

CALIFORNIA ENERGY COMMISSION

1516 NINTH STREET
SACRAMENTO, CA 95814-5112

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

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: AGENCY DISTRIBUTION LIST

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Following a public comment period on the PSA, the PSA will be superseded by staff's Final Staff Assessment (FSA), which will serve as staff's formal testimony in evidentiary hearings to be held by the Energy Commission Committee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,

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

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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Agency 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>.

Sincerely,

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

Mailed to list:
7348- Agency List



**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

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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 – Agency Letters 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