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December 31, 2012

Siting Committee Raoul Renaud, Hearing Officer Eric Solorio, Project Manager California Energy Commission Docket No. 11-AFC-03 1516 9th Street Sacramento, CA 95814 **California Energy Commission** 

DOCKETED 11-AFC-3

TN # 68992

DEC. 31 2012

Re: Cogentrix Quail Brush Generation Project - Docket Number 11-AFC-03, Response to CEC Staff Data Requests 96 through 101

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 Carlyle Infrastructure Partners, L.P., Bingham McCutchen LLP hereby submits *Responses to CEC Staff Data Requests 96 through 101*. 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.

The topics addressed in this letter include the following:

• Technical Area: Alternatives

If you have any questions regarding this submittal, please contact Rick Neff at (704) 525-3800 or me at (415) 393-2572.

Sincerely yours,

Ella Foley Gannon

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

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December 31, 2012

Siting Committee
Raoul Renaud, Hearing Officer
Eric Solorio, Project Manager
California Energy Commission
1516 Ninth Street, MS-15
Sacramento, CA 95814

Re: Quail Brush Generation Project (11-AFC-03)
Response to CEC Staff Data Requests 96-101

Dear Members of the Siting Committee, Hearing Officer Renaud, and Mr. Solorio:

Responses to CEC Staff Data Requests 96 through 101 are provided below.

Technical Area: Alternatives

**Data Request No. 96:** (a) Please explain why the applicant revised the project objectives from those originally provided in Section 3 of the AFC.

- (b) Does the applicant expect to meet an outline date of May 1, 2014, October 1, 2014, or some other date under the current permitting schedule.
- (c) Given the City of San Diego Council decision not to consider redesignation of the proposed Quail Brush site to a compatible land use designation, please explain the revised project objective that states that the project should be located on a site that "could reasonably be anticipated to have" appropriate zoning.

#### Response:

As described in the *Alternatives Analysis for the Quail Brush Generation Project, San Diego, California* (October, 2012) ("Alternatives Analysis"), both the identification of potential alternatives as well as the assessment of feasibility of those alternatives turns, in part on the basic project objectives. Given the need to identify and evaluate a wider range of alternatives than was provided in the AFC, the Applicant also thought it was appropriate to further refine and

clarify the basic project objectives. The overall project objective as described in Section 3.1 of the AFC and Section 1.1 of the Alternatives Analysis is to license and build a plant that responds to SDG&E's needs as described in SDG&E's 2009 RFO. Section 1.1 of the Alternatives Analysis simply provides more detail on the factors which make a plant responsive to the specific demand that was to be addressed through the 2009 RFO process. This additional information is meant to clarify the process by which the Applicant identified and evaluated alternatives, not to change the project objectives.

The Applicant's goal remains to bring the Project on line by May 1, 2014. However, this date has probably slipped some given changes in the permitting schedule. The desire/need is still to bring the Project on line as soon as possible, following receipt of the license.

One of the factors that the Applicant used to evaluate potential sites for the Project was the existing land use designation and the likely ability to change the designation if necessary. When the proposed Project site was originally evaluated, it was assumed that a change in the land use designation would be possible given that the City was in the process of approving a request for the same type of zone change for land adjacent to the proposed Project site (Sycamore Landfill). The refinement of this project objective was made to more accurately describe the process by which the Applicant initially identified and evaluated potential sites for the proposed Project.

**Data Request No. 97:** Please explain why close proximity to both an SDG&E substation and a high voltage transmission line would be required for interconnection? Why is it not adequate to be in close proximity to a high voltage transmission line alone?

#### Response:

As discussed in the Alternatives Analysis, one factor that was used to screen alternative sites for feasibility was proximity to existing infrastructure with sufficient capacity to serve the proposed Project. The major infrastructure necessary to serve the proposed Project includes a natural gas line, a substation and a high voltage transmission line, all with existing capacity to serve the proposed Project. To ensure that a wide range of alternatives were considered, an alternative site was considered potentially feasible if it was close to two of the three identified infrastructure needs. Therefore, no alternative was eliminated simply because it was not in close proximity to both a high voltage transmission line and a substation.

**Data Request No. 98:** Please clarify why the Alternative A site would not tie into the existing 138 kV line TL 13822 that crosses the Alternative A site given the agreement described between the applicant, SDG&E and CAISO to use the 138 kV line.

#### Response:

At the time of the initial evaluation of Alternative A site, the Applicant had not contemplated nor discussed with SDG&E and the CAISO the possibility of connecting into the existing 138 kV line TL 13822 and therefore this possibility was not contemplated. The Applicant agrees that if Alternative A site were feasible, it would likely be possible to connect into this line. As described in the Alternatives Analysis, however, Alternative A site is not feasible or practicable for a number of reasons, including that it is unlikely to be available and it would not reduce any environmental impacts as compared to the proposed Project site.

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**Data Request No. 99:** (a) Explain why alternative sites are suggested that are significantly larger than the 10-acre site required for the project and made up of multiple parcels and multiple owners.

- (b) Explain the rationale for choosing a 430-acre site comprising multiple parcels with multiple zone districts for Alternative 1. Is there a 10-acre site zoned light industrial available within the larger 430-acre site?
- (c) Explain the rationale for choosing a 33-acre site comprising two parcels with two zone districts for Alternative 3. What is the acreage of the Rural Residential parcel?

#### Response:

To identify alternative sites for the proposed Project, the project team reviewed aerial photographs of the entire SDG&E service area and applied the screening criteria described in the Alternatives Analysis to all currently undeveloped areas. Because many of the undeveloped areas include large acreages, the alternative sites identified often contained more than the 10 acres necessary for the Proposed Project. Had any of the larger areas been found to be potentially feasible, then the Applicant would have completed further analysis to determine if the larger area contained 10 acres which could be utilized for the proposed Project. As described in the Alternatives Analysis, however, none of the alternative sites are feasible.

As with the other Alternatives Sites, Alternative Site 1 was chosen because it included undeveloped area in SDG&E service territory. Alternative Site 1 as a whole is not feasible because it would require a change in the point of interconnection and therefore could not be developed in a reasonable timeframe. Further, it would require construction of a 1.5-mile long gen tie and a 3-mile long gas line. Given these factors, further analysis of whether there is a 10-acre parcel that is zoned light industrial was deemed unnecessary.

The rational for choosing Alternative Site 3 was the same as the rational described above, that is that it represented an undeveloped area within SDG&E service territory. Alternative 3 was not deemed infeasible due to zoning or land use constraints, therefore, the amount of acreage that is zoned Rural Residential is not relevant to the analysis.

**Data Request No. 100:** What information did the applicant review to confirm that the nearest substation located 0.5 miles from the Alternative Site 1 would not have capacity to serve the proposed project?

#### Response:

The information regarding the nearest substation to all potential alternative sites including Alternative Site 1 was obtained from SDG&E, in personal communications.

**Data Request No. 101:** Given that the Alternative Site 2 would tie into the same substation as the proposed project, please explain how the POI would be different and why it would require additional CAISO studies.

#### Response:

The conclusion in the Alternatives Analysis that Alternative Site 2 would require a different POI and additional CAISO studies was in error. The POI would be the same as the proposed Project. However, as explained in Section 1.5.5.10, Alternative Site 2 is not a feasible alternative as it would require construction of additional infrastructure including a 2.4-mile gen tie as well as a 3.5-mile gas line.

I certify under penalty of perjury that the foregoing is true, correct, and complete to the best of my knowledge.

Regards,

C. Richard Neff Vice President

cc: Docket (11-AFC-03)



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

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## APPLICATION FOR CERTIFICATION FOR THE QUAIL BRUSH GENERATION PROJECT

DOCKET NO. 11-AFC-03 PROOF OF SERVICE (Revised 12/28/2012)

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# OTHER ENERGY COMMISSION PARTICIPANTS (LISTED FOR CONVENIENCE ONLY):

After docketing, the Docket Unit will provide a copy to the persons listed below. <u>Do not</u> send copies of documents to these persons unless specifically directed to do so.

#### KAREN DOUGLAS

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Raoul Renaud Hearing Adviser

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Jennifer Nelson Adviser to Commissioner Douglas

David Hungerford Adviser to Commissioner McAllister

Patrick Saxton Adviser to Commissioner McAllister

Eric Solorio Project Manager Stephen Adams

Staff Counsel

### DECLARATION OF SERVICE

I, Margaret Pavao, declare that on December 31, 2012, I served and filed copies of the attached Applicant's Response to CEC Staff's Data Requests 96 through 101, dated December 31, 2012. This document is accompanied by the most recent Proof of Service list, which I copied from 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, as appropriate, in the following manner:

(Check one)

For service to all other parties and filing with the Docket Unit at the Energy Commission:

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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, and that I am over the age of 18 years.

Dated: December 31, 2012

Margaret Pavao