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December 14, 2012

C. Richard "Rick" Neff, Vice President
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**Re: Quail Brush Generation Project (11-AFC-03), Data Request Nos. 85-106
(Set Two) of Intervenor HomeFed Fanita Rancho, LLC**

Pursuant to the provisions of Title 20, California Code of Regulations, Section 1716, HomeFed Fanita Rancho, LLC ("HomeFed"), hereby submits the enclosed Data Requests, numbered 85 through 106. The information requested is regarding: (1) Quail Brush Genco, LLC's 10/30/12 letter to the CEC regarding need for the project; (2) the analyses of alternatives to meet SDG&E reliability at the CPUC in A.11-05-023 and A.06-08-010; (3) the Proposed Decisions in CPUC A.11-05-023; and (4) various other topics.

If you are unable to provide the requested information, or object to providing the information, please send notification to the Committee and us within 20 days receipt of this notice. Please provide reasons or justifications for not providing the information.

If you have any questions regarding these Data Requests, please contact me.

Sincerely,


Valentine S. Hoy

Enclosure

cc: Service List
Docket (11-AFC-3)

QUAIL BRUSH GENERATION PROJECT

(11-AFC-3)

HomeFed's Data Requests 85-106

December 14, 2012

I. Data Requests regarding Quail Brush Genco, LLC's ("QB") 10/30/12 letter to the CEC regarding need for the project.

85. QB's item I.h.ii, on pp. 4-5 of the 10/30/12 letter, cites SDG&E witness Jan Strack as having testified that "[i]f the Encina sub-area is eliminated, then, for purposes of satisfying San Diego area local capacity requirements, generation anywhere within the San Diego area would exhibit 'electrical equivalence' with generation at Encina."

a. Please explain why QB does or does not agree with this portion of Mr. Strack's testimony.

b. Please explain why QB does or does not agree that generation anywhere in the SDG&E area can meet the same needs that QB is intended to meet.

c. Please identify all locations within the SDG&E area which QB has analyzed as potential locations for alternatives to the proposed QB project.

d. To the extent not already provided, please provide copies of all analyses done by QB of locations and/or projects at such locations within the SDG&E area that could be potential alternatives to the QB project.

86. QB's item I.d.i, on p. 2 of the 10/30/12 letter, cites CAISO witness Rothleder as having testified that "there will be substantial needs for new, or repowered, generation resources in ... the San Diego area, in as early as 2018 when the existing OTC units must comply with the OTC requirements."

a. Please explain why QB does or does not agree with this portion of Mr. Rothleder's testimony.

b. Please confirm that Mr. Rothleder's testimony does not identify any need for new or repowered generation resources in the San Diego area prior to 2018.

II. Data Requests regarding the analyses of alternatives to meet SDG&E reliability at the CPUC in A.11-05-023 and A.06-08-010

87. Please explain why QB does or does not consider capacity from each of the following projects or proposed projects as a potential alternative to the full 100 Mw proposed to be built at QB:

a. The proposed CEC project at Encina, after accounting for the retirement of existing Encina units 1-3 as part of that project (as approved by the CEC);

b. The proposed Pio Pico project included in CPUC A.11-05-023;

c. Retention in service of the existing Cabrillo gas turbines;

d. Post-2010 uncommitted energy efficiency on the SDG&E system, as quantified by the CEC in 2012 (7/18/12, "Energy Efficiency Adjustments for a Managed Forecast: Estimates of Incremental Uncommitted Energy Savings Relative to the *California Energy Demand Forecast 2012-2022*," showing Mid Savings Scenario peak demand savings for SDG&E in Table 25 of 117 Mw by 2016 and 318 Mw by 2022), and/or as included by SDG&E in Exs. 11 and 29 in CPUC A.11-05-023;

- e. Demand response on the SDG&E system, as quantified by SDG&E in Exhibit 11 in CPUC A.11-05-023;
- f. Retention in service of the existing Encina units 4 and 5 by switching them to a new cooling technology;
- g. Phase shifter(s) to control flows between SDG&E and CFE and thereby increase firm import capacity into the SDG&E system;
- h. Upgrades to the SCE transmission system to increase firm import capacity over Path 44 into the SDG&E system, such as those identified in UCAN testimony in CPUC A.06-08-010.

88. Please explain why QB does or does not consider capacity from each of the following projects or proposed projects as a potential partial alternative to the capacity proposed to be built at QB:

- a. Incremental combined heat and power (CHP) projects, as quantified by SDG&E in Ex. 11 in CPUC A.11-05-023;
- b. Load shedding under N-2 conditions;
- c. Energy storage;
- d. Solar energy projects within the SDG&E area with tracking to allow generation during peak load hours;
- e. Solar energy projects within the SDG&E area with storage to allow generation during peak load hours;
- f. Biomass energy projects within the SDG&E area;
- g. Other renewable energy projects;
- h. The 45 Mw Wellhead project included in CPUC A.11-05-023.

89. Please provide all analyses relied upon by QB in reaching the opinions and conclusions expressed in your responses to the preceding two questions and their sub-parts.

90. During A.11-05-023, the CPUC held a workshop on 4/17/12 at which the CAISO presented slides by Robert Sparks on "San Diego Local Capacity Needs." Those slides were subsequently updated on 4/19/12. On Slide 12 (which was not updated on 4/19/12), the CAISO indicates that the Esco sub-area is projected to have a deficiency of 30-74 Mw after accounting for 40 Mw of QF generation within the sub-area.

- a. Does QB have any reason to dispute the accuracy of the CAISO analysis of the Esco sub-area? If so, please provide.
- b. Does QB have any reason to dispute that new generation located in the Esco sub-area would meet capacity needs in both that sub-area and the SDG&E area, but QB generation would meet capacity needs only in the SDG&E area (but not the Esco sub-area)? If so, please provide.
- c. Has QB made any attempt to identify alternate sites within the Esco sub-area?
- d. Please provide all analyses in QB's possession of alternative sites within the Esco sub-area.

III. Data Requests regarding the Proposed Decisions in CPUC A.11-05-023

91. In A.11-05-023, the presiding administrative law judge has written a proposed decision (ALJ PD), as has Commissioner Ferron (Ferron PD). Both of those PDs would deny approval of the QB-SDG&E PD. With regard to the two PDs in A.11-05-023 please explain why QB does or does not agree with the PDs that:

a. SDG&E does not need new LCR capacity before 2018, and then only if the Encina OTC units retire (Finding of Fact #3).

b. Given the PDs' finding that SDG&E does not need new capacity before 2018 at the earliest, please explain why QB does or does not currently believe it is appropriate to:

i. Have an on-line date of 2014 as a project purpose

ii. Rule out alternatives which could not be on line by 2014

iii. Not analyze project alternatives that would not be available until 2018

92. Please provide all analysis and documents in QBs provision which lead it to disagree with the following CPUC PD Findings of Fact (FoF) in Commissioner Ferron's alternate PD in A.11-05-023:

a. FoF # 5 (CAISO study omits energy efficiency, demand response, incremental CHP)

b. FoF # 6 (SDG&E demand response analysis reflects CPUC D.12-04-025)

c. FoF # 10 (LCR need in 2021 ranges from -87 to +343 Mw)

d. FoF # 11 (If there is an LCR need, it starts in 2018)

93. The PDs in A.11-05-023 would deny approval to the QB PPTA "without prejudice to a renewed application for their approval, if amended to match the timing of the identified need."

a. Does QB have any intention of amending its PPTA to provide for a commercial operation date in 2018 or later?

b. Please identify all alternatives to the QB project which could be on-line by 2018 or later, but not by 2014.

94. The PDs in A.11-05-023 find that the CPUC "has yet to determine the particular operational characteristics of resources that are needed to support renewable resources integration or to set procurement targets for them." Please identify any analyses or other documents in this proceeding (at the CEC) which

a. identify the "particular operational characteristics of resources that are needed to support renewable resources";

b. quantify the number of Mw in the SDG&E area of such resources that are needed to support renewable resources integration.

c. For any analyses or documents produced in response to the previous sub-part (b) of this question, please identify the year for which the need has been quantified, and the number of Mw of renewable resources (by type, e.g. rooftop solar, tracking solar, wind, geothermal, or biomass) triggering the quantified need.

95. Both PDs would authorize a new SDG&E request for offers (RFO) for capacity starting in 2018. Assuming either the Ferron PD or the ALJ PD is approved by the CPUC, please indicate:

a. Would QB respond to such an RFO?

b. If QB and Pio Pico both responded to such an RFO, with offers equivalent to those in the PPTAs that the Ferron PD would reject, what aspects of QB make it superior to Pio Pico (since both cannot be approved within the 298-343 Mw limits set in the PDs)?

96. Please confirm or deny that:

a. Approval of the PDs with their finding that SDG&E has no need for the QB PPTA would be severely detrimental to Quail Brush.

b. Approval of the PDs with their finding that SDG&E has no need for the QB PPTA would make financing for QB extraordinarily difficult to acquire and would likely suspend, if not threaten entirely, any further development of the QB project.

IV. Data Requests regarding other topics

97. Assuming CEC approval of QB in July 2013, how long would it take from that date to:

a. Obtain a PPA for sale of QB generation?

b. Obtain bank loans or other funding to construct QB?

c. Begin construction of QB?

d. Begin commercial operation of QB?

98. To the extent the answer to the preceding question regarding commercial operation is after the summer of 2014, please explain how that is consistent with the project purposes as described to the CEC.

99. In the absence of a PPA or PPTA, when (if ever) does QB expect to be able to obtain construction financing for the proposed project?

100. What is the current expected capital cost for QB?

101. What network upgrades will be required on the SDG&E system as part of the CAISO's interconnection process for QB?

102. Please provide the cost estimate, and any underlying CAISO or other documents which form the basis for that estimate, for the current expected transmission interconnection cost for QB, including any network upgrades whose costs QB will have to initially pay.

103. Please provide any powerflow studies or other CAISO documents which support any claim that interconnecting QB to the SDG&E system at the 138 kV level will not trigger any need for network upgrades on the SDG&E system, contrary to Table 11.1 of Appendix A – C565, as amended 2/14/12 by the CAISO to reflect the change to a 138 kV point of interconnection.

104. Please explain why QB does or does not agree with the CEC that rooftop solar is a potentially viable alternative to an SDG&E-area peaking plant, at a comparable cost to the peaking plant (CEC publication 800-2009-001-CMF, the CEC permit denial in the Chula Vista Energy Upgrade Project case, pp. 29-30).

105. Please explain why QB does or does not agree that the CEC load forecast adopted in 2012 (the *California Energy Demand 2012-2022 Final Forecast*) is the correct starting point for determining the need for capacity in the SDG&E area.

106. Please provide copies of the following documents:

a. The study referenced in the AFC, p. 2-22, which shows 1739 hours per year of operation.

b. The unredacted Phase 2 interconnection studies (early versions are referenced in the AFC at pp. 2-24, 2-25) which form the basis for removing Table 11.1 from the 8/24/11 Appendix A to the QB Individual Project Report from the CAISO. Note that this question applies only to Table 11.1. It does not apply to the removal of Table 11.2, pursuant to p. 3 of the 2/14/2012 CAISO "Revised Second Addendum to the Cluster 1 and 2 Phase II Final Report.

c. The QB PPTA and all of its amendments, as referenced in the ALJ ruling of 9/11/12 in CPUC A.11-05-023.

d. Any SDG&E presentations to its Procurement Review Committee (PRG) which regarding the QB project or projects competing with it.

e. The signed Large Generator Interconnection Agreement (LGIA) with the CAISO, as referenced in the CAISO queue published on 10/12/12.



**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 11/19/2012)**

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DECLARATION OF SERVICE

I, JOHN T. KAUP, declare that on December 14, 2012 I served and filed copies of the attached Data Request Nos. 85-106 (Set Two) of Intervenor HomeFed Fanita Rancho, LLC, dated December 14, 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 service to all other parties:

- 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 filing with the Docket Unit at the Energy Commission:

- by sending an electronic copy to the e-mail address below (preferred method); **OR**
- by depositing an original and 12 paper copies in the mail with the U.S. Postal Service with first class postage thereon fully prepaid, as follows:

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

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
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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.

John T. Kaup

John T. Kaup