

CALIFORNIA ENERGY COMMISSION

1516 NINTH STREET
SACRAMENTO, CA 95814-5512
www.energy.ca.gov

**DOCKET****09-AFC-1**DATE DEC 17 2010

December 17, 2010

RECD. DEC 17 2010

Dear Librarian:

DOCUMENT HANDLING FOR THE PRELIMINARY STAFF ASSESSMENT FOR THE PROPOSED WATSON COGENERATION STEAM AND ELECTRIC RELIABILITY PROJECT (09-AFC-1) and POSTING OF PUBLIC NOTICE

The enclosed Preliminary Staff Assessment (PSA) is a document that has been published by the California Energy Commission (Energy Commission). It contains the Energy Commission staff's engineering and environmental evaluation of the proposed Watson Cogeneration Steam and Electric Reliability Project, in the City of Carson, Los Angeles County. Please make this PSA available for those who may wish to be informed about the project. We request that you not allow the PSA or any of its contents to be removed from the library. To increase accessibility of the document, we ask, if possible, that you cross reference it as a general reference work under the title and author categories, as well as under such subjects as "Energy Commission," "electricity," "energy/generation," "power plant siting," or any other relevant subject. Please retain the enclosed letter to the public behind the front cover of the PSA.

The Energy Commission's siting process is open to the public and incorporates the input of the public as well as local, state, and federal agencies. To facilitate public participation in our review process, the Energy Commission has sent copies of the PSA to libraries in the project area and to libraries in major cities throughout the state. As such, please retain a copy of the enclosed Notice of Availability behind the front cover of the PSA and also post a copy of the Notice in a place conspicuous and accessible to those members of the general public who visit the library.

Thank you for your cooperation. If you have any questions, please contact Alan Solomon, Energy Commission Project Manager, at (916) 653-8236, or by email at asolomon@energy.state.ca.us or Teraja Golston, Project Assistant, at (916) 651-8839, or by e-mail at tgolston@energy.state.ca.us.

Sincerely,

ROGER JOHNSON, Siting Office Manager
Siting, Transmission and Environmental Protection Division

Enclosure
Mailed to list:
7349- Library

PROOF OF SERVICE (REVISED 2/8/10) FILED WITH
ORIGINAL MAILED FROM SACRAMENTO ON 12/17/10
TKG

CALIFORNIA ENERGY COMMISSION1516 NINTH STREET
SACRAMENTO, CA 95814-5112

December 17, 2010

**NOTICE OF AVAILABILITY RELATED TO THE
PRELIMINARY STAFF ASSESSMENT FOR THE PROPOSED
WATSON COGENERATION STEAM AND ELECTRIC RELIABILITY PROJECT
(09-AFC-1)**

The California Energy Commission (Energy Commission) staff has prepared a Preliminary Staff Assessment (PSA) for the Watson Cogeneration Steam and Electric Reliability (BP Watson) Project Application for Certification (AFC). The PSA contains the Energy Commission staff's engineering, public health, and environmental evaluation of the proposed BP Watson project.

TO: MEMBERS OF THE PUBLIC

This notice is to inform you of the availability of the PSA, which was published by the Energy Commission on December 17, 2010.

The Energy Commission encourages public and agency participation in the review of staff's PSA. The PSA will be available for a 30-day public comment period that will conclude on January 17, 2011. Written comments on the PSA should be provided to Alan Solomon, Project Manager, at the address on this letterhead (please add "Mail Stop 15") or by email to asolomon@energy.state.ca.us. Technical or project schedule questions should also be directed to Alan Solomon at (916) 653-8236, or by email.

Following a public comment period on the PSA, the PSA will be superseded by staff's Final Staff Assessment (FSA), which will serve as staff's formal testimony in evidentiary hearings to be held by the Energy Commission Committee assigned to hear this case. The Committee will consider the recommendations presented by staff, applicant, interveners, government agencies, and the public prior to proposing its decision. The full Energy Commission will issue the final decision.

Background

On March 19, 2009, the California Energy Commission received an AFC from the Watson Cogeneration Company (Watson). The BP Watson project is a proposed expansion of an existing steam and electrical generating (cogeneration) facility that is located in the City of Carson in Los Angeles County.

On June 29, 2009, the Watson Cogeneration Company provided a supplement to the AFC to satisfy the Energy Commission's informational requirements. On July 29, 2009, the

Energy Commission accepted the AFC with the supplemental information as complete, beginning staff's analysis of the project.

Project Description

The 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). In operation since 1988, the existing cogeneration facility is owned by Watson and operated by BP West Coast Products, LLC – BP Carson Refinery. Watson is a joint partnership between subsidiaries of BP America and Edison Mission Energy. 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 a 21.7-acre area and is part of a larger parcel containing the BP Carson Refinery. The project site is located 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.

The Construction Laydown and Parking Area is a paved 25-acre parcel located approximately 1 mile southeast of the project site, and is located at 2149 East Sepulveda Boulevard.

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. Upgrades to existing transmission lines to accommodate the project would not be required.

Energy Commission's Facility Certification Process

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 issuance of a certificate by the Energy Commission is in lieu of any local, state, or federal permit (to the extent permitted by federal law). The Energy Commission is the Lead Agency under the California Environmental Quality Act, and because the siting process is a Certified Regulatory program, it produces several environmental and decision documents rather than an Environmental Impact Report.

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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 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. If you are not currently receiving these notices and want to be placed on the mailing list, please contact Teraja Golston, Project Secretary, at (916) 651-8839, or by e-mail at tgolston@energy.state.ca.us.

Technical or project schedule questions should be directed to Alan Solomon, Energy Commission Project Manager, at (916) 653-8236, or by email at asolomon@energy.state.ca.us.

The status of the proposed project, copies of notices, a copy of the AFC, PSA, and other relevant documents are also available on the Energy Commission's Internet web site at <http://www.energy.ca.gov/sitingcases/watson/index.html>. You can also receive email notification of all project related activities and availability of reports by subscribing to the Listserve at <http://www.energy.ca.gov/listservers/index.html>.

If you want information on participating in the Energy Commission's review of the project, please contact the Energy Commission Public Adviser's Office at (916) 654-4489 or toll free in California at (800) 822-6228 or by email at publicadviser@energy.state.ca.us.

News media inquiries should be directed to Susanne Garfield, Assistant Executive Director, at (916) 654-4989 or by email to mediaoffice@energy.state.ca.us.

This notice of availability of the PSA has been mailed to all parties that requested placement on the mailing list to date, and to property owners located within 1000 feet of the proposed project site or 500 feet of any linear facilities. 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 Teraja Golston, Project Secretary, at (916) 651-8839, or by e-mail at tgolston@energy.state.ca.us.

Note: Please retain this letter behind the front cover of the AFC. Thank You.



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

PROOF OF SERVICE LIST
(Revised 2/8/10)

APPLICANT

Ross Metersky
BP Products North America, Inc.
700 Louisiana Street, 12th Floor
Houston, Texas 77002
ross.metersky@bp.com

APPLICANT'S CONSULTANTS

URS Corporation
Cynthia H. Kyle-Fischer
8181 East Tufts Avenue
Denver, Colorado 80237
cindy_kyle-fischer@urscorp.com

COUNSEL FOR APPLICANT

Chris Ellison
Ellison Schneider and Harris LLP
2600 Capitol Avenue, Suite 400
Sacramento, CA 95816
cte@eslawfirm.com

INTERESTED AGENCIES

California ISO
e-recipient@caiso.com

INTERVENORS

California Unions for Reliable Energy
(CURE)
c/o: Tanya A. Gulesserian
Marc D. Joseph
Adams Broadwell Joseph & Cardozo
601 Gateway Boulevard,
Suite 1000
South San Francisco, CA 94080
tgulesserian@adamsbroadwell.com

ENERGY COMMISSION

ROBERT WEISENMILLER
Commissioner and Presiding
Member
rweisenm@energy.state.ca.us

KAREN DOUGLAS
Chairman and Associate Member
kldougl@energy.state.ca.us

Kourtney Vaccaro
Hearing Officer
kvaccaro@energy.state.ca.us

Alan Solomon
Project Manager
asolomon@energy.state.ca.us

Christine Hammond
Staff Counsel
chammond@energy.state.ca.us

*Jennifer Jennings
Public Adviser's Office
e-mail service preferred
publicadviser@energy.state.ca.us

DECLARATION OF SERVICE

I, Teraja` Golston, declare that on December 17, 2010, I served and filed copies of the attached (09-AFC-1) BP Watson – Library Letter Regarding Notice of Availability for Preliminary Staff Assessment, dated December 17, 2010. 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:
[\[http://www.energy.ca.gov/sitingcases/watson\]](http://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:

- sent electronically to all email addresses on the Proof of Service list;
 by personal delivery;
 by delivering on this date, for mailing with the United States Postal Service with first-class postage thereon fully prepaid, to the name and address of the person served, for mailing that same day in the ordinary course of business; that the envelope was sealed and placed for collection and mailing on that date to those addresses **NOT** marked "email preferred."

AND

FOR FILING WITH THE ENERGY COMMISSION:

- 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. 09-AFC-1
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, that I am employed in the county where this mailing occurred, and that I am over the age of 18 years and not a party to the proceeding.

Original Signature in Dockets
Teraja` Golston