

REPORT OF CONVERSATION

<b>DOCKET</b> 09-AFC-1
DATE <u>JUL 11 2011</u>
RECD. <u>JUL 20 2011</u>

From: Jeffery Ogata

Topic: Watson Cogen Project (09-AFC-1)

Date of conversation: July 11, 2011 by telephone.

Time: 1:30 p.m.

Los Angeles Regional Water Quality Control Board Participants: Art Heath, Chief of the Remediation Division; Paula Rasmussen, acting Chief Deputy Executive Officer; Sam Unger, Executive Officer.

Energy Commission Participants: Christine Hammond, Staff Counsel; Jeffery Ogata, Assistant Chief Counsel.

Pursuant to a request from Jeffery Ogata, the Regional Water Board management discussed with us the scope of the analysis we needed from them regarding the Watson Cogen AFC to construct and operate a fifth cogen train. We understood that there is a Cleanup and Abatement Order (CAO) against the BP refinery, which includes the location of the Watson Cogen plant. We explained that we needed an analysis and statement from the Regional Board that address: (a) whether the construction and operation of the fifth cogen train would affect the Regional Board's ability to enforce the CAO, (b) whether the construction and operation of the fifth cogen train would affect the on-site contamination, for example, affect the on-site contamination in a manner that would adversely impact groundwater quality or migration of the contamination plume; and (c) whether there was action or mitigation by Watson that would be needed to ensure the refinery's compliance with the CAO. We said that we needed the Regional Water Board's comments within at least two weeks.

The Regional Board asked a few questions about the project and requested some of the project description and analysis done by CEC staff regarding water use and worker safety. They also asked what the Watson steam was being used for by the BP Refinery.

We agreed to provide portions of the AFC and Preliminary Staff Assessment and factual data on refinery's use of steam. The Regional Board agreed to provide the written statement within two weeks.

The teleconference ended at approximately 1:50 p.m.