

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

1516 NINTH STREET, SACRAMENTO, CA 95814 1-800-822-6228 – www.energy.ca.gov

APPLICATION FOR CERTIFICATION FOR THE WATSON COGENERATION STEAM AND ELECTRICITY RELIABILITY PROJECT

DOCKET NO. 09-AFC-1

NOTICE OF INFORMATIONAL HEARING AND SITE VISIT

On March 19, 2009, Watson Cogeneration Company (Applicant) filed an Application for Certification (AFC) for the Watson Cogeneration Steam and Electric Reliability Project (Watson Cogen Project). Applicant is seeking Energy Commission approval to construct and operate a nominal 85 megawatt (MW) combustion turbine generator (CTG), with a single-pressure heat recovery steam generator (HRSG) to provide additional process steam to the BP Carson Refinery. The project would be an additional unit to the existing cogeneration facility at the refinery. Applicant is a joint partnership between subsidiaries of BP America and Edison Mission Energy. The project site is a 2.5-acre brown field site located within the boundary of the existing Watson Cogeneration Facility, which is a 21.7-acre area within BP's existing Carson Refinery (BP Refinery), in the City of Carson, Los Angeles County.

PLEASE TAKE NOTICE that the Energy Commission has designated a Committee of two commissioners to conduct proceedings on the Application. The Committee has scheduled a public Site Visit and Informational Hearing to discuss the proposed project as described below:

THURSDAY, September 3, 2009

Site Visit begins (bus leaves) at 4:00 p.m. Public Informational Hearing begins at 5:00 p.m.

Carson Civic Center 801 Carson Street Carson, California 90745 (Map Attached) DOCKET

09-AFC-1

DATE AUG 04 2009

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Prior to the Informational Hearing, members of the public are invited to join the Committee on a tour of the proposed site. The Applicant will provide transportation to and from the site. For reservations, contact the Energy Commission Public Adviser's Office at (916) 654-4489 or 1-800-822-6228 or you may send an e-mail to:

[publicadviser@energy.state.ca.us]. Please make your reservation on or before Tuesday, September 1, 2009, so that we can assure you a space.

Background

On July 29, 2009, **th**e AFC for the Watson Cogen Project was found to be complete and the Energy Commission began its review process. The Commission has exclusive jurisdiction to license this project and is considering the proposal under a twelve-month review process established under Public Resources Code section 25540.6. During the review period, the Energy Commission will determine whether the proposed project complies with applicable laws related to public health and safety, environmental impacts, and engineering requirements. The Informational Hearing scheduled by this Notice is sponsored by the Energy Commission to inform the public about the project and to invite public participation in the review process.

Project Description

This project complements the existing cogeneration facility located within the confines of the BP Carson Refinery. The existing facility has four General Electric (GE) 7EA combustion turbine generators (CTG), four heat recovery steam generators (HRSG) and two steam turbine generators (STG. Since the project consists of adding a fifth CTG/HRSG to the existing configuration, it is also referred to as the "fifth train." This fifth train would increase the existing capacity of the 385-megawatt (MW) Watson Cogeneration Facility by approximately 85 MW to a total output of 470 MW. The project site is located within the boundary of the existing Watson Cogeneration Facility, which is part of a larger parcel containing the BP Carson Refinery, in the City of Carson, approximately 0.7 mile south of the 405 Freeway, roughly bounded by East 223rd Street to the north, Wilmington Avenue to the west, East Sepulveda Boulevard to the south, and South Alameda Street to the east.

No off-site improvements such as water supply, natural gas or wastewater pipelines are proposed. Instead, the project would connect to the existing supply pipelines currently used by the Watson Cogeneration Facility. Similarly, the project would obtain its other utility needs and services (compressed air and anhydrous ammonia) from the existing systems. Upgrades to existing transmission lines to accommodate the project would not be required.

The engineering and environmental details of the proposed project are contained in the AFC. Copies of the AFC are available at the local public agencies that are involved in the review process and at the following libraries:

Carson Regional Library 151 East Carson St Carson, CA 90745-2797

Dr. Martin Luther King Jr. Library 17906 S Avalon Blvd Carson, CA 90746-1598 Wilmington Library 1300 North Avalon Blvd Wilmington, CA 90744

Harbor Gateway Library 24000 Western Avenue Harbor City, CA 90710 Long Beach Main Library 101 Pacific Ave. Long Beach, CA 90822 Copies of the AFC are also available at the Energy Commission's Library in Sacramento; the California State Library in Sacramento; and at public libraries in Eureka, San Francisco, Fresno, Los Angeles and San Diego.

Purpose of the Informational Hearing

The power plant licensing process, which incorporates requirements equivalent to the California Environmental Quality Act, considers all relevant engineering and environmental aspects of the proposed project. It provides a public forum allowing the Applicant, Commission staff, governmental agencies, adjacent landowners, and members of the general public to consider the advantages and disadvantages of the project, and to propose changes, mitigation measures, and alternatives as necessary.

The Informational Hearing scheduled in this Notice provides an opportunity for members of the community in the project vicinity to obtain information, to offer comments and concerns, and to view the project site. To support this opportunity, a Spanish language translator will be present at the Informational Hearing. The Applicant will explain plans for developing the project and the related facilities and the Energy Commission staff will explain the licensing process and Staff's role in reviewing the project.

Proposed Schedule and Issue Identification Report

To assist the parties and public in understanding the process, Energy Commission staff shall file a proposed schedule for project review. Staff shall also file an Issue Identification Report (IIR) summarizing the major potential issues. The proposed schedule and Staff's IIR shall be filed by **noon on Wednesday**, **August 26**, **2009**. The Applicant shall file its response, if any, by **noon on Monday**, **August 31**, **2009**.

Public Adviser and Public Participation

The Energy Commission Public Adviser's Office is available to assist the public in participating in the Application review process. For those individuals who require general information on how to participate, please contact the Public Adviser's Office at (916) 654-4489 or 1-800-822-6228 or e-mail: [publicadviser@energy.state.ca.us].

Contact Information

Questions of a legal or procedural nature should be directed to Gary Fay, the Hearing Officer, at (916) 654-3965 or e-mail: [gfay@energy.state.ca.us].

Technical questions concerning the project should be addressed to Alan Solomon, the Staff Project Manager, at (916) 653-8236 or by e-mail: [asolomon@energy.state.ca.us].

Media inquiries should be directed to the Energy Commission's Media Office at (916) 654-4989 or e-mail: [mediaoffice@energy.state.ca.us].

If you have a disability and need assistance to participate, please contact Lourdes Quiroz at 916-654-5146 or e-mail at: [lquiroz@energy.state.ca.us].

Information concerning the status of the project, as well as notices and other relevant documents, may be viewed on the Energy Commission's Internet web page at: [www.energy.ca.gov/sitingcases/watson].

Dated August 4, 2009, at Sacramento, California.

KAREN DOUGLAS

Chair and Presiding Committee Member Watson Cogeneration AFC Project

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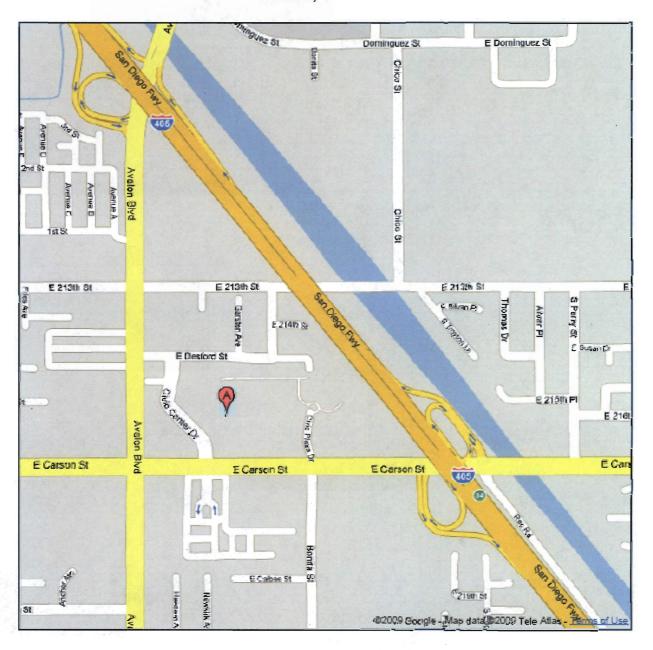
Commissioner and Associate Committee Member

Watson Cogeneration AFC Project

Mailed to Lists: POS, 7346, 7347, 7348, 7349

MAP TO INFORMATIONAL HEARING AND SITE VISIT

CARSON CIVIC CENTER 801 CARSON STREET CARSON, CA 90745



THURSDAY, SEPTEMBER 3, 2009

SITE VISIT BEGINS (BUS LEAVES) AT 4:00 P.M. PUBLIC INFORMATIONAL HEARING BEGINS AT 5:00 P.M.



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FOR THE WATSON COGENERATION
STEAM AND ELECTRICITY RELIABILITY
PROJECT

INTERVENORS

Docket No. 09-AFC-1

PROOF OF SERVICE LIST (Est. 4/22/09)

APPLICANT

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INTERESTED AGENCIES

California ISO e-recipient@caiso.com

*indicates change

DECLARATION OF SERVICE

I, RoseMary Avalos, declare that on August 4, 2009, I served and filed copies of the attached, Notice of Informational Hearing and Site Visit dated August 4, 2009. The original document, filed with the Docket Unit, is accompanied by a copy of the most recent Proof of Service list, located on the web page for this project at:

[www.energy.ca.gov/sitingcases/watson].

The documents have been sent to both the other parties in this proceeding (as shown on the Proof of Service list) and to the Commission's Docket Unit, in the following manner:

(Check all that Apply)

	FOR SERVICE TO ALL OTHER PARTIES:
Χ	sent electronically to all email addresses on the Proof of Service list;
X	by personal delivery or by depositing in the United States mail at Sacramento, California with first-class postage thereon fully prepaid and addressed as provided on the Proof of Service list above to those addresses NOT marked "email preferred."
AND	
	FOR FILING WITH THE ENERGY COMMISSION:
Χ	_ sending an original paper copy and one electronic copy, mailed and emailed respectively, to the address below (preferred method);
OR	
	depositing in the mail an original and 12 paper copies, as follows:
	CALIFORNIA ENERGY COMMISSION Attn: Docket No. <u>09-AFC-1</u> 1516 Ninth Street, MS-4 Sacramento, CA 95814-5512

docket@energy.state.ca.us

I declare under penalty of perjury that the foregoing is true and correct.

RoseMary Avalo