

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

Order Instituting Rulemaking to Integrate and Refine
Procurement Policies and consider Long-Term
Procurement Plans

Rulemaking 12-03-014
(Filed March 22, 2012)

**MOTION OF ABENGOA SOLAR, INC., FOR PARTY
STATUS AND FOR ACCEPTANCE OF ITS COMMENT IN
RESPONSE TO THE REVISED ASSIGNED
COMMISSIONER'S RULING SETTING FORTH
STANDARDIZED PLANNING SCENARIOS FOR
COMMENT AS TIMELY FILED**

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Pursuant to Rule 1.4 of the Rules of Practice and Procedure, Abengoa Solar, Inc. (“Abengoa Solar”), seeks party status in Rulemaking No. 12-03-014, and seeks acceptance of its Comment in Response to the Revised Assigned Commissioner’s Ruling Setting Forth Standardized Planning Scenarios for Comment (“Comment”) as timely filed. The Comment was filed on October 5, 2012, which was within the authorized period for comments. Abengoa Solar believed it was a party to the Rulemaking at the time it filed the Comment; Abengoa Solar was subsequently notified it was not on the service list, and was therefore not a party. The issues embraced by the Revised Assigned Commissioner’s Ruling Setting Forth Standardized Planning Scenarios for Comment (“Revised Ruling”) directly affect Abengoa Solar. For this reason, Abengoa Solar seeks party status in this Rulemaking and acceptance of its Comment as timely filed.

I. Abengoa Solar's interest in the Rulemaking and Revised Ruling

Abengoa Solar is an experienced international developer of renewable projects which will have 1.6 gigawatts (“GW”) of large-scale solar projects in operation by 2014. In late 2011 the Commission approved a power purchase agreement (“PPA”) between Pacific Gas and Electric (“PG&E”) and Mojave Solar, LLC (“Mojave Solar”), an affiliate of Abengoa Solar. Resolution E-4433. The Mojave Solar Project (“Project”) is a 250 MW (net) utility-scale concentrated solar thermal electric generating facility located in San Bernardino County, California. Construction on the Project commenced very shortly after approval of the PPA and is proceeding rapidly. All grading work has been completed, the solar collector foundations are nearly completed, and the project is now fabricating and installing the collectors. Among the provisions of the Mojave Solar PPA was a requirement that the Project provide Resource Adequacy (“RA”) credits to PG&E. The Coolwater-Lugo Transmission Project, renamed the South of Kramer Transmission Project by Southern California Edison, is essential to making the Mojave Solar Project fully deliverable, and will integrate existing renewables to create approximately 1,000 MW of additional capacity.¹

Abengoa Solar has a direct interest in the Commission's procurement and transmission planning activities, both for purposes of performing its obligations under the Mojave Solar PPA and for purposes of future renewable project development in California. Accordingly, Abengoa has a direct interest in this Rulemaking and the Revised Ruling.

¹ *Comments of Southern California Edison Company (U 338-E) on Draft Resolution E-4433--Option B* (October 7, 2011), pp.1-2.

II. The omission from planning scenarios of Known and Existing Projects in which Abengoa Solar has a direct interest is pertinent to issues presented in the Revised Ruling.

The Revised Report contains four planning scenarios: Base, Replicating TPP, High DG + High DSM (“High DG/DSM”), and High DG + High DSM-2030, 40%. The Revised Ruling includes the Project and the South of Kramer transmission upgrades in every scenario except the High DG/DSM scenario, which is designed to implement California’s renewable energy goals for 2030. Abengoa Solar believes this is an incongruous result because the Mojave Solar Project and the South of Kramer transmission upgrades are Known and Existing Projects within the definition set forth in the Revised Ruling.² Mojave Solar has acquired a PPA, all necessary permits, obtained financing, completed environmental review, and has begun construction. More importantly, the Commission approved the PPA with a majority of Commissioners expressing support for the Project and recognizing the benefits of solar thermal generation.³ As the major energy utilities move closer to fully contracting for 33% of their procurement needs through renewables by 2020, the utilities are more reluctant to enter into new PPAs or to issue new solicitations for power. The Project and South of Kramer transmission upgrades are, therefore, significantly more reliable as components of the High DG/DSM scenario than are projects without existing PPAs or other necessary approvals.

The Revised Ruling, however, includes renewable energy projects in the High DG/DSM scenario that have not obtained PPAs and/or permits or financing. In light of the Project’s Commission-approved PPA and other required approvals, and because the project is a

² *Revised Assigned Commissioner’s Ruling Setting Forth Standardized Planning Scenarios For Comment*, R.12-03-014 (September 25, 2012), p. 13, fn. 26.

³ “Mojave Solar is the furthest developed new utility-scale solar thermal project that the Commission has encountered in our capacity of reviewing utilities’ RPS power purchase agreements. . . [S]olar thermal facilities offer better operational characteristics than other intermittent renewable facilities. [¶] “The Mojave Solar project is highly valuable. . . .” Resolution No. E-4433 (November 10, 2011), p. 2.

Known and Existing Project as defined by the Revised Ruling, Abengoa Solar believes the Mojave Solar Project is a more logical choice than less-advanced projects for inclusion in the High DG/DSM scenario.

Abengoa Solar filed its Comment regarding the Revised Ruling on October 5, 2012, which was within the approved time frame for comments. The Comment detailed Abengoa Solar's concerns regarding the incongruous result reached by the Revised Ruling, and both the practical and policy considerations implicated by the omission of the Project and South of Kramer transmission upgrades in the High DG/DSM scenario. Given Abengoa Solar's strong interest in the scenarios presented by the Revised Ruling, its equally strong concerns regarding the project roster for the High DG/DSM scenario, and its mistaken belief it was already a party to the Rulemaking, Abengoa Solar seeks acceptance of its Comment as timely filed.

III. Conclusion

Abengoa Solar has a direct interest in the issues raised by the Revised Ruling, and the exclusion from the High DG/DSM scenario of the Project and South of Kramer transmission upgrades--as well as the inclusion of projects without approvals or PPAs--is pertinent to the issues already presented in this Rulemaking. For this reason, Abengoa Solar seeks party status in connection with the Rulemaking. Abengoa Solar further seeks acceptance of its Comment, which addresses in greater detail the incongruous result reached by the Revised Ruling, as timely filed.

Respectfully submitted October 17, 2012 at San Francisco, California.

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