



DOCKET

MAY 25 2011

Received

[Handwritten signature]

500 Capitol Mall, Suite 1600
Sacramento, California 95814
main 916.447.0700
fax 916.447.4781
www.stoel.com

May 25, 2011

MELISSA A. FOSTER
Direct (916) 319-4673
mafoster@stoel.com

Eric K. Solorio
Compliance Project Manager
California Energy Commission
Siting, Transmission and Environmental Protection (STEP) Division
1516 Ninth Street, MS-2000
Sacramento, CA 95814

DOCKET 11 - AFC - 1
DATE 05/25/11
RECD. 05/25/11

RE: Pio Pico Energy Center (11-AFC-1)

Dear Mr. Solorio:

As indicated in Applicant's May 13, 2011 Response to Staff's Issues Identification Report, Applicant Pio Pico Energy Center LLC ("PPEC") is providing the California Independent System Operator ("CAISO") Cluster 2 Phase I Interconnection Study ("Phase I Study") to the Commission under an Application for Designation of Confidential Record. As previously noted, the contents of the Phase I Study are maintained in confidence by CAISO and contain trade secret information regarding PPEC.

As you may be aware, recently CAISO changed its Study process. The new process is based on a "cluster" wherein all proposed energy generation facilities are studied as one viable entity. This process does not identify individual project-specific grid impacts and direct upgrades. Further, the cluster process does not consider the likelihood that any such proposed generation facilities ever come to fruition. To wit, PPEC is part of a cluster that proposes approximately 5400 megawatts ("MW") of energy generation. PPEC comprises only 308MW of the total cluster. Since the time of completion of the PPEC Phase I Study, only 1900 MW of generation capacity has officially withdrawn from the cluster.

Now that CAISO uses the cluster approach, they are no longer providing System Impact Studies for individual electrical generation facilities. Thus, CAISO is no longer studying the impacts of one proposed electrical generator on existing infrastructure. Instead, CAISO analyses all proposed projects as a cluster and determines what upgrades and/or infrastructure, if any, is needed for the entirety of the cluster to be deliverable. PPEC is the first project under CEC jurisdiction to undergo this new cluster study approach by CAISO.



May 25, 2011

Page 2

CAISO has indicated that the Phase II Interconnection Study will not be completed before September 2011. Applicant is aware that there is a significant mismatch in the proposed PPEC AFC schedule¹ and the timeline within which CAISO might issue the Phase II Study. To avoid a delay in CEC Staff's evaluation of the PPEC AFC, Applicant respectfully requests that Staff continue to process the PPEC AFC pursuant to the Committee Schedule published on May 24, 2011.

By this letter, Applicant hopes to convey to CEC Staff the importance of the continued processing and environmental analysis associated with the pending AFC, 11-AFC-1, while the results of the Phase II Study are pending. Applicant continues to cooperate with CAISO in an effort to facilitate a Phase II Study that will show equitable and reasonable results for individual viable projects such as PPEC as well as an expeditious completion of the Study.

Very truly yours,

Melissa A. Foster

MAF:jmw

¹ Specifically, there is a conflict between the CAISO timeline for publication of the Phase II Study in September 2011 and the CEC Staff's proposed schedule of publication of the Preliminary Staff Assessment in late August 2011 and subsequent publication of the Final Staff Assessment by the end of October 2011.

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 *PIO PICO ENERGY CENTER, LLC*

Docket No. 11-AFC-1
PROOF OF SERVICE
(Revised 5/12/11)

Pio Pico Energy Center, LLC
Letter to Eric Solorio, California Energy Commission, dated May 25, 2011

APPLICANT

Gary Chandler, President
Pio Pico Energy Center
P.O. Box 95592
South Jordan, UT 84095
grchandler@apexpowergroup.com

David Jenkins, Project Manager
Pio Pico Energy Center, LLC
1293 E. Jessup Way
Mooreville, IN 46158
djenkins@apexpowergroup.com

APPLICANT'S CONSULTANTS

Maggie Fitzgerald, Project Manager
URS Corporation
2020 East 1st Street, Suite 400
Santa Ana, CA 92705
maggie_fitzgerald@urscorp.com

COUNSEL FOR APPLICANT

John A. McKinsey
Melissa A. Foster
Stoel Rives, LLP
500 Capitol Mall, Suite 1600
Sacramento, CA 95814
jamckinsey@stoel.com
mafoster@stoel.com

INTERESTED AGENCIES

California ISO
E-mail Preferred
e-recipient@caiso.com

ENERGY COMMISSION

CARLA PETERMAN
Commissioner and Presiding Member
cpeterma@energy.state.ca.us

Jim Bartridge
Adviser to Commissioner Peterman
jbartrid@energy.state.ca.us

KAREN DOUGLAS
Commissioner and Associate
Member
kldougla@energy.state.ca.us

Galen Lemei
Adviser to Commissioner Douglas
glemei@energy.state.ca.us

Raoul Renaud
Hearing Officer
rrenaud@energy.state.ca.us

Eric Solorio
Siting Project Manager
esolorio@energy.state.ca.us

Kevin W. Bell
Staff Counsel
kwbell@energy.state.ca.us

Jennifer Jennings
Public Adviser
E-mail preferred
publicadviser@energy.state.ca.us

DECLARATION OF SERVICE

I, Judith M. Warmuth, declare that on May 25, 2011, I deposited copies of the aforementioned document in the United States mail at 500 Capitol Mall, Suite 1600, Sacramento, California 95814, with first-class postage thereon fully prepaid and addressed to those identified on the Proof of Service list above.

AND/OR

Transmission via electronic mail was consistent with the requirements of California Code of Regulations, Title 20, sections 1209, 1209.5, and 1210. All electronic copies were sent to all those identified on the Proof of Service list above.

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



Judith M. Warmuth