

STATE OF CALIFORNIA
Energy Resources Conservation
and Development Commission

DOCKET 07-AFC-6
DATE MAR 28 2012
RECD. APR 03 2012

In the Matter of:)
Application for Certification for the) Docket No. 07-AFC-6
Carlsbad Energy Center Project (CECP))
_____)

Letter Request by City of Carlsbad and the City of Carlsbad as successor agency
to the former Carlsbad Redevelopment Agency to Reopen Proceedings and Consider New
Information from the California Independent Service Operator

On March 28, 2012, the Siting Committee on the Carlsbad Energy Center Project (CECP) issued a Revised Presiding Member's Proposed Decision (RPMPD). The RPMPD recommends that the Commission make a finding that the project is needed for the public convenience and necessity and that specific state and local laws, ordinances, regulations, and standards (LORS) applicable to the project be overridden. The evidentiary basis for this recommended finding lies in significant part on the written and oral testimony of the California Independent System Operator (ISO). The Committee may not be aware that in a proceeding before the California Public Utilities Commission (CPUC), the ISO has admitted that the same analysis and reports used to reach its conclusions in the CECP proceeding contain a significant error.

On March 9, 2012, the California Independent System Operator (ISO) filed testimony in proceeding A.11-05-023 before the California Public Utilities Commission (CPUC) with the purpose to "describe the San Diego area local capacity needs that the ISO has identified through its annual local capacity assessment and through its once through cooling study." The testimony was based on their 2012 LCR Study, 2016 LCR Study, and OTC Study. The ISO scheduled a workshop for March 21, 2012 to discuss their testimony and the underlying studies. On March 19, 2012, the CPUC Administrative Law Judge on the proceeding informed the parties that:

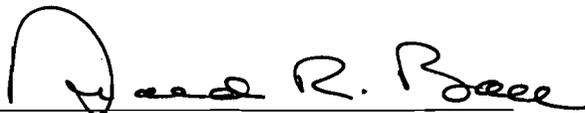
"...the ISO has become aware of a change to the categorization of Sunrise Powerlink & IV-Miguel transmission line that the ISO expects will have a significant impact on the conclusions that it presented in its March 9 prepared testimony." (E-mail from ALJ Hallie Yacknin RE: March 21 Informational Workshop at CPUC -- A.11-05-023, SDG&E app for approval of PPTAs, March 19, 2012, (emphasis added))

Rather than holding a workshop on March 19, 2012, the ISO held a conference call to inform the parties that based on the assumptions it used in its studies, they calculated a lower import capability on the transmission system. As a result they will have to revise the analysis used in each of the studies and revisit all of their filed testimony. They acknowledged that the change may have "broad impacts" on their assessments and conclusions. During the March 21,

2012 conference call, the CPUC's Division of Rate Payer Advocates raised other issues related to differing assumptions in various ISO studies on energy efficiency and demand response and the use of standardized planning assumptions adopted by the CPUC. The ISO stated on the conference call that they will be revising its assessments and resubmitting its testimony to the CPUC later in April. A new workshop to discuss the revised ISO analysis is now scheduled to be held at the CPUC on April 18, 2012. Following the workshop, the CPUC will then allow other parties to submit their testimony and will hold hearings on the issues associated with the need to additional capacity in the San Diego area this summer.

Although the testimony submitted by the ISO in the Energy Commission's CECP proceeding was not discussed on the March 21, 2012 conference call, its testimony before the CECP Siting Committee on December 12, 2011 was based on information completed even before some of the draft study reports were released. Consequently, there is a high likelihood that the testimony submitted by the ISO in the CECP proceeding may also be in error and the revised analysis may have "broad impacts" on their assessment and conclusion. Because it is critical to the Committee's informed decision-making, the City of Carlsbad anticipates filing a motion requesting the CECP Siting Committee to either: (a) exclude the CAISO written and oral testimony of December 12, 2011, or (b) delay the close of the comment period on the RPMPD for the CECP proceeding until a final, fully vetted, CAISO report is available and considered by the Committee.

Dated: March 28, 2012



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APPLICATION FOR CERTIFICATION
FOR THE CARLSBAD ENERGY
CENTER PROJECT

Docket No. 07-AFC-6
PROOF OF SERVICE
(Revised 3/27/2012)

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DECLARATION OF SERVICE

I, Flora Waite, declare that on March 28, 2012, I served and filed a copy of the attached LETTER REQUEST BY CITY OF CARLSBAD AND THE CITY OF CARLSBAD AS SUCCESSOR AGENCY TO THE FORMER CARLSBAD REDEVELOPMENT AGENCY TO REOPEN PROCEEDINGS AND CONSIDER NEW INFORMATION FROM THE CALIFORNIA INDEPENDENT SERVICE OPERATOR. This document is accompanied by the most recent Proof of Service list, located on the web page for this project at: [www.energy.ca.gov/sitingcases/carlsbad/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."

AND

For filing with the Docket Unit at the Energy Commission:

- by sending an original paper copy and one electronic copy, mailed with the U.S. Postal Service with first class postage thereon fully prepaid and e-mailed respectively, to the 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. 07-AFC-6
1516 Ninth Street, MS-4
Sacramento, CA 95814-5512
docket@energy.state.ca.us

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
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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.


Flora Waite