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STATE OF CALIFORNIA

**Energy Resources Conservation
and Development Commission**

In the Matter of:

The Application for Certification for the

**HUNTINGTON BEACH ENERGY
PROJECT**

Docket No. 12-AFC-02

**AES SOUTHLAND DEVELOPMENT, LLC'S
PREHEARING CONFERENCE STATEMENT**

July 7, 2014

Melissa A. Foster, Esq.
Kristen Castaños, Esq.
Stoel Rives LLP
500 Capitol Mall, Suite 1600
Sacramento, CA 95814
Phone: (916) 447-0700
Facsimile: (916) 447-4781

Attorneys for AES SOUTHLAND DEVELOPMENT, LLC

STATE OF CALIFORNIA

**Energy Resources Conservation
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**AES SOUTHLAND DEVELOPMENT, LLC'S
PREHEARING CONFERENCE STATEMENT**

Pursuant to the Committee's June 9, 2014 Notice of Prehearing Conference and Evidentiary Hearing, Scheduling Order and Further Orders ("Scheduling Order"), Applicant AES Southland Development, LLC ("Applicant") herein provides its Prehearing Conference Statement as such relates to the Huntington Beach Energy Project ("HBEP" or the "Project").

I. TOPICS COMPLETE AND READY TO PROCEED TO HEARING

Applicant believes all topics are complete and ready to proceed to hearing. Applicant further believes that many of the issue areas in this proceeding are uncontested. For those topics where Applicant believes the topic is uncontested, all of Applicant's "testimony" will be presented in the form of a declaration, as indicated in Applicant's Opening Testimony submitted June 30, 2014 ("Opening Testimony"). Such declarations were docketed prior to the submittal of Applicant's Opening Testimony and are listed in the attached Exhibit List.¹

¹ Applicant's Exhibit List attached hereto supersedes the Preliminary Exhibit List submitted with Applicant's Opening Testimony (Exhibit M) docketed on June 30, 2014. However, it should be noted that

Applicant has received comments from the City of Huntington Beach (the “City”) (TN # 202629), opening testimony from Intervenor Monica Rudman (TN #202631), and draft comments from the California Coastal Commission (“CCC”) staff (TN #202628) related to the Final Staff Assessment (“FSA”). Applicant believes the issues presented by each agency and Ms. Rudman have been addressed throughout this proceeding and will provide responsive comments to the issues presented by Ms. Rudman, the City and the CCC in its rebuttal testimony due on July 11, 2014. In addition, Applicant submitted comments on the draft CCC comment letter to the CCC for consideration at its July 10, 2014 meeting. A copy of Applicant’s comments is attached hereto as **Attachment A**. One issue raised in the CCC’s draft comments, i.e., whether the comments should be treated as a 30413(d) report, may require adjudication, as further discussed below.

Although Applicant intends to respond to comments in its rebuttal testimony, as stated above, Applicant’s position is that no live testimony is required for the following topics: Facility Design, Geological Hazards and Resources, Paleontological Resources, Project Description, Public Health, Socioeconomics, Soils, Traffic and Transportation, Transmission System Engineering, and Transmission Line Safety and Nuisance.

II. TOPICS NOT COMPLETE AND NOT READY TO PROCEED

At this time, Applicant believes that all topics are complete and ready to proceed to evidentiary hearing. Those topics that may require adjudication or live testimony presented at the Evidentiary Hearing are discussed in detail below.

the enclosed version is not considered Applicant’s “final” list of exhibits. Applicant’s final Exhibit List will be docketed with Applicant’s Rebuttal Testimony on July 11, 2014.

III. TOPICS THAT MAY REQUIRE ADJUDICATION

Few topics in this proceeding require live testimony. In fact, Applicant believes it is possible that most, if not all, of the outstanding topics at issue can be resolved easily with open discussion and dialog among the parties. Below is the list of topics Applicant believes remain in dispute and Applicant's understanding of the nature of the dispute for each issue.

A. Air Quality

While Applicant concurs with Staff's conclusions in the Air Quality section of the FSA, Applicant has requested that Staff consider minor revisions to Condition of Certification AQ-SC6. In addition, Applicant is concerned Staff disregarded that all potential impacts resulting from construction, demolition and operation of the Project will be reduced to less-than-significant levels through a combination of emission offsets, air quality improvement projects, and the permanent shutdown of existing electrical utility steam boilers. Nevertheless, Applicant believes that this topic does not require live witnesses at the Evidentiary Hearing on July 21, 2014 and, depending on discussions at the Prehearing Conference, Applicant may not require adjudication.

B. Alternatives

Applicant agrees with Staff's conclusions in the FSA related to the Alternatives section and, therefore, does not consider this topic "contested." However, Applicant, in its Opening Testimony, provides additional evidence to support Staff's conclusions for this topic. Applicant is confident this topic can be resolved at the Prehearing Conference and does not require live testimony by the parties at the Evidentiary Hearing, as Applicant does not believe this issue requires adjudication.

C. Biological Resources

Applicant has reviewed the Biological Resources section of the FSA and agrees with Staff that the Project will comply with all applicable laws, ordinances, regulations, and standards (“LORS”). Applicant, however, disagrees with overly burdensome requirements and potentially unworkable constraints on construction set forth in Condition of Certification BIO-8 and proposes necessary changes thereto as reflected in Applicant’s Opening Testimony. In addition, Applicant recommends revisions to Conditions of Certification BIO-2 and BIO-5 to address the implication that a full-time biological monitor and a full-time designated biologist will be required. Lastly, Applicant believes that there are numerous protective measures in place related to construction noise impacts on biological resources and, as such, proposes the deletion of Condition of Certification BIO-9. In the alternative, however, Applicant has proposed revisions to Staff’s proposed Condition of Certification BIO-9. Applicant believes this topic may require adjudication during the Evidentiary Hearing on July 21, 2014.

D. Cultural Resources

As set forth in Applicant’s Opening Testimony, Applicant has requested minor revisions to Conditions of Certification CUL-1 and CUL-2 and further proposes revisions to Condition of Certification CUL-6 to tailor the condition to the circumstances involved at the HBEP site. Such changes include removing the requirement to have the continuous presence of a Native American Monitor and regulating archeological monitoring. These changes are representative of conditions the Commission has approved for other projects and are appropriate for HBEP. Staff has concluded that Applicant should be required to maintain a full-time Cultural Resources Specialist (“CRS”) during construction activities

for certain aspects of the Project. Applicant believes the requirement for a full-time Cultural Resources Specialist is both unnecessary and onerous. On numerous occasions in this proceeding, Applicant has submitted suggested revisions to Condition of Certification CUL-6 that should provide assurance to Staff that cultural resources would be protected and a CRS would be consulted should there be any discovery of cultural resources on the site.

Applicant believes, with an open discussion among the parties, this issue could be resolved at the Prehearing Conference and may not require live testimony or adjudication at the Evidentiary Hearing.

E. Hazardous Materials Handling

Applicant is in agreement with Staff's conclusions set forth in the FSA as related to Hazardous Materials Handling, including that the Project will comply with all LORS. Nevertheless, Applicant has requested a minor change to Condition of Certification HAZ-6 to provide some clarification consistent with Staff's analysis and conclusions in the FSA. Applicant believes that an open discussion during the Prehearing Conference can resolve this topic and, therefore, it is unlikely to require live witness testimony on July 21, 2014.

F. Land Use

Applicant's Opening Testimony as to the topic of Land Use is focused specifically on a minor modification to Condition of Certification LAND-1. Applicant's suggested revisions are consistent with the requirements of Appendix B(g)(3)(c) of the Siting Regulations (Title 20, California Code of Regulations), which requires that a single parcel be established prior to construction, but does not require an additional time trigger.

Applicant believes that a brief discussion among the parties during the Prehearing Conference regarding the suggested revision to LAND-1 could resolve this minor issue.

In addition, Applicant provides in its Opening Testimony clarification on a point of law that Staff incorrectly interprets in the FSA. Specifically, Staff interprets Section 30413(d) of the Coastal Act as applying to AFC-only proceedings. (*See* FSA at p. 4.5-12.) Applicant believes this issue is not appropriate for live witness testimony as it is purely a legal argument. Therefore, Applicant believes that, should this issue not be resolved during the Prehearing Conference, the matter should be identified as a topic for adjudication. This issue is also raised in the draft CCC comments, and Applicant's response to those comments submitted to the CCC is attached hereto.

G. Noise and Vibration

Applicant suggests minor revisions to three Conditions of Certification related to the topic Noise and Vibration. Specifically, Applicant proposes minor modifications to NOISE-2, NOISE-4 and NOISE-7. Applicant does not believe that such changes rise to the level of requiring adjudication and that a brief discussion among the parties at the Prehearing Conference may resolve this issue. These minor revisions are set forth in Applicant's Opening Testimony, Exhibit G.

H. Soils and Water Resources

Applicant agrees with Staff's analysis and conclusions in the FSA related to Soils and Water Resources. However Applicant wishes to provide additional evidence in support of Staff's conclusions and suggests a few clarifications to the FSA text. Applicant does not believe any of the clarifications change the analysis or the conclusions set forth in the FSA and, further, does not believe this issue requires live witness

testimony or adjudication. Applicant is confident this topic can be resolved during the Prehearing Conference.

I. Visual Resources

Applicant provided detailed testimony in its Visual Resources Opening Testimony, including proposed changes to Conditions of Certification VIS-1, VIS-2, VIS-3, VIS-5 and VIS-6. (*See* Exhibit I to Applicant's Opening Testimony). Applicant believes this issue will require live testimony and adjudication at the Evidentiary Hearing. Applicant also provides in Section I.B.9 of its Opening Testimony clarification as to the Coastal Commission's role in the post-approval review and comment process for projects under the Energy Commission's jurisdiction. While this topic is not appropriate for witness testimony at the Evidentiary Hearing due to the legal nature thereof, Applicant believes it is possible to resolve any potentially contested portion of this legal issue during the Prehearing Conference on July 10, 2014.

J. Waste Management

Applicant does not contest the conclusions reached by Staff in the Waste Management section of the FSA. However, Applicant proposes minor modifications to Conditions of Certification WASTE-1 and WASTE-2, which likely can be resolved by the parties during a brief discussion at the Prehearing Conference.

K. Worker Safety & Fire Protection

Applicant agrees with Staff that HBEP will comply with all applicable LORS and will not result in significant adverse impacts to the environment. Applicant, however, disagrees with Staff's statement that all power plants are required to have more than one point of access. Further, Applicant wishes to reduce the timeframe within which the automatic external defibrillator shall exist at the HBEP site as set forth in Condition of

Certification WORKER SAFETY-5. Applicant believes this topic can likely be resolved by the parties during a brief discussion at the Prehearing Conference.

L. Compliance Conditions of Certification

On a number of occasions, Applicant has requested minor modifications to two Conditions of Certification related to Compliance. Specifically, such revisions are to Conditions of Certification COM-13 and COM-15. Applicant believes that a discussion among the parties during the Prehearing Conference could resolve the issues set forth in Exhibit L to Applicant's Opening Testimony regarding these issues and, thus, not require adjudication or live testimony at the Evidentiary Hearing.

IV. APPLICANT'S WITNESSES

As set forth in Part I above, many of Applicant's witnesses will provide testimony in the form of written declarations and rather than providing live testimony. Nevertheless, Applicant provides below its list of witnesses for every topic separated in two groups: uncontested topics and contested topics.

A. Uncontested Topics

As indicated in Part I above, Applicant's witnesses for all uncontested topics will provide written testimony only. Thus, for all uncontested topics, Applicant does not intend to call any witness to present direct testimony. However, should any party request to examine any of the following witnesses, Applicant requests that such witnesses be allowed to testify telephonically. Below is a list of witnesses for uncontested topics in alphabetical order. Qualifications for witnesses of uncontested topics are set forth as an attachment to each witness' declaration in the form of a curriculum vitae ("CV"). Considering these witnesses will not provide live testimony, Applicant, for brevity, does not summarize these witnesses' qualifications in the table below.

<u>Topic</u>	<u>Witness(es)</u>
Facility Design	Stephen O’Kane; Horacio Larios
Geological Hazards and Resources	Thomas Lae, P.G.
Paleontological Resources	W. Geoffrey Spaulding, Ph.D.
Project Description	Stephen O’Kane; Horacio Larios
Public Health	Jerry Salamy; Stephen O’Kane
Socioeconomics	Fatuma Yusuf, Ph.D.
Soils	Steve Long
Traffic and Transportation	Loren Bloomberg, P.E.
Transmission System Engineering	Robert Sims
Transmission Lines Safety and Nuisance	Robert Sims

B. Contested Topics

At this time, Applicant has identified the following topics, as discussed in further detail above in Section III, as topics that may require live testimony at the July 21 Evidentiary Hearing: Air Quality, Alternatives, Biological Resources, Cultural Resources, Hazardous Waste Management, Land Use, Noise and Vibration, Soils and Water Resources, Visual Resources, and Waste Management. Below, Applicant provides the topic, witness’ name and summary of qualifications, the time required for direct examination² and whether telephonic appearance is required for each witness.³ A complete copy of each witness’s curriculum vitae (“CV”) is attached to the declaration for each witness, all of which were previously submitted in this proceeding. (*See* Applicant’s Exhibits 1112 through 1117 and 1120 through 1130. TN#s for each are set forth in the attached Revised Preliminary Exhibit List.)

² Applicant reserves the right to offer direct or request cross-examination of witnesses for issues that may arise as a result of the rebuttal testimony, which is required to be filed by the parties after the Prehearing Conference on July 10, 2014.

³ As Applicant provides a summary of the issues and testimony for each contested topic above in Section III, for brevity, Applicant does not again summarize the testimony for each topic here.

1. Air Quality

Witnesses & Summaries of Qualifications:

Jerry Salamy: Mr. Salamy has a Bachelor's Degree in Chemistry and more than 25 years of experience in the area of air quality, including preparing air quality permit applications and project feasibility studies. He has significant experience managing air quality issues for project developers seeking a license from the California Energy Commission. Mr. Salamy's complete CV can be found at TN #202616.

Stephen O'Kane: Mr. O'Kane has 20 years of experience in energy and environmental assessment and project development, as well as a Master's Degree in Atmospheric Science. Mr. O'Kane has overseen the applications for development of new thermal generation projects and has prepared air quality analyses and permit applications during the course of his career. Mr. O'Kane is the Vice-President of AES Southland Development, LLC and represents the project developer in this proceeding. Mr. O'Kane's complete CV will be docketed with Applicant's Rebuttal Testimony on or before July 11, 2014.

Time Required for Testimony: Should this topic require live testimony, Applicant anticipates a panel discussion and direct examination as to this topic may require fifteen (15) minutes.

Telephonic Appearance Required: No.

2. Alternatives

Witness & Summary of Qualifications:

Stephen O’Kane: A summary of Mr. O’Kane’s qualifications is set forth in the Air Quality section above.

Time Required for Testimony: Applicant does not anticipate needing any time for direct examination of this witness for the topic of Alternatives.

Telephonic Appearance Required: No.

3. Biological Resources

Witnesses & Summaries of Qualifications:

Melissa Fowler: Ms. Fowler has a Master’s Degree in Environmental Studies from California State University, Fullerton. She has more than ten years of experience conducting wildlife studies, botanical surveys, wildlife surveys, habitat assessments, vegetation mapping and biological monitoring and specializes in small mammal ecology. A copy of Ms. Fowler’s complete CV can be found at CEC TN #202609.

Mark Bastasch: Mr. Bastasch has a Master’s Degree in Environmental Engineering and is a registered acoustical engineer with 16 years of experience conducting acoustical evaluations, environmental studies, contamination assessments and multimedia environmental permitting. A copy of Mr. Bastasch’s complete CV can be found at CEC TN #202599.

Dr. Robert J. Dooling: Robert J. Dooling has a Doctoral Degree in Psychology and over 40 years of experience in biology and chemistry. He is an accomplished author, a Professor of Psychology, and Co-Director of the Center for Comparative &

Evolutionary Biology of Hearing at the University of Maryland. Dr. Dooling's complete CV was docketed previously in this proceeding and can be found at CEC TN #202614.

Time Required for Testimony: Applicant anticipates a panel discussion for this topic and direct examination as to this topic may require a total of thirty (30) minutes.

Telephonic Appearance Required: Ms. Fowler and Mr. Bastasch will be prepared to present in-person, live testimony at the July 21, 2014 Evidentiary Hearing. However, Dr. Dooling will need to provide any testimony via telephonic appearance and is only available after 3:00 p.m. (PDT) on the day of the Evidentiary Hearing.

4. Cultural Resources

Witness & Summary of Qualifications:

Clint Helton: Mr. Helton has a Master's Degree in Anthropology, is a Registered Professional Archaeologist, and has over 18 years of experience conducting environmental impact evaluations, with particular expertise in conducting cultural resources studies in California, Arizona, Nevada and Utah. A copy of Mr. Helton's complete CV can be found at CEC TN #202615.

Time Required for Testimony: If this topic is not resolved during the Prehearing Conference, Applicant anticipates needing approximately ten (10) minutes for direct examination of this witness.

Telephonic Appearance Required: No

5. Hazardous Materials Management

Witnesses & Summaries of Qualifications:

Sarah Madams: Ms. Madams has played an important role in numerous disciplines for this project at an in-depth level. She has a Bachelor's Degree in Environmental Toxicology and more than 16 years of professional experience in project management, regulatory compliance, permitting, and public involvement and community relations. Ms. Madams' complete CV can be found at CEC TN #202608. Although Ms. Madams sponsored the written testimony for Hazardous Materials Management as set forth in Exhibit E of Applicant's Opening Testimony, she will not be available for direct or cross-examination during the Evidentiary Hearing on July 21, 2014. To that end, a panel of replacement witnesses for this topic have been identified below.

Robert Mason: Mr. Mason has a Master's Degree in Urban and Regional Studies and over 30 years of experience in planning, permitting, and environmental analysis/compliance for large-scale power, industrial, energy, institutional, solid waste, and government projects. Mr. Mason's complete CV can be found at CEC TN #202607.

Stephen O'Kane: A summary of Mr. O'Kane's qualifications is set forth in the Air Quality section above.

Jerry Salamy: A summary of Mr. Salamy's qualifications is set forth in the Air Quality section above.

Time Required for Testimony: Applicant anticipates a panel discussion for this topic and direct examination as to this topic may require five (5) minutes.

Telephonic Appearance Required: No.

6. Land Use

Witnesses & Summaries of Qualifications:

Robert Mason: A summary of Mr. Mason's qualifications is set forth in the Hazardous Materials section above.

Stephen O'Kane: Although Mr. Mason sponsored the written testimony for Land Use as set forth in Exhibit F of Applicant's Opening Testimony, if this topic is not resolved during the Prehearing Conference, Applicant proposes a panel of two witnesses that also will include Mr. O'Kane, whose qualifications are set forth in the Air Quality section above.

Time Required for Testimony: If this topic is not resolved during the Prehearing Conference, Applicant anticipates needing approximately five (5) minutes for direct examination of these witnesses.

Telephonic Appearance Required: No.

7. Noise and Vibration

Witness & Summary of Qualifications:

Mark Bastasch: A summary of Mr. Bastasch's qualifications is set forth in the Biological Resources section above.

Time Required for Testimony: Applicant anticipates this topic may require a total of ten (10) minutes for direct examination if not resolved at the Prehearing Conference.

Telephonic Appearance Required: No.

8. Soils & Water Resources

Witness & Summary of Qualifications:

Matthew Franck: Mr. Franck holds a Bachelor's Degree in Environmental Policy Analysis and Planning and has more than 20 years of experience managing and writing environmental impact assessment documents that comply with the National Environmental Policy Act and the California Environmental Quality Act. He has maintained a focus on water resources related to large-scale power plant proceedings over many years. Mr. Franck's complete CV can be found at CEC TN #202610.

Time Required for Testimony: Applicant anticipates this topic can be resolved during the Prehearing Conference. If this topic is not resolved during the Prehearing Conference, Applicant anticipates needing approximately five (5) minutes for direct examination of this witness.

Telephonic Appearance Required: No.

9. Visual Resources

Witness & Summary of Qualifications:

Thomas Priestley, Ph.D.: Dr. Priestley holds a Doctoral Degree in Environmental Planning and has over 30 years of experience as a professional urban/environmental planner, university professor and researcher. He has been a visual assessment specialist in over 100 visual assessment efforts and has broad knowledge of methods used for siting electric generation, transmission, and substation facilities and mitigating their land use and aesthetic effects. Dr. Priestley's complete CV can be found at CEC TN #202611.

Time Required for Testimony: At this time, Applicant anticipates needing approximately twenty (20) minutes for direct examination of Dr. Priestley for the topic of Visual Resources.

Telephonic Appearance Required: No.

10. Waste Management

Witness & Summary of Qualifications:

Sarah Madams: As with the Hazardous Materials Handling testimony, Ms. Sarah Madams sponsored the written testimony for Waste Management set forth in Exhibit J of Applicant's Opening Testimony, docketed June 30, 2014. However, as explained above, Ms. Madams will not be available for direct or cross-examination during the Evidentiary Hearing on July 21, 2014. To that end, replacement witnesses for this topic have been identified below.

Robert Mason: A summary of Mr. Mason's qualifications is set forth in the Hazardous Materials section above.

Stephen O'Kane: A summary of Mr. O'Kane's qualifications is set forth in the Air Quality section above.

Jerry Salamy: A summary of Mr. Salamy's qualifications is set forth in the Air Quality section above.

Time Required for Testimony: If the matter is not resolved at the Prehearing Conference, Applicant anticipates direct examination of approximately ten (10) minutes.

Telephonic Appearance Required: No.

11. Worker Safety and Fire Protection

Witnesses & Summaries of Qualifications:

Sarah Madams: Ms. Sarah Madams sponsored the written testimony for Worker Safety and Fire Protection set forth in Exhibit K of Applicant's Opening Testimony, docketed June 30, 2014. However, as previously stated, Ms. Madams will not be available for direct or cross-examination during the Evidentiary Hearing on July 21, 2014. To that end, replacement witnesses for this topic have been identified below.

Robert Mason: A summary of Mr. Mason's qualifications is set forth in the Hazardous Materials section above.

Stephen O'Kane: A summary of Mr. O'Kane's qualifications is set forth in the Air Quality section above.

Jerry Salamy: A summary of Mr. Salamy's qualifications is set forth in the Air Quality section above.

Time Required for Testimony: If the matter is not resolved at the Prehearing Conference, Applicant anticipates direct examination of approximately ten (10) minutes.

Telephonic Appearance Required: No.

12. Compliance Conditions of Certification

Witness & Summary of Qualifications:

Stephen O'Kane: A summary of Mr. O'Kane's qualifications is set forth in the Air Quality section above.

Time Required for Testimony: If this topic is not resolved at the Prehearing Conference, Applicant anticipates direct examination for this topic may require a total of ten (10) minutes.

Telephonic Appearance Required: No.

V. CROSS-EXAMINATION OF OTHER PARTIES' WITNESSES

At this time, Applicant anticipates that it will cross-examine staff's witnesses assigned to the issue areas of biological resources, noise, cultural resources, and visual resources. Depending on the outcome of the Prehearing Conference and the anticipated resolution of issues, as well as rebuttal testimony due on July 11, 2014, Applicant may cross-examine staff's witnesses in the issue areas of air quality, alternatives, hazardous materials, waste management, land use, worker safety, and compliance conditions of certification, and may request cross-examination of Intervenor's witnesses, if any.

VI. APPLICANT'S EXHIBITS

Applicant presented a preliminary list of exhibits in its Opening Testimony and will provide a final list of proposed exhibits with its Rebuttal Testimony on July 11, 2014. However, attached hereto as **Attachment B** is Applicant's Revised Preliminary Exhibit List.

VII. APPLICANT'S PROPOSED BRIEFING SCHEDULE, IMPACT OF SCHEDULING CONFLICTS AND OTHER SCHEDULING MATTERS

A. Proposed Briefing Schedule

As stated in Section I above, Applicant has received the CCC's draft comment letter docketed with the Energy Commission on June 30, 2013 (TN #202628). The letter is addressed to the Commissioners of the CCC as part of a staff level report being provided to the CCC at the July 10, 2014 CCC monthly meeting in Ventura, California. Applicant submitted comments on the draft comment letter to the CCC, for their consideration at the July 10, 2014 CCC meeting, which are attached hereto for the

Committee's convenience. Applicant objects to the characterization of the CCC comment letter as a 30413(d) report. Should the CCC adopt the draft comments as a 30143(d) report at its July 10 meeting, Applicant believes post-hearing briefing of this issue may be required.

B. Impact of Scheduling Conflicts

At this time, the Applicant does not anticipate any scheduling conflicts that impact this proceeding.

C. Other Scheduling Matters

It should be noted that the public comment period on the South Coast Air Quality Management District's Preliminary Determination of Compliance closes on Thursday, July 17, 2014. Applicant has been informed that the District will publish the Final Determination of Compliance ("FDOC") as soon thereafter as possible. Applicant anticipates that a representative from the District may be available to discuss this matter further at both the Prehearing Conference on July 10, 2014 and, if the FDOC is available prior to the July 21, 2014 Evidentiary Hearing, to present such FDOC during the Evidentiary Hearing. Nevertheless, depending on when the District is able to issue the FDOC, it may be necessary to hold the evidentiary record open with respect to air quality following the Evidentiary Hearing to ensure the FDOC is entered into evidence and is accurately reflected in this proceeding's record.

Applicant remains committed to moving forward in this proceeding as set forth in the Committee's June 9th Scheduling Order. As such, Applicant has no other scheduling matters to bring to the Committee's attention.

VIII. CONCLUSION

As stated above, Applicant is confident that, with open dialog among the parties, many of the topics identified herein can be resolved at the Prehearing Conference. Moreover, Applicant looks forward to completing this next phase of the licensing process and moving closer toward the Commission's approval of a Final Decision for HBEP.

Date: July 7, 2014

Stoel Rives LLP



Kristen Castaños, Esq.
Melissa A. Foster, Esq.
Attorneys for
AES SOUTHLAND DEVELOPMENT,
LLC

ATTACHMENT A
APPLICANT'S LETTER TO THE CALIFORNIA COASTAL COMMISSION, DATED JULY 3, 2014

Hellwig, Kimberly J.

From: Hellwig, Kimberly J.
Sent: Thursday, July 03, 2014 10:35 AM
To: 'Tom.Luster@coastal.ca.gov'; 'Allison.Dettmer@coastal.ca.gov'
Cc: 'Melissa A Foster (mafoster@stoel.com)'; 'ktcastanos@stoel.com'; Jeffery Harris (JDH@eslawfirm.com); 'Rob.Oglesby@energy.ca.gov'; Stephen O'Kane (stephen.okane@aes.com)
Subject: AES Southland's Response to Draft Coastal Commission Letter (for July 10, 2014 CCC Meeting)
Attachments: California Coastal Commission Ltr - OKane 070314.pdf; Exhibits to AES Letter to CCC dated July 3 2014.pdf

Dear Mr. Luster and Ms. Dettmer:

On behalf of AES Southland ("AES"), please find attached hereto AES' response (and related exhibits) to the California Coastal Commission ("CCC") Staff's June 27, 2014 letter to the CCC Commissioners and Interested Parties, as such relates to the Huntington Beach Energy Project. As this correspondence is directed to Chairman Kinsey and Commissioners, we respectfully request that it is forwarded to the respective parties as soon as possible.

If you have any questions regarding this correspondence, please do not hesitate to contact Mr. O'Kane at AES or Ms. Kristen Castanos of Stoel Rives LLP.

Respectfully submitted,

Kimberly J. Hellwig | Energy & Environmental Policies Specialist
STOEL RIVES LLP | 500 Capitol Mall, Suite 1600 | Sacramento, CA 95814-3361
Direct: (916) 319-4742 | Mobile: (916) 240-4767 | Fax: (916) 447-4781
kjhellwig@stoel.com | www.stoel.com

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AES Southland
690 North Studebaker Road
Long Beach, CA 90803
tel 562 493 7840
fax 562 493 7320

July 3, 2014

California Coastal Commission
45 Fremont, Suite 2000
San Francisco, CA 94105-2219

**RE: Agenda Item # 10 (July 10, 2014 Commission Meeting)
 Coastal Commission Staff's Draft Comment Letter Regarding the California Energy
 Commission's Application for Certification for the Huntington Beach Energy Project (12-AFC-02
 - AES Southland Development, LLC)**

Dear Chairman Kinsey and Commissioners:

AES Southland ("AES") is in receipt of Coastal Commission Staff's ("Staff") June 27, 2014 recommendations to the full Coastal Commission ("Commission") regarding Staff's "Draft 30413(d) Report for the Proposed AES Southland, LLC Huntington Beach Energy Project- Application for Certification #12-AFC-02 ("Comments"). AES submits these comments to clarify legal and factual inaccuracies set forth in the draft Comments for the Commission's consideration. AES' counsel will also be in attendance at the Commission's July 10, 2014 meeting to present these comments.¹

I. The Coastal Act Clearly Delineates the Coastal Commission's Role in AFC Proceedings Before the California Energy Commission

The Comments should not be treated as a "30413(d) Report" as contemplated by Public Resources Code section 30413(d), which is only applicable to notice of intention ("NOI") proceedings before the California Energy Commission ("CEC"). Section 30413(d) provides that "the [Coastal] commission shall analyze each notice of intention and shall, prior to completion of the preliminary report required by Section 25510, forward to the [CEC] a written report on the suitability of the proposed site

¹ AES also disagrees with and objects to the various recommendations in the Comments. The specific recommendations in the Comments need not be adopted because each of the issues identified in the Comments has been fully addressed in the CEC proceeding, all impacts of the project have been mitigated or reduced to the full extent feasible, and the project is consistent with applicable laws, ordinances, and regulations (LORS). The CEC docket for Application for Certification #12-AFC-02 contains complete information addressing each of these issues.

and related facilities specified in that notice.”² The Huntington Beach Energy Project (“HBEP”) is undergoing an AFC-only proceeding before the CEC; the language of Section 30413(d) is abundantly clear on its face that the requirements for a “report” from the Coastal Commission pertain to NOI proceedings.³

While NOI proceedings are required for certain kinds of powerplant siting (*e.g.*, nuclear facilities or coal plants), new thermal natural-gas fired powerplant facilities like HBEP are statutorily exempt from the NOI process. A primary purpose of the NOI process is to conduct a site selection process. Existing powerplants with a “strong relationship to the existing industrial site” are exempt from this site selection process.⁴ (Pub. Resources Code § 25540.6(a)(1).⁵) The NOI process is simply inapplicable because HBEP is undergoing an AFC-only proceeding before the CEC.

Staff mistakenly assumes that if the Coastal Commission chooses to participate in the HBEP AFC proceedings before the CEC, the requirements of Section 30413(d) apply. AES acknowledges that the Coastal Commission may choose to participate in the HBEP AFC proceedings. (*See* Pub. Resources Code § 30413(e).) However, such participation is governed by Public Resources Code section 30413(e) rather than section 30413(d). Regardless of the title of Staff’s draft Comments, any comments or “report” provided by the Coastal Commission in the HBEP AFC proceedings should be treated as

² Section 25510 is only relevant to NOI proceedings as it provides the timeline within which the CEC shall issue to the public a summary and hearing order on an NOI to file an application. (“25510. After the conclusion of such hearings, and no later than 150 days after filing of the notice, the commission shall prepare and make public a summary and hearing order on the notice of intention to file an application. The commission may include within the summary and hearing order any other alternatives proposed by the commission or presented to the commission at a public hearing prior to preparation of the summary and hearing order. The summary and hearing order shall be published and made available to the public and to interested local, regional, state, and federal agencies.”).

³ An NOI Proceeding does not contain a full permitting process. As set forth in Section 25502, a NOI is “an attempt primarily to determine the suitability of the proposed sites to accommodate the facilities and to determine the general conformity of the proposed sites and related facilities with standards of the commission and assessments of need.” The NOI process culminates in a decision that fundamentally indicates which sites are feasible for a power plant of the nature proposed. (Pub. Resources Code § 25516.6.)

⁴ Pub. Resources Code, § 25540.6(b).

⁵ Projects that are exempt from the NOI process are required to provide details regarding site selection criteria, any alternative sites that the applicant considered for the project, if applicable, and the reasons why the applicant chose the proposed site. (Pub. Resources Code § 25502.)

participation by the Coastal Commission pursuant to Section 30413(e) and not as an official “report” as defined in Section 30413(d).

As further evidence in support of AES’s arguments set forth herein, on August 2, 2004, the Legislative Counsel provided an opinion stating that the plain language of Section 30413(d) applies only to NOI proceedings. (*See generally* Exhibit A attached hereto; *see* Exhibit A at pp. 6-7.) Specifically, the Legislative Counsel determined that “the report made by the Coastal Commission pursuant to subdivision (d) of Section 30413 is submitted only in response to a NOI, and the AFC-only procedure does not include a NOI proceeding.” The Legislative Counsel concluded that “the statutory requirement that the Energy Commission include such specific provisions in its decision on an AFC . . . is inapplicable in an AFC-only procedure established under Section 25540.6.” (Exhibit A at p. 7 (emphasis added); *see also* Exhibit B attached hereto.⁶)

Recommended Action

AES reiterates that any “report” or comments provided to the CEC shall be treated as comments and not as a formal 30413(d) Report, as the latter is only applicable in NOI proceedings. Because this document constitutes comments pursuant to Section 30413(e) of the Coastal Act, it is within the Commission’s discretion whether to approve the comments and submit them to the CEC. Even if the Commission determines that action on Staff’s draft comments shall be taken, AES respectfully requests that the Motion and Resolution be revised as follows⁷:

Motion

I move that the Commission adopt the attached ~~report~~ **comments** and direct staff to forward ~~this report~~ **such comments** to the California Energy Commission pursuant to Coastal Act section 30413(~~e~~)(~~d~~).

Resolution

The Commission hereby adopts the attached ~~report~~ **comments** regarding the proposed ~~upgrade and expansion of the~~ Huntington Beach Energy Project ~~on grounds that the report includes the findings and conditions necessary to comply with the Commission’s obligations under Coastal Act section 30413(d).~~

⁶ As recently as July 2012, in a brief filed with the California Supreme Court (*City of Carlsbad v. California Energy Resources and Development Commission, et al.* (Case No. S203634), the CEC Chief Counsel argued in opposition to the City of Carlsbad that 30413(d) reports are not relevant in AFC-only proceedings. (*See* Exhibit B at pp. 16-20.) Attached as Exhibit 4 to that filing is a 1990 document filed by the Coastal Commission in a NOI proceeding wherein the Coastal Commission also noted that its role in AFC-only proceedings is dictated by Section 30413(e). (*See* Exhibit B attached hereto.)

⁷ AES maintains that regardless of whether these proposed revisions are made to the motion and resolution, since HBEP is an AFC-only proceeding, Staff’s comments are not a 30413(d) report and shall not be treated as such by the CEC.

AES welcomes and appreciates Coastal Commission participation in the HBEP AFC proceedings currently pending before the CEC as provided by Section 30413(e) of the Coastal Act.

II. All References to an “Enforcement Action” Should Be Stricken

Throughout the Comments, Staff erroneously refers to a “Coastal Commission enforcement proceeding.” (Comments at pp. 6, 11 and fn. 3.) AES requests that references to any Coastal Commission enforcement proceeding be stricken from any comments approved by the Commission because (1) there are no enforcement actions pending against AES, and (2) such statements are not relevant to the Commission’s review of the application for certification for HBEP and the CEC’s consideration of the HBEP application.

HBEP is a proposed new natural gas-fired, combined-cycle, air-cooled, 939-megawatt electrical facility, located on 28.6 acres within the footprint of the existing Huntington Beach Generating Station (“HBGS”). HBEP is subject to the exclusive siting jurisdiction of the CEC pursuant to the Warren-Alquist Act. (Pub. Resources Code, § 25500, et seq.) In that capacity, the CEC acts as lead agency for evaluating the environmental impacts of the proposed project. (Pub. Resources Code, § 25519(c).) The CEC’s review and evaluation concerns whether the proposed site and proposed facility are suitable for certification. (Pub. Resources Code, § 25519.) The analysis the CEC conducts, therefore, must pertain to the proposed project and not to alleged prior actions or activities that do not impact the environmental analysis of the proposed project. In support of that evaluation, the CEC accepts comments and input from various agencies, such as the Coastal Commission. (See, e.g., Pub. Resources Code §§ 25519(d), 25521, 30413(e).) In order to be relevant to the CEC’s analysis, comments and input must be related to the application and any decision the CEC must make on that application. (*Ibid.*) Comments pertaining to alleged and unsupported past activities would only be relevant to the extent they impact the environmental analysis of the proposed project. The purported “enforcement proceeding” does not impact the environmental analysis of the proposed project and, therefore, is not relevant to any decision the CEC must make in the proceeding.⁸

Moreover, the statements in the Comments misstate and mischaracterize the facts. There is no evidence supporting the assertion that an enforcement action is pending, let alone evidence that a violation has occurred. In a letter submitted to the CEC in August of 2012, Staff alluded to an “investigation” of activities at the HBGS site. However, neither Staff nor the Coastal Commission has ever directly communicated with AES regarding this supposed investigation, Staff has not notified AES that it has initiated an investigation, much less an enforcement action, and no notice of violation has ever been issued. The characterization in the Comments that there is an enforcement action pending is, therefore, inaccurate. Because it is both inaccurate and irrelevant to the proposed HBEP proceeding, references to such “enforcement action” should be stricken from any comments approved by the Commission.

⁸ While identification of existing and historic wetlands on the site may be relevant to the CEC’s environmental review, enforcement actions related to disturbance of any such wetlands is not relevant to the environmental analysis.

Recommended Action

Delete all references to Coastal Commission enforcement action on pages 6 and 11 and in footnote 3 of the Comments.

As previously stated, AES will have counsel in attendance at the July 10, 2014 Coastal Commission meeting. We will be happy to respond to any questions the Commission may have regarding these issues at that time.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "S. O'Kane".

Stephen O'Kane
Vice-President, AES Southland Development, LLC
Manager of Sustainability and Regulatory Compliance, AES Southland, LLC

Attachments

cc: Alison Dettmer, California Coastal Commission
Tom Luster, California Coastal Commission
Melissa A. Foster, Stoel Rives LLP
Kristen T. Castaños, Stoel Rives LLP
Jeffery D. Harris, Ellison, Schneider & Harris L.L.P.
Rob Oglesby, California Energy Commission

EXHIBIT A

LEGISLATIVE COUNSEL'S LETTER DATED AUGUST 2, 2004

LEGISLATIVE COUNSEL

Jane F. Boyer-Vine

DEPUTIES

Trey A. DeLand
Daniel A. Weitzman

PRINCIPAL DEPUTIES

David B. Judson
Michael J. Kersten
Robert G. Miller
John T. Studebaker
Elizabeth Ayala
Edward Ned Cohen
Kevin D. Gress
Laura T. Harrington
Brian M. Johnston
Michael R. Kelly
Emilio J. Lopez
Mark S. Louie
James A. Marsala
William K. Stark
T. Thom
Michael H. Upson
Richard B. Weisberg

DEPUTIES

Andy Anne Alanis
Amy C. Alley
Julia Antilla
Robert A. Baxter
John M. Burastero
Deleen J. Buxton
Andrew M. Cardullo
Gregory E. Carpio
Jennifer Chu
Natalia Curren
John E. Dale
Ronald D. Damiani, Jr.
Christopher Dawson
Clinton J. deWitt
Nanda B. Dozier
Christina M. Ferns
Aaron R. Fisher
Abraham Zidich Gibbons
Lisa C. Goldkuhl
Kristen A. Goodwin-Alexander
Julie A. Grantham
Maria Hilakos Hanke
Aldev S. Heir
Thomas R. Heuer
Russell H. Holder
Ksana G. Jaffe
Klerie R. Jones
Patricia Hart Jorgensen
Dori Ann Joseph
Michael J. Kanotz
Thomas J. Kerbs
Cecqueline R. Kinney
Steve B. Krottinger
Erik Lange
Christina M. Launey
Leticia A. Lee
Liana G. Lim
Lara A. Macias
Ariana Marin
Anthony P. Marquez
Francisco A. Martin
Daniel M. Maruccia
William E. Moddelmog
Deila R. Mohan
Bel Munoz
Michelle E. O'Connor-Ratcliff
Erardo Partida
Christine N. Paxinos
Robert A. Pratt
Stephanie Ramirez-Ridgeway
Patricia Gates Rhodes
Beth A. Salamon
Michael B. Salerno
Marinda H. Saxton
Jessica L. Steele
Ellen Sward
Mark Franklin Terry
Bradley N. Webb
Lisa M. Wright
Rick G. Zorman

OFFICE OF LEGISLATIVE COUNSEL

State Capitol, Suite 3021
Sacramento, California 95814

TELEPHONE (916) 341-8000

FACSIMILE (916) 341-8020

INTERNET www.legislativecounsel.ca.govEMAIL administration@legislativecounsel.ca.gov

FILE COPY



August 2, 2004

Honorable Patricia C. Bates
4116 State Capitol

CALIFORNIA ENERGY COMMISSION: CALIFORNIA COASTAL COMMISSION: CERTIFICATION OF SITE AND RELATED POWER FACILITIES - #12178

Dear Ms. Bates:

You have asked several questions with respect to the certification of a site and related power facilities under Section 25540.6 of the Public Resources Code.¹ The first question is whether, on an application for certification pursuant to Section 25540.6, the California Coastal Commission is required to submit a report pursuant to subdivision (d) of Section 30413 of the Public Resources Code.

Generally, and with certain exceptions, the Warren-Alquist State Energy Resources Conservation and Development Act (Div. 15 (commencing with Sec. 25000); hereafter the Energy Act) requires every person proposing the construction of a thermal powerplant and related facility to obtain certification of the site and related facility from the California Energy Resources Conservation and Development Commission (hereafter the Energy Commission; see Secs. 25110 and 25120, and Sec. 25500).

By way of background, under the Energy Act the procedures for certification of a site and related power facilities are contained in Chapter 6 (commencing with Section 25500) of Division 15, and generally require the filing of a notice of intention (hereafter NOI) to submit an application for certification of a site and related facility (Sec. 25502), followed by the filing of an application for certification (hereafter AFC) of a site and related facility (Sec. 25519). For five specified types of projects, however, the requirement of a NOI is eliminated and the only procedure required is an application for certification of a site and related facility (Sec. 25540.6; hereafter the AFC-only procedure). The NOI proceeding primarily determines the suitability of the proposed sites to accommodate the facility and to meet the demand for electrical energy

¹ All section references are to the Public Resources Code, unless otherwise indicated.

and capacity (Sec. 25502), whereas the AFC proceeding considers whether a particular site and related facility are suitable for certification (Sec. 25519).

In the NOI proceeding, the Energy Commission is required to prepare and make public a summary and hearing order on the NOI (Secs. 25502 and 25510). Following the summary and hearing order on the NOI, the Energy Commission is required to commence adjudicatory hearings culminating in the final report of the commission which is, in turn, subject to a hearing or hearings (Secs. 25513 and 25515). If the NOI is approved by the Energy Commission, the AFC proceeding is commenced upon the filing of an application for certification of a site and related facility (Secs. 25516 and 25519). The Energy Commission is required to hold hearings and issue a written decision on the AFC, stating its findings (Sec. 25523). The Energy Commission's decision is subject to reconsideration (Sec. 25530), and judicial review by the Supreme Court of California (Sec. 25531).

The power of the Energy Commission to certify sites and related power facilities is declared to be "exclusive," and a certificate issued by the Energy Commission in accordance with the power facility and site certification program prescribed by Chapter 6 (commencing with Section 25500) is in lieu of any permit, certificate, or similar document required by a state, local, or regional agency for use of the site and related facilities, and supersedes any applicable statute, ordinance, or regulation of any state, local, or regional agency (Sec. 25500; *City of Morgan Hill v. Bay Area Air Quality Management Dist.* (2004) 118 Cal.App.4th 861, 879).

The California Coastal Act of 1976 (Div. 20 (commencing with Sec. 30000; hereafter the California Coastal Act) establishes the California Coastal Commission (Secs. 30105 and 30300; hereafter the Coastal Commission) with specified jurisdiction over prescribed areas along the state's coastline designated as the coastal zone (Art. 3 (commencing with Sec. 30330), Ch. 4, Div. 20; Secs. 30103 and 30103.5). The Coastal Commission participates in proceedings with respect to the certification of a site and related power facility to be located in the coastal zone (Sec. 30413).

Section 30413 reads as follows:

"30413. (a) In addition to the provisions set forth in subdivision (f) of Section 30241, and in Sections 25302, 25500, 25507, 25508, 25510, 25514, 25516.1, 25523, and 25526, the provisions of this section shall apply to the commission and the State Energy Resources Conservation and Development Commission with respect to matters within the statutory responsibility of the latter.

"(b) The commission shall, prior to January 1, 1978, and after one or more public hearings, designate those specific locations within the coastal zone where the location of a facility as defined in Section 25110 would prevent the achievement of the objectives of this division; provided, however, that specific locations that are presently used for such facilities and reasonable expansion thereof shall not be so designated. Each such designation shall include a description of the boundaries of those locations, the objectives of this division which would be so affected, and detailed findings concerning the significant

adverse impacts that would result from development of a facility in the designated area. The commission shall consider the conclusions, if any, reached by the State Energy Resources Conservation and Development Commission in its most recently promulgated comprehensive report issued pursuant to Section 25309. The commission shall transmit a copy of its report prepared pursuant to this subdivision to the State Energy Resources Conservation and Development Commission.

"(c) The commission, after it completes its initial designations in 1978, shall, prior to January 1, 1980, and once every two years thereafter until January 1, 1990, revise and update the designations specified in subdivision (b). After January 1, 1990, the commission shall revise and update those designations not less than once every five years. Those revisions shall be effective on January 1, 1980, or on January 1 of the year following adoption of the revisions. The provisions of subdivision (b) shall not apply to any sites and related facilities specified in any notice of intention to file an application for certification filed with the State Energy Resources Conservation and Development Commission pursuant to Section 25502 prior to designation of additional locations made by the commission pursuant to this subdivision.

"(d) Whenever the State Energy Resources Conservation and Development Commission exercises its siting authority and undertakes proceedings pursuant to the provisions of Chapter 6 (commencing with Section 25500) of Division 15 with respect to any thermal powerplant or transmission line to be located, in whole or in part, within the coastal zone, the commission shall participate in those proceedings and shall receive from the State Energy Resources Conservation and Development Commission any notice of intention to file an application for certification of a site and related facilities within the coastal zone. The commission shall analyze each notice of intention and shall, prior to completion of the preliminary report required by Section 25510, forward to the State Energy Resources Conservation and Development Commission a written report on the suitability of the proposed site and related facilities specified in that notice. The commission's report shall contain a consideration of, and findings regarding, all of the following:

"(1) The compatibility of the proposed site and related facilities with the goal of protecting coastal resources.

"(2) The degree to which the proposed site and related facilities would conflict with other existing or planned coastal-dependent land uses at or near the site.

"(3) The potential adverse effects that the proposed site and related facilities would have on aesthetic values.

"(4) The potential adverse environmental effects on fish and wildlife and their habitats.

"(5) The conformance of the proposed site and related facilities with certified local coastal programs in those jurisdictions which would be affected by any such development.

"(6) The degree to which the proposed site and related facilities could reasonably be modified so as to mitigate potential adverse effects on coastal resources, minimize conflict with existing or planned coastal-dependent uses at or near the site, and promote the policies of this division.

"(7) Such other matters as the commission deems appropriate and necessary to carry out this division.

"(e) The commission may, at its discretion, participate fully in other proceedings conducted by the State Energy Resources Conservation and Development Commission pursuant to its powerplant siting authority. In the event the commission participates in any public hearings held by the State Energy Resources Conservation and Development Commission, it shall be afforded full opportunity to present evidence and examine and cross-examine witnesses.

"(f) The State Energy Resources Conservation and Development Commission shall forward a copy of all reports it distributes pursuant to Sections 25302 and 25306 to the commission and the commission shall, with respect to any report that relates to the coastal zone or coastal zone resources, comment on those reports, and shall in its comments include a discussion of the desirability of particular areas within the coastal zone as designated in such reports for potential powerplant development. The commission may propose alternate areas for powerplant development within the coastal zone and shall provide detailed findings to support the suggested alternatives." (Emphasis added.)

To ascertain the meaning of a statute, we begin with the language in which the statute is framed (*Leroy T. v. Workmen's Comp. Appeals Bd.* (1974) 12 Cal.3d 434, 438; *Visalia School Dist. v. Workers' Comp. Appeals Bd.* (1995) 40 Cal.App.4th 1211, 1220). When the language of a statute is clear, its plain meaning should be followed (*Droege v. Friedman, Sloan & Ross* (1991) 54 Cal.3d 26, 38).

With respect to a NOI proceeding, subdivision (d) of Section 30413 requires the Coastal Commission to analyze each NOI proposing a site and related facilities to be located within the coastal zone, and to prepare a written report for the Energy Commission on the suitability of the proposed site and related facilities that considers specified matters and makes certain findings. Subdivision (d) of Section 30413 requires the Coastal Commission to submit this report to the Energy Commission prior to the Energy Commission preparing and making public a summary and hearing order on the NOI pursuant to Section 25510.

Section 25540.6 establishes the AFC-only procedure for certification in certain circumstances, and reads as follows:

"25540.6. (a) Notwithstanding any other provision of law, no notice of intention is required, and the commission shall issue its final decision on the

application, as specified in Section 25523, within 12 months after the filing of the application for certification of the powerplant and related facility or facilities, or at any later time as is mutually agreed by the commission and the applicant, for any of the following:

“(1) A thermal powerplant which will employ cogeneration technology, a thermal powerplant that will employ natural gas-fired technology, or a solar thermal powerplant.

“(2) A modification of an existing facility.

“(3) A thermal powerplant which it is only technologically or economically feasible to site at or near the energy source.

“(4) A thermal powerplant with a generating capacity of up to 100 megawatts.

“(5) A thermal powerplant designed to develop or demonstrate technologies which have not previously been built or operated on a commercial scale. Such a research, development, or commercial demonstration project may include, but is not limited to, the use of renewable or alternative fuels, improvements in energy conversion efficiency, or the use of advanced pollution control systems. Such a facility may not exceed 300 megawatts unless the commission, by regulation, authorizes a greater capacity. Section 25524 does not apply to such a powerplant and related facility or facilities.

“(b) Projects exempted from the notice of intention requirement pursuant to paragraph (1), (4), or (5) of subdivision (a) shall include, in the application for certification, a discussion of the applicant's site selection criteria, any alternative sites that the applicant considered for the project, and the reasons why the applicant chose the proposed site. That discussion shall not be required for cogeneration projects at existing industrial sites. The commission may also accept an application for a noncogeneration project at an existing industrial site without requiring a discussion of site alternatives if the commission finds that the project has a strong relationship to the existing industrial site and that it is therefore reasonable not to analyze alternative sites for the project.” (Emphasis added.)

Because Section 25540.6 eliminates the requirement for a NOI in an AFC-only procedure, the Coastal Commission is not required to submit in that procedure the report required in a NOI proceeding under subdivision (d) of Section 30413. The intent of the Legislature in enacting Section 25540.6 was to establish an expedited certification procedure for specified types of facilities by removing the NOI requirement and shortening the AFC process to 12 months (Assembly Rules Committee, Office of Assembly Floor Analyses, 3rd reading analysis of Senate Bill No. 1805 (1977-78 Regular Session), as amended August 22, 1978).

In addition, the failure of the Legislature to change the law in a particular respect when the subject is generally before it, while changes in other aspects of that subject are made, is indicative of an intent to leave the law as it stands in the aspects not amended (*Cumero v. Public Employment Relations Bd.* (1989) 49 Cal.3d 575, 596). In that regard, when Section

25540.6 was enacted in 1978 (Stats. 1978, c. 1010), the Legislature also amended Section 30413 (Stats. 1978, c. 1013), but did not amend Section 30413 to require in a proceeding under Section 25540.6 that the Coastal Commission submit the report required by subdivision (d) of Section 30413.

Accordingly, we conclude that in an AFC-only proceeding conducted pursuant to Section 25540.6 of the Public Resources Code, the California Coastal Commission is not required to submit the report that is required by subdivision (d) of Section 30413 of the Public Resources Code in a NOI proceeding.

You have also asked whether, in an AFC-only proceeding conducted pursuant to Section 25540.6 of the Public Resources Code, the California Coastal Commission in its review and comment under subdivision (d) of Section 25519 of the Public Resources Code is prohibited from submitting the information it would submit in a report required by subdivision (d) of Section 30413.

With respect to an AFC-only proceeding, subdivision (d) of Section 25519 requires the Energy Commission to transmit a copy of the AFC to the Coastal Commission for its review and comments, if the site and related facility are proposed to be located in the coastal zone, and the Coastal Commission may participate in the proceeding on the AFC as an interested party (see Sec. 25508 and subd. (e), Sec. 30413). Nothing in those provisions or in any other statutory provision prohibits the Coastal Commission from submitting to the Energy Commission, in its review and comments in an AFC-only proceeding, information similar to that contained in the report that the Coastal Commission is required, pursuant to subdivision (d) of Section 30413, to submit in a NOI proceeding. Moreover, the AFC-only procedure established by Section 25540.6 specifically requires three of the five types of projects exempted from the NOI requirement to include in the AFC a discussion of the applicant's site selection criteria, any alternative sites that the applicant considered for the project, and the reasons why the applicant chose the proposed site (subd. (b), Sec. 25540.6). These items are similar to the considerations regarding alternative proposed sites that the Coastal Commission is required to address in its report required by subdivision (d) of Section 30413 in a NOI proceeding.

Accordingly, we conclude that, in an AFC-only proceeding conducted pursuant to Section 25540.6 of the Public Resources Code, the California Coastal Commission in its review and comment under subdivision (d) of Section 25519 of the Public Resources Code is not prohibited from submitting the information it would submit in a report under subdivision (d) of Section 30413.

Finally, you have asked whether, on an application for certification made pursuant to Section 25540.6 of the Public Resources Code, the California Energy Commission is required by subdivision (b) of Section 25523 to include in its decision specific provisions to meet any comments the California Coastal Commission submits in its review and comments submitted to the Energy Commission pursuant to subdivision (d) of Section 25519 of the Public Resources Code.

The Energy Commission is required to prepare a written decision after the public hearing on an AFC that includes several items (Sec. 25523). Section 25523 specifically requires the Energy Commission, in the case of a site to be located in the coastal zone, to include in that

decision specific provisions to meet the objectives of the California Coastal Act, as may be specified in the report submitted by the Coastal Commission pursuant to subdivision (d) of Section 30413, unless the Energy Commission specifically finds that the adoption of the provisions specified in the report would result in greater adverse effect on the environment or that the provisions proposed in the report would not be feasible (subd. (b), Sec. 25523).

However, the requirement that the Energy Commission include, in its decision on an AFC, specific provisions to meet the objectives of the California Coastal Act as may be specified in the report that the Coastal Commission is required to submit under subdivision (d) of Section 30413, does not apply in the instance of an AFC-only procedure established by Section 25540.6. The report made by the Coastal Commission pursuant to subdivision (d) of Section 30413 is submitted only in response to a NOI, and the AFC-only procedure does not include a NOI proceeding (see discussion above). Therefore, we conclude that the statutory requirement that the Energy Commission include such specific provisions in its decision on an AFC, unless they would result in greater adverse effect on the environment or would not be feasible, is inapplicable in an AFC-only procedure established under Section 25540.6.

Accordingly, we conclude that on an application for certification made pursuant to Section 25540.6 of the Public Resources Code, the California Energy Commission is not required by subdivision (b) of Section 25523 to include in its decision specific provisions to meet any comments the California Coastal Commission submits in its review and comments to the Energy Commission pursuant to subdivision (d) of Section 25519 of the Public Resources Code.

Very truly yours,

Diane F. Boyer-Vine
Legislative Counsel

Maria H. Hilakos Hanke by MC

By
Maria Hilakos Hanke
Deputy Legislative Counsel

MHH:kg

EXHIBIT B

CALIFORNIA ENERGY COMMISSION'S PRELIMINARY OPPOSITION FOR WRIT OF MANDATE AND
RELATED APPENDIX (IN PERTINENT PART), DATED JULY 9, 2012

CONFORMED
COPY

IN THE SUPREME COURT OF THE
STATE OF CALIFORNIA

CITY OF CARLSBAD.

Petitioners,

V.

CALIFORNIA ENERGY
RESOURCES CONSERVATION
AND DEVELOPMENT
COMMISSION, et al.

Respondent, and

CARLSBAD ENERGY CENTER,
LLC

Real Party in Interest.

Case No.: S203634

California Energy Commission
Docket No. 07-AFC-6

'JUL - 9 2012

**RESPONDENT CALIFORNIA ENERGY COMMISSION'S
PRELIMINARY OPPOSITION TO PETITION FOR WRIT OF MANDATE**

Exempt from Filing Fees, Gov. Code § 6103

MICHAEL J. LEVY, SBN 154290
CARYN J. HOLMES, SBN 119207
California Energy Commission
1516 Ninth Street, MS 14
Sacramento, CA 95814
Telephone: (916) 654-3951
Facsimile: (916) 654-3843

Attorneys for Respondent California
Energy Resources Conservation and
Development Commission

**IN THE SUPREME COURT OF THE
STATE OF CALIFORNIA**

CITY OF CARLSBAD,)	Case No.: S203634
)	
Petitioners,)	
)	California Energy Commission
v.)	Docket No. 07-AFC-6
)	
CALIFORNIA ENERGY)	
RESOURCES CONSERVATION)	
AND DEVELOPMENT)	
COMMISSION, et al.)	
)	
Respondent, and)	
)	
CARLSBAD ENERGY CENTER,)	
LLC)	
)	
Real Party in Interest.)	

**RESPONDENT CALIFORNIA ENERGY COMMISSION'S
PRELIMINARY OPPOSITION TO PETITION FOR WRIT OF MANDATE**

Exempt from Filing Fees, Gov. Code § 6103

MICHAEL J. LEVY, SBN 154290
CARYN J. HOLMES, SBN 119207
California Energy Commission
1516 Ninth Street, MS 14
Sacramento, CA 95814
Telephone: (916) 654-3951
Facsimile: (916) 654-3843

Attorneys for Respondent California
Energy Resources Conservation and
Development Commission

**IN THE SUPREME COURT OF THE
STATE OF CALIFORNIA**

CITY OF CARLSBAD,)	Case No.: S203634
)	
Petitioners,)	
)	California Energy Commission
v.)	Docket No. 07-AFC-6
)	
CALIFORNIA ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION, et al.)	
)	
Respondent, and)	
)	
CARLSBAD ENERGY CENTER, LLC)	
)	
Real Party in Interest.)	

**RESPONDENT CALIFORNIA ENERGY COMMISSION'S
PRELIMINARY OPPOSITION TO PETITION FOR WRIT OF MANDATE**

Exempt from Filing Fees, Gov. Code § 6103

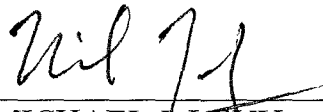
MICHAEL J. LEVY, SBN 154290
CARYN J. HOLMES, SBN 119207
California Energy Commission
1516 Ninth Street, MS 14
Sacramento, CA 95814
Telephone: (916) 654-3951
Facsimile: (916) 654-3843

Attorneys for Respondent California
Energy Resources Conservation and
Development Commission

**CERTIFICATE OF INTERESTED ENTITIES
OR PERSONS
(Cal. Rules of Court, rule 8.208)**

Respondent California Energy Commission ("Commission") is not an "entity" pursuant to Rule of Court 8.208, subdivision (C)(2), because it is a government agency. Real Party in Interest, Carlsbad Energy Center, LLC, is a private corporate entity, and is believed by the Commission to be an interest of the energy company NRG, Inc. Respondent California Energy Commission is unaware of any other entity in this proceeding that has a financial or other interest in the outcome of the proceeding.

Date: July 9, 2012



MICHAEL J. LEVY
Counsel for Respondent
California Energy Commission

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To the Honorable Chief Justice of California and the Honorable Associate Justices of the California Supreme Court:

**PRELIMINARY OPPOSITION
TO PETITION FOR WRIT OF MANDATE**

Respondent California Energy Resources Conservation and Development Commission (“Energy Commission” or “Commission”) respectfully requests that the Supreme Court deny the Petition for Writ of Mandate in this matter.

I. INTRODUCTION

This case involves the Energy Commission’s decision to license the Carlsbad Energy Center Project (“CECP”), a thermal power plant facility. CECP was licensed after an administrative proceeding that lasted nearly five years and after a very thorough environmental review. The process included numerous public events including public workshops, lengthy discovery, multiple pre-hearing conferences, at least three separate rounds of trial-type hearings where all parties were able to present evidence and cross-examine witnesses regarding any issues, and two (sequential) lengthy opinions proposed by the Commission committee overseeing the process.

Petitioner City of Carlsbad (“City”) participated actively throughout this lengthy process. Numerous government agencies also provided their comments and testimony, including the local air district, the Regional Water Quality Control Board, and state and federal wildlife agencies, as well as the California Independent System Operator. As might be expected from such a proceeding, the administrative record and environmental analysis for the project is very large, and includes thousands of pages of materials, charts, computer runs, photo simulations, and transcripts. The

Commission's decision contains more than 200 conditions of certification designed to ensure that environmental impacts are mitigated and that the health and safety of the public is protected.

With the required mitigation set forth in its conditions, the Commission concluded that CECP would result in no substantive significant adverse environmental impacts that are not fully mitigated. Although the Commission found that the project complied with most applicable laws, ordinances, regulations, and standards ("LORS"), the City made changes to its ordinances late in the proceeding with the purpose of obstructing the project. The Commission therefore made findings pursuant to its statute that the project is necessary for public convenience and necessity, regardless of not being consistent with the City's ordinances. The Commission made similar public convenience and necessity "override" findings directed to alleged inconsistencies with the California Coastal Act and the California Fire Code.

The City has been—and continues to be—unequivocally opposed to the project. It has raised nearly every conceivable objection to CECP in an effort to frustrate its licensing. All of the substantive issues raised by petitioners have been addressed by the Commission within its process.

The Commission ultimately licensed CECP, for reasons succinctly summarized in a brief from Commission staff regarding the significant environmental and electric reliability benefits of the project:

The record shows that CECP will replace aging and inefficient infrastructure—the once-through-cooling ("OTC") boiler facilities of Encina Power Station ("EPS") units 1-3 (which *will* be decommissioned when CECP goes on line—contrary to the City's claim) and, to some degree, the use of units 4-5 (which would

remain for the time being). Units 1-3 were built in the 1950s and are quite inefficient. They must be kept running at a low level, burning gas and pumping ocean water, so they can be ramped up to provide emergency backup for the system on the few occasions for which they are needed. CECF will provide a newer, more efficient, fast-ramping facility that need not be kept running to be available on short notice. It will not use OTC, thus avoiding its attendant biological damage. It will generate energy more efficiently, with fewer emissions (of both criteria pollutants and greenhouse gases) per megawatt hour, making the electric generating system more efficient and less damaging to the environment. Its power will be consumed in accordance with the laws of physics, which means at the nearest load—the City of San Diego and such places as the City itself. It will increase electric reliability for the City and the San Diego region as a whole. Its fast ramping capability will allow it to integrate renewable power from wind and solar sources much more effectively than the older units it replaces, a benefit to the environment consistent with state and federal energy policy. Ultimately, it would be part of the overall infrastructure necessary for the closure of the EPS facilities which rely on OTC. It would thereby facilitate the State Water Board's newly adopted policy for such power plants, which can only be closed when modern replacement generation is ready. These benefits, detailed later in this brief, are very significant benefits not only to the City, but to the region and the State as a whole. (Pet. App., Exh. A, pp. 8.1-24 and 25.)¹

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¹ The Commission's three-volume appendix ("CEC Appendix" provides pertinent parts of the record, including the "Final Staff Assessment," or "FSA," comprising part of the comprehensive environmental analysis for

ISSUES PRESENTED FOR REVIEW

- 1. Should the Court Dismiss the Petition, Where the City Violated Rules of Court 8.25 by Failing to Serve the Petition on Respondents Before Filing With the Court?**
- 2. Can the Energy Commission License the CECP Without a Report from the California Coastal Commission?**
- 3. Is CECP Consistent With the California Coastal Act?**
- 4. Did the Energy Commission Need to Further “Consult” with the City Regarding “Override” of City Ordinances?**
- 5. Did the Energy Commission Properly “Override” any Claimed Inconsistency with the California Fire Code?**

II. JURISDICTION OF THE SUPREME COURT

Public Resources Code section 25531, subdivision (a), states that “The decisions of the [energy] commission on any application for certification of a site and related [power] facility are subject to judicial review by the Supreme Court of California.”

IV. SCOPE OF REVIEW

The scope of review of Energy Commission power facility licenses is set forth in Public Resources Code section 25531, subdivision (b), which provides the narrowest scope of review that is consistent with the California Constitution:

No new or additional evidence may be introduced upon review and the cause shall be heard on the record of the commission as certified to by it. The review shall not be extended further than to determine whether the commission has regularly pursued its authority, including a determination

the project. The Final Decision is Exhibit A of Petitioner’s Appendix. Page numbers correspond to the page numbers in the original documents..

of whether the order or decision under review violates any right of the petitioner under the United States Constitution or the California Constitution. The findings and conclusions of the commission on questions of fact are final and are not subject to review, except as provided in this article. These questions of fact shall include ultimate facts and the findings and conclusions of the commission.

(Pub. Resources Code, § 25531, subd. (b).) For purposes of this Statement, the Commission assumes that the Court's inquiry as to "whether the commission has regularly pursued its authority" includes a determination as to whether the Commission's findings are supported by substantial evidence in the record. (*See Topanga Association for a Scenic Community v. County of Los Angeles* (1974) 11 Cal.3d 506.)

V. STATEMENT OF THE CASE

A. The Energy Commission's Power Facility Certification Process

In California, the construction of any thermal power plant with a generating capacity of at least 50 megawatts ("MW," one million watts) requires a license ("certificate," in the language of the statute) from the Energy Commission. (Pub. Resources Code, §§ 25110, 25120, 25500.)² The Commission's certificate takes the place of all other state, regional, and local permits that otherwise would be required. (§ 25500.)

The Commission's Application for Certification ("AFC") process involves an extensive examination of all aspects of proposed power facilities, including environmental, health, safety, and other factors. (See §§ 25519 - 25523, 25525 - 25529; Cal. Code Regs., tit. 20, §§ 1741 - 1755.) The Commission serves as lead agency under the California Environmental Quality Act ("CEQA"). (§ 25519, subd. (c).) The process focuses on two

² Unless otherwise indicated, section citations in this Preliminary Opposition are to the Public Resources Code.

critical findings that the Commission must make: (1) whether a proposed facility will comply with all applicable laws, ordinances, regulations, and other standards (“LORS”) (§ 25523, subd. (d)(1)); and (2) whether it will cause any significant, unmitigable, adverse environmental impacts. (§§ 21080.5, subds. (d)(2)(A), (d)(3)(A), 21100, subd. (b).) The Commission may not approve a project that does not comply with applicable LORS, or that has a significant, unmitigable, adverse environmental impact, unless the Commission also determines that the project has overriding benefits. (§§ 21002, 25525; Cal. Code Regs., tit. 20, §§ 1752, subds. (b), (l), 1755, subds. (b) - (d).)

The Commission solicits participation by all state, local, and federal agencies with an interest in issues regarding power plant siting. (§ 25519, subds. (c) through (k).) This includes the California Coastal Commission (“Coastal Commission”). As will be discussed further below, the Coastal Commission’s participation in the licensing (“Application for Certification,” or “AFC”) process is discretionary; it is only required to file a report on compliance with the Coastal Act in Notice of Intent or “NOI” proceedings, a process which was not relevant to the CECP.

The AFC process consists of several phases intended to foster full public involvement and ensure that the decision-makers have all relevant information. The phases include (1) determining whether the AFC has enough information so that meaningful analysis may begin; (2) development and exchange of additional information by all parties, through data requests and public workshops; (3) publication of a thorough, detailed assessment of all aspects of the project by the Commission’s staff of independent technical experts; (4) evidentiary hearings on contested issues, before a committee of two commissioners, in which any party may present

direct and rebuttal testimony and cross-examine witnesses; (5) publication of a proposed decision and comments thereon, with revisions in response to comments if appropriate; (6) consideration and the adoption of a final decision by the full Commission at a public hearing, and (7) if a party sets forth specific grounds for reconsideration addressing alleged errors of fact or law in the Commission's decision, an opportunity for reconsideration. (§§ 25523, 25525, 25530; Cal. Code Regs., tit. 20, §§ 1716, 1718, 1720, 1742.5 - 1755.) In the AFC process, the Commission's staff functions as an independent party to the proceeding. (Cal. Code Regs., tit. 20, §1712.5.)

The AFC process is entirely separate from the "Notice of Intent" (or "NOI") process which some kinds of facilities must satisfy *before* an AFC can be filed. The NOI process is a site screening process that focuses on the screening of alternative site locations, and is subject to separate statutory provisions and agency regulations. (Compare §§ 25502-25516.6 [NOI statutory requirements] with §§ 25517-25529 [AFC statutory requirements].) The City's Petition incorrectly conflates these two processes, thereby confusing and misstating the statutory duties of the Coastal Commission with regard to Commission proceedings.

In conducting licensing proceedings, the Energy Commissioners exercise the considerable technical and scientific expertise the Legislature requires them to have:

One member of the commission shall have a background in the field of engineering or physical sciences and shall have knowledge of energy supply or conversion systems; . . . one member shall have background and expertise in the field of environmental protection or the study of ecosystems; one member shall be an economist with background and experience in the field of natural resource management

(§ 25201.)

B. The Commission's Certified Regulatory Program Under CEQA

As is the case for nearly all discretionary governmental permits in California, the Commission's power plant certification process is subject to CEQA. (See §§ 21080, subd. (a), 25519, subd. (c).) In general, CEQA requires all state agencies to prepare an environmental impact report ("EIR") on any project they propose to carry out or approve that may cause a significant adverse environmental impact. (§ 21100, subd. (a).) However, when a state regulatory program requires the preparation of a written document that is the "functional equivalent" of an EIR, CEQA also provides that the Secretary of the Resources Agency may exempt the program from the portions of CEQA requiring an EIR. (§ 21080.5, subd. (a).) Such "certified regulatory programs" remain subject to the substantive provisions of CEQA, including the requirements that significant adverse impacts be mitigated where feasible. (§ 21080.5, subd. (d); Cal. Code Regs., tit. 14, § 15250.) However, many of the procedural requirements of CEQA do not apply to a certified regulatory program which, as in the Commission's case, may provide substantially greater opportunity for the public to probe assumptions that form the basis for the agency's analysis and to provide alternative analyses. The Resources Secretary certified the Commission's power facility certification program in 1981 and re-certified it in 2000, and the Commission's environmental review of CECF was conducted under the certified program. (See Cal. Code Regs., tit. 14, § 15251, subd. (k).)

C. The Carlsbad Energy Center Project

For nearly 60 years, the Encina Power Station (“EPS”) has operated on the California coast in the City of Carlsbad. It expanded in the 1970s, and is now proposing to expand, within its current boundaries, by adding the CECF. EPS is strategically located from an electric reliability standpoint; it provides essential electric reliability services in an urban “load pocket” in the San Diego region. However, EPS is an aging and obsolescent facility, with old “legacy” boiler units that are inefficient, and it is cooled by ocean water, imposing adverse impacts on marine biota. (Pet. Exh. 1 [Final Dec.] p. 3-19; CEC Exh.1 [FSA], p. 618.) It is the State’s policy to close and, if necessary, replace these old facilities with newer, smaller, more efficient ones. (Pet. Exh. 1 [Final Dec.] p.3-22 [Finding No. 9].) New power plant facilities are smaller, use modern technology that reduce air emissions, and do not rely on marine cooling, thereby reducing environmental impacts. (*Id.* at pp. 3-19, 22 [Final Dec.])

CECF is proposed for the EPS site, and is such a modernization project. It is smaller but far more efficient than the aging EPS units (and also more efficient than the typical electric generating “peakers”), has “fast start” capability, and can flexibly ramp its generation up and down to meet fluctuating demand. (*Id.* at pp. 2-2, 2-4, 3-2, 3-19 and 20,) This meets a critical reliability need in the San Diego “load pocket” (also called a “local capacity area” or “reliability area”), and will help integrate the fluctuating and growing contribution of renewable electric generation sources. (*Id.* at pp. 3-2, 3-20.) CECF also has the advantage of utilizing existing industrial and electric infrastructure, including transmission lines, switchyards, natural gas lines, and the EPS industrial site. (*Id.* at 3-20, 9-10 [Finding No. 5.f]; CEC Exh.1 [FSA] at pp. 6-1, 6-4, 9-4 to 9-5.)

Even with such important and obvious benefits, CECP has been vigorously opposed by the City, which envisions opportunities for redeveloping the property in ways that will benefit its economy. The City has participated in the licensing proceeding and made every effort to frustrate the licensing of CECP. These efforts included incorrect claims that City ordinances did not allow the project, firm statements that no City reclaimed water was available for sale to the project, insistence that impractically wide fire access roads of unprecedented width be required, amendments to the general plan and zoning law to create inconsistencies with the project, and a last-minute ordinance adoption stating that the Commission—not the City—should provide “primary” emergency services. (*Id.* at pp. 2 and 3 [Findings No. 4 and 13].)

The City’s aggressive opposition has required redesign of some features of the project and lengthened the licensing proceeding. In response to the City’s position that it would (or could) not provide the reclaimed water necessary for CECP, the project was re-designed to use a reverse osmosis system to desalinate sea-water for project use. (CEC Exh. 1 [FSA] pp. 4.9-6, 4.9-14, 4.9; CEC Exh. 7.)

The Commission has acknowledged the City’s local preferences and considered its various claims, but found that the project has no substantive environmental impacts³ that cannot be mitigated to a level that is less than significant. The Commission originally proposed findings that CECP would be consistent with all applicable laws, but the City then changed various

³ The Commission found that the nonconformity of the City’s newly amended land use provisions resulted in a significant impact merely by virtue of the nonconformity, and made override findings, despite no underlying environmental impact. (Pet. Exh. 1, pp. 9-3, 9-10 [Finding No. 2].)

ordinances to obstruct such a finding. (See §D., below.) The Commission subsequently, and after further environmental analysis, found that the project has important local and statewide value and is necessary for the “public convenience and necessity,” overriding inconsistency with City ordinances, and also overriding alleged noncompliance with the provisions of the California Coastal Act, the California Fire Code, and the “non-substantive” CEQA impact for land use ordinance noncompliance.

The Commission’s overrides are based on the important benefits CECP provides. As the California Independent System Operator and others testified, CECP provides generation necessary for local and regional electric reliability, provides flexible support for the integration of fluctuating but growing renewable energy such as wind and solar generation, and will allow the shutdown of aging facilities that are less efficient, emit higher levels of pollution, and use once-through cooling with ocean water. (Pet. Exh. 1, p. 3-19, 9-3 to 9-4.) State policy adopted by the State Water Resources Control Board is to greatly reduce the use of once-through cooling in the near future, either by closing or radically revising older electric generating units such as those at EPS. (*Id.* at 7.2-10, 9-3.) CECP is essential for satisfying this policy in the near term. Finally, the CECP site in Carlsbad presently has elevated strategic value to the electric system given the uncertain and faltering generation from the San Onofre nuclear units. (5/31/12 Adoption Hearing Tr., pp. 290-291.[found at http://www.energy.ca.gov/business_meetings/2012_transcripts/2012-05-31_transcript.pdf])

The City intervened to become a “party” to the CECP proceeding, and raised myriad objections to the project, both substantive and procedural. The City’s opposition is partly responsible for the unprecedented length of the

CECP proceeding, as the Commission repeatedly attempted to address the various issues the City continued to raise, as detailed in the section below. The City's issues have been addressed in the lengthy administrative proceeding, and the objections raised in their petition are without merit.

D. The CECP Proceeding at the Commission

The application for CECP was filed on September 12, 2007. The original application proposed to use reclaimed water purchased from the City. In 2008, after several Commission staff workshops, the City stated publicly that it would have insufficient water to sell to CECP; in response the applicant amended its application in September 2008 to meet its water needs using ocean water provided by a reverse osmosis system. (CEC Exh. 1[FSA] pp. 4.9-14, 15.)

After repeated consultation with the City regarding its land use provisions, the Commission staff ("Staff") issued its preliminary environmental analysis ("Preliminary Staff Assessment," or "PSA") for public comment in December 2008. After public comment and additional workshops, as well as a comprehensive report on air quality impacts and requirements from the air pollution control district, Staff issued its Final Staff Assessment ("FSA"), a comprehensive environmental analysis required by CEQA, in November 2009. All parties filed testimony, and after a pre-hearing conference, four days of evidentiary hearings on all topics were held in February 2010. A principal issue at these hearings was whether CECP complies with the City's local ordinances and the California Coastal Act. (CEC Exh. 5 [evidentiary hearing excerpt].)

The CECP proceeding adjudicates an “Application for Certification” (as distinguished from a “Notice of Intent” site selection proceeding), and thus there is no statutory requirement for participation by the California Coastal Commission. Since the Coastal Commission informed the Commission that it did not intend to participate in the review of CECP (CEC Exh. 3), Staff independently analyzed compliance with the Coastal Act, as did Applicant and the City, with differing conclusions. Staff and the Applicant (and ultimately the Commission) found that CECP would comply with all Coastal Act provisions.

The two-Commissioner Committee⁴ for CECP issued the Presiding Member’s Proposed Decision (“PMPD”) on May 9, 2011, and subsequently held additional evidentiary hearings on the topics of Air Quality, Land Use, Worker Safety and Fire Protection, seismic safety, and Soil and Water, in response to issues raised by the City and other parties. As a result of the evidentiary hearings, the Committee published an errata to the PMPD in June 2011.

On June 30, 2011, the full Commission held a hearing to consider adoption of the PMPD as its Final Decision. However, pursuant to objections from various intervenors, including the City, that the environmental analysis was incomplete, the Commission remanded the Decision to the Committee for additional environmental analysis on the discrete issues subject to objection. The Staff subsequently filed additional analysis regarding project alternatives (alternative power plants proposed in

⁴ Pursuant to § 25211 and related regulations, Commission power plant siting proceedings are normally conducted by two members of the Commission, who comprise the “Committee” for the project, and who propose a Decision (the “Presiding Member’s Proposed Decision”) to the full Commission for adoption, rejection, or revision.

proceedings at the California Public Utilities Commission), electric grid reliability considerations raised by the California Independent System Operator, and Land Use Conditions of Certification 2 and 3. The Committee then requested additional topics for analysis, and all parties filed additional testimony on these topics and others. A final evidentiary hearing on these topics was held in December 2011.

The Committee issued its “Revised” PMPD (“RPMPD”), in essence a draft decision, in March 2012. After an extensive comment period, as well as objections from the City, the full Commission considered and adopted the RPMPD at a hearing on May 31, 2012, making it the Commission’s “Final Decision.” (The Final Decision is part of City’s Appendix.) The Final Decision made “override” findings for the recently amended City land ordinances. Although the Final Decision concluded that CECP complies with the Coastal Act, it also concludes that the project is warranted even if the intervenors’ position was accepted that the CECP was not in conformance with substantive Coastal Act provisions, and therefore included “override” findings. Similarly, the Commission made “override” findings for a singular provision in the State Fire Code that the City insists gives it authority to require infeasibly broad fire access roads, which the Commission found, based on an elaborate evidentiary record, were unrelated to public safety or safe provision of emergency services. (CEC Exh. 6, pp. 22-24.)

The numerous public workshops held by Staff, and the various evidentiary hearings and comment hearings held by the Committee, all occurred in the City of Carlsbad.

VI. ARGUMENT

A. **The Court Should Dismiss the Petition for Failure to Comply with Rule 8.25.**

The Rules of Court require the City to serve its Petition on Respondents and Real-Parties in-Interest *prior* to filing it with the Court. (Cal. Rules of Court, rule 8.25(a)(1).) The City failed to comply with this requirement.

The facts are straightforward. The City's proof of service states that it served respondent California Energy Commission by depositing a copy of the Petition with the United States Postal Service on June 27, 2012. In fact, the petition was delivered to the Commission via United Parcel Service (UPS) "ground service" on July 2, 2012, and was not delivered to UPS by the City until 8:24 pm on June 28th, 2012, after the close of business. (Applicant's⁵ App., pp. 2, 3.) Moreover, the docket of this Court indicates that the Petition was filed prior to the close of business on June 28th, 2012. Thus, the City served the Commission *after* the Petition was filed with this Court, not the day before it filed, as the proof of service indicates. Rule of Court 8.18 states that the reviewing court clerk must not file any record or other document that does not conform to these rules. However, in this case, the clerk could not have known that the Petition would not comply with Rule 8.25 because the proof of service wrongly indicated that the Petition had been served when in fact it had not. Had the proof of service correctly indicated that service had not been completed, the filing could not have been made. We therefore request that the court dismiss the Petition for failure to comply with the Rules of Court.

⁵ Applicant is the term used in this brief for real party in interest Carlsbad Energy Center, LLC.

B. No Coastal Commission Report or Participation is Required for the Energy Commission's AFC Licensing Process, and Coastal Act compliance was Thoroughly Considered.

For many years, the Energy Commission has encouraged Coastal Commission participation in its power plant licensing process. However, shortly after the CECP application was filed, the Coastal Commission's Executive Director informed the Energy Commission by letter that it would not participate in several new licensing proceedings, including the CECP proceeding. (CEC Exh. 3[October 16 letter from Peter Douglas, Executive Director for Coastal Commission].) The letter stated that "substantial workload and limited resources" were an important consideration, but further explained that the principal environmental issue of interest to the Coastal Commission was no longer in play:

We note that all the projects listed above [including CECP] are proposing to end the environmentally destructive use of seawater for once-through cooling and instead employ dry cooling technology, which the Coastal Commission has strongly supported during past power plant reviews. This move away from once-through cooling removes what has been the single most contentious and environmentally damaging aspect of past project proposals. It also reduces the Coastal Commission's concerns about the type and scale of impacts associated with these proposed projects and about the ability of these projects to conform to Coastal Act provisions. Although each of these proposed projects have the potential to cause other types of adverse effects to coastal resources, we trust that the Energy Commission staff will continue to thoroughly review these projects as it has done in the past AFC proceedings....

(Ibid.)

The City contends that the Energy Commission cannot license a power plant in an AFC proceeding absent a report from the Coastal Commission regarding consistency with the Coastal Act. (Pets. Brf., pp. 3-

4.) The City is incorrect, and its citations to the applicable law do not support its claim.

The City cites three statutory provisions to support its claim. The first is Section 25519, subdivision (d), which requires the Energy Commission to transmit a copy of any AFC to the Coastal Commission “for its review and comments.” (Pet. Brf., p. 3.) It is undisputed that the Energy Commission did so, and solicited Coastal Commission participation. But nothing in that statutory provision requires a report from the Coastal Commission.

The City also cites Section 25523, subdivision (b), a part of the Energy Commission’s statute, and Section 30413, subdivision (d), a corresponding provision in the Coastal Commission’s statute, as authority that a Coastal Commission report was required before CECP could be licensed. (Pet. Brf, pp. 4-9.) Again, these statutes do not require what the City alleges. Initially, we defer to the Coastal Commission’s interpretation of its statutes that Section 30413 in its entirety is directory and not mandatory. (See Coastal Commission’s Preliminary Opposition filed in this proceeding.) More fundamentally, the City has conflated the requirements of NOI proceedings (described above) with those of the AFC licensing proceedings, thereby confusing these requirements. The City’s interpretation is inconsistent with the statutes themselves, and with the Coastal Commission’s long-standing interpretation of its statutory duties under these provisions.

Section 25523 addresses the findings that the Energy Commission must make when it licenses a project (AFC proceeding). Subdivision (b) requires, for projects licensed in the coastal zone, “specific provisions to

meet the objectives of [the Coastal Act] *as may be specified* in the report submitted by the California Coastal Commission pursuant to subdivision (d) of Section 30413, unless the [Energy] Commission specifically finds that the adoption of the provisions specified in the report would result in a greater adverse effect on the environment or . . . would not be feasible.” (Emphasis added.)

Section 30413, subdivision (d), of the Coastal Act describes the report referenced in Section 25523, subdivision (b), as follows:

(d) Whenever the [Energy] Commission exercises its siting authority and undertakes proceedings [for any power plant or transmission line] within the coastal zone, the [Coastal] Commission shall participate in those proceedings and shall receive from the [Energy] Commission *any notice of intention* to file an application for certification The [Coastal] Commission shall *analyze each notice of intention and shall, prior to completion of the preliminary report required by Section 25510, forward to the [Energy] Commission a written report on the suitability of the proposed site . . . specified in that notice.* The [Coastal] Commission’s report shall contain a consideration of, and findings regarding, all of the following: (Emphasis added.)

The language of Section 30413 make it abundantly clear that the requirements for a “report” from the Coastal Commission involves “notices of intent,” or the “NOI” as it is commonly referred to. NOI proceedings are required for certain kinds of power plant siting (e.g., nuclear facilities or coal plants), but not new gas-fired turbines. (§ 25540.6, subd. (a)(1).) Thus, the Carlsbad proceeding was not preceded by an NOI process that involved site selection, nor the report referened by Section 30413. Accordingly, Section 25510 (titled “Summary and Hearing Order on Notice of Intention to File the Application”) is irrelevant to the Carlsbad AFC proceeding, and no Coastal Commission report is statutorily required.

More important, the finding in Section 25523, subdivision (b), is inapplicable to CECP because it did not require any “report submitted by the Coastal Commission pursuant to . . . Section 30413.”

The above distinction between the statutory duty to provide the report in the NOI, compared to the discretionary ability to provide such a report in an AFC, is subject to long-standing legal interpretation by the Coastal Commission. A legal memorandum from the Coastal Commission’s attorney in 1990 described the NOI/AFC distinction as follows:

The Coastal Commission is required to submit a report during the NOI process to the Energy Commission on the suitability of the proposed coastal zone sites. The report must address a number of subject areas, pursuant to Public Resources Code section 30413(b). . . . Section 30413 provides that the Coastal Commission shall submit the report to the Energy Commission prior to the time that the Energy Commission completes its preliminary report on the issues presented in the NOI[Para.] The Energy Commission will consider, but not be bound by the Coastal Commission’s recommendations in making its determination *as to which of the sites proposed in the NOI have greater relative merit.* [Para.] *The Coastal Commission’s role in the AFC Process.* *The Coastal Commission’s role with respect to the AFC . . . would be similar to that discussed above with respect to the NOI.* [Fn. omitted.] *The major difference is that the Coastal Commission is not required to submit a report to the Energy Commission. The Coastal Commission is nevertheless authorized, “at its discretion, to participate fully” in the proceeding pursuant to section 30413(e).* (CEC Exh. 4 (Memorandum of Deputy Chief Counsel Dorothy Dickey to Commissioner David Malcolm (May 23, 1990), pp. 3-4 [Emphasis added].)

Testimony at the evidentiary hearings for CECP established that Ms. Dickey was the Coastal Commission’s legal expert on how the Coastal Act provisions apply to power plant siting, that the memorandum was

apparently reviewed by the agency's chief counsel, and that no further agency letters, interpretations, or adopted regulations have occurred during the past 20 years that would have affected the legal analysis provided in the memorandum. (CEC Exh. 5, pp. 249-250[excerpt from 2/1/10 evidentiary hearing transcript].)

The City argues that the 2005 Memorandum of Agreement (MOA) between the Coastal Commission and the Energy Commission, providing for the Coastal Commission participation in power plant AFCs for coastal projects, creates a legally binding duty that the Coastal Commission must provide its "30413 report" before an AFC license can be issued. (Pets. Brf., p. 8.) Again, the City is incorrect. Such an interagency agreement does not change existing statutory law, or create new statutory duties. The Energy Commission has sought to encourage Coastal Commission participation in its proceeding for coastal facilities, both by proposing and signing the MOA, and by directly requesting participation, but these acts in no way legally bind the Coastal Commission to participate, nor does the lack of that participation put a stop to the power plant licensing process at the Energy Commission.

In sum, no participation or report is required from the Coastal Commission in an AFC proceeding, and no authorities render the energy Commission's certificate infirm in the absence of such a report.

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C. The Energy Commission Found CECP to Conform to the Coastal Act based on Substantial Evidence in the Record, But Overrode the Noncompliance that was Alleged by the City.

1. The Commission Concluded That CECP Conforms to the Coastal Act Based on Persuasive Substantial Evidence.

The City posits that because the Coastal Commission did not participate in the proceeding, the City provided the only analysis of CECP's conformity with Coastal Act provisions, which must lead to a finding that CECP does not conform. (Pets. Brf., pp. 10-11.) The City's claim is simply incorrect.

Both the Applicant and Commission Staff provided extensive analysis of CECP conformity with the Coastal Act in testimony and documents that were the subject of lengthy hearings. This analysis was anchored to additional environmental analysis of the substantive areas (e.g., Air Quality, Visual Resources, Biological Resources, Soil and Water Resources, Air Quality, Hazardous Materials Management, Cultural Resources) that are key to the protective provisions in Chapter 3 of the Coastal Act, such as visual resources and marine biological resources, that would be addressed by the Coastal Commission. (CEC Exh. 1 [FSA].) The Staff analyses also addressed the substantive issues that are the subject of Section 30413 when the Coastal Commission files such a report: project compatibility with coastal resources, including "aesthetic values," adverse "impacts to fish and wildlife," conformance with land use requirements, and mitigation of impacts. (§ 30413, subd. (d).) The FSA analyses were far more substantive than the largely superficial and partisan analysis prepared by the City, so it is hardly surprising that the Energy Commission relied on these more comprehensive analyses in its Final Decision.

Commission Staff analyzed compliance with the Coastal Act in the comprehensive analysis that it is required to provide regarding project impacts and project compliance with local law--the Final Staff Assessment. The Land Use section, prepared by an analyst with many years of experience analyzing coastal projects (CEC Exh. 5, pp 173-174), addressed the Coastal Act and concluded that “the project would be consistent with the land use related policies of the Coastal Act based on staff’s review of the project and applicable Coastal Act policies.” (CEC Exh. 1 [FSA], pp. 4.5-1, 4.5-11, 4.5-19, 4.5-36; CEC Exh. 6, p. 11.) The analysis goes further to discuss various Chapter 3 topics, including coastal access, environmentally sensitive habitats, industrial facilities, coastal dependent facilities, and the Coastal Rail Trail. (CEC Exh. 1 [FSA], pp. 4.5-5 through 20.) The conclusion of CECP consistency was in turn grounded on substantive analysis of the environmental resources that the Chapter 3 of the Coastal Act identifies as critical to coastal protection: public access and recreation (§§ 30210-30224), marine and aquatic resources (§§ 30230-30236), agricultural land and species habitat (§§ 30240-30242); and cultural resources (§ 30244).

Staff addressed all of these issues thoroughly in its FSA, supplemented by further testimony for hearings. The FSA alone provides some 50 pages of analysis of Visual Resource project impacts with numerous pictorial simulations, discussions of cumulative impacts, and discussion of the various criteria by which state and federal agencies evaluate visual impacts. (CEC Exh. 1 [FSA], 4.12-1 to 4.12-47.)

By comparison, the City’s “conformance report” visual analysis is four pages in length and conclusory by nature, with no simulations or criteria. The FSA’s Biological Resources analysis is 25 pages in length; the

City's report a mere two pages of partisan "analysis." (*Ibid.*, [FSA] partisan 4.2-1 through 4.2-26.) The FSA's Cultural Resources section is 30 pages in length, and the Air Quality section more than 90 pages, while the City's report addresses neither. Each of these FSA sections was prepared by persons with documented experience and expertise in the respective areas of analysis, whereas the City analysis was sponsored by a single City planning staffer.

Nor was the Energy Commission Staff the only party providing such analysis. Applicant also provided a comprehensive environmental analysis of many hundreds of pages in its application filing, along with hundreds of pages more analysis in its testimony for hearings. All of this analysis was sponsored by expert witnesses and subject to cross-examination. This included witness testimony on CECP's compliance with Chapter 3 provisions of the Coastal Act, as well as resource subject analyses (such as visual and biological resource assessments by experts in these areas) similar to that provided by the FSA. The City's argument is no more than a baseless claim that, because it presented some evidence, the Energy Commission was bound to accept the City's conclusions.⁶

The Energy Commission was understandably persuaded by different evidence, evidence that is substantial and of a more thoroughgoing nature, that was presented by Staff and other parties. The Final Decision concluded that "CECP is consistent with the Coastal Act," but "given the vociferous opposition from the City of Carlsbad and other project

⁶ The City's bold contention at page 21 of its verified Petition that "the Decision is devoid of any evidence contradicting the City's report that the CECP does not conform with . . . the Coastal Act," and that any "finding to the contrary is not supported by any evidence" is simply breathtaking given the volume of evidence pervading the administrative record.

proponents,” the Energy Commission adopted override findings “for any inconsistencies that might be found.” (Pet. Exh. 1, p. 8.1-10.) The Final Decision goes on to explain why CECP is consistent with regard to biological resources, sensitive habitat, and public access provisions of the Coastal Act. (*Id.*, at 8.1-10 through 14.) In other words, the Energy Commission found that CECP is consistent with the Coastal Act Chapter 3 requirements, but overrode any alleged inconsistencies as a precaution to legal challenge by the City.

2. The City Relies on a Dated and Irrelevant Document Regarding a Very Different Project to Assert Impacts and Lack of Conformity.

The City attempts to buttress its argument that the project has significant conflicts with the Coastal Act by filing a 1990 report from the Coastal Commission for an NOI proceeding that considered available siting alternatives for San Diego coastal power plants, (Pets. Brf., pp 4-5, 14; Pets. Exh. C.) This report does not support the City’s claims.

The 1990 report dealt with a different generation technology, a different project site, a different visual profile, and different impacts, as even a casual reading of it makes clear. The principal impact that the Coastal Commission was concerned with in the 1990 report was the fact that the NOI project it analyzed would have used now-obsolete “once-through cooling” (OTC) technology, which “would significantly increase the entrainment of species that use the lagoon as a nursery.” (Pets., Exh. C, p. 2.) Because this impact could not be mitigated, it found the entrainment impacts “not fully mitigable.” (*Id.*, at p. 16.) It also found impacts could not be mitigated from the “thermal plume” of heated water that would be expelled to the ocean by increased OTC (*id.*, at pp. 17-21); need for

dredging in Agua Hedionda Lagoon that would damage marine biota (*id.*, at p. 24); impacts to public access from the outfall structure (*id.*, at pp. 29-30); and risk of devastating impacts from oil spills due to off-loading of oil next to the lagoon. (*Id.*, at pp. 36-39.) None of these impacts have any relevance to CECP, as it is a modern, dry-cooled facility, does not utilize OTC, and does not burn oil—the relevant impact-causing factors considered in the 1990 report.

With regard to visual impacts, the 1990 report was for a much larger and more visually prominent project, at a different and more visible site within view of beaches, that could not be visually screened. (*Id.*, at pp. 33-34.) The 1990 report recommended “landscape screening” and “lowering the height of structures,” as well as lowering the plant grade” (meaning placing the project in a lower area). (*Id.*, at pp. 22-23; 32-34.) CECP, conversely, has chosen a site where it has incorporated all of these recommended measures. The structure and stacks are smaller and lower, and the project is located in an area below grade (30 feet), at a less prominent site, relatively well-screened by landscaping. (CEC Exh. 5, p. 180; CEC Exh. 6, p. 19.]

In short, the 1990 report has virtually no relevance to the impacts of the CECP project. These distinctions and issues of relevance were discussed in Staff and Applicant testimony, and subject to cross-examination at hearings. As a result, the Final Decision properly did not give weight to the document.

3. CECP is “Coastal Dependent.”

The issue of whether a project is in fact “coastal dependent” only arises where there is inconsistency with Chapter 3’s provisions. As already

discussed, CECP is consistent with Chapter 3 of the Coastal Act, and on that basis it is eligible to be permitted. Nevertheless, CECP is also “coastal dependent,” as it must be “by the sea to be able to function at all,” according to the definition in Section 30101 of the Coastal Act.

A facility that is not consistent with Chapter 3 provisions may still be permitted as a “coastal dependent facility” pursuant to Section 30260 if alternative locations are “infeasible or more environmentally damaging,” there is a benefit to “public welfare,” and environmental effects “are mitigated to the maximum extent feasible.” Since the Energy Commission has made these findings in its Final Decision (see, e.g., Pet. Exh. 1, p. 3-22 [Findings 10 and 12]; p. 9-10 [Finding 5]; p. 1-2 [Findings 2 and 3].)⁷ Therefore CECP can also (despite any lack of conformity) be licensed as a “coastal Dependent facility” pursuant to section 30260, if it must be on, or adjacent to, “the sea to be able to function at all.” (§ 30101.)

The Energy Commission determined that CECP must be on the sea in order to function because the City, which is the only source of reclaimed water that could be available for the project, has made it clear during the proceeding that it would not supply Applicant such water for the project. (CEC Exh. 7 [2008 letter from City to Mike Monasmith].) Because it has no other feasible source of water for its project, rendering the original proposed project infeasible, Applicant redesigned the project to include a reverse osmosis system drawing off the current OTC outfall structure to process the relatively small amounts of water this dry-cooled project will require. (CEC Exh. 1 [FSA], pp. 4.9-6, 15-16.) This use of ocean water is

⁷ The Final Decision includes more than 200 “Conditions of Certification,” many of them elaborate and detailed, specifying project mitigation that is

actually a non-additive “re-use” of a small amount of water already in the OTC system for the existing units not yet to be retired, does not cause additional marine entrainment, and (as Staff testified) is not a significant impact to water quality (*Id.*, at pp. 4.9-18, 19, and 27) or biological resources. (*Id.*, at pp. 4.2-16-18.) This substantial evidence informs the discussion (at Pets. Exh. 1, pp. 7.2-8 through 7.2-12) and supports the findings (at 7.2-14) in the Final Decision concluding that there is no adverse impact from the CECF desalination system.⁸

The City’s casual suggestion that it might expand its system to provide reclaimed water to CECF, negating CECF’s coastal dependency (Pets. Brf., p. 26), is entirely inconsistent with its adamant opposition to the project, and to its 2008 representation that it would not or could not provide such water. CECF is a project costing more than a half billion dollars, and it could not possibly be financed and constructed if its very feasibility was left in the hands of such an unyielding foe.

The City’s argument that CECF’s dry-cooled technology does not itself require a coastal location (Pets. Brf., p. 22) is correct, but entirely beside the point. The critical project objectives of the CECF are to provide

the basis for findings that potential adverse environmental impacts have been mitigated to a level that is less than significant.

⁸ City makes the specious argument that water is “available” if only the project is moved to another location away from Carlsbad (Pets. Brf., pp. 24, 26), ignoring the fact that Applicant owns the current site, with its significant transmission, switchyard, and natural gas infrastructure, and cannot feasibly relocate to a similar “greenfield” location. The argument ignores as well the significant electric system benefits of the Carlsbad location at the current facility that would be lost with an inland or less strategic coastal location. These benefits are discussed in the Final Decision (Pets. Exh. 1, pp. 3-13 and 14, 22; 9-3 to 9-9) and supported by copious evidence that was presented at hearing.

electric reliability services to the load pocket in which it is located, and to allow retirement of at least some of the aging EPS “legacy boiler” facilities using OTC for cooling, thereby harming marine biota. (CEC Exh. 1 [FSA] pp. 6-3 and 6-4.) A different location would satisfy neither of these critical project goals. (*Id.*, at pp. 6-18 to 6-19.)

Thus, the Energy Commission’s Final Decision took a “belts and suspenders” approach to the issue of Coastal Act compliance. It found (1) that CECP complies with the Chapter 3 substantive provisions and the Section 30413, subdivision (d) provisions; (2) that even if CECP did not comply with such provisions, it is a “coastal dependent” facility that would not be feasible without its coastal location; and (3) that even if the Final Decision findings regarding (1) and (2) should be determined incorrect as a matter of law, as the City advocates, the project offers such environmental and electric reliability benefits that “public convenience and necessity” requires the override of any nonconformity with the Coastal Act pursuant to Section 25525. These determinations are all supported by a variety of substantial evidence, and the City’s arguments fail to overcome any of them.

4. CECP is A Necessary Precedent to Achieving the Coastal Improvements that the City Claims are Required for Coastal Act Consistency.

With absolutely no citation to the Coastal Act or any other source of law, the City repeatedly contends that the Commission’s extensive environmental analysis of CECP impacts on coastal resources is inadequate because it ignores the “temporal aspect” of some idealized, more pristine coastline that could occur in the future and is the goal of the Coastal Act. (Pets. Brf., pp. 5, 16-18.) Stated differently, the City contends

that use of a CEQA “baseline” (current conditions) environmental analysis is inconsistent with analysis of Coastal Act consistency, which is instead based on some unstated coastal ideal. By this undefined “temporal” standard, the City claims that the existing EPS power plants at the site will magically disappear, making the CECP an unacceptable blight on a newly pristine coastal landscape.

As stated above, the City’s idealized “standard of review” is not found in the Coastal Act. If it were, one might fairly question whether any structures in the Coastal Zone could be approved by the City of Carlsbad or any other permitting agency. Rather, the Coastal Act Chapter 3 criteria are very broadly stated. Some examples: “maximum access . . . shall be provided (§30210); “development shall not interfere with the public’s right of access to the sea where acquired through use or legislative authorization” (§30211); recreational areas on the ocean should be protected (§ 30220 *et seq.*); “marine resources shall be maintained, enhanced, and where feasible restored” (§30230); biological productivity and water quality should be protected (§ 30231); oil spills and hazardous substance spills avoided (§30232); new dikes and dredging permitted subject to permit conditions (§ 30233); commercial fishing and recreational boating maintained and encouraged (§30234); environmentally sensitive habitat areas protected from development (§ 30240); agricultural uses maintained (§ 30241.5); new development located contiguous with existing development (§30250); scenic qualities considered and protected “to be visually compatible with surrounding areas” (§ 30251); coastal-dependent industrial facilities “shall be encouraged to locate or expand within existing sites and permitted reasonable long term growth” (§30260).

The Energy Commission's environmental analysis reasonably concluded, based on abundant substantial evidence, that none of these Chapter 3 goals (nor any others) are inconsistent with CECP.

In other words, nothing in Coastal Act Chapter 3 inherently conflicts with CECP, and nothing in Chapter 3 supports the City's "temporal" notion of some future idealized coastline where anthropomorphic development ceases to exist. Nor does Chapter 3 support the City's notion that there is somehow a different "standard of review" for development projects that is inconsistent with the CEQA notion of "current conditions" as the "baseline" for analysis. (See, e.g., Cal. Code Regs., tit. 14, § 15125.)

However, even if one assumes that the City's unwarranted (if vaguely defined) standard is correct, CECP satisfies it. The City argues that the Energy Commission erred by doing the visual analysis using an existing condition baseline, because the older, much more visually obtrusive EPS units will eventually disappear. (Pets. Brf., p. 16-17.) What this argument ignores is that these older, larger, uglier, more obtrusive facilities will only be closed and allowed to disappear if *something*—CECP or a similar project—replaces their current essential role in providing electric reliability to the City and the local region. (Pets. Exh. 1, p. 3-22 [Commission finding, based on CAISO testimony, that units 4-5 must continue to operate indefinitely unless CECP is constructed].) As a necessary precedent to the closure of the older and larger facilities, CECP is a project that will enable a future coastal region with smaller, less visually obtrusive, and more environmentally friendly electric power infrastructure.

In other words, CECP is consistent with a future vision of an aesthetically more pleasing coastline, and consistent with future redevelopment (which the City desires) of much of the land that the aging EPS facility currently occupies. (Pets. Exh. 1, p. 8.1-35 [Finding Nos. 8 and 9].) By greatly reducing OTC from units 1-3, which would immediately close, CECP will result in restoration and enhancement of marine resources, consistent with section 30230. (CEC Exh. 1 [FSA] pp. 3-2; 6-18.) Even by the City's innovative "temporal" standard, CECP will result in an improved coastal environment in the future using any of the applicable criteria in Chapter 3.

5. The California Coastal Commission is not a Real Party in Interest.

A real party in interest ordinarily is one who has a real, actual, material, or substantial interest in the subject matter of the action, as distinguished from one who has only a nominal, formal, or technical interest in, or connection with, the action. (67A Corpus Juris Secundum (2012) Parties, § 23.) More succinctly stated, a real party in interest is "[a] person entitled under the substantive law to enforce the right sued upon and who generally, but not necessarily, benefits from the action's final outcome." (Black's Law Dict. (9th ed. 2009) p. 1232, col. 2).)

In this matter, the Coastal Commission has no interest in the subject matter of the action nor does it have a legal right to enforce the claim in question. Pursuant to the statutory scheme governing licensing of the project, it is the Energy Commission that has exclusive authority to grant the entitlement that is the subject of this action. (Pub. Resources Code, §25500.) The fact that the City – or the Coastal Commission for that matter – has the right to initiate an action against the Commission claiming that the Commission failed to comply with provisions governing the Coastal Commission's role in Commission licensing proceedings does not make the Coastal Commission a real party in interest. The city's petition is directed at the Energy Commission's actions and at the license granted by the

Energy Commission. The Coastal Commission should not be named as a real party, and should therefore be dismissed from this proceeding.

D. The Energy Commission has Fully Consulted with the City Regarding the Necessity to Override Inconsistency with City Ordinances.

The City has participated in the CECP proceeding practically since the day it was filed with the Commission. The docket is replete with documents, letters, testimony, and pleadings from the City contending that the CECP is inconsistent with the City's complex web of land use ordinances. Staff has made special efforts to understand the City's ordinances. In the early days of the proceeding this meant meeting and discussing the ordinances with City planning staff and the City Attorney. When Staff disagreed with various interpretations from the City, the City intervened and became a party to the CECP proceeding. As a party, it has attended every workshop and hearing, and pressed its case regarding its ordinances.

Ironically, the City *wants* its ordinances to be inconsistent with CECP. When it failed to convince the Commission that existing ordinances were inconsistent, it then went to the effort to change several ordinances to actually make them inconsistent. (Pets. Exh. 1, p. 8.11-1.) The City has viewed inconsistency with its land use provisions as a strategy for blocking the licensing of CECP.

Having gone to substantial effort to adopt changes to create inconsistency, the City now contends that Section 25523, subdivision (d)(1) requires that the Energy Commission itself, sitting as a state body, is obligated to "consult" with it, for no purpose other than to continue to

obstruct the project.⁹ The City has indicated, both in its brief and at hearing, that such consultation is in essence a process requiring a complex three-stage administrative minuet: First, action by the Commission to make findings of noncompliance; second, consultation with the affected agency; and third, a “re-do” of the Final Decision adoption, again with override findings.

No such minuet is required by the statute. As has always been its practice, Commission staff consults with any agency with laws or regulations that could be subject to a Commission override, in an attempt to avoid the necessity for override, including possible changes in either the law or the project that would avoid a conflict. Often conflict and the need for override have been effectively avoided in this manner. But when the local agency is intentionally attempting to obstruct a project by making its ordinances inconsistent with the project, Staff consultation, or any consultation, is clearly an act of futility, as the Commission found in its Final Decision. (Pets. Exh. 1, p. 8.1-35 [Finding No. 11].)

Even so, Staff and the Commission committee assigned to the CECP proceeding have discussed in forums both formal and informal the City’s views on the project, and the City’s desire that its laws be

⁹ As pertinent, Section 25523 provides: “The Commission shall prepare a written decision after the public hearing . . . which includes all of the following: (d)(1) Findings regarding the conformity of the proposed site with . . . applicable local, regional, state, and federal standards, ordinances, or laws. If the Commission finds that there is noncompliance with a state, local, or regional ordinance or regulation . . . it shall consult and meet with the state, local, or regional governmental agency concerned to attempt to correct or eliminate the noncompliance. If the noncompliance cannot be corrected or eliminated, the commission shall inform the state, local, or regional governmental agency if it makes the [override] findings required by Section 25525.

inconsistent with CECP. The City has now accomplished this inconsistency, and the Commission has adopted the required findings for override. Any further action would be unproductive, inconsistent with the expeditious licensing of power plants required by Legislature, and would have difficulty complying with the Bagley-Keen Open Meeting Act.

The Warren-Alquist Act emphasizes expeditious power plant licensing. (See, e.g., Pub. Resources Code, §§ 25009 [State's need to "ensure the timely construction of new electricity generating capacity"], 25531, subd. (a) [judicial review of AFC decisions exclusively in this Court], 25540.6, subd. (a) [most AFCs, including natural gas facilities like CECP, must be reviewed and licensed within 12 months] , 25901, subd. (a) [30-day statute of limitations for judicial review].) A three-step requirement for post-decision consultation, even if was not pointless, would add significant time to a process that is already very difficult to complete within the prescribed statutory timeframe of 12 months. CECP has already been in the licensing process nearly five years.

The linchpin of the City's argument is its claim that when the Warren-Alquist Act uses the term "commission," the Act does not mean the agency entity, with its various staff, but rather can mean only *the five appointed Commissioners themselves*. Yet a check on the statute's use of the term indicates that the word "commission" is variously used to describe either the agency entity (including its staff) or, in some cases, the five appointed Commissioners themselves.¹⁰

¹⁰ The State Administrative Procedure Act makes a distinction between the "Agency," defined to include agency staff and other actors for the agency, and "Agency Head," meaning the actual decision-making body vested with the ultimate legal authority of the agency. (Compare Govt. Code, §§ 11405.30 and 11405.40.) Unfortunately, no such distinction is

A word check of term “commission” as used in the Warren-Alquist Act indicates that it is used in the statute no less than 1400 times, assigning and placing countless and various duties on “the commission” and virtually none at all on “staff” or “commission staff.” Most of these duties, including the preparation of environmental documents and reports to the Legislature, are obviously intended for agency staff. To give a singular example, Section 25519, subdivision (c), states that “the commission shall be the lead agency,” and refers to environmental “documents prepared by the Commission,” although such documents are in fact prepared by agency staff.¹¹ Clearly the term was used by the Legislature in most instances to describe the collective agency entity, as any other interpretation would be impractical, while at other times it means the decision-makers themselves. Thus, the context of the term and the duty assigned is important to determining whether the duties assigned to “the commission” can reasonably be interpreted to mean the five decision-makers rather than the agency staff.

In the context of the duty to “consult” with an agency whose laws are inconsistent with a facility to be licensed, it would be highly impractical to the point of absurdity for the decision-makers of the agency to conduct such a task themselves. The Bagley-Keene Open Meeting Act requires that the decision-making body must meet in a noticed public meeting. (Govt. Code, §§11120 et seq.) The State Administrative Procedure Act includes

defined in the Warren-Alquist Act, which conflates the duties of these differing entities.

¹¹ The courts also use the term “commission” without differentiating the agency head from the agency itself. (See, e.g., *City of Morgan Hill v. Bay Area Air Quality Management Dist.* (2004) 118, Cal.App.4th 861, 879 [refers to the “Commission’s FSA,” meaning the “Final Staff Assessment” prepared by the Commission staff, analyzing the environmental impacts of the project and its consistency with applicable law].)

fundamental due process requirements that would seemingly require such a meeting to occur in the presence of the permit applicant and other parties with due process rights at stake in the decision. (See, e.g., Govt. Code, §11425.10, subd. (a).) The City has suggested that such a meeting may have to occur in some grand convocation with its own City Council, doubling the administrative and logistical burden for arranging such a bizarre and unnecessary meeting.

Such consultation by the decision-making body is impractical, time-consuming, and burdensome from an administrative standpoint, is unnecessary, and offers no advantages compared to viewing the consultation task as one for agency staff. Agency staff has expertise with the project and the local agency involved, is not required to meet in formal and noticed meetings in the presence of other parties with due process claims, and is capable of assisting any agency that wants to conform its laws to the project to do so.

Indeed, during its entire existence, the Energy Commission has relied on its staff to consult with local agencies on conflicts regarding local ordinances or statutes, often beginning with informal meetings or discussions early in the proceeding during the process of soliciting interested agency comments. This approach has been both efficient and successful. The strained reading that the City would give to Section 25523, subdivision (d)(1), would require the agency to move from a practical and successful approach to one that results in delay and uncertainty, is subject to manipulation, consumes precious state resources, and is arguably unworkable, with absolutely no benefit to the decision-making process.

While review of an agency's statutory interpretations is *de novo*, an agency's interpretation of its own statutes is nevertheless entitled to "consideration and respect";

An agency interpretation of the meaning and legal effect of a statute is entitled to consideration and respect by the courts; however, unlike quasi-legislative regulations adopted by an agency to which the Legislature has confided the power to "make law," and which, if authorized by the enabling legislation, bind this and other courts as firmly as statutes themselves, the binding power of an agency's *interpretation* of a statute or regulation is contextual: Its power to persuade is both circumstantial and dependent on the presence or absence of factors that support the merit of the interpretation."

(*Yamaha Corp. of Am. V. State Bd. Of Equalization* (1998) 19 Cal.4th 1, 7.)

In the context of the Energy Commission's power plant licensing process, the Energy Commission's interpretation of Section 25523, subd. (d)(1), is reasonable and should be affirmed. The City's petition posits neither reason nor authority why it should not be accorded respect.

E. The City Fails to Present any Evidence that the Energy Commission's Override of the California Fire Code is Invalid.

The City presents a series of incomprehensible sentences directed at the Commission's override findings regarding the California Fire Code. Although the heading for this section of the Petition alleges that the Commission did not "effectively" override the Fire Marshall, the City then states in the discussion that the Commission failed to override the State Fire Code. (Petition, p. 27.) The City further states that a specific portion of the Fire Code that establishes the "requirements" of the Fire Marshall -- Section 503.2.2 of Title 24 -- should have been overridden, rather than the opinion of the Fire Marshall. In addition to creating confusion about

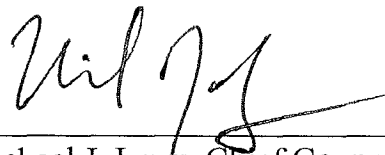
whether the City is arguing that it is the Fire Marshall, his opinion, his requirements, or the Fire Code itself that the Commission should have overridden, these statements misstate the record. The very section that the City argues should have been overridden is in fact the exact section that the Commission *did* override – Section 503.2.2. (Pets. Exh. 1, p. 9-2, 9-9, 9-11.) The City’s baffling discussion fails to provide any facts or argument supporting a claim that the Commission did not comply with applicable legal requirements.

VII. CONCLUSION

For the foregoing reasons, the City’s Petition should be denied.

Date: July 9, 2012


By:

A handwritten signature in black ink, appearing to read "Mike Levy", written over a horizontal line.

Michael J. Levy, Chief Counsel
Attorney for Respondent State Energy
Resources Conservation and
Development Commission

CERTIFICATE OF LENGTH OF BRIEF

Pursuant to Rule 8.204 subdivision (c)(1) of the California Rules of Court, I certify that this Statement In Opposition is 11,504 words long, not counting the Table of Contents, the Table of Authorities, and this Certificate.

A handwritten signature in black ink, appearing to read "Michael J. Levy", written over a horizontal line.

MICHAEL J. LEVY
Counsel for Respondent
California Energy Commission

CONFORMED

COPY

IN THE SUPREME COURT OF THE
STATE OF CALIFORNIA

CITY OF CARLSBAD,

Petitioners,

v.

CALIFORNIA ENERGY
RESOURCES CONSERVATION
AND DEVELOPMENT
COMMISSION, et al.

Respondent, and

CARLSBAD ENERGY CENTER,
LLC

Real Party in Interest.

) Case No.: S203634

)
) California Energy Commission
) Docket No. 07-AFC-6

SUPREME COURT
LODGED EXHIBITS

JUL -9 2012

Deputy

RESPONDENT CALIFORNIA ENERGY COMMISSION'S
APPENDIX TO
PRELIMINARY OPPOSITION TO PETITION FOR WRIT OF MANDATE
("CEC APPENDIX")

VOLUME I of III
Exhibit 2 to 7

Exempt from Filing Fees, Gov. Code § 6103

MICHAEL J. LEVY, SBN 154290
CARYN J. HOLMES, SBN 119207
JONATHAN BLEES, SBN 070191
California Energy Commission
1516 Ninth Street, MS 14
Sacramento, CA 95814
Telephone: (916) 654-3951
Facsimile: (916) 654-3843

Attorneys for Respondent California
Energy Resources Conservation and
Development Commission

CALIFORNIA COASTAL COMMISSION

621 HOWARD STREET, 4TH FLOOR
 FRANCISCO, CA 94105-3973
 415-398-5555
 TDD (415) 896-1825



May 23, 1990

Commissioner David L. Malcolm
 625 Third Avenue
 Chula Vista, CA 92010

Dear Commissioner Malcolm:

I am responding to your request at the May meeting for an explanation of the Coastal Commission's role in power plant siting. I understand that you expressed a particular interest in the Commission's role with respect to the two power plants proposed in Chula Vista, which are the subject of separate proceedings at the Energy Commission.

Background

San Diego Gas and Electric (SDG&E) has submitted a Notice of Intent (NOI) to the Energy Commission which indicates, pursuant to Public Resources Code section 25113 SDG&E's intention to file a future application for a combined cycle power plant fueled by natural gas with a capacity of approximately 460 megawatts. The Energy Commission's NOI process will evaluate 5 sites, one of which is in Chula Vista at the existing South Bay Power Plant. SDG&E has also submitted an Application for Certification (AFC) to the Energy Commission for a second power plant project. That project is a 140 megawatt expansion of the existing South Bay Power Plant in Chula Vista.

The Coastal Commission's role with respect to both power plant proposals is limited to providing advice to the Energy Commission, because that Commission has exclusive jurisdiction over thermal power plants of 50 megawatts or greater. The Energy Commission preempts the jurisdiction of all other state and local agencies (including the Coastal Commission)

1/ There are limited exceptions to the general premise that the Energy Commission preempts the Coastal Commission's permitting jurisdiction over new thermal power plants and power plant expansions. Some exceptions are:

- power plants with a capacity of below 50 megawatts. (See Public Resources Code section 25120.)
- power plants granted a Small Power Plant Exemption by the Energy Commission, under Public Resources Code section 25541. Such an exemption may only be granted for power plant projects of between 50

APPENDIX A

when it certifies a new or expanded power plant pursuant to Public Resources Code section 25500. In relevant part, section 25500 provides:

In accordance with the provisions of this division, the [Energy] commission shall have the exclusive power to certify all [thermal power plant] sites and related facilities in the state, whether a new site and related facility or a change or addition to an existing facility. The issuance of a certificate by the [Energy] commission shall be in lieu of any permit, certificate, or similar document required by any state, local or regional agency, or federal agency to the extent permitted by federal law, for such use of the site and related facilities, and shall supersede any applicable statute, ordinance, or regulation of any state, local, or regional agency, or federal agency to the extent permitted by federal law.

The Coastal Act expressly recognizes the Energy Commission's exclusive jurisdiction over most power plant projects. Section 30600(a) exempts projects subject to section 25500 (which is quoted above) from the general requirement that any person who wishes to undertake a development in the coastal zone must obtain a coastal development permit. Section 30413(d) provides that the Coastal Commission shall participate in the Energy Commission's siting proceedings whenever a power plant is proposed in the coastal zone.

The Coastal Commission's Role in the NOI Process.

The Energy Commission will evaluate SDG&E's 5 proposed sites during the NOI process. It will determine whether two or more of those sites would be acceptable for future consideration in an Application for Certification proceeding.

The Coastal Commission is required to submit a report during the NOI process to the Energy Commission on the suitability of the proposed coastal zone sites. The report must address a number of subject areas, pursuant to Public Resources Code section 30413(b). Those subject areas are:

- and 100 megawatts. (Public Resources Code section 25541; Calif Code of Regs., Title 20, section 1936.)
- transmission line development beyond the location of the "point of junction with [the] interconnected transmission system", which is the limit of the Energy Commission's certification jurisdiction over the transmission line. (Public Resources Code sections 25107, 25110, and 25500, 60 Opsn. Cal. Atty. Gen. 239.)

Of the three exceptions noted, only the last is potentially applicable to the two projects proposed by SDG&E. In the event that SDG&E proposes any transmission line development beyond the point of interconnection in the coastal zone, the utility would be required to obtain a coastal development permit, unless the development constitutes repair or maintenance under Public Resources section 30610(d). (See also section 13252(a)(3) of Title 14 of the California Code of Regulations.)

- (1) The compatibility of the proposed site and related facilities with the goal of protecting coastal resources.
- (2) The degree to which the proposed site and related facilities would conflict with other existing or planned coastal-dependent land uses at or near the site.
- (3) The potential adverse effects that the proposed site and related facilities would have on aesthetic values.
- (4) The potential adverse environmental effects on fish and wildlife and their habitats.
- (5) The conformance of the proposed site and related facilities with certified local coastal programs in those jurisdictions which would be affected by any such development.
- (6) The degree to which the proposed site and related facilities could reasonably be modified so as to mitigate potential adverse effects on coastal resources, minimize conflict with existing or planned coastal-dependent uses at or near the site, and promote the policies of this division.
- (7) Such other matters as the commission deems appropriate and necessary to carry out the provisions of this division.

Section 30413 provides that the Coastal Commission shall submit the report to the Energy Commission prior to the time that the Energy Commission completes its preliminary report on the issues presented in the NOI. (Public Resources Code section 30413(d).) The Energy Commission staff has requested that the Commission submit a report that addresses those subjects by August 6, 1990. They have indicated that the Coastal Commission may elect to submit further analysis in early to mid-1991, when the formal adjudicatory hearing process occurs. The Energy Commission will include the Coastal Commission's comments in the final report it will produce at the end of the NOI process. (Public Resources Code section 25514(b).)

The Energy Commission will consider (but will not be bound by) the Coastal Commission's recommendations in making its determination of which of the sites proposed in an NOI have greater relative merit. If the Energy Commission approves the NOI, SDG&E would not have approval to commence construction of a power plant. That approval can only be obtained through the Application for Certification (AFC) process.^{2/}

^{2/} Regardless of what the Coastal Commission has recommended in the NOI proceeding, if the Energy Commission has approved a site in the coastal zone as one of the two (or more) sites of greater relative merit in its decision on the NOI, the Energy Commission may not accept an AFC for a project at the coastal site unless the Energy Commission determines that the approved coastal site has greater relative merit than the other approved site(s). (Public Resources Code section 25516.1.)

The Coastal Commission's Role in the AFC Process

The Coastal Commission's role with respect to the AFC for SDG&E's currently proposed 140 megawatt power plant expansion in Chula Vista would be similar to that discussed above with respect to the NOI.^{3/} The major difference is that the Coastal Commission is not required to submit a report to the Energy Commission. The Coastal Commission is nevertheless authorized, "at its discretion, to participate fully" in the proceeding pursuant to section 30413(e). (See also Public Resources Code section 25519(d).) The proceeding will commence soon and will be conducted using formal trial-type procedures. The Energy Commission will consider, but is not bound by the Coastal Commission's recommendations in making its determination whether to approve an AFC for the South Bay Power Plant expansion.^{4/} If the AFC is approved, SDG&E will have approval to construct the power plant.

Conclusion

I hope that this letter explains the Coastal Commission's role in power plant siting.

Very truly yours,

Dorothy F. Dickey

DOROTHY F. DICKEY
Deputy Chief Counsel

3/ That project does not require a separate NOI because Public Resources Code section 25540.6 exempts various types of power plant projects from the NOI process. The two exemptions that are apparently relevant to SDG&E's proposal are those for modification of an existing facility, (subsection (b)) and for a power plant that demonstrates technologies not previously built or operated on a commercial scale (subsection (e)). Because an NOI is not required to precede the AFC for the South Bay Power Plant expansion, the limitation concerning coastal sites which is discussed in footnote 2 is not applicable.

4/ Public Resources Code section 30413(b) requires that the Coastal Commission designate specific locations in the coastal zone in which siting of a thermal power plant would be objectionable. The designated locations may not include "specific locations that are presently used for such facilities and reasonable expansion thereof"; thus the site proposed by SDG&E (an existing power plant site) was not so designated. In the event that a utility proposes a project on a site that has been designated by the Coastal Commission, the Energy Commission would be prohibited from approving an AFC for that site unless the Energy Commission makes specific findings. (Public Resources Code section 25526(a).) Those findings are that the proposed power plant "is not inconsistent with the primary uses of such land and that there will be no substantial adverse environmental effects and ... the approval of any public agency having ownership or control of such land is obtained."

ATTACHMENT B
APPLICANT'S REVISED PRELIMINARY EXHIBIT LIST, DATED JULY 7, 2014

In the Matter of:

**The Application for Certification for the
HUNTINGTON BEACH ENERGY PROJECT**

Docket No. 12-AFC-02

**APPLICANT'S REVISED PRELIMINARY EXHIBIT LIST
JULY 7, 2014**

TAB #	CEC TN #	BRIEF DESCRIPTION/DATE	TECHNICAL TOPIC(S)
1001	66003	Application for Certification (AFC) Volumes 1 and 2 and related cover letter and CEC Check Receipt for application fees (\$733,965); dated and docketed June 27, 2012	All Topics
1002	66006	Air Quality Air Dispersion Modeling Data (CD) and Air Quality Appendices 5.1A, dated and docketed June 27, 2012	Air Quality; Public Health
1003	66057	Application for Designation of Confidential Record re Cultural Resources Records, dated and docketed June 27, 2012	General; Cultural Resources
1004	66490	Applicant's Data Adequacy Supplement dated and docketed August 6, 2012	Air Quality; Biological Resources; Cultural Resources; Public Health; Transmission System Engineering
1005	66491	Applicant's Dispersion Modeling Files (Data Adequacy Response 24), dated August 2012; docketed August 6, 2012	Air Quality; Public Health
1006	66492	Applicant's Data Adequacy Supplement/Preliminary Geotechnical Report, dated and docketed August 6, 2012	Geological Resources
1007	66493	Applicant's Repeated Application for Confidential Designation – Cultural Resources, dated and docketed August 6, 2012	General; Cultural Resources
1008	66506	Applicant's Biological Resources page 5.2-2CR (to be included with Applicant's Data Adequacy Supplement) dated August 7, 2012; docketed August 8, 2012	Biological Resources
1009	66913	Applicant's Letter enclosing correspondence to the California Coastal Commission re HBEP, dated and docketed August 23, 2012	General; Biological Resources; Water

TAB #	CEC TN #	BRIEF DESCRIPTION/DATE	TECHNICAL TOPIC(S)
1010	67020	Applicant's Comments on the Issues Identification Report, dated and docketed September 6, 2012	Alternatives; Transmission System Engineering; Waste Management
1011	67110	Applicant's Letter to F. Miller, CEC, re Applicant's Site Visit & Informational Hearing Materials, dated and docketed September 13, 2012	General
1012	67316	AES (S. O'Kane) letter to D. Jordan, USEPA, re Application for Greenhouse Gas PSD Pre-Construction Permit, dated September 19, 2012; docketed September 26, 2012	Air Quality
1013	67317	AES (S. O'Kane) Response to South Coast Air Quality Management District's Air Application, dated September 20, 2012; docketed September 26, 2012	Air Quality
1014	67902	Request for Extension to Submit Data Responses, Set One (#1-72); Objections, dated and docketed October 22, 2012	General
1015	68070	Emails Between S. O'Kane, C. Perri, SCAQMD, and CH2M Hill re HBEP Emission Rates and Modeling Results, dated October 23, 2012; docketed October 24, 2012	Air Quality
1016	68208	Email re Huntington Beach Energy Project's Emission Rates and Modeling Results, dated October 25, 2012; docketed October 26, 2012	Air Quality
1017	68366	Applicant's Responses to Staff's Data Requests, Set 1A (#1-72), dated and docketed November 2, 2012	Air Quality; Biological Resources; Cultural Resources; Public Health; Socioeconomics; Soil & Water; Traffic & Transportation; Transmission System Engineering; Visual Resources; Waste Management; Worker Safety and Fire Protection
1018	68384	Applicant's Air Quality Modeling Files Related to CEC Staff's Data Request Two, dated and docketed November 5, 2012	Air Quality
1019	68416	Applicant's Letter to F. Miller, CEC, (enclosing correspondence to US EPA with document dated September 19, 2012 [disc included]), dated and docketed November 7, 2012	Air Quality

TAB #	CEC TN #	BRIEF DESCRIPTION/DATE	TECHNICAL TOPIC(S)
1020	68743	Applicant's Request for Additional Extension of Time to Submit Responses to Staff's Data Requests, Set 1A, dated and docketed December 3, 2012	General
1021	68796	Applicant's Letter to Jason Pyle and Commrs. McAllister and Douglas, re Request for Extension of Time to Submit Responses to Pyle's Data Requests, dated and docketed December 6, 2012	General
1022	68847	Applicant's Responses to Supplemental Data Response #36 (Cultural Resources), dated and docketed December 11, 2012	General; Cultural Resources
1023	68848	Applicant's Correspondence Related to Air Quality (various dates), docketed December 11, 2012	Air Quality
1024	68849	Applicant's Responses to Supplemental Data Response to Data Request #68 (Visual Resources), dated and docketed December 11, 2012	General; Visual Resources
1025	68850	Applicant's Response to SCAQMD's October 26, 2012 Email Request re Start/Stop Emissions and GHG Performance, dated December 7, 2012; docketed December 11, 2012	Air Quality
1026	68867	Applicant's (Jerry Salamy, CH2M Hill) correspondence to CEC Staff and South Coast Air Quality Management District, et al. re HBEP start/stop emissions and GHG Performance, dated and docketed December 12, 2012	Air Quality
1027	68876	Applicant's Responses to Intervenor Jason Pyle's Data Requests, Set 1 (#1-16), dated and docketed December 13, 2012	General; Noise & Vibration
1028	68934	Huntington Beach Energy Project Email to SCAQMD Regarding GHG Calculations and Heat Rates, dated December 19, 2012; docketed December 20, 2012	Air Quality
1029	69017	Applicant's Submittal of Email Correspondence Related to Air Quality (various dates); docketed January 3, 2013	Air Quality
1030	69020	Supplemental Response to Data Request #27 (Biological Resources), dated and docketed January 3, 2013	Biological Resources
1031	69074	Applicant's Request for Extension to Submit certain Data Responses Contained in CEC Staff's Data Responses Set Two (#73-98) and Objections, dated and docketed January 9, 2013	General
1032	69098	EPA's letter to S. O'Kane re Transfer of GHG PSD Permit Application to South Coast Air Quality Management District, dated January 10, 2013; docketed January 11, 2013	Air Quality

TAB #	CEC TN #	BRIEF DESCRIPTION/DATE	TECHNICAL TOPIC(S)
1033	69179	Air Quality Modeling Files Related to Applicant's Response to Staff's Data Request AQ-11, dated and docketed January 17, 2013	Air Quality
1034	69180	Additional Responses to Jason Pyle's Data Requests, Set 1 (#1-16), dated and docketed January 17, 2013	Noise & Vibration
1035	69182	Applicant's Responses to Staff's Data Requests, Set 1 (AQ-11; BIO-23 through BIO-26), dated January 16, 2013; docketed January 17, 2013	Air Quality; Biological Resources
1036	69206	Applicant's Status Report, dated and docketed January 22, 2013	General
1037	69208	Applicant's Responses to Staff's Data Requests, Set 2 (#73-98), dated and docketed January 22, 2013	Noise & Vibration; Public Health; Socioeconomics; Soil & Water; Traffic & Transportation; Visual Resources
1038	69214	Applicant's Supplemental Files in Response to Staff's Visual Resources Data Request (#97), dated and docketed January 22, 2013	Visual Resources
1039	69243	Chris Perri's (South Coast Air Quality Management District) email to S. O'Kane, et al., and Jerry Salamy's response re HBEP Commissioning Emissions, dated and docketed January 23, 2013	Air Quality
1040	69373	Applicant's Supplemental Files in Response to Staff's Informal Request (Visual Resources), dated and docketed February 4, 2013	Visual Resources
1041	69415	Applicant's Response to Staff's Data Requests, Set 1, Data Request #40 (SOCIO-40), dated and docketed February 6, 2013	Socioeconomics
1042	69422	Correspondence Related to Air Quality – Ammonia Emissions (various dates), docketed February 6, 2013	Air Quality
1043	69446	Request for Extension to Submit Responses to Staff's Data Requests, Set 2 (#74-77), dated and docketed February 8, 2013	Public Health
1044	69514	Email from Robert Mason, CH2M Hill, to Felicia Miller, CEC, re HBEP Existing Workforce Question, dated and docketed February 12, 2013	Worker Safety & Fire Protection
1045	69545	Applicant's Responses to Staff's Data Requests, Set 3 (#99-103), dated and docketed February 15, 2013	Soil & Water Resources

TAB #	CEC TN #	BRIEF DESCRIPTION/DATE	TECHNICAL TOPIC(S)
1046	69564	Applicant's Supplemental Responses to Staff's Data Requests, Set 2 (Water Resources #80-83 and Traffic and Transportation #92-94), dated and docketed February 15, 2013	Water Resources; Traffic & Transportation
1047	69631	Applicant's Responses to Staff's Data Requests, Set 2A (Public Health #74-77), dated and docketed February 22, 2013	Public Health
1048	69632	Air Quality Modeling Files Related to Applicant's Responses to Staff's Data Requests, Set 2A (Public Health #74-77) [disc included], dated and docketed February 22, 2013	Public Health
1049	69687	Letter from South Coast Air Quality Management District Requesting Additional Clarifying Information to Applicant dated February 19, 2013; docketed February 26, 2013	Air Quality
1050	69700	Applicant's Correspondence Related to Air Quality (January and February 2013); docketed February 27, 2013	Air Quality
1051	69878	Email to F. Miller from Robert Mason, CH2M Hill re Response to Email Request from CEC Staff on Use and Number of Stories for Specific HBEP Building, dated and docketed March 8, 2013	General; Project Description
1052	69888	Applicant's Supplemental Responses to Data Requests #31 (Biological Resources), dated and docketed March 11, 2013	Biological Resources
1053	69918	Applicant's Responses to Staff's Workshop Queries and Related Air Quality Modeling Files [disc included], dated and docketed March 14, 2013	Air Quality
1054	69919	Applicant's Response to Staff's Informal Inquiry Re HBGS Fuel Oil Tanks, dated March 13, 2013; docketed March 14, 2013	General; Project Description
1055	69920	Correspondence Related to Air Quality [Costa Mesa Meta Data and Related Files; disc included] (various dates); docketed March 14, 2013	Air Quality
1056	69921	Applicant's Correspondence Related to Existing HBGS Re Plot Plans [disc included], dated March 12, 2013; docketed March 14, 2013	Air Quality
1057	69947	Submittal of AutoCAD Files Related to Preliminary Grading and Drainage Plans (Water Resources) [disc included], dated and docketed March 18, 2013	Water Resources
1058	69948	Submittal of email correspondence re Tanks, dated March 9, 2013; docketed March 18, 2013	General; Project Description
1059	69961	Revision to Construction and Demolition Schedule, dated March 18, 2013; docketed March 19, 2013	General; Project Description

TAB #	CEC TN #	BRIEF DESCRIPTION/DATE	TECHNICAL TOPIC(S)
1060	69967	Additional Construction and Demolition Information, dated March 29, 2013; docketed March 20, 2013	General; Project Description
1061	69969	Applicant's Information regarding Construction Risk Value (Public Health) (various dates); docketed March 20, 2013	Public Health
1062	70167	Applicant's Submittal of Air Quality Correspondence [disc included] (various dates); docketed March 27, 2013	Air Quality
1063	70291	Applicant's Status Report, dated and docketed April 15, 2013	General
1064	70403	Geologic Resources: Final Site Investigation Report for Soil and Groundwater for HBGS, dated May 1998 [disc included]; docketed April 19, 2013	Geological Resources; Soil & Water Resources
1065	70762	Correspondence Related to Air Quality (various dates); docketed May 10, 2013	Air Quality
1066	70865	Applicant's Responses to Data Requests, Set 4, #104-106 Air Quality Modeling, dated and docketed May 17, 2013	Air Quality
1067	70870	Applicant's Responses to Data Requests, Set 5, #107-109 Public Health, dated and docketed May 17, 2013	Public Health
1068	70957	Applicant's Status Report dated and docketed May 24, 2013	General
1069	71338	Applicant's Responses to Staff's Informal Requests (Visual Resources), dated and docketed June 19, 2013	Visual Resources
1070	71513	Applicant's Correspondence Related to Air Quality (various dates), docketed July 3, 2013	Air Quality
1071	71529	Applicant's Status Report, dated and docketed July 8, 2013	General
1072	71601	Correspondence with CEC's F. Miller Re Cheng Cycle Technology Information, dated July 12, 2013; docketed July 15, 2013	Air Quality
1073	200042	Applicant's Correspondence to South Coast Air Quality Management District, dated July 17, 2013; docketed July 25, 2013	Air Quality
1074	200050	Applicant's Request for Scheduling Conference and/or Scheduling Order dated and docketed July 26, 2013	General
1075	200362	Applicant's Response to SCAQMD's June 7, 2013 Data Request, dated August 26, 2013; docketed August 28, 2013	Air Quality

TAB #	CEC TN #	BRIEF DESCRIPTION/DATE	TECHNICAL TOPIC(S)
1076	200363	Applicant's Offsite Consequence Analysis (Hazardous Materials Handling), dated August 27, 2013; docketed August 28, 2013	Hazardous Materials Handling
1077	200375	Correspondence re Air Quality (various dates); docketed August 29, 2013	Air Quality
1078	200380	Applicant's Status Report (September 2013), dated and docketed August 30, 2013	General
1079	200424	Applicant's Response to Staff's Status Report and Request for Status Conference, dated and docketed September 9, 2013	General
1080	200631	CAISO Phase I Interconnection Study Report Related to HBEP, dated January 31, 2013; docketed September 24, 2013	Transmission System Engineering
1081	200675	Applicant's Responses to Staff's Informal Data Requests re Alternatives/Water Resources, dated and docketed September 30, 2013	Alternatives; Soil & Water Resources
1082	200698	Applicant's Status Report, dated and docketed October 1, 2013	General
1083	200949	Applicant's 1-Hour NO ² Competing Source Inventory, dated and docketed October 18, 2013; <i>see also</i> , Letter from K. Hellwig to Felicia Miller dated December 11, 2013 transmitting related Modeling Files [3 discs]	Air Quality
1084	201096	Applicant's Status Report, dated and docketed November 1, 2013	General
1085	201106	Applicant's Resubmission of Data Responses, Set 1B, 4, and 5 to DR 23 to 26 (Biological Resources), 104 to 106 (Air Quality), and 107 to 109 (Public Health), dated and docketed November 4, 2013	Air Quality; Biological Resources; Public Health
1086	201109	Applicant's Letter to F. Miller re AQ Modeling Files Submitted with Revised Responses, Set 1B, 4, and 5, dated and docketed November 4, 2013	Air Quality
1087	201142	Applicant's Comments on PSA, Part A, dated and docketed November 7, 2013	Biological Resources; Land Use; Noise; Socioeconomics; Soil & Water Resources; Traffic & Transportation; Visual Resources; Waste Management
1088	201229	Applicant's Air Quality Correspondence and Emails (various dates), docketed November 15, 2013	Air Quality
1089	201352	Applicant's Status Report (December 2013), dated and docketed December 2, 2013	General

TAB #	CEC TN #	BRIEF DESCRIPTION/DATE	TECHNICAL TOPIC(S)
1090	201437	Applicant's Follow-up to PSA Part A Workshop, dated and docketed December 13, 2013	Biological Resources; Cultural Resources; Land Use; Noise; Socioeconomics; Soil & Water Resources; Traffic & Transportation; Compliance
1091	201471	Applicant's Letter re Receipt of Preliminary Staff Assessment - Part A, Supplemental Focused Analysis, dated and docketed December 23, 2013	General
1092	201469	CAISO Cluster 5 Phase II Interconnection Study (App. A, Att. #4 submitted separately), dated December 3, 2013; docketed December 23, 2013	Transmission System Engineering
1093	201501	Applicant's Status Report (January 2014), dated and docketed January 2, 2014	General
1094	201570	Applicant's Resubmission of Data Responses, Set 4 (Updated Response to Data Request 104 [Air Quality]), dated and docketed January 17, 2014	Air Quality
1095	201572	Discs Containing Air Modeling Files Related to Resubmission of Data Responses, Set 4, dated and docketed January 17, 2014	Air Quality
1096	201582	Applicant's Comments on Staff's Supplemental Focused Analysis, PSA Part A, dated and docketed January 21, 2014	Biological Resources; Cultural Resources; Soil & Water Resources; Visual Resources
1097	201632-1 ¹	Applicant's Status Report (February 2014), dated and docketed on February 3, 2013	General
1098	201820	Status Report (March 2014) and Request for Scheduling Order, dated and docketed March 3, 2014	General
1099	201840	Applicant's Comments on SCAQMD's Preliminary Determination of Compliance, dated and docketed March 7, 2014	Air Quality
1100	201938	Applicant's Status Report (April 2014), dated and docketed April 1, 2014	General
1101	201969	Applicant's Comments on Preliminary Staff Assessment, Part B, dated and docketed April 7, 2014	Alternatives; Soil & Water Resources; Air Quality; Public Health

¹ According to the CEC on 2/3/2014, there were problems with the docketing system and this docket number is a result of those problems.

TAB #	CEC TN #	BRIEF DESCRIPTION/DATE	TECHNICAL TOPIC(S)
1102	201970	Applicant's Status Conference Statement, dated and docketed April 7, 2014	General
1103	202003	Applicant's Transmittal of South Coast Air Quality Management District's Preliminary Determination of Compliance, dated April 1, 2014, docketed April 11, 2014	Air Quality
1104	202095	Applicant's Revised TSE Figure 3.1-1R dated April 15, 2014; docketed April 17, 2014	General
1105	202108	Applicant's Letter to F. Miller re Follow-up to PSA Part B Workshop, dated and docketed April 18, 2014	Biological Resources; Alternatives (Soil & Water Resources)
1106	202186	Applicant's Revised Data Responses 104 dated and docketed April 22, 2014	Air Quality
1107	202281	Applicant's Status Report (May 2014), dated and docketed May 1, 2014	General
1108	202292	Applicant's Comments on the PDOC dated and docketed May 5, 2014	Air Quality
1109	202414	Applicant's Status Report (June 2014), dated and docketed June 2, 2014	General
1110	202479	Applicant's Transmittal of the City of Huntington Beach Urban Water Management Plan, dated June 2011; docketed June 23, 2014	Alternatives; Water Resources
1111	202535	Applicant's Submittal of Historical HBGS Photographs (circa. 1959), dated and docketed June 23, 2014	Cultural Resources
1112	202598	Declaration of Lisa Valdez in Support of Applicant's Opening Testimony, dated June 24, 2014; docketed June 26, 2014	Traffic & Transportation
1113	202599	Declaration of Mark Bastasch in Support of Applicant's Opening Testimony, dated June 21, 2014; docketed June 26, 2014	Noise & Vibration
1114	202600	Declaration of Jennifer Krenz-Ruark in Support of Applicant's Opening Testimony, dated June 23, 2014; docketed June 26, 2014	
1115	202601	Declaration of Horacio Larios in Support of Applicant's Opening Testimony, dated June 10, 2014; docketed June 26, 2014	Facility Design; Project Description
1116	202602	Declaration of W. Geoffrey Spaulding, Ph.D. in Support of Applicant's Opening Testimony, dated June 15, 2014; docketed June 26, 2014	Paleontological Resources
1117	202603	Declaration of Futuma Yusuf, Ph.D. in Support of Applicant's Opening Testimony, dated June 23, 2014; docketed June 26, 2014	Socioeconomics

TAB #	CEC TN #	BRIEF DESCRIPTION/DATE	TECHNICAL TOPIC(S)
1118	202604	Applicant's Correspondence to SCAQMD re Class II Visibility, dated May 16, 2014; docketed June 26, 2014	Air Quality
1119	202605	Applicant's Correspondence to SCAQMD re Verification of PDOC Public Notice Distribution, dated June 18, 2014; docketed June 26, 2014	Air Quality
1120	202606	Declaration of Thomas Lae in Support of Applicant's Opening Testimony, dated June 10, 2014; docketed June 26, 2014	Geological Resources
1121	202607	Declaration of Robert Mason in Support of Applicant's Opening Testimony, dated June 24, 2014; docketed June 26, 2014	Alternatives; Land Use; Project Description
1122	202608	Declaration of Sarah Madams in Support of Applicant's Opening Testimony, dated June 25, 2014; docketed June 26, 2014	Hazardous Materials; Worker Safety & Fire Protection; Waste Management
1123	202609	Declaration of Melissa Fowler in Support of Applicant's Opening Testimony, dated June 16, 2014; docketed June 26, 2014	Biological Resources
1124	202610	Declaration of Matthew Franck in Support of Applicant's Opening Testimony, dated June 23, 2014; docketed June 26, 2014	Water Resources
1125	202611	Declaration of Thomas J. Priestley, Ph.D. in Support of Applicant's Opening Testimony, dated and docketed June 26, 2014	Visual Resources
1126	202613	Declaration of Robert Sims in Support of Applicant's Opening Testimony, dated June 25, 2014; docketed June 26, 2014	Transmission System Engineering; Transmission Line Safety & Nuisance
1127	202614	Declaration of Robert J. Dooling, Ph.D. in Support of Applicant's Opening Testimony, dated June 24, 2014; docketed June 26, 2014	Biological Resources (Noise)
1128	202615	Declaration of Clint Helton in Support of Applicant's Opening Testimony, dated June 25, 2014; docketed June 26, 2014	Cultural Resources
1129	202616	Declaration of Jerry Salamy in Support of Applicant's Opening Testimony, dated June 26, 2014; docketed June 26, 2014	Air Quality; Public Health; Alternatives
1130	202626	Declaration of Stephen O'Kane in Support of Applicant's Opening Testimony, dated and docketed June 26, 2014	General; Air Quality; Project Description; Facility Design
1131	202632	Applicant's Submittal of Air Quality Correspondence (various dates), docketed June 30, 2014	Air Quality
1132	202635	Applicant's Opening Testimony, including Exhibits A through M, dated and docketed June 30, 2014	All Topics