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# AES HUNTINGTON BEACH ENERGY PROJECT

California Energy Commission

Environmental Scoping
Meeting and Informational
Hearing

Presented By:

**AES Southland Development, LLC** 

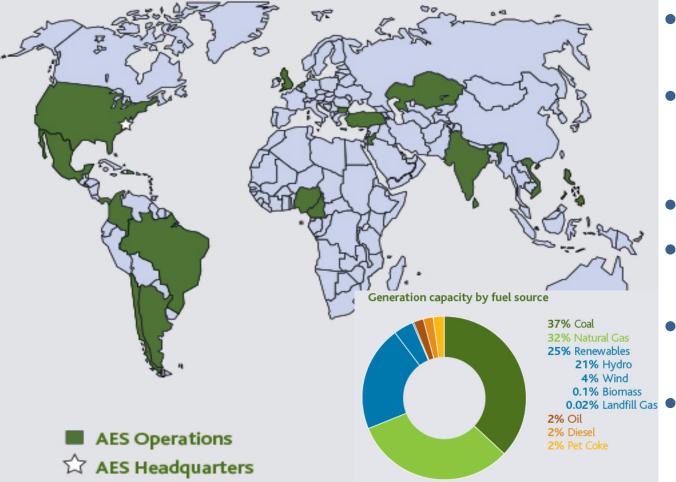
December 8, 2015





### The AES Corporation

Improving lives by delivering safe, reliable and sustainable energy in every market we serve.



- Fortune 200 global power company
- Operations in 18 countries on 5 continents
- 8 utilities
- 35 GWs of generation
- Serve 11 million customers
- 18,500 global workforce



#### **AES in California**



- 3 natural gas power plants
  - Long Beach (Alamitos)
  - Huntington Beach
  - Redondo Beach
- 3,700 MW of capacity serving Western L.A. Reliability Area
- Approximately 15% of Southern California Edison's peak demand
- 153 MW of renewable energy sources
  - Wind
    - Palm Springs
    - Tehachapi



# Why Build a New, Modern Plant?

The need to modernize the Huntington Beach Generating Station to realize California's clean energy future, is a priority

- Critically located, aging infrastructure necessary to maintain grid reliability
  - Need generation where the demand is, significant population on the coast
  - ➤HB location is 4 times more effective than inland plants to serve coastal demand
  - Loss of generation in south-Western Los Angeles reliability area
- Modern, efficient technology with flexible operating characteristics is needed for rapidly changing electrical system



# Why Build a New, Modern Plant?

California's goals for a cleaner, more environmentally sensitive energy future are fundamentally changing the electrical system.

- Renewable Energy: 33% by 2020 50% by 2030
- Greenhouse Gases: 80% reduction by 2050
- Coal: Limits on out-of-state coal contracts
- Water: Limits on once-through-cooling (OTC) for power plants
- Nuclear???
- Electricity: Transportation and goods movement
- System Evolution: Demand side management, smart meters, consumer choice



# **Current Project Status**

#### **Permitting**

- Application to modernize AES Huntington Beach submitted to California Energy Commission (CEC) June 2012
- City of Huntington Beach, local community input and CEC staff reviewed and commented on the Huntington Beach Energy Project
- The licensing process included extensive public participation.
- CEC approved Huntington Beach Energy Project license October, 2014

#### **Planning and Procurement**

- California Public Utilities Commission 2012 LTPP authorized utility to procure new generation to meet future need
- Southern California Edison (SCE) awarded AES a 20 year Power Purchase Agreement October, 2014 (AES Huntington Beach and AES Alamitos)
- California Public Utilities Commission approved the terms of SCE's PPA with AES on November 19, 2015

# Huntington Beach Energy Project Requires an Amendment to CEC License

- CEC approved a 939 MW combined-cycle natural gas turbine project
- AES submitted multiple bids to SCE for a PPA for natural gas turbine generation at the AES Huntington Beach site
- SCE selected a different model and type of combined-cycle natural gas turbine technology
- Additional need for capacity in Orange County is also likely
- AES has submitted a Petition to Amend to the CEC for a revised project to match the needs of SCE
- Revised project of 844 MW satisfies Local Area Reliability
   Requirements and is consistent with original project objectives

# **Huntington Beach Energy Project Amendment**

- Two 3-on-1 CCGT power blocks changed to one 2-on-1 CCGT power block and two advanced technology simple cycle gas turbines
- Only one air cooled condenser
- More efficient, less GHGs, less water
- Located in the same basic footprint and within fence line
- Requires additional temporary space for construction
- Revised aesthetic design to be approved by City of Huntington Beach
- All commitments to community will be kept









































## **Next Step: Petition to Amend Process**

- AES filed detailed project description with accompanying environmental analysis
  - Drawings, specifications, schedules, etc.
  - Environmental analysis of changes
  - Minor revisions to Conditions of Certification (no new or additional mitigation necessary)
- CEC reviews and prepares a staff analysis of PTA
  - Discovery period
  - Public meeting(s)
  - Staff analysis
  - Recommendation by Siting Committee
  - Full Commission approval
- AES to prepare architectural treatment for revised project
  - Consultation and review with City of Huntington Beach staff and Design Review Board
  - City Council to approve revisions



# THANK YOU

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