

CALIFORNIA ENERGY COMMISSION

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SACRAMENTO, CA 95814-5512
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07-AFC-6	
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**NOTICE OF RECEIPT**

**SUPPLEMENT "A" TO THE APPLICATION FOR CERTIFICATION
CARLSBAD ENERGY CENTER PROJECT (07-AFC-6)**

On September 14, 2007, Carlsbad Energy Center, LLC, (the Applicant) submitted an Application for Certification (AFC) for the Carlsbad Energy Center Project (CECP) to the California Energy Commission to develop a new thermal power plant at the existing Encina Power Station in the city of Carlsbad, California.

On October 24, 2007, the California Energy Commission received a supplement to the Carlsbad Energy Center AFC. This supplement provided additional information and more detailed explanations about the information contained in the original AFC. On October 31, 2007, the Energy Commission found that, with the supplement, the application is data adequate.

The proposed project would be a 558 megawatt (MW) combined-cycle generating facility configured using two Siemens SCC6-5000F, natural gas-fired combustion turbine generators (CTG), two heat recovery steam generators (HRSG), and two steam turbine generators (STG). The CECP units would connect to the electrical transmission system via 138 kilovolt (kV) and 230 kV lines that connect to the nearby existing San Diego Gas & Electric switchyards at the Encina Power Station.

Associated equipment would include air pollution control systems necessary to meet the applicant's proposed emission limits. Nitrogen oxide (NO_x) emissions would be controlled at the power plant's stack by a combination of Ultra Low NO_x combustors in the CTGs and selective catalytic reduction systems in the HRSGs using aqueous ammonia. An oxidation catalyst would be installed to limit stack carbon monoxide (CO) emissions. Emission reductions would be obtained from the simultaneous shutdown of the Encina Power Station units 1, 2, & 3.

The CECP site is located in the city of Carlsbad, in San Diego County in an area zoned Public Utility (PU) which specifically allows electrical generation and transmission facilities. The total land acreage of the existing Encina Power Station is approximately 95 acres. The Encina Power Station consists of an approximately 65 acre parcel containing the existing generating equipment (Assessor Parcel Number [APN] 210-01-43) and an approximately 30 acre parcel west of the railroad tracks containing the fuel tanks that are being removed and upon which CECP would be constructed (APN 210-01-41).

The CECP would use air-cooling and reduce the current use of ocean water for cooling when units 1, 2, & 3 shutdown. The operation of the CECP would use both reclaimed water and potable water supplied by the city of Carlsbad. The CECP would use an average of approximately 112 acre-feet of reclaimed water per year, with a maximum peak reclaimed water use of 517 acre-feet per year. The reclaimed water would be delivered to CECP by the city of Carlsbad through a new reclaimed water pipeline, approximately 3,600 feet long, from a connection point to the existing reclaimed water pipeline system at Cannon Road and Avenida Encinas. Approximately 1,000 feet of this line would be in publicly dedicated or publicly used property. Steam cycle makeup water for CECP would be provided by treating reclaimed water using reverse osmosis and mixed bed ion-

exchange technology. Up to 5 acre-feet per year of reclaimed water would be used to irrigate site landscaping annually.

Potable water for drinking, eye protection, safety showers, fire protection and service water would be served from the city's existing potable water system. Sanitary/industrial wastewater disposal would be to the city of Carlsbad (Encina Wastewater Authority) sanitary sewer system. A new 12-inch, 1,100 foot sanitary sewer line would connect the CECP site to an existing Encina Wastewater Authority sewer line located within an existing right-of-way at the Encina Power Station, adjacent to the west side of the CECP site.

The two CTGs and STGs would be interconnected to the regional electrical grid through new 138 kV/230 kV transmission connection lines that would exit the CECP site to the west and be routed to the respective existing SDG&E switchyards. No offsite electrical transmission lines would be required.

The CTGs would be designed to burn natural gas only. Natural gas would be delivered to the CECP site via an 18-inch-diameter pipeline from an existing Southern California Gas high-pressure natural gas pipeline located on the Encina Power Station. This pipeline would extend from the existing Southern California Gas natural gas pipeline which runs adjacent to the CECP site, on the west side parallel to the rail line. At the CECP site, the natural gas would flow through a flow-metering station, gas scrubber/filtering equipment, a gas pressure control station, and electric-driven booster compressors prior to entering the CTGs. Two 100-percent capacity electric-driven fuel gas compressors would be provided to boost the pressure to that required by the CTGs. The gas compressors would be located outdoors.

The applicant expects to receive a license from the Energy Commission by November 2008, with construction of the project starting in late December 2008 assuming completion of project financing. The applicant has proposed two construction scenarios. In the Single Phase Project Schedule scenario, Unit 1 commercial operation would begin during May 2010, with Unit 2 commencing commercial operation June 2010. In the Phased Construction Schedule scenario Unit 1 commercial operation would begin during July 2010, with Unit 2 commercial operation beginning January 2011. Electric power generated at the CECP facility would be sold to a southern California load-serving entity under a long term power purchase agreement.

ENERGY COMMISSION REVIEW PROCESS

As the lead agency under CEQA, the Energy Commission is responsible for reviewing and ultimately approving or denying all applications to construct and operate thermal electric power plants, 50 MW and greater, in California. The Energy Commission's facility certification process carefully examines public health and safety, environmental impacts and engineering aspects of proposed power plants and all related facilities such as electric transmission lines and natural gas and water pipelines.

The first step in the Energy Commission's review process is for staff to determine whether or not the AFC contains all the information required by its regulations. Now that the Energy Commission has determined the AFC is complete, staff will begin data discovery and issue analysis phases. At this time, a detailed examination of the issues will occur.

PUBLIC PARTICIPATION

Over the coming months, the Energy Commission will conduct a number of public workshops and hearings on the proposal to determine whether the proposed project should be approved for construction and operation and under what set of conditions. These workshops will provide the public as well as local, state and federal agencies the opportunity to ask questions about, and provide input on, the proposed project. The Energy Commission will issue notices for these workshops and hearings at least 10 days prior to the meeting.

Please direct your technical or project schedule questions to James W. Reede, Jr. Ed.D, Energy Commission Project Manager, at (916) 653-1245, or by e-mail at jreede@energy.state.ca.us. If you desire information on participating in the Energy Commission's review of the project, please contact the Energy Commissions Public Adviser Office, at (916) 654-4489 or toll free in California, at (800) 822-6228. The Public Adviser Office can also be contacted via email at pao@energy.state.ca.us. News media inquiries should be directed to Assistant Director, Claudia Chandler, at (916) 654-4989 or by email to mediaoffice@energy.state.ca.us. The status of the proposed project, copies of notices, an electronic version of the AFC, and other relevant documents are also available on the Energy Commission's Internet web site at: www.energy.ca.gov/sitingcases/carlsbad. You can also subscribe to receive e-mail notification of all notices at <http://www.energy.ca.gov/listservers>.

By being on the mailing list, you will receive notices of all project-related activities and notices when documents related to the proposed project's evaluation are available for review. If you want your name removed from the mailing list, please contact Terry Piotrowski, Project Secretary, at (916) 653-4467 or by email at tpiotrow@energy.state.ca.us.

AVAILABILITY OF THE AFC DOCUMENT

Copies of the AFC are available for public inspection at the following public libraries:

Carlsbad City Library (South)
1775 Dove Lane
Carlsbad, CA 92011

Georgina Cole Library (North)
1250 Carlsbad Village Drive
Carlsbad, CA 92008

Oceanside
330 N. Coast Highway
Oceanside, CA 92054-2824

Copies are also available at the Energy Commission's Library in Sacramento, the California State Library in Sacramento, and at California public libraries in Eureka, Fresno, San Francisco, Los Angeles, and San Diego. In addition, copies will be distributed to those public agencies that would normally have jurisdiction except for the Energy Commission's exclusive authority to certify sites and related facilities.

Sincerely,

Date: 11/2/07



Roger E. Johnson, Manager
Energy Facilities Siting and Compliance Office