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**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

In the Matter of the Application of Southern
California Edison Company (U 338-E) for a
Certificate of Public Convenience and Necessity for
the Alberhill System Project

Application No. 09-09-022

(Filed September 30, 2009)

**MOTION FOR PARTY STATUS
OF THE NEVADA HYDRO COMPANY**

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Date: 23 June 2010

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OF THE STATE OF CALIFORNIA**

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Pursuant to Rule 1.4(a)(4) of the Rules of Practice and Procedure of the Public Utilities Commission of the State of California (“Commission”), the Nevada Hydro Company, Inc. (“NHC”), acting as co-applicant with the Elsinore Valley Municipal Water District (“EVMWD”) for the Lake Elsinore Advanced Pumped Storage (“LEAPS”) project (Federal Energy Regulatory Commission (“FERC”) Project No. 11858), and acting for itself for the related Talega-Escondido/Valley-Serrano 500-kV Interconnect (“TE/VS Interconnect”) project (together, “Projects”), respectfully submits this Motion for Party Status to the application of the Southern California Edison (“SCE”) for a Certificate of Public Convenience and Necessity (“CPCN”) for a new 500 kilovolt (“kV”) substation connecting to the 500 kV Valley–Serrano line SCE is calling the Alberhill System project (“Alberhill”).

I. BACKGROUND

The FERC is responsible for licensing the 500 MW LEAPS pumped storage facility and its associated transmission lines as a major unconstructed hydroelectric facility under the provisions of the Federal Power Act of June 10, 1920 (“FPA”), Chapter 285 and under licensing regulations found at 18 CFR, Subchapter B, Part 4. SCE has participated in the FERC licensing proceedings for LEAPS in FERC Docket PN–11858. In 2007, FERC staff published a Final

Environmental Impact Statement as required by the National Environmental Policy Act¹, in which it identified the point at which LEAPS is to connect to the Valley–Serrano transmission line, called the “Lake” site. The site SCE now proposes for its Alberhill substation in this proceeding is approximately one mile from the FERC–identified Lake location.

Since 2006, SCE and NHC have been working together to interconnect the LEAPS facility to the State’s high voltage grid. Work has included execution of System Impact and Facilities Study Plans and preparation by SCE of System Impact and Facilities Studies. Both studies referred to the FEIS–identified Lake site as the point of interconnect. As a result of SCE’s work on these studies, the parties have been negotiating a Large Generator Interconnect Agreement (“LGIA”) over a number of years. The LGIA versions discussed by the parties to date have generally addressed the use of a common facility at which LEAPS can connect to the grid and which would also serve some of the purposes SCE has identified for the Alberhill substation in this proceeding.

Commencing in 2007, NHC began working with Commission staff on submitting a complete application for a CPCN for the TE/VS Interconnect. The TE/VS Interconnect is a stand-alone high-voltage regional interconnection linking SCE’s Valley-Serrano 500-kV line in western Riverside County with SDG&E’s 230-kV Talega-Escondido transmission line in northern San Diego County. It will utilize the same transmission alignment, towers, and facilities as associated with the LEAPS Project (without the corresponding pumped storage facility). After addressing and resolving a number of issues the Commission identified in closing

^{1/} Federal Energy Regulatory Commission, Final Environmental Impact Statement for Hydropower License – Lake Elsinore Advanced Pumped Storage Project, FERC Project No. 11858, FERC/EIS-0191F, January 2007.

the A.09–02–012 proceeding, NHC re–filed its application for a CPCN with the Commission on June 4, 2010.

In 2008, representatives of SCE and NHC met with Commission staff wherein staff advised that SCE and NHC work cooperatively and keep each other informed on (i) NHC’s progress at the Commission towards the Commission’s approval of the TE/VS Interconnect, and (ii) SCE’s progress in defining and obtaining approval for a project that would meet the needs of the substation identified as “Alberhill” in this proceeding.

II. MOTION FOR PARTY STATUS

Pursuant to Rule 1.4 of the Commission’s Rules, NHC wishes to become a party to this proceeding. NHC’s position and interest is as set forth in this filing.

III. SERVICE

All pleadings and other communication in connection with this proceeding should be served as follows:

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IV. FACTUAL AND LEGAL CONTENTIONS AND PERTINENCE TO PROCEEDINGS

NHC intends to raise the issue, *inter alia*, that SCE violated Rule 18(b) (Competing Utilities) by failing to inform the Commission that its Alberhill project may compete with portions of NHC’s TE/VS Interconnect and LEAPS projects.

This potential violation is pertinent to these proceedings because:

1. A considerable amount of environmental analysis and review has been completed by NHC and by FERC in connection with the Projects.
2. Commission staff has also spent a considerable amount of resources analyzing the Projects in connection with the TE/VS Interconnect being designated the “preferred transmission alternative” in the Sunrise Powerlink proceeding.
3. The parties have undertaken a significant amount of engineering and design work on combining the two facilities
4. The Federal Power Act may require that LEAPS connect to the grid as described by FERC in the FEIS, notwithstanding SCE’s insistence on the use of its Alberhill facility.
5. Reliability may be impacted if two connections to the Valley–Serrano line occur in such close proximity.
6. Contrary to specific CEQA requirements specifying that agencies consider the “whole of the action” (14 CCR 15378[a]), SCE proposes to fragment the environmental process by separating the approval process for its own Alberhill project from its near term purpose of connecting LEAPS and the TE/VS Interconnect into the grid.

As a direct result of this omission, SCE has been able to present its views to the Commission without other viewpoints being presented as well. This failure has foreclosed NHC’s opportunity to present alternative views to the Commission in phases of the proceeding that have already concluded. The failure has effectively barred NHC from presenting a plan and raising issues contrary those which SCE has presented to the Commission. NHC believes that its

plans can be coordinated with those of SCE at lower cost to ratepayers and with less Commission resources expended in processing the application.

V. CONCLUSION

Wherefore, NHC respectfully requests that the Commission grant this Motion for Party status.

June 11, 2010

Respectfully submitted,

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By 

David Kates
Project Manager

CERTIFICATE OF SERVICE

I hereby certify that, pursuant to the California Public Utilities Commission's Rules of Practice and Procedure, I have this day served a true copy of **MOTION FOR PARTY STATUS OF THE NEVADA HYDRO COMPANY** to parties listed on the Commission's Service List of Application No. 09-09-022.

Service was completed by email to all parties.

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

Executed this 22nd day of June 2010, at Santa Rosa, California.

A handwritten signature in cursive script, appearing to read "David Kates", written in black ink. The signature is positioned above a horizontal line.

David Kates