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August 28, 2009

Anthony Como, Director Permitting and Siting, U.S. Department of Energy 1000 Independence Avenue Room 6H-050, OE-20 Washington, DC 20585

Subject: Submittal of Addendum to Baja Wind U.S. Transmission, LLC Application for Presidential Permit

(PP-334)

Dear Mr. Como:

Sempra Generation on behalf of Energia Sierra Juarez U.S. Transmission, LLC (ESJ U.S. Transmission) hereby submits an addendum to the Application for a Presidential Permit (Docket Number PP-334) to clarify several project issues. These issues have been raised as part of the ongoing DOE review of the project.

- 1. Mexican Entity Name: In our initial application, we made reference to Baja Wind, S. de R.L. de C.V. (Baja Wind), a subsidiary of Sempra Energy Mexico, as the entity undertaking the development in Mexico of the La Rumorosa Wind Energy Project. Please note that Baja Wind, S. de R.L. de C.V. has been renamed Energía Sierra Juárez S. de R.L. de C.V. (ESJ Wind) to more accurately reflect the location of the Project. Sempra Energy no longer refers to the project as La Rumorosa Wind or any such derivatives and instead uses the term Energía Sierra Juárez, ESJ, or ESJ Wind. Energía Sierra Juárez S. de R.L. de C.V. remains a subsidiary of Sempra Energy Mexico.
- 2. <u>Use of the term "Generator-tie Line"</u>: ESJ U.S. Transmission notes that there is a regulatory differentiation between a "Generator-tie Line" and a "Transmission Line." A "Generator-tie Line" is a sole-use facility constructed by an electric generator to interconnect and transmit its power to the electric grid. Conversely, a "Transmission Line" is an electrical line constructed by a traditional public utility, which must provide open access to that line to any party that requests it. It is ESJ U.S. Transmission's view that the approximately one mile electrical line proposed by ESJ U.S. Transmission is more accurately termed a Generator-tie Line, in that it is a sole-use facility being proposed in order to interconnect the ESJ Wind project to the US electric grid.

The Department of Energy (DOE) has indicated that the common public terminology for all such lines is "Transmission Line" and intends to use this terminology throughout the Environmental Impact Statement for the ESJ U.S. Transmission Generator-tie Line Project. ESJ U.S. Transmission believes that the term "Generator-tie Line" is the more accurate terminology and that it should be

used by DOE. However, if DOE desires to use the term "Transmission Line", ESJ U.S. Transmission requests that DOE clearly indicate that ESJ U.S. Transmission is proposing to construct a "Generator-tie Line" and not a "Transmission Line", and that for reasons of convenience the DOE prefers to refer to the line as a Transmission Line.

3. <u>Physical Limitation vs. Interconnection Requests</u>: It appears there is some confusion pertaining to the physical limitation of the ESJ U.S. Transmission Generator-tie line, the Interconnection requests that ESJ has made to the California Independent System Operator (CAISO) and the amount of interconnection being sought through the Presidential Permit application and.

The physical limitation of the ESJ U.S. Transmission Generator-tie line is anticipated to be 1250 MW. The physical limit of the ESJ U.S. Transmission Generator-tie line will be determined by the physical capacity of the electric wire, electrical transformers, and other equipment associated with the line. As a general rule, this type of equipment comes in standards sizes which are not sized in 1 MW increments, and instead is sized in fixed increments. For the ESJ U.S. Transmission Generator-tie line, the 1250 MW physical limit is based on the typical capacity of the electric wire that will accommodate the amount of generation anticipated to be installed by ESJ Wind.

Sempra Generation has submitted three interconnection requests to the CAISO, totaling 1120 MW. Although it is possible to submit interconnection requests to completely fill the physical capacity of the Generator-tie line, interconnection requests to the CAISO are very expensive and have a limited shelf life. It is unclear how long it will take ESJ Wind to reach the 1120 MW it currently has in interconnection requests, and therefore it is not prudent to submit additional requests to completely fill the line's capacity.

ESJ U.S. Transmission requests that the import capacity in the Presidential Permit be limited to the physical capacity of the Generator-tie line (1250 MW) and that power on this line be limited to renewable energy projects.

Should you have any questions or comments on the application please contact me or Ms. Joan Heredia at 619-696-1824.

Sincerely,

Alberto Abreu

Director – Project Development

Sempra Generation

cc. Joan Heredia