

DOCKETED

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VIA E-FILING

Carlsbad Energy Center Project (07-AFC-06C)
Mike Monasmith
Jon Hilliard
California Energy Commission
1516 Ninth Street
Sacramento, CA 95814-5512

Re: **Carlsbad Energy Center Project, 07-AFC-06C**
Project Owner's Clarification to PSA Comments

Dear Messrs. Monasmith and Hilliard:

Carlsbad Energy Center LLC ("Project Owner"), owner of the Carlsbad Energy Center Project (07-AFC-06C) ("CECP"), provides the following clarification to Project Owner's PSA Comments filed on January 21, 2015.

The first phase of the currently-licensed CECP is the removal of Encina Power Station above-ground storage tanks ("ASTs") 5, 6, and 7. To complete removal of those tanks, Project Owner has followed the Conditions of Certification ("COCs") imposed on the licensed project. Project Owner, with the approval of the Compliance Project Manager ("CPM"), has taken steps to start tank removal. Removal of those tanks will be performed in compliance with the existing COCs.

The Preliminary Staff Assessment ("PSA") evaluates Project Owner's April 2014 Petition to Remove and May 2014 Petition to Amend (collectively the "Amended CECP"). The Amended CECP includes the removal of Encina Power Station ASTs 1, 2, and 4. The PSA recommends changes to many of the COCs that govern the project. Some of those changes alter Project Owner's obligations during tank removal.

When the Amended CECP is licensed, ASTs 5, 6, and 7 will either have been removed or be in the process of removal. Project Owner is concerned that, where obligations have been altered, work completed in compliance with the original COCs could be considered non-compliant under the revised COCs.

In its comments on the PSA, Project Owner proposed changes to the verification language on COCs that present this concern. After further consideration, Project Owner does not believe this approach is the best avenue to address this concern. Rather, Project Owner respectfully requests that Staff add the following Compliance COC:

COM-16: Previously Licensed Activities in Progress Prior to Approval of the Amended CECP. Any activity authorized to start prior to the effective date of the Commission Decision approving the Amended CECP license is in compliance with this license if it is conducted under, and in compliance with, the original CECP license.

Locke Lord LLP

By: 

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JAM:dh