San Luis Renewable Energy Development Project

Frequently Asked Questions

June 1, 2011

California Department of Water Resources

1. **What is the role of the California Department of Water Resources (DWR) at the San Luis Project?** DWR and Reclamation jointly developed the San Luis facilities which include the dam, Gianelli pump/generator plant, and the associated canals. DWR operates and maintains all the San Luis Project facilities except for O'Neill pump/generator plant which Reclamation constructed and operates/maintains under contract with the San Luis-Delta Mendota Water Agency.

Western Area Power Administration

1. **What is the role of Western Area Power Administration (Western) in the San Luis Project?** Western is the federal power marketing agency that provides transmission service for Reclamation. The 230-kV substation at the San Luis facility is owned by Western and any modifications or upgrades to it would be by Western.
2. **Are System Impact Studies required to interconnect with the transmission system in the area?** Yes. Western has an Open Access Transmission Tariff (OATT) that includes the process by which an entity requests interconnection to and/or transmission service on the Western transmission system. A Western System Impact Study identifies impacts that would result from the proposed interconnection and/or transmission service and identifies the mitigation actions or system modifications required to alleviate the impacts on Western's transmission system as well as neighboring impacted transmission systems.
3. **What other coordination activities are required by Western?** All activities for interconnection to and/or transmission service on Western's transmission system are set forth in Western's OATT including facility studies, environmental reviews and clearances, and construction of new facilities to provide transmission service as necessary.

Land Use Restrictions

1. **Does the federal government own all the land shown on the map titled San Luis and O'Neill Right of Way?** Yes. However, there are existing easements on the property for transmission lines (PG&E) as well as recreation areas. Integration with these existing land uses would be required by the developer(s) if sharing the sites is contemplated.
2. **The map entitled San Luis Res Safety of Dams Land shows several areas of blue and green hatch marked. Does that mean that land can't be considered for renewable development?** Not exactly. The land areas marked have been identified for possible borrow areas. However, if developers are interested in use of those areas, they should indicate so. Trade-offs can be considered. For instance, if one site proposed for renewable energy development would provide new generation but would be staged for after the site has been used for a borrow area, then that situation would work well. Borrow Areas 10 and 11 were previously used as borrow sites and it is unknown if these will be used for the Safety of Dams project.

3. **What is the difference between blue and green hatch marks?** The blue is for potential borrow areas that have not been used before. The green identifies borrow areas previously used.
4. **When is the work involving the borrow areas to be completed?** It is anticipated that the work could be started as early as 2015 depending on availability of funds. Once started, it is expected to take five years to complete. Starting in 2015 is subject to available funding and this start date could slip several years.
5. **If one of the borrow area sites would work for renewable development so well and on an expedited basis, could it be removed from possible future use for borrow?** Possibly
6. **Could a potential developer work with Reclamation to stage work such that the borrow areas used would result in a better site for renewable development (i.e. final grading lines after the borrow work result in a better renewable facility site)?** Yes but due to a schedule that could go to 2020, this may not meet the renewable schedule requirements.
7. **How will any proposed project integrate with the Recreation Areas at San Luis?** It is anticipated that developers may consider proposing renewable development (solar carports) within the recreation areas. With this type interest, close coordination with agencies managing recreation interests in the area will be necessary.

Power Purchase Options

1. **Will Reclamation purchase the output of any renewable development at San Luis?** No.
2. **Will DWR purchase the output of any renewable development at San Luis?** The developer should contact Mike Werner, DWR, Power Contracts Manager, at 916-574-0620 to determine their level of interest.
3. **Will Western purchase the output of any renewable development at San Luis?** It is unlikely Western would enter into a long-term purchase of the output; however, Western does purchase energy on an as-needed basis as they participate in the real-time and day-ahead markets.
4. Who **else would be likely purchasers of energy produced by renewable generation at San Luis?** Developers should consider potential purchasers of power within the California Independent System Operator (CAISO) balancing authority (such as PG&E and municipalities within CAISO) and the Balancing Authority of Northern California (BANC) which includes SMUD and the Cities of Shasta Lake, Roseville and Redding and the Modesto Irrigation District.

Transmission Interconnection Options

1. **How do we interconnect our renewable resources to the transmission system in the area?** The existing Gianelli pump/generator plant is interconnected to the CAISO Balancing Authority by two, 230-kv transmission lines in the San Luis Substation adjacent to the plant. Connecting into the San Luis Substation from a renewable development will enable selling the renewable output to CAISO.
2. **What is the lowest voltage service in San Luis Substation?** The pump/generator voltage is 13.8-kV. A substation expansion is being contemplated for the 2016 timeframe to install 230/70-kv transformation at San Luis Substation and construction of a 70-kv transmission line to O'Neill pump/generator plant.

3. **What future modifications are anticipated at San Luis Substation?** Feasibility studies and planning is underway for construction of a new, double circuit 230-kv transmission line to connect San Luis facilities to Tracy Substation approximately 62 miles north so that the San Luis and O'Neill facilities would be a part of the BANC.
4. **When would the new transmission line between Tracy and San Luis be completed?** A reasonable expectation is 2016 and after preliminary planning is complete, a more refined completion date will be identified.

Lease Options

1. **Who is responsible for developing a lease with the developers?** Reclamation.
2. **What would be the length of the lease?** Initial lease terms would be 25 years.
3. **What if there are existing leases on the land?** Reclamation would evaluate the existing lease terms and benefits versus the benefits provided by a renewable resource developer and determine appropriate course of actions.
4. **Would more than one lease be considered to different developers?** Yes.

Next Steps

1. Interested developers should monitor the website for latest information related to this project: www.usbr.gov/mp/cvo/renproj
2. A site visit will be arranged for interested parties to visit the area. For the sake of efficiency, it is desired that only one visit to include all parties versus several visits individually.
3. Statements of Interests received will be reviewed by DWR, Western, and Reclamation.
4. Developers will be contacted should clarifications or addition information be needed.