeding.

Constance C. Farmer**



October 22, 2012

John Collins Cogentrix Energy, LLC 9405 Arrowpoint Blvd Charlotte, NC 28273

Subject: **Quail Brush Generation Project**

Addendum to the Re-Study of C1C2 Phase II Interconnection Study

Dear Mr. Collins:

Attached is the Addendum to the Re-Study of C1C2 Phase II Interconnection Study Report for the interconnection of the proposed Quail Brush Generation Project (Project) to the CAISO Controlled Grid. The purpose of the Addendum is to reflect a change in the Point of Interconnection (POI) of the Project from San Diego Gas and Electric's (SDG&E) Carlton Hills 138 kV bus to the Carlton Hills-Mission 138 kV line.

If you have any questions, please contact Luba Kravchuk (lkravchuk@caiso.com or 916.608.5877).

Sincerely,

Robert Sparks

Manager of Regional Transmission - South

lot Sur

Attachment

via e-mail:

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Addendum to Re-Study of C1C2 Phase II Appendix A – C565 Individual Project Report

Quail Brush Genco, LLC

Quail Brush Generation Project



October 22, 2012

This study has been completed in coordination with San Diego Gas & Electric Company per CAISO Tariff Appendix Y Generator Interconnection Procedures (GIP) for Interconnection Requests in a Queue Cluster Window

1. Executive Summary

Cogentrix Energy, LLC, an Interconnection Customer (IC), received a Re-Study of C1C2 Phase II Interconnection Study Report dated June 4, 2012 for their Interconnection Request (IR) to the California Independent System Operator Corporation (CAISO) for their proposed Quail Brush Generation Project (Project), queue position C565. The IC is now Quail Brush Genco, LLC, which was assigned all of Cogentrix's rights with respect to the Project.

Subsequent to the issuing of the Re-Study of C1C2 Phase II Interconnection Study Report, the IC requested to modify the POI for this Project from the Carlton Hills 138 kV bus to the Carlton Hills-Mission 138 kV line. This POI was referenced in the Re-Study of C1C2 Phase II Interconnection Study Report as an alternate POI and is requested as the POI in response to environmental and visual impact concerns expressed by nearby residents and other intervenors in the IC's California Energy Commission (CEC) permit proceeding. The IC expressed that these concerns are creating unnecessary risks for the project in the CEC proceeding and complicating right of way acquisition. The new POI is expected to mitigate these concerns by significantly reducing the visual impacts to the neighboring community. The alternate POI also serves to improve the costs and benefits of the interconnection compared to the original POI. (This is the fourth POI requested by the IC. The original proposed POI was SDG&E's Sycamore Canyon-Miguel 230 kV transmission line, reflected in the Cluster 2 Phase I Interconnection Study Report, dated November 15, 2010. The second proposed POI was the Miguel-Mission 230 kV transmission line, reflected in the C1C2 Projects Phase II Interconnection Study Report, dated August 24, 2011. The third proposed POI was at the 138 kV bus of SDG&E's Carlton Hills Substation, first reflected in the Addendum to the C1C2 Phase II Study Report, dated January 17, 2011.)

This addendum revises the scope and cost of the Interconnection Facilities and Reliability Network Upgrades to physically interconnect the Project at the new POI.

The following identified sections and corresponding changes replace and supersede those same sections in the *Re-Study of C1C2 Phase II Appendix A - C565 Individual Project Report*, dated June 4, 2012.

Summary of changes:

- A. Replace Section C.1. of the Executive Summary on page 3 to reflect the changes in cost for the PTO's Interconnection Facilities and Network Upgrades to physically interconnect the Project:
 - C. Specification of required facilities, a non-binding, good faith estimate of the Project's cost responsibility and approximate time to construct the required facilities:
 - The good faith cost estimate of the PTO's Interconnection Facilities¹ to interconnect the Project is approximately \$765,000, exclusive of ITCC². The good faith cost estimate for the Network Upgrades³ to

The transmission facilities owned, controlled, or operated by the PTO from the Point of Change of Ownership to the Point of Interconnection necessary to physically and electrically interconnect the Project to the CAISO Controlled Grid.

² Income Tax Component of Contribution

interconnect the Project and be fully deliverable is approximately **\$14,300,000**.

B. Replace Table 2.1 on page 4 to reflect the change in POI

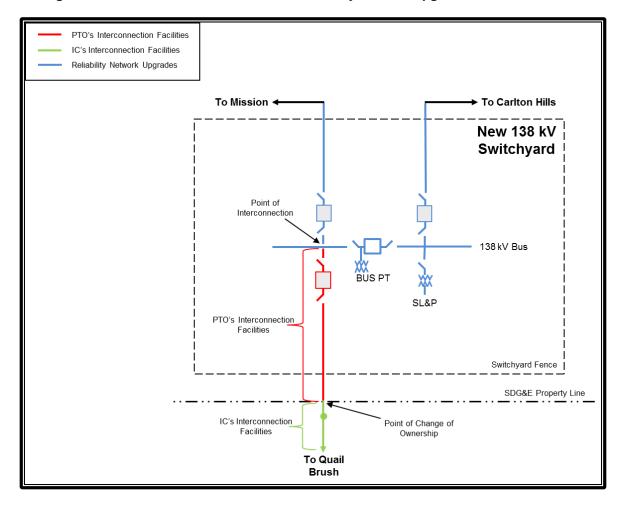
Table 2.1: Project General Information

Project Location	San Diego, California		
Number and Type of Generators	11 – 9.341 MW Reciprocating Engines		
Interconnection Voltage	138 kV		
Maximum Generator Output	102.749 MW		
Generator Auxiliary Load	2.749 MW		
Maximum Net Output to Grid	100 MW		
Step-up Transformer	One (1) - 138/13.8 kV transformer, three phase, rated for 125 MVA with 10% impedance on 75 MVA base		
Point of Interconnection	Loop-in Carlton Hills-Mission 138 kV line (TL13822)		

The transmission facilities, other than Interconnection Facilities, beyond the Point of Interconnection necessary to accommodate the interconnection of the Project to the CAISO Controlled Grid.

C. Replace Figure 2.1 on page 5 to reflect the change in POI

Figure 2.1: Interconnection Facilities and Reliability Network Upgrades for Revised POI



D. <u>Replace Table 11.1</u> with the table below to reflect the revised scope of work for the PTO's Interconnection Facilities and Network Upgrades:

Table 11.1: Upgrades, Estimated Costs, and Estimated Time to Construct Summary

Type of Upgrade	Upgrade		Cost Allocation Factor	Cost x 1,000 (Note 1)	Estimated Time to Construct (Note 2)
PTO's Interconnection Facilities (Note 3)	138 kV gen-tie from POCO to POI	 Two (2) 138 kV disconnect switches One (1) 138 kV circuit breaker Associated devices including but not limited to relay protection 	100%	\$765	6 Months
Reliability Network Upgrades to Physically Interconnect	New 138 kV switchyard and loop TL13822	Construct new 4-element single-bus single-breaker 138 kV switchyard • Four (4) – 138 kV circuit breakers • Seven (7) – 138 kV disconnect switches • One (1) – three-phase 138 kV bus potential transformer • One (1) – 138/12 kV station light and power transformer (SL&P) • Associated structures, control shelter, and relays Loop 138 kV TL13822 (Mission-Carlton Hills) into new 138 kV switchyard	100%	\$14,300	12 Months
Total	\$15,065	12 Months			

Notes for Table 11.1:

- Note 1: Estimated costs in "as year spent" dollars and in thousands of dollars, excluding Allowance for Funds Used During Construction (AFUDC). Taxes, landscaping, undergrounding, walls, gates, driveways, and CAISO metering are not included. Estimated costs include land purchases for the Fowler and Horning parcels and switchyard site development.
- Note 2: Time to construct estimates include time for licensing/permitting, when appropriate. The estimated time to construct is for a typical project; construction duration may change due to the number of projects simultaneously in construction. Multiple projects impact resources, system outage availability, and environmental windows of construction. A key assumption is SDG&E will be able to obtain CPUC licensing and regulatory approvals in a timely manner prior to construction of the proposed facilities. The time to construct is not cumulative.
- Note 3: The Interconnection Customer is obligated to fund these upgrades and will not be reimbursed.

The remainder of the Re-Study of C1C2 Phase II Interconnection Study Report remains unchanged.