

DOCKETED

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STATEMENT OF STAFF APPROVAL OF POST CERTIFICATION CHANGE

WATSON COGENERATION PROJECT (85-AFC-01C)

On October 11, 2024, Watson Cogeneration Company, the project owner, filed a Post-Certification Petition for Changes in Project Design, Operation or Performance and Amendments to the Commission Decision (Petition) ([TN 264560](#)) with the California Energy Commission (CEC) for the Watson Cogeneration Project (WCP), pursuant to California Code of Regulations, title 20, section 1769.

The WCP is a 385-megawatt combined-cycle cogeneration facility located in the city of Carson, Los Angeles County. The project was certified by the CEC on September 17, 1986, and began commercial operation on April 1, 1988.

DESCRIPTION OF PROPOSED CHANGE

On August 8, 2023, during a routine compliance inspection of WCP, CEC staff observed unauthorized construction activities and project changes at the CEC-approved facility. The CEC subsequently issued a compliance advice letter in connection with these activities.

The project owner seeks the CEC's approval of the following project modifications:

1. Three 220 kilovolt (kV) Gas Insulated Switchgears (GISs) within the existing substation (Sub 1F) at the WCP. The GISs were already constructed and are located within the existing Sub 1F substation, and are laid out in a breaker and a half arrangement; and
2. Modification of the site boundaries to exclude the already constructed 69 kV GIS substation (Sub 1P), two 69 kV transformers, and two transmission poles.

For additional information, go to the [CEC's project webpage](#) (<https://www.energy.ca.gov/powerplant/combined-cycle/watson-cogeneration-project>). In the box labeled "Compliance Proceeding," click on "Docket Log" to access documents for this proceeding.

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CEC STAFF REVIEW AND CONCLUSIONS

California Code of Regulations, title 20, section 1769(a)(1) requires a project owner to petition the CEC for the approval of any change the project owner proposes to the project design, operation, or performance requirements of a certified facility. Pursuant to 1769(a)(3)(A), the petition may be approved by CEC staff (staff) only if the following criteria are met:

- i. There is no possibility that the change may have a significant impact on the environment, or the change is exempt from the California Environmental Quality Act;
- ii. The changes would not cause the project to fail to comply with any applicable laws, ordinances, regulations, or standards (LORS); and
- iii. The changes would not require a change to, or deletion of, a condition of certification adopted by the Commission in the Final Decision or subsequent amendments.

Staff reviewed the petition for potential environmental effects and consistency with LORS. Staff's conclusions for all technical and environmental areas for Part 1 of the PTA, i.e., construction of the three 220 kV GISs, are summarized in **Table 1**.

For Part 2 of the PTA, which is related to the environmental impacts of the boundary adjustment to exclude previously constructed components from the CEC jurisdictional site, staff's conclusions are not included in Table 1. Instead, they are summarized at the end of this section.

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TABLE 1
Summary of Conclusions for all Technical and Environmental Areas for the construction of GISs

Technical Areas Reviewed	CEQA				Conforms with applicable LORS
	Potentially Significant Impact	Less Than Significant Impact with Mitigation (with Revised or New COCs)	Less Than Significant Impact (with or without Existing COCs)	No Impact	
Air Quality			X		X
Biological Resources				X	X
Cultural Resources			X		X
Efficiency				X	
Facility Design					X
Geological and Paleontological Resources			X		X
Hazardous Materials Management			X		X
Land Use				X	X
Noise and Vibration			X		X
Public Health			X		X
Reliability					
Socioeconomics				X	
Soil and Water Resources			X		X
Transportation			X		X
Transmission Line Safety and Nuisance			X		X
Transmission System Engineering					X
Visual Resources			X		X
Waste Management				X	X
Worker Safety and Fire Protection			X		X

Areas shown in gray are not subject to CEQA consideration or have no applicable LORS the project must comply with.

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Below is the summary of staff conclusions for part 1 and part 2 of the PTA.

1. Part 1 - Construction of Three 220 kV GISs:

For the construction of the 220 kV Gas Insulated Switchgears (GISs) within the existing substation (Sub 1F) at the WCP, staff has determined that the modified project would continue to comply with applicable LORS, and the project change would not result in any significant adverse environmental impacts. The basis for each of staff's conclusions are provided below:

AIR QUALITY

Staff determined that construction emissions from the gas-insulated switchgears (GISs) and the new transmission pole were less-than significant since the area was previously paved with asphalt when the project was constructed. The modifications did not result in emissions from WCP that exceeded existing permitted levels during normal operation. WCP continues to comply with all emissions limits established in its current South Coast Air Quality Management District (SCAQMD) permits. Therefore, the changes did not have a significant adverse impact on air quality or greenhouse gases. The project remains in compliance with applicable air quality and greenhouse gas LORS.

BIOLOGICAL RESOURCES

The proposed construction of GISs occurred in previously disturbed and developed areas used for current facility operations and within the existing paved site. No habitat or vegetation could have been disturbed. Therefore, the proposed project modification did not affect biological resources, nor would it have required any changes to the existing biological resources COCs. The project remains in compliance with all applicable LORS related to biological resources.

CULTURAL RESOURCES

The equipment described in the PTA was all built on paved surfaces that overlay a filled, 30-foot-deep oil storage reservoir. Because the portions of the project site affected by the PTA activities consisted of fill-30 feet below current grade, there is no reasonable expectation that construction damaged cultural or tribal cultural resources.

Cultural resources staff determined that compliance with the Conditions of Certification **CUL-1** and **CUL-2** would have been required for the construction of the GISs.

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In response to Data Requests regarding compliance with **CUL-1**, WCP responded that all associated work occurred in locations that had been previously excavated, disturbed, backfilled, paved, and asphalted; if unknown cultural resources were discovered, appropriate notifications would have been made to the designated cultural resources contact retained by the consultant AECOM. For compliance with **CUL-2**, WCP indicated that no previously unknown cultural resources were discovered and that all locations where construction had occurred had been previously excavated, disturbed, backfilled, paved, and asphalted. Verification for compliance with **CUL-1** and **CUL-2** during the construction activities will be completed during the ongoing investigation.

EFFICIENCY

The modifications did not change the power plant's overall efficiency and power production. The addition of new GISs within the existing substation is intended to improve and optimize refinery operations. No LORS apply to power plant efficiency.

FACILITY DESIGN

The City of Carson served as the Chief Building Official (CBO) for the project and performed plan checks and approved all construction activities related to the installation of new GISs within the existing substation.

In response to the CEC request regarding compliance with Conditions of Certification **ELEC-1** and **MECH-2**, the project owner provided copies of drawings, specifications, and calculations, approved by the City of Carson CBO prior to construction in November 2024, and May-July 2025. The project owner indicated that Condition of Certification **MECH-2** was not applicable to the current PTA. For compliance with **STRUC-2**, the project owner indicated that all Professional Engineers who approved the related plans were registered for design and construction within California. All drawings were stamped as appropriate and approved by the City of Carson CBO.

The CEC-assigned Delegate Chief Building Official (DCBO) is currently coordinating with the project owner to verify that all required reviews and approvals were completed in accordance with the 2022 edition of the California Building Standards Code (CBSC) and the existing Facility Design COCs adopted in the CEC Decision.

GEOLOGICAL AND PALEONTOLOGICAL RESOURCES

The proposed addition of new gas-insulated GISs overlaid a graded and filled 30-foot-deep oil storage reservoir. Construction and operation could not have disturbed native subsurface materials. During construction and operation, compliance with existing COCs, LORS, and the 2022 CBSC should have ensured that impacts related to geologic, mineral, and paleontological resources were less than significant.

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In response to CEC request for evidence of compliance with Conditions of Certification **GEO-1** and **GEO-2**, the project owner indicated that the geotechnical report for the substation prepared by a California licensed geotechnical engineer was provided to the City of Carson CBO prior to construction. This report was also provided to the CEC's DCBO in November 2024. Verification for compliance with the above COCs during the construction activities will be completed during the ongoing investigation.

HAZARDOUS MATERIALS MANAGEMENT

The proposed addition of new GISs within the existing substation did not involve extremely hazardous materials. Hazardous materials would have been stored, handled, and used in accordance with applicable LORS. Compliance with applicable LORS would have ensured less than significant impacts related to hazardous materials management. Therefore, the proposed changes had a less-than significant impact to the offsite public or the environment.

LAND USE

The GISs at the existing Sub 1F Substation located at the WCP site is consistent with existing approved uses at the site, as well as the site's General Plan designation and zoning for Heavy Industrial. No land use impacts occurred, and the project remains in compliance with applicable LORS.

NOISE AND VIBRATION

For compliance with Condition of Certification **NOISE-4**, the project owner determined it was not applicable to the proposed modifications. For **NOISE-6**, the project owner indicated that CAL/OSHA regulations and applicable noise requirements were followed during construction. There was no change to the operation of the WCP. No complaints or notices of violation regarding noise or otherwise were received during the construction of the GISs.

With the implementation of the above COCs, the proposed modifications could not have increased noise at nearby sensitive receptors. The operational noise would not have been affected. Furthermore, the project would continue to meet operational noise requirements established in the CEC Decision. Any noise generated during construction would have been temporary, intermittent, and consistent with the City of Carson General Plan Noise Element. With implementation of the existing Noise COCs, the proposed modifications would have created a less-than-significant impact on constructional and operational noise.

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PUBLIC HEALTH

Staff determined that construction emissions from the proposed modifications were less than significant since the area was previously paved with asphalt when the project was constructed. The modifications did not result in emissions from the WCP exceeding existing permitted levels during normal operation. WCP continues to comply with all emissions limits established in its current SCAQMD permits. Therefore, the changes did not have a significant adverse impact on public health. The project continues to remain in compliance with applicable public health LORS.

RELIABILITY

The proposed modifications did not affect the power plant's overall reliability. However, they would improve the reliability of delivering electricity from WCP to the refinery.

SOCIOECONOMICS

The addition of the GISs did not have any workforce-related impact on population, housing, public services, and recreation. There are no socioeconomic related LORS or COCs applicable to the proposed modifications.

SOIL AND WATER

The installation of the 220-kV GISs involved minor construction activities. Furthermore, the proposed modification did not result in increase in water consumption. Therefore, the modifications had a less than significant impact on soil and water resources and the project remains in compliance with applicable LORS.

TRANSPORTATION

The proposed GIS units were transported to the site as pre-assembled modules and connected to existing equipment, including circuit breakers, disconnectors, and current transformers. The estimated traffic generated by the project did not: (1) conflict with any program, plan, ordinance, or policy addressing the city's circulation system; (2) conflict with CEQA Guidelines Section 15064.3, subdivision (b), (pertaining to the evaluation of transportation impacts, specifically, the use of Vehicle Miles Traveled for land use projects); (3) substantially increase hazards due to a geometric design feature or incompatible uses; or (4) result in inadequate emergency access. The project remains in compliance with applicable LORS.

TRANSMISSION LINE SAFETY AND NUISANCE

The installation of the 220-kV GISs did not result in a change to the existing Transmission Line Safety and Nuisance COCs and had a less-than significant impact. The project remains in compliance with the COCs and LORS.

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TRANSMISSION SYSTEM ENGINEERING

The installation of the 220-kV GISs did not result in a change to the existing Transmission System Engineering COCs and had a less-than-significant impact. The project remains in compliance with applicable LORS.

VISUAL RESOURCES

The approximate 22-acre WCP is surrounded by the 650-acre Tesoro Carson Refinery, the largest refinery on the U.S. West Coast, on privately owned land.

The physical change resulting from the construction of the GISs did not result in a substantial adverse effect on a scenic vista or substantially damage scenic resources. Additionally, it did not conflict with applicable zoning or other regulations governing scenic quality (e.g., city zoning); and did not create a new source of substantial light or glare that would have adversely affected day or nighttime views in the area.

There are no public views of the physical modifications to the existing physical environment from publicly accessible vantage points along South Wilmington Avenue or other locations in the City of Carson, due to existing perimeter security fencing, landscaping, and onsite buildings, structures, and equipment. Therefore, the proposed modifications had less-than-significant impacts and the project continues to comply with applicable LORS.

WASTE MANAGEMENT

For compliance with Condition of Certification **WASTE-1**, the project owner responded that construction waste was handled in accordance with applicable State and Federal LORS consistent with existing Waste Management Procedures and that construction waste was properly disposed of at DTSC-permitted non-hazardous waste facilities. For **WASTE-2**, the project owner indicated that waste recycling was handled in accordance with existing Waste Management Procedures. All employees and contractors, including construction staff, were trained on existing site Waste Segregation practices.

Information relevant to waste management was provided to the CEC DCBO. For **WASTE-3**, National Pollution Discharge Elimination System and Los Angeles County Sanitation District requirements were followed during construction to segregate runoff. With the implementation of the above COCs, the installation of the GIS had a less-than significant impact and could not have resulted in a change to the existing Waste Management Plan. Verification for compliance with the above COCs will be completed during the ongoing investigation.

WORKER SAFETY AND FIRE PROTECTION

The proposed addition of GIS within the existing substation did not have an impact on worker safety and fire protection. Compliance with existing Worker Safety COCs and

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with applicable LORS would have ensured less-than significant impacts related to worker safety and fire protection. Therefore, the proposed changes had a less-than significant impact on workers' health and safety or the offsite public, and project remains in compliance of applicable LORS.

2. Part 2 - Boundary Adjustment:

For Boundary Adjustment request in the Petition to Amend (PTA), staff concluded that it would have no impact on any of the technical areas listed in **Table 1** above, and would not require addition, deletion, or changes to the existing conditions of certification (COCs). This is because a change in the boundary would not create a change in the physical environment. Additionally, it would not cause the project to fail to comply with any applicable LORS.

CALENVIRONSCREEN 4.0

Staff reviewed CalEnviroScreen 4.0 (CalEnviroScreen) data to determine whether the United States census tract where the Watson Cogeneration Project is located (06037980002) is identified as a disadvantaged community. This science-based mapping tool is used by the California Environmental Protection Agency (CalEPA) to identify disadvantaged communities based on geographic, socioeconomic, public health, and environmental hazard criteria pursuant to Health and Safety Code section 39711 as enacted by Senate Bill 535 (De León, Chapter 830, Statutes of 2012). The Watson Cogeneration Project is in a census tract that does not have an overall CalEnviroScreen score due to low population. The census tract is in the 95th percentile for pollution in CalEnviroScreen, and, thus, is identified as a disadvantaged community¹.

ENVIRONMENTAL JUSTICE

Environmental Justice Figure 1 shows 2020 census blocks in the six-mile radius of the Watson Cogeneration Project with a minority population greater than or equal to 50 percent. The population in these census blocks represents an environmental justice (EJ) population based on race and ethnicity as defined in the United States *Guidance on*

¹ The four categories of geographic areas identified by CalEPA as disadvantaged are: 1) Census tracts receiving the highest 25 percent of overall scores in CalEnviroScreen 4.0, 2) Census tracts lacking overall scores in CalEnviroScreen 4.0 due to data gaps, but receiving the highest 5 percent of CalEnviroScreen 4.0 cumulative pollution burden scores, 3) Census tracts identified in the 2017 DAC designation, regardless of their scores in CalEnviroScreen 4.0, and 4) Lands under the control of federally recognized Tribes. Source: CalEPA Final Designation of Disadvantaged Communities: May 2022 <https://calepa.ca.gov/envjustice/ghginvest/>

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Considering Environmental Justice During the Development of Regulatory Actions. Staff conservatively obtains demographic data within a six-mile radius around a project site based on the parameters for dispersion modeling used in staff's air quality analysis. Air quality impacts are generally the type of project impacts that extend the furthest from a project site. Beyond a six-mile radius, air emissions have either settled out of the air column or mixed with surrounding air to the extent the potential impacts are less than significant. The area of potential impacts would not extend this far from the project site for most other technical areas included in staff's EJ analysis.

Based on California Department of Education data in the **Environmental Justice Table 1**, staff concluded that the percentage of those living in the Compton Unified and Los Angeles Unified school districts (in a six-mile radius of the project site) and enrolled in the free or reduced price meal program is more than those in the reference geography. Thus, it is considered an EJ population based on low income as defined in *Guidance on Considering Environmental Justice During the Development of Regulatory Actions*. **Environmental Justice – Figure 2** shows where the boundaries of the school district are in relation to the six-mile radius around the Watson Cogeneration Project site.

Environmental Justice – Table 1
Low Income Data within the Project Area

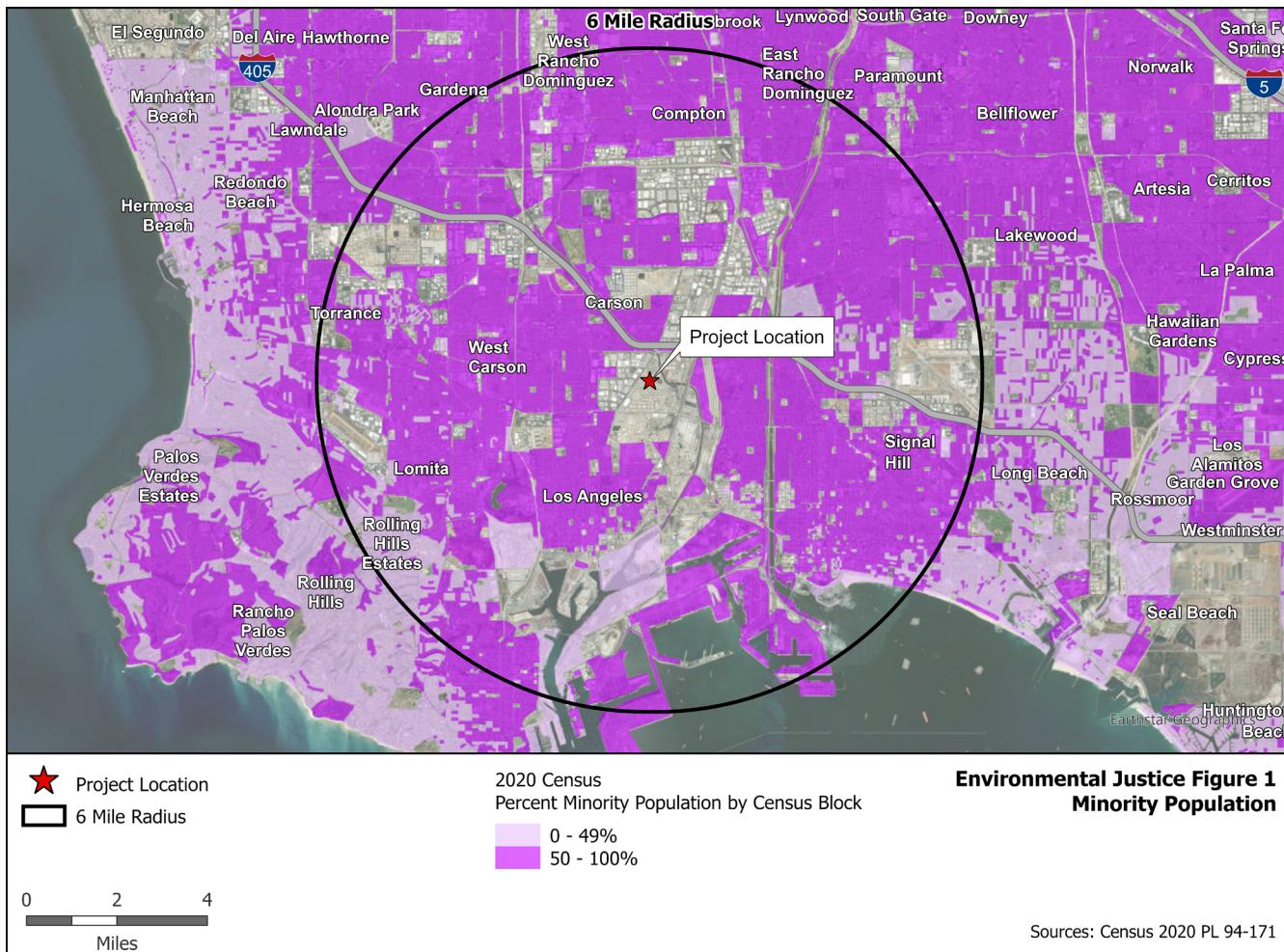
Compton Unified	19,430	17,406	89.6%
Long Beach Unified	62,947	37,778	60.0%
Los Angeles Unified	516,685	423,432	82.0%
Torrance Unified	22,023	7,317	33.2%
REFERENCE GEOGRAPHY			
Los Angeles County	1,275,769	887,305	69.6%

Source: CDE 2025. California Department of Education, DataQuest, Free or Reduced Price Meals, District level data for the year 2024-2025, <http://dq.cde.ca.gov/dataquest/>.

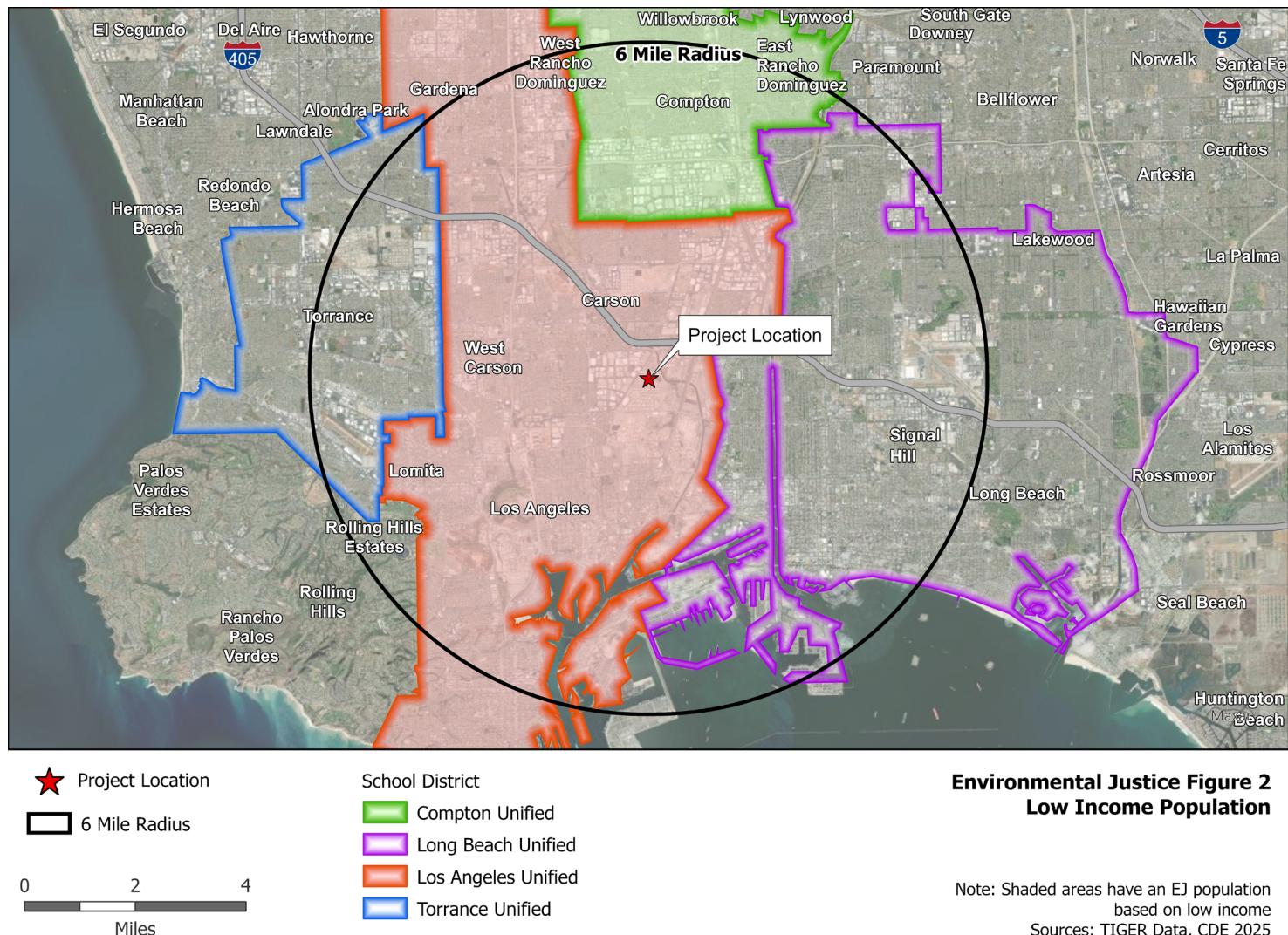
Environmental Justice Conclusions

Staff considered impacts on EJ populations and concluded that impacts would be less than significant on the EJ population represented in **Environmental Justice Figure 1**, **Figure 2**, and **Table 1**.

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CEC STAFF DETERMINATION

Staff has determined that the Petition meets the criteria for approval by staff, and therefore, submission to the CEC for approval is not required. Specifically, based on the environmental and other analysis set forth above, staff has determined the proposed changes described in the petition meet the following requirements:

1. There is no possibility that the change may have a significant impact on the environment, or the change is exempt from the California Environmental Quality Act;
2. The changes would not cause the project to fail to comply with any applicable laws, ordinances, regulations, or standards; and
3. The changes would not require a change to, or deletion of, a condition of certification adopted by the Commission in the final decision or subsequent amendments.

Staff also concludes that none of the findings specified in 1748(b) apply to the proposed changes and the proposed changes do not meet any of the criteria requiring the production of subsequent or supplemental review pursuant to Public Resources Code section 21166 and California Code of Regulations, tit. 20, section 15162.

WRITTEN COMMENTS

This statement of staff summary and approval of the proposed project changes has been filed in the docket for this project. Pursuant to California Code of Regulations, title 20, section 1769(a)(3)(C), any person may file an objection to the CEC staff's determination within 14 days of the filing of this statement on the grounds that the project change does not meet the criteria set forth in sections 1769(a)(3)(A) or (a)(3)(B). Absent any objections as specified in section 1769(a)(3)(C), this petition will be approved 14 days after this statement is filed.

The [CEC's project webpage](#) has a link to the PTA and this Statement of Staff Approval. In the box labeled "Compliance Proceeding," click on the "Docket Log" to access documents for this Proceeding.

Written comments or objections to staff's determination may be submitted using the CEC's e-Commenting feature, as follows: Go to the [CEC's project webpage](#) and click on either the "Comment on this Proceeding," or "[Submit e-Comment](#)" link. When your comments are filed, you will receive an email with a link to them.

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Written comments or objections may also be mailed to:

California Energy Commission
Docket Unit, MS-4
Docket No. 85-AFC-01C
715 P Street
Sacramento, CA 95814-5512

All comments and materials filed with the Docket Unit will be added to the facility Docket Log and be publicly accessible on the [CEC's project webpage](#).

If you have questions about this document, please contact Compliance Project Manager Anwar Ali, Compliance Monitoring and Enforcement Unit, Safety and Reliability Branch, at (916) 698-7498, or via email at anwar.ali@energy.ca.gov.

For information on public participation, please contact the CEC's Office of Public Advisor, Energy Equity, and Tribal Affairs at (916) 957-7910 or email at publicadvisor@energy.ca.gov.

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