

## DOCKETED

<b>Docket Number:</b>	07-AFC-06C
<b>Project Title:</b>	Carlsbad Energy Center - Compliance
<b>TN #:</b>	203988
<b>Document Title:</b>	Air Quality GHG Emissions - Rebuttal Testimony of Robert Sarvey
<b>Description:</b>	N/A
<b>Filer:</b>	Robert Sarvey
<b>Organization:</b>	Robert Sarvey
<b>Submitter Role:</b>	Intervenor
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<b>Docketed Date:</b>	3/27/2015

**BEFORE THE ENERGY RESOURCES CONSERVATION AND DEVELOPMENT  
COMMISSION OF THE STATE OF CALIFORNIA**

Petition to Amend  
The Carlsbad Energy Center

Docket Number 07-AFC-06C  
Exhibit 6003

AIR QAUILTY GHG EMISSIONS- REBUTTAL TESTIMONY OF ROBERT SARVEY

Q1 Please state your name and qualifications for the record.

A1 My name is Robert Sarvey and my resume is attached to my testimony.

Q2 Did you participate in CPUC proceeding A. 14-07-009.

A2 Yes I did. I reviewed all the pleadings and the testimony both confidential and public including SDG&E's confidential version of Exhibit 20C which detailed the results of their 2014 All Source RFO.

Q3 Do you agree with the finding of fact number 7 in the proposed decision of ALJ Yaknin in that proceeding that concludes, "SDG&E's RFO has produced a robust number of offers for preferred resources and energy storage which could potentially meet some, if not all, of the 600 MW of SDG&E's LCR need that may be procured from any source."

A3 Yes I do.

Q4 Do you agree with CEC Staff's testimony that, "Over time, the development of demand-side and storage technologies that can cost-effectively substitute for dispatchable generation as providers of regulation, load-following, and multi-hour ramping services may obviate the need for gas-fired generation.

A4 Yes I would certainly agree with that view and I believe that preferred resources and storage are available now that can reduce and possibly eliminate the need for the amended CECP. In doing so GHG emissions can be minimized from the replacement of the SONGS and retiring OTC units.

Q5 Do you agree with CEC staff testimony that cost effective storage technologies and demand side management are not expected to occur soon enough to eliminate the need for gas-fired generation to replace a share of the capacity retired at San Onofre.<sup>1</sup>

A5 No I do not. Southern California Edison has just completed an all source RFO for its LCR needs in its service territory. SCE has presented contracts to the CPUC for over 500 MW of preferred resources and storage. NRG the parent company of Carlsbad Energy signed contracts with SCE for 75 MW of demand response and 102.5 MW of energy efficiency from the RFO. The application for approval of the contracts from SCE's RFO is Exhibit 6005 in this proceeding. The only other recent all source RFO was conducted by SDG&E in 2014. As I mentioned above the proposed decision in A. 14-07-009 states, "SDG&E's RFO has produced a robust number of offers for preferred resources and energy storage which could potentially meet some, if not all, of the 600 MW of SDG&E's LCR need that may be procured from any source."

Q6 CEC Staff testimony states that, "The long-term solution for overgeneration is expected to be the development of cost effective, multi-hour storage, allowing the surplus to be stored until it can be used in evening hours. In the interim, however, overgeneration can only be dealt with by curtailing renewable generation or reducing the amount of gas-fired generation that is needed during midday and early afternoon hours.<sup>2</sup> Do you agree?

A6 No SCE signed offers for over 260 MW of energy storage from its recent RFO.<sup>3</sup> SDG&E's 2014 RFO also had large amounts of energy storage bid into the RFO.

Q7 Do you think that the amended CECP will increase the overall system heat rate for natural gas plants?

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<sup>1</sup> FSA Page 167 of 1111 Footnote 20

<sup>2</sup> FSA Page 171 of 1111

<sup>3</sup> Exhibit 6005 A14-11-012 Southern California Edison Company's Application for approval of the results of its 2013 Local Capacity Requirements Request for offers for the Western Los Angeles Basin. Page 5 of 16

A7 Compared to the licensed CECP the amended CECP will definitely increase the system heat rate.

Q8 Does that conclude your testimony?

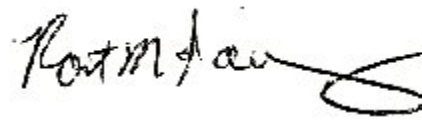
A8 It does not because I noticed while preparing this rebuttal testimony that CEC staff has filed an FSA supplement. It was filed at 11:58 AM but the link to the testimony did not work. I will need additional time to prepare rebuttal testimony on the CEC's supplement to the Staff Assessment. The deadline for filing rebuttal testimony on Air Quality should be extended.

**DECLARATION OF  
Robert Sarvey**

I, **Robert Sarvey**, declare as follows:

1. I prepared the Rebuttal Testimony of Robert Sarvey on Air Quality and GHG emissions.
2. A copy of my professional qualifications and experience is attached hereto and incorporated by reference herein.
3. My testimony is based on my independent analysis of the Petition to Amend, Petition to Remove, the 2012 Commission Decision for the Carlsbad Energy Center Project (CECP), and supplements hereto, the Final Staff Assessment, data from reliable documents and sources, the outcome of A. 14-07-009, and my professional experience and knowledge.
4. I attest to the accuracy of my testimony, and support its conclusions, findings and recommendations hereto.
5. It is my professional opinion that the prepared testimony is valid and accurate with respect to the issues addressed therein.
6. I am personally familiar with the facts and conclusions related in the testimony and if called as a witness could testify competently thereto. I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Dated: March 27, 2015



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Robert M. Sarvey

At: Tracy, California

## **Resume of Robert Sarvey**

### **Academic Background**

**BA Business Administration California State University Hayward 1975**

**MBA California State University Hayward 1985**

### **Experience**

**San Joaquin Valley Air Pollution Control District Citizens Advisory Board Industry**

**Representative:** Analyzed proposed air quality regulations and made recommendations to the Governing Board for approval.

**GWF Peaker Plant 01-AFC-16:** Participated as an Intervenor in the project and helped negotiate and implement a 1.3 million dollar community benefits program. Successfully negotiated for the use of local emission reduction credits with GWF to offset local air quality impacts.

**East Altamont Energy Center 01-AFC-14:** Participated as an Intervenor and helped develop the conditions of certification for hazardous materials transportation, air quality, and worker safety and fire protection. Provided testimony for emergency response and air quality issues.

**Tesla Power Project 01- AFC-04:** Participated as an Intervenor and provided air quality testimony on local land use and air quality impacts. Participated in the development of the air quality mitigation for the project. Provided testimony and briefing which resulted in denial of the PG&E's construction extension request.

**Modesto Irrigation District 03-SPEE-01:** Participated as Intervenor and helped negotiate a \$300,000 air quality mitigation agreement between MID and the City of Ripon.

**Los Esteros: 03-AFC-2** Participated as an Intervenor and also participated in air quality permitting with the BAAQMD. Responsible for lowering the projects permit limit for PM-10 emissions by 20%.

**SFERP 4-AFC-01:** Participated as an Intervenor and also participated in the FDOC evaluation. My comments to the BAAQM D resulted in the projects PM -10 emission rate to be reduced from 3.0 pounds per hour to 2.5 pounds per hour by the District. Provided testimony on the air quality impacts of the project.

**Long Beach Project:** Provided the air quality analysis which was the basis for a settlement agreement reducing the projects NOx emissions from 3.5ppm to 2.5ppm.

**ATC Explosive Testing at Site 300:** Filed challenge to Authority to Construct for a permit to increase explosive testing at Site 300 a DOE facility above Tracy. The permit was to allow the DOE to increase outdoor explosions at the site from 100 pounds per charge to 300 pounds per charge and also grant an increased annual limit on explosions from 1,000 pounds of explosive to 8,000 pounds of explosives per year. Succeeded in getting the ATC revoked.

**CPUC Proceeding C. 07-03-006:** Negotiated a settlement with PG&E to voluntarily revoke Resolution SU-58 which was the first pipeline safety waiver of GO112-E granted in the State of California. Provided risk assessment information that was critical in the adoption of the Settlement Agreement with PG&E which, amongst other issues, resulted in PG&E agreeing to withdraw its waiver application and agreeing to replace the 36-inch pipeline under the sports park parcel after construction.

**East shore Energy Center:** 06-AFC-06 Intervened and provided air quality testimony and evidence of cancellation of Eastshore's power purchase agreement with PG&E.

**Colusa Generating Station:** 06-AFC-9 Participated as air quality consultant for Emerald Farms. Filed challenge to the PSD Permit.

**CPUC proceeding 08-07-018:** Tesla Generating Station CPCN participated in proceeding which was dismissed due to motion by IEP. Reviewed all filings, filed protest, signed confidentiality agreement and reviewed all confidential testimony.

**GWF Tracy Combined Cycle 08-AFC-07:** Participated in negotiation of the Air Quality Mitigation Agreement with the San Joaquin Valley Air Pollution Control District and GWF.

**CPUC Proceeding 09-09-021:** Demonstrated PG&E failed to follow its environmental protocol in the LTPP. Provided testimony and evidence that PG&E's need had fallen since 2007 and that the Commission should limit PG&E's procurement to the 950-1000 MW Range.

**CPUC Proceeding A. 09-04-001:** Negotiated settlement with PG&E on the construction of the Mariposa Power Plant. Set limits on PG&E procurement which PG&E subsequently violated.

**CPUC Proceeding A. 09-10-022:** Provided confidential evaluation of PPA value. Provided testimony and evidence that PG&E had violated the Mariposa Settlement. Provided testimony that demonstrated PG&E's demand had fallen sharply since the issuance of D. 07-12-052.

**Oakley Generating Station 09-AFC-04** Participated as an intervenor. Provided testimony in Alternatives, Air Quality, Environmental Justice, water quality. Negotiated settlement with CCGS to not use ERC's and instead exclusively use 2.5 million dollars to create real time emission reductions through BAAQMD real time emission reduction programs.

**Pio Pico PSD Permit** Participated in the Pio Pico PSD permit. Comments resulted in a remand to the air district and a lowering of particulate matter emission limits by 10%

**CPUC Proceeding A.11-12-003** Was credited by the decision for demonstrating that an additional 5 MW of firm capacity was not needed from the Thermal Energy Biomass Plant.

**CPUC Proceeding A. 12-03-026** Provided testimony and briefing on need for the facility and CAISO Renewable Integration Study.

**CPUC Proceeding A. 14-07-009** Provided testimony and briefing on Alternatives, value of PPTA, and need for the Carlsbad PPTA.



