CALIFORNIA ISO

California Independent
System Operator

DOCKET
05-AFC-1
DATE JUN 29 2005
RECD. JUL 27 2005

June 29, 2005

Mr. Robert Lugo, Manager
Grid Contracts/Tariff Negotiation/Development
Southern California Edison
P.O. Box 800
Rosemead, CA 91770

Subject: Cal-ISO Review of the System Impact Study for the 157 MW Pastoria Expansion at the Pastoria Energy Facility Near Lebec, CA

Dear Mr. Lugo:

The California ISO (Cal-ISO) has reviewed the System Impact Study[1] (SIS) performed by Southern California Edison (SCE) for the proposed addition of a 157 MW, simple gas turbine generator (the Project)[2] at the existing Pastoria Energy Facility (PEF). The proposed net output from the addition increases the total generation from the Pastoria Energy Facility from 750 MW to 907 MW. The power will be delivered to the Pastoria 230 kV Substation in Southern California Edison's (SCE) Big Creek system via the existing 230 kV circuits. The Project's proposed commercial operation date is July 2006.

The SIS evaluated impacts of the Project based on the transmission system that includes the Pastoria-Pardee Reconductor Project and new 230-kV and 500-kV transmission expansion consistent with the Tehachapi Collaborative Conceptual Plan as outlined in the report. The SIS has identified several transmission system impacts caused by the interconnection of the Project to SCE's transmission system and to the Cal-ISO controlled grid with this planned transmission system assumed in place prior to the Project. Several single and double contingency overloads found to be triggered by projects in queue ahead of the Pastoria Expansion were aggravated further by the addition of Project.

The Cal-ISO concurs with the conclusion that existing and planned transmission system could not accommodate the proposed Pastoria Expansion Project. Based on the SIS, SCE has concluded and Cal-ISO agrees, that additional analysis under a Facility Study will be required to determine the facilities and upgrades required to interconnect the Project.

CAISO will await a review of a final plan recommended under a Facility Study, if performed, prior to confirming approval to interconnect. The Facility Study, as a minimum should address the following details.

- The transmission plan to interconnect the Project should be consistent with the Tehachapi Area Transmission Development Plan that is currently under development by the collaborative study group.

PROOF OF SERVICE (REVISED_____) FILED WITH
ORIGINAL MAILED FROM SACRAMENTO ON 7/27/05
ARH

[1] Pastoria Energy Facility, LLC Pastoria Addition System Impact Study dated May 13, 2005.
[2] The Project holds Queue Position 37 of the Cal-ISO Interconnection Application Queue.

- All adverse system impacts identified by the addition of the Project will be fully mitigated.

- No modifications to an existing SPS or any new SPS should be proposed as part of the mitigation measures that may result in loss of generation that would violate the CAISO Planning Standards. Use of such schemes will be deemed inappropriate if the total amount of generation reduction is found to exceed the Cal-ISO Planning Standards of 1150 MW for loss of one transmission element and 1400 MW under loss of two transmission elements.

Approval to interconnect the Project will be subject to demonstration of a technically feasible transmission plan that provides satisfactory mitigation measures to eliminate all identified criteria violations to the Cal-ISO Grid Planning Standards and the satisfactory completion and review of a Facility Study for the Project.

Should you have any questions about the Cal-ISO's review of this study, please call Paul Steckley at (916) 608-5889 (psteckley@caiso.com) or me at (916) 351-4464 (jmillcr@caiso.com).

Sincerely,

Original signed by Paul Steckley for

Jeffrey Miller
Regional Transmission Manager

cc:

Ali Amirali
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Dublin, CA 94568

Pat Arons (SCE via e-mail)
Jorge Chacon (SCE via e-mail)
Teri Kondo (SCE via e-mail)

Armando Perez (ISO)
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Gary Brown (ISO via e-mail)
Tom French (ISO via e-mail)

Mark Willis (ISO via e-mail)
Johan Galleberg (ISO via e-mail)
ISO Grid Planning (via e-mail)

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

IN THE MATTER OF:	DOCKET NO. 05-AFC-1
APPLICATION FOR CERTIFICATION FOR THE PASTORIA ENERGY FACILITY (PEF) 160 MW EXPANSION BY CALPINE CORPORATION	PROOF OF SERVICE LIST [ESTABLISHED 7/25/05]

DOCKET UNIT

Instructions: *Send an original signed document plus 12 copies* ***or*** *an electronic copy plus one original paper copy to the address below:*

CALIFORNIA ENERGY COMMISSION
DOCKET UNIT, MS-4
Attn: Docket No. 05-AFC-1
1516 Ninth Street
Sacramento, CA 95814-5512
docket@energy.state.ca.us

Also send a printed ***or*** *electronic copy of all documents to each of the following:*

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INTERVENORS

No Intervenors to date.

INTERESTED AGENCIES

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DECLARATION OF SERVICE

I Angela Hockaday declare that on July 27, 2005, I deposited copies of the attached Letter from California ISO/Jeffrey Miller to Southern California Edison/Robert Lugo regarding Cal-ISO's review of the System Impact Study performed by Southern California Edison in the United States mail at Sacramento, CA with first class postage thereon fully prepaid and addressed to those identified on the Proof of Service list above. Transmission via electronic mail was consistent with the requirements of California Code of Regulations, title 20, sections 1209, 1209.5, and 1210.

I declare under penalty of perjury that the foregoing is true and correct.

Angela Hockaday
[signature]

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