DOCKETED	
Docket Number:	25-BUSMTG-01
Project Title:	2025 Business Meeting Agendas, Transcripts, and Public Comments
TN #:	267637
Document Title:	Orders and Resolutions of the November 17, 2025 Adjourned Business Meeting
Description:	N/A
Filer:	Kim Todd
Organization:	California Energy Commission
Submitter Role:	Commission Staff
Submission Date:	11/19/2025 12:44:30 PM
Docketed Date:	11/19/2025

ORDER NO: 25-1117-02

STATE OF CALIFORNIA

STATE ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION

IN THE MATTER OF: Docket No.: 01-AFC-06C

Magnolia Power Project
Post Certification Petition to Amend

ORDER ON PETITION TO AMEND

I. BACKGROUND

On December 23, 2024, Southern California Public Power Authority, the project owner of the Magnolia Power Plan (MPP), filed a post certification petition (TN 260806) with the California Energy Commission (CEC) requesting to amend the 2003 Final Commission Decision (Decision) to improve the turbine's thermal energy conversion process allowing MPP to generate an additional 54 MWs during hot-weather ambient conditions, and to make the incremental capacity available for dispatch to the grid on a day-ahead and real- time basis during extreme events. On December 10, 2024, MPP filed a Title V Significant Permit revision pursuant to South Coast Air Quality Management District (SCAQMD) Rule 3000. SCAQMD approved the proposed changes to MPP's Title V Permit and issued its Permit to Construct on October 16, 2025.

To ensure MPP's existing CEC air quality conditions of certification (COCs) conform with the SCAQMD amended operating permit under Title V of the Federal Clean Air Act, staff proposes to modify and add new Air Quality (AQ) COCs to the CEC's Decision.

The MPP is a 323 MW, natural gas-fired, thermal power plant operating in combined-cycle configuration. The project is located in Burbank, Los Angeles County. It was certified by the CEC in March 2003 and began commercial operation in September 2005.

Based on a review of the petition and the SCAQMD amended operating permit, Staff proposes to modify the existing COCs and add the following new AQ COCs:

Increase allowable annual hours of operation in COC AQ-2b,

- Add a new COC AQ-2c to limit annual fuel use,
- Add a new COC AQ-9 to be consistent with the new source testing requirements as specified by SCAQMD,
- Increase monthly carbon monoxide (CO) and volatile organic carbon (VOC)
 emissions limits while decreasing monthly emissions limits of particulate matter
 less than 10 microns (PM10) and oxides of sulfur (SOx) in AQ-11,
- Add a new COC AQ-11a to limit PM10 emission factors,
- Increase oxides of nitrogen (NOx) emissions limits during startups and shutdowns and revise recommissioning hours, fuel use, and NOx emissions limits in COC AQ-22,
- Increase allowable CO emissions limits during startups and shutdowns and revise recommissioning hours, fuel use, and CO emissions limits in COC AQ-23,
- Modify COC AQ-25 to remove recommissioning hours and fuel use limits and to exempt VOC emissions limits during startup and shutdown periods,
- Add a new COC AQ-25a to require SCPPA to submit Emission Reduction Credits (ERCs) for the increased VOC emissions;
- Increase required RECLAIM¹ Trading Credits (RTCs) for the combustion turbine and decrease required RTCs for the duct burner in COC AQ-27, and
- Delete COC AQ-2a because it is no longer needed since the previous recommissioning period has been completed.

The modification to the CTG equipment would necessitate an increase to the hourly and daily emission limits and the project owner would be required to source test the CTG within 60 days of initial startup of the project. However, the proposed increase in hourly and daily emission limits are small and air quality modeling results show that the project is not expected to cause an exceedance of any air quality emission standards. Staff has determined that the minor increase in hourly and daily emission limits, proposed modifications to the AQ COCs, and addition of new AQ COCs would not result in significant impacts to the ambient air quality and the environment.

The proposed amendments to the Decision are necessary to ensure consistency with the project's Title V operating permit. The modifications and additions proposed by the CEC staff to the Air Quality COCs would allow the project to continue to operate in compliance with the Decision, the SCAQMD permit requirements, and applicable laws, ordinances, regulations, and standards (LORS).

II. STAFF RECOMMENDATION

Staff recommends the CEC approve the petition to amend including the new and modified COCs provided herein.

¹ https://www.aqmd.gov/home/programs/business/about-reclaim/reclaim-trading-credits

Staff has reviewed the petition for potential environmental effects and consistency with applicable LORS pursuant to California Code of Regulations, title 20, section 1769. Staff concludes that, with the addition of new or amended conditions of certification (AQ-2b, AQ-2c, AQ-9, AQ-11, AQ-11a, AQ-22, AQ-23, AQ-25, AQ-25a, AQ-27, and AQ-2a) the effect on the environment would be less than significant. Staff also concludes that the project would continue to comply with all appliable LORS and that the findings specified in California Code of Regulations, title 20, section 1748(b), do not apply to the proposed changes. Staff also concludes the proposed new and modified AQ COCs do not meet any of the criteria requiring the preparation of subsequent or supplement review pursuant to Public Resources Code section 21166 or California Code of Regulations, title 14, sections 15162 and 15163. Finally, staff concludes that the new and modified COCs are consistent with the requirements contained in permits issued by the SCAQMD. Staff's assessment of the petition was subject to a 30-day comment period.

III. ENERGY COMMISSION FINDINGS

Based on the record, including staff's analysis, the CEC concludes that the proposed new and modified COCs will not result in any significant impacts to public health and safety, or to the environment. The CEC finds that:

- The petition meets all the filing criteria of California Code of Regulations, title 20, section 1769(a) concerning post-certification project changes;
- The new and modified COCs will not change the findings in the CEC's Final Decision, pursuant to California Code of Regulations, title 20, section 1748;
- The findings required under California Code of Regulations, title 20, section 1748(b), are not applicable to this petition;
- The project will remain in compliance with all applicable laws, ordinances, regulations, and standards, subject to the provisions of Public Resources Code, section 25525;
- Any environmental impacts will be less than significant with the addition of new or amended conditions of certification: (AQ-2b, AQ-11, AQ-22, AQ-23, AQ-25, AQ-27, the addition of new COCs AQ-2c, AQ-9, AQ-11a, AQ-25a, and the deletion of the existing COC AQ-2a);
- The proposed project change does not meet the criteria requiring the production of subsequent or supplemental review as specified in California Code of Regulations, title 14, section 15162(a);
- Notice of the staff assessment was mailed to the CEC's list of interested parties and property owners of all parcels within 500 feet of any affected project linears and 1,000 feet of the project site as well as emailed to the MPP subscription list; and

• The staff assessment was posted to the docket on October 2, 2025, and was subject to a 30-day comment period. Comments received during the comment period are addressed in the errata adopted by the CEC.

IV. CONCLUSION AND ORDER

Based on its independent review of staff's analysis (TN 266274) the CEC hereby adopts the CEC Findings set forth herein and approves the petition to amend and the new and modified conditions of certification as modified in accordance with the Errata Sheet #1 in Attachment A, to the Commission Final Decision proposed in the Staff Recommendations.

IT IS SO ORDERED.

CERTIFICATION

The undersigned Secretariat to the CEC does hereby certify that the foregoing is a full, true, and correct copy of an order duly and regularly adopted at a meeting of the CEC held on November 17, 2025.

AYE: Hochschild, Gunda, McAllister, Gallardo, Skinner

NAY: NONE ABSENT: NONE ABSTAIN: NONE

Dated: November 18, 2025

SIGNED BY:

Kim Todd Secretariat

ATTACHMENT A - ERRATA SHEET #1

On October 24, 2025, Southern California Public Power Authority and the City of Burbank provided minor editorial comments (TN 266839) regarding the Magnolia Power Project (01-AFC-06C) CEC Staff Analysis for the Petition to Amend the Final Commission Decision to Install Efficiency Upgrades, docketed on October 2, 2025. The changes set forth below to the Staff Assessment (TN 266274) are necessary to correct typographical errors or for clarity. Deleted text is shown in strikethrough and new text is shown as **bold underline**.

Page 1 and Page 6 is revised as follows:

 On December <u>23</u>31, 2024, the Southern California Public Power Authority (SCPPA) filed a Post-Certification Petition for Changes in Project Design, Operation or Performance and Amendments to the Commission Decision (TN 060806) (TN 260806) with the California Energy Commission (CEC) for the Magnolia Power Project (MPP), pursuant to California Code of Regulations, title 20, section 1769.

Page 10 Subsection Air Quality, Paragraph 1 is revised as follows:

 See footnote 2 above on page 2 of the PDF for a more detailed explanation of why the MW increase analyzed for a worst-case air quality impacts analysis at 22 degrees Fahrenheit is different from the MW increase at 77 degrees Fahrenheit or higher.

Page 11, Subsection Efficiency, the heading of the subsection is revised as follows:

3. The heading of the subsection has been updated to reflect the correct spelling "Efficiency".

Page 19, Subsection CEC Staff Recommendations and Conclusions, fourth paragraph, first sentence is revised as follows:

4. Staff has recommended new and modified COCs for consistency with the new draft Authority Permit to Construct permit (TN 266758) issued by South Coast Air Quality Management District on July 22 October 16, 2025, which reflects the same proposed changes to the MPP.

Page 28, Subsection Operation, first paragraph, first sentence is revised as follows:

5. After completion of the recommissioning period, the gas turbine maximum hourly fuel firing rate will increase from 1,783 1,787 MMBtu/hr to 2,103 MMBtu/hr (HHV) and the annual operating hours of the gas turbine will increase from 8,322 hours per year (hrs/yr) to 8,508 hrs/yr in COC AQ-2b.

The City of Burbank Water and Power suggests that throughout the Staff Analysis, staff should consider referring to the SCAQMD MPP permit to operate as the "SCAQMD Facility Permit to Operate".

6. The suggested edit was not accepted by staff because the CEC staff's description, "SCAQMD MPP Permit" is facility specific and denotes the Magnolia Power Project.

STATE OF CALIFORNIA

STATE ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION City of Burbank

WHEREAS, the Magnolia Power Project (MPP, or facility) located in the City of Burbank is a 323 megawatt (MW) combined cycle natural gas fired power generation facility with a current output capacity of 247.4 MW at full load, owned by the Southern California Public Power Authority (SCPPA) and operated by the City of Burbank (City) and Burbank Water and Power (BWP);

WHEREAS, the State Energy Resources Conservation and Development Commission California (California Energy Commission, or CEC) first certified the MPP in March 2003 and the facility began commercial operation in September 2005. CEC's certification of the facility was pursuant to the CEC's regulatory program certified (CRP) by the Secretary of the Natural Resources Agency under section Public Resources Code section 21080.5 and California Code of Regulations, title 14, section 15251(j);

WHEREAS, the CEC serves as a Lead Agency under the California Environmental Quality Act (CEQA)'s when it considers the initial certification of the MPP and any subsequent amendments through the CEC's CRP applicable to thermal power plants;

WHEREAS, the CEC is considering proposed agreement DBA-25-003 with the City of Burbank for a \$23,293,654 grant under the Distributed Energy Backup Assets Program (DEBA) to fund the purchase, installation, and reported performance of an advanced compressor system upgrade to the MPP facility that is expected to increase efficiency, improve hot-day performance, and increase the effective power output of the facility by up to 29.9 MW / 233,346 MWh/year. The City will make the incremental capacity available from the facility during extreme events on a day-ahead and real-time basis to the host California Balancing Authority for a term of five years from the commercial online date of the upgraded facility;

WHEREAS, on December 10, 2024, the City filed an application for a Title V Significant Permit revision with the South Coast Air Quality Management District (SCAQMD) to install and operate the facility consistent with the requirements of the proposed DEBA funding for this advanced compressor system upgrade and a related advanced gas path system upgrade;

WHEREAS, on December 23, 2024, SCPPA submitted to the CEC a petition to amend the CEC's March 2003 Final Decision to certify the MPP, in order to install and operate the facility consistent with the advanced compressor system upgrade and other requirements of the proposed DEBA funding under GFO-23-401;

WHEREAS, On July 31, 2025, SCAQMD issued a Preliminary Permit to Operate (TN 265175) including proposed changes to MPP's Title V Permit associated with the proposed advanced compressor system and related upgrades;

WHEREAS, the CEC staff reviewed the petition to amend, together with the draft preliminary permit issued by SCAQMD, for potential environmental effects and consistency with applicable laws, ordinances, regulations, and standards pursuant to California Code of Regulations, title 20, section 1769; and concluded that with the addition of new or amended conditions of certification (COCs), the effect on the environment would be less than significant;

WHEREAS, on October 2, 2025, the CEC staff assessment of the petition to amend --which included staff's environmental analysis prepared under the CEC's CRP and the specific new and amended COCs recommended for the facility – was posted to the facility's Docket No. 01-AFC-06C (TN 266274) for a 30-day public comment period;

WHEREAS, on October 14, 2025, the City of Burbank adopted a resolution authorizing the General Manager of BWP to execute, negotiate, and implement this proposed funding award with the CEC, subject to obtaining SCPPA's final approval as the project owner;

WHEREAS, on October 16, 2025, SCAQMD issued its Permit to Construct (TN 266758), which did not contain new information not considered in the draft CEC staff assessment posted on October 2, 2025;

WHEREAS, on October 16, 2025, SCPPA adopted a resolution authorizing the City and BWP to execute, negotiate, and implement this proposed funding award with the CEC, acknowledging that the City's full authority to proceed is subject to further approval by SCPPA following the completion of the CEC's environmental assessment which occurred at this November 17, 2025, business meeting of the CEC;

WHEREAS, based on the CEC staff assessment and public comments, on November 17, 2025, the CEC found that the proposed new and modified COCs for the facility will not result in any significant impacts to public health and safety, or to the environment. The CEC adopted further findings required under the CEC's CRP including:

- The petition to amend meets all the filing criteria of California Code of Regulations, title 20, section 1769(a), concerning post-certification project changes.
- The new and modified COCs will not change the findings in the CEC's Final Decision, pursuant to California Code of Regulations, title 20, section 1748.
- The project will remain in compliance with all applicable laws, ordinances, regulations, and standards, subject to the provisions of Public Resources Code section 25525.

- Any environmental impacts will be less than significant with the addition of new or amended conditions of certification AQ-2b, AQ-2c, AQ-9, AQ-11, AQ-11a, AQ-22, AQ-23, AQ-25, AQ-25a, and AQ-27, and deleting AQ-2a.
- The proposed project changes do not meet the criteria requiring the production of subsequent or supplement review as specified in California Code of Regulations, title 14, sections 15162(a);

WHEREAS, on November 17, 2025, the CEC also approved the petition to amend and the new and modified conditions of certification proposed in the staff's recommendations to the CEC's Final Decision:

WHEREAS, because the staff assessment prepared for the CEC's approval of the petition to amend was prepared under the CEC's certified regulatory program and fully considered the potential environmental impacts of the installation and operational requirements of this DEBA award, the CEC can review the record on the petition to amend and make similar findings for the approval of the DEBA award itself, as well as a determination that approving the DEBA award does not meet the criteria requiring the production of subsequent or supplemental review as specified in California Code of Regulations, title 14, section 15162(a);

WHEREAS, the CEC has reviewed and considered the staff assessment for the MPP petition to amend and the CEC's findings made thereupon; and

WHEREAS, prior to acting on the agreement DBA-25-003, the CEC desires to make certain findings pursuant to CEQA Guidelines Section 15162(a) regarding the proposed DEBA award.

NOW, THEREFORE, BE IT RESOLVED, that the CEC has considered the application of CEQA to the proposed DEBA award to the City and makes the following findings and determinations:

- The DEBA award will not have a significant effect on the environment.
- The DEBA award does not meet the criteria for requiring the production of subsequent or supplemental environmental review as specified in California Code of Regulations, title 14, section 15162(a).
- Mitigation measures were not made a condition of the approval of the DEBA award.
- A mitigation reporting or monitoring program was not adopted for the DEBA award
- A Statement of Overriding Considerations was not adopted for the DEBA award.
- These findings were made pursuant to the provisions of CEQA.

FURTHER RESOLVED, that the Energy Commission approves DBA-25-003; and

FURTHER RESOLVED, that this document authorizes the Executive Director or his or her designee to execute the same on behalf of the CEC subject to the City demonstrating to the Executive Director that the City has been granted full authority to proceed by SCPPA.

CERTIFICATION

The undersigned Secretariat to the CEC does hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the CEC held on November 17, 2025.

The undersigned Secretariat to the CEC does hereby certify that the foregoing is a full, true, and correct copy of an order duly and regularly adopted at a meeting of the CEC held on November 17, 2025.

AYE: Hochschild, Gunda, McAllister, Gallardo, Skinner

NAY: NONE ABSENT: NONE ABSTAIN: NONE

Dated: November 18, 2025

SIGNED BY:

Vice Todd

Kim Todd Secretariat

STATE OF CALIFORNIA

STATE ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION City of Burbank

WHEREAS, the Magnolia Power Project (MPP, or facility) located in the City of Burbank is a 323 megawatt (MW) combined cycle natural gas fired power generation facility with a current output capacity of 247.4 MW at full load, owned by the Southern California Public Power Authority (SCPPA) and operated by the City of Burbank (City) and Burbank Water and Power (BWP);

WHEREAS, the State Energy Resources Conservation and Development Commission California (California Energy Commission, or CEC) first certified the MPP in March 2003 and the facility began commercial operation in September 2005. CEC's certification of the facility was pursuant to the CEC's regulatory program certified (CRP) by the Secretary of the Natural Resources Agency under section Public Resources Code section 21080.5 and California Code of Regulations, title 14, section 15251(j);

WHEREAS, the CEC is considering proposed agreement DBA-25-004 with the City of Burbank for a \$12,755,466 grant under the Distributed Energy Backup Assets Program (DEBA) to fund the purchase, installation, and reported performance of for an advanced gas path system upgrade to the MPP facility that is expected to increase efficiency, improve hot-day performance, and increase the effective power output of the facility by up to 24 MW / 187,114 MWh/year. The City will make the incremental capacity available from the facility during extreme events on a day-ahead and real-time basis to the host California Balancing Authority for a term of five years from the commercial online date of the upgraded facility;

WHEREAS, on December 10, 2024, the City filed an application for a Title V Significant Permit revision with the South Coast Air Quality Management District (SCAQMD) to install and operate the facility consistent with the requirements of the proposed DEBA funding for this advanced gas path system upgrade and a related advanced compressor system upgrade;

WHEREAS, on December 23, 2024, SCPPA submitted to the CEC a petition to amend the CEC's March 2003 Final Decision to certify the MPP, in order to install and operate the facility consistent with the advanced gas path system upgrade and other requirements of the proposed DEBA funding under GFO-23-401;

WHEREAS, On July 31, 2025, SCAQMD issued a Preliminary Permit to Operate (TN 265175) including proposed changes to MPP's Title V Permit associated with the proposed advanced gas path system and related upgrades;

WHEREAS, the CEC staff reviewed the petition to amend, together with the draft preliminary permit issued by SCAQMD, for potential environmental effects and

consistency with applicable laws, ordinances, regulations, and standards pursuant to California Code of Regulations, title 20, section 1769; and concluded that with the addition of new or amended conditions of certification (COCs), the effect on the environment would be less than significant;

WHEREAS, on October 2, 2025, the CEC staff assessment of the petition to amend --which included staff's environmental analysis prepared under the CEC's CRP and the specific new and amended COCs recommended for the facility – was posted to the facility's Docket No. 01-AFC-06C (TN 266274) for a 30-day public comment period;

WHEREAS, on October 14, 2025, the City of Burbank adopted a resolution authorizing the General Manager of BWP to execute, negotiate, and implement this proposed funding award with the CEC, subject to obtaining SCPPA's final approval as the project owner;

WHEREAS, on October 16, 2025, SCAQMD issued its Permit to Construct (TN 266758), which did not contain new information not considered in the draft CEC staff assessment posted on October 2, 2025;

WHEREAS, on October 16, 2025, SCPPA adopted a resolution authorizing the City and BWP to execute, negotiate, and implement this proposed funding award with the CEC, acknowledging that the City's full authority to proceed is subject to further approval by SCPPA following the completion of the CEC's environmental assessment which occurred at this November 17, 2025, business meeting of the CEC;

WHEREAS, based on the CEC staff assessment and public comments, on November 17, 2025, the CEC found that the proposed new and modified COCs for the facility will not result in any significant impacts to public health and safety, or to the environment. The CEC adopted further findings required under the CEC's CRP including:

- The petition to amend meets all the filing criteria of California Code of Regulations, title 20, section 1769(a), concerning post-certification project changes.
- The new and modified COCs will not change the findings in the CEC's Final Decision, pursuant to California Code of Regulations, title 20, section 1748.
- The project will remain in compliance with all applicable laws, ordinances, regulations, and standards, subject to the provisions of Public Resources Code section 25525.
- Any environmental impacts will be less than significant with the addition of new or amended conditions of certification: AQ-2b, AQ-2c, AQ-9, AQ-11, AQ-11a, AQ-22, AQ-23, AQ-25, AQ-25a, and AQ-27, and deleting AQ-2a.
- The proposed project changes do not meet the criteria requiring the production of subsequent or supplement review as specified in California Code of Regulations, title 14, sections 15162(a);

WHEREAS, on November 17, 2025, the CEC also approved the petition to amend and the new and modified COCs;

WHEREAS, because the staff assessment prepared for the CEC's approval of the petition to amend was prepared under the CEC's certified regulatory program and fully considered the potential environmental impacts of the installation and operational requirements of this DEBA award, the CEC can review the record on the petition to amend and make similar findings for the approval of the DEBA award itself, as well as a determination that approving the DEBA award does not meet the criteria requiring the production of subsequent or supplemental review as specified in California Code of Regulations, title 14, section 15162(a);

WHEREAS, the CEC has reviewed and considered the staff assessment for the MPP petition to amend and the CEC's findings made thereupon; and

WHEREAS, prior to acting on the agreement DBA-25-004, the CEC desires to make certain findings pursuant to CEQA Guidelines Section 15162(a) regarding the proposed DEBA award.

NOW, THEREFORE, BE IT RESOLVED, that the CEC has considered the application of CEQA to the proposed DEBA award to the City and makes the following findings and determinations:

- The DEBA award will not have a significant effect on the environment.
- The DEBA award does not meet the criteria for requiring the production of subsequent or supplemental environmental review as specified in California Code of Regulations, title 14, section 15162(a).
- Mitigation measures were not made a condition of the approval of the DEBA award.
- A mitigation reporting or monitoring program was not adopted for the DEBA award.
- A Statement of Overriding Considerations was not adopted for the DEBA award.
- These findings were made pursuant to the provisions of CEQA.

FURTHER RESOLVED, that the Energy Commission approves DBA-25-004; and

FURTHER RESOLVED, that this document authorizes the Executive Director or his or her designee to execute the same on behalf of the CEC subject to the City demonstrating to the Executive Director that the City has been granted full authority to proceed by SCPPA.

CERTIFICATION

The undersigned Secretariat to the CEC does hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the CEC held on November 17, 2025.

AYE: Hochschild, Gunda, McAllister, Gallardo, Skinner

NAY: NONE ABSENT: NONE ABSTAIN: NONE

Dated: November 18, 2025

SIGNED BY:

Kim Todd Secretariat