

DEPARTMENT OF WATER RESOURCES

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February 14, 2011

Mr. Pierre Martinez
 Project Manager
 Siting, Transmission and Environmental Protection Division
 California Energy Commission
 1516 Ninth Street, MS-15
 Sacramento, California 95814

DOCKET

09-AFC-4

DATE 02/14/11

RECD. 02/18/11

Dear Mr. Martinez:

The California Department of Water Resources--State Water Project (CDWR-SWP) submits the following comments on the Application of the Oakley Generating Station Project (OGSP).

The Application indicates that the Applicant wishes to reconnector Pacific Gas and Electric's (PG&E) existing Contra Costa-Delta Pumps 230 kV transmission line (Contra Costa-Delta) that terminates at CDWR's Banks Pumping Plant (Banks) switchyard as a delivery network upgrade. As discussed in the February 2, 2011 public workshop, CDWR is concerned that there may be undesirable impacts to Banks during the reconnectoring of the transmission line and during the ongoing operation of the OGSP.

Banks is critically situated in the Sacramento-San Joaquin Delta and serves as the intake point for supplying water into the California Aqueduct, making it a major component in CDWR's mission of delivering water to its customers. Due to ongoing drought conditions and increased regulatory constraints, any disruption to SWP deliveries can impact CDWR's ability to successfully serve its mission as well as incur significant additional costs. Therefore, CDWR wishes to reiterate its concern about any disruptions or impacts to Banks as a result of the proposed OGSP.

While the Banks connection to PG&E's existing Contra Costa-Tesla 230 kV line currently provides a two-source configuration via the Contra Costa-Delta and Delta-Tesla 230 kV lines, a Contra Costa-Delta line outage due to reconnectoring may increase operational constraints on the Delta-Tesla line, and the impact would be compounded with an outage on the Delta-Tesla line, requiring suspension of SWP pumping for unspecified and unsustainable amounts of time. In addition, any new congestion management that would be applied to the Delta-Tesla line as a result of reconnectoring or ongoing operation of the OGSP could degrade local reliability and increase service interruption to Banks. Therefore, any proposed modification to the Contra Costa-Delta line and additional congestion management application to the Banks interconnection must be carefully coordinated with CDWR to assure that Banks will receive continuous service via the Delta-Tesla 230 kV line with no new restrictions to pumping during and after construction as a result of OGSP.

CDWR-SWP urges that the Project Owner address CDWR-SWP's concerns and proposes the following draft language as proposed Condition of Certification and Verification of Condition:

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Condition of Certification:

"The Project Owner shall consult with PG&E and CDWR to determine all impacts on CDWR Banks Pumping Plant which may occur during transmission line reconductoring and ongoing operation of the OGS and to identify and implement any provisions necessary to provide uninterrupted service to CDWR's Banks Pumping Plant from the Delta Pumps-Tesla 230 kV transmission line connection and with no load restrictions. The Project Owner shall be responsible to fully mitigate any impact that is identified."

Verification of Condition:

"A signed letter from CDWR stating that CDWR has been consulted with, has coordinated the planned outages associated with the reconductoring of the Contra Costa-Delta Pumps 230 kV line to have no adverse impact to CDWR's operations, has reviewed the planned applications associated with the congestion management of the Delta Pumps -Tesla 230 kV line due to the OGS, and determined the outages and congestion management to be acceptable."

CDWR recommends that the verification be completed prior to transmission line reconductoring and construction.

Finally, CDWR appreciates the opportunity to participate in and provide comments to the California Energy Commission (CEC) on the power plant's application process. CDWR is willing to work with both the CEC and the Applicant to ensure that any impacts will be identified and will be fully mitigated by the Applicant prior to construction.

Please contact me at (916) 574-0671 or by email at mvang@water.ca.gov if you have any questions.

Sincerely,



Maifiny Vang
California Department of Water Resources
State Water Project Power and Risk Office

cc: Greg Lamberg
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