

**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 No. 12-03-014

(Filed March 22, 2012)

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

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Date: May 8, 2013

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Pursuant to Rules 1.4 and 11.1 of the Rules of Practice and Procedure of the Public Utilities Commission of the State of California (“Commission”), the Nevada Hydro Company, Inc. (“Nevada Hydro”), sponsor of the Lake Elsinore Advanced Pumped Storage (“LEAPS”) project and the related Talega-Escondido/Valley-Serrano 500-kV Interconnect (“TE/VS Interconnect”) project, respectfully submits this Motion requesting Party Status to the above referenced proceeding.

I. NEVADA HYDRO’S INTEREST IN THIS PROCEEDING

Nevada Hydro is developing two projects that have been designed, in part, to assist the state in meeting its renewable goals and that will also help address a variety of energy and reliability issues, while supporting system resource adequacy (RA), local RA needs, and providing flexibility to the system. Nevada Hydro noted that in the recent Ruling of ALJ Gamson¹, precisely these issues were identified in item 1.a.

The Federal Energy Regulatory Commission (“FERC”) is responsible for licensing the 500 MW LEAPS facility (Project Number P-14227) as a major unconstructed hydroelectric

^{1/} Administrative Law Judge’s Ruling Seeking Comment on Track III Rules Issues, March 21, 2013.

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. The TE/VS Interconnect appeared before this Commission in Application 10–07–001, before it was dismissed without prejudice last year. Nevada Hydro is now moving to complete necessary tasks to refile its application for a Certificate of Public Convenience and Necessity (“CPCN”) for the identical project.

LEAPS can provide the State with a variety of cost-effective enhancements that increase reliability and allow grid resources to be used more efficiently. Grid benefits include the full range of ancillary services, shifting and storage of on-peak to off-peak hours, and providing 500 MW of firm generation near the load pocket. This off-peak power can be produced by efficient, baseload generation sources, including wind-generation facilities located in the Tehachapi region, solar thermal generation in the Mojave area, geothermal-generation facilities located in the Imperial Valley, and other existing and planned renewable resources located throughout and beyond southern California. LEAPS also provides 500 MW of regulation and fast responding spin to support grid operations, the integration of intermittent renewable resources, and will provide highly responsive load following capability.

The TE/VS Interconnect would directly interconnect LEAPS to the systems of both Southern California Edison Company and the San Diego Gas & Electric Company. As such, it is an indispensable part of the LEAPS project. However, even without LEAPS, the TE/VS Interconnect could serve as a stand-alone high-voltage regional interconnection linking the Valley-Serrano 500-kV line in western Riverside County with the 230-kV Talega-Escondido transmission line (“TE Line”) in northern San Diego County. The TE line is the connection into San Diego from the SONGS facility, and the TE/VS Interconnect’s connection point is within a

few miles of the now shut-down SONGS facility. Even as an independent project, this line will provide the only 500 kV connection to the San Diego load center from the north and provide San Diego with access to renewable resources from the Imperial Valley and Mojave Desert, Tehachapi, and San Geronio regions. Numerous past studies have demonstrated the value of the TE/VS Interconnect to southern California and have designated it as a high priority facility to help maintain a reliable and robust grid in that region.

II. MOTION TO INTERVENE

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.

The undersigned will formally represent Nevada Hydro as a Party to this proceeding. In addition, please add the following person to the information only service list:

Mr. Rexford Wait, RWait@controltechnology.org

III. THE FACTUAL AND LEGAL CONTENTIONS THAT NEVADA HYDRO INTENDS TO MAKE AND THE RELEVANCE TO THIS PROCEEDING.

Because of the unique flexibility of advanced pumped storage, and because sites for advanced pumped storage are rare within the state and even more scarce when found located within the load pocket (as LEAPS is), Nevada Hydro wishes to assure that advanced pumped storage is properly evaluated in this proceeding.

While Nevada Hydro will make its case for the benefits of TE/VS Interconnect in its CPCN proceeding (when filed), in this proceeding, Nevada Hydro seeks to assure that its projects are seriously considered as valuable, practical and cost-effective alternatives in the utilities' long-term procurement planning processes. Nevada Hydro is particularly concerned to assure that the record in this proceeding appropriately evaluates and considers the flexibility of

LEAPS and the benefits that this flexibility can provide, benefits that may justify a special call-out in the Commission's procurement rules.

IV. CONCLUSION

For the reasons stated herein, Nevada Hydro respectfully requests that it be granted party status to this proceeding.

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Respectfully submitted,

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