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<th>Docket Number:</th>
<th>12-AFC-02C</th>
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<td>Project Title:</td>
<td>Huntington Beach Energy Project - Compliance</td>
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<td>TN #:</td>
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<tr>
<td>Document Title:</td>
<td>Limited Notice to Proceed for Demolition Activities</td>
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<tr>
<td>Description:</td>
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<td>Filer:</td>
<td>Marichka Haws</td>
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<td>Organization:</td>
<td>California Energy Commission</td>
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<td>Submitter Role:</td>
<td>Commission Staff</td>
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<td>Submission Date:</td>
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August 10, 2016

Stephen O'Kane
Manager, Sustainability, and
Regulatory Compliance
AES Huntington Beach, LLC
2173 Newland Street
Huntington Beach, CA. 92546

SUBJECT: HUNTINGTON BEACH ENERGY PROJECT 12-AFC-2C
LIMITED NOTICE TO PROCEED FOR DEMOLITION ACTIVITIES

Dear Mr. O'Kane:

The California Energy Commission (Energy Commission) staff has finished its review of the pre-construction requirements for the Huntington Beach Energy Project (HBEP) (12-AFC-2C), and is issuing this limited notice to proceed as authorized by the November 2014 Final Decision (Decision) for the HBEP. Staff has determined that deconstruction activities associated with the demolition of the Huntington Beach Generating Station (HBGS) may commence. All demolition activities shall be carried out in accordance with the MOU between the Energy Commission and NV5, finalized on September 28, 2015, and shall follow all applicable state and local requirements for these activities.

The demolition activities that may commence are discussed below:

- Demolition of the remaining portions of the decommissioned HBGS Unit 5 Peaker building, including foundations, building, and small auxiliary mechanical and electrical equipment associated with the Unit 5 Peaker;
- Removal of the east fuel oil tank and the jet propulsion fuel (JP4) storage tank;
- Removal of the fuel storage tanks per the requirements of the Department of Toxic Substances Control (DTSC) Removal Action; and
- Demolishing of the containment berms surrounding the tank area and rough grading to a flat surface. Excess fill material will be stockpiled on site and used at a later time during construction of portions of the Huntington Beach Energy Project.
August 5, 2016

Review of pre-construction submittals associated with the construction of the HBEP will not occur until after Energy Commission proceeding concerning the Petition to Amend the HBEP has been completed, which is anticipated the 2nd Quarter of 2017. A full notice to proceed for all other activities will be issued when remaining pre-construction condition of certification submittals are approved, as required by the conditions of certification. The Energy Commission staff will continue to work closely with AES to ensure conformance with all conditions of certification as written in the Decision. Lack of conformance with any of the conditions of certification may result in suspension of demolition activities.

If you have any questions, please call me at (916) 654-4295 or e-mail me at eric.veerkamp@energy.ca.gov.

Sincerely,

Eric W. Veerkamp, Compliance Project Manager

cc: Tracy Powell, Compliance Manager, AES Southland
    Kevin Wedman, Contract Building Official, NV5
    Christine Root, Office Manager, California Energy Commission
    Kevin Bell, Senior Staff Council, California Energy Commission
    Sene Viola, Documents Control Manager