July 8, 2013

VIA EMAIL

The Honorable Andrew McAllister, Presiding Member
The Honorable Karen Douglas, Associate Member
Siting Project Committee
California Energy Commission
1516 Ninth Street
Sacramento, California 95814

Re: Huntington Beach Energy Project (Docket No. 12-AFC-02)
Applicant’s Status Report #4

Dear Commissioners:

In response to the Committee’s March 7, 2013 Revised Scheduling Order, Applicant AES Southland Development, LLC submits this Status Report regarding the Application for Certification ("AFC") process for the Huntington Beach Energy Project ("HBEP"). In addition, as further discussed below, Applicant requests that the Committee issue a revised scheduling order that allows Staff to publish the Preliminary Staff Assessment ("PSA") in two parts.

I. STATUS SUMMARY, CURRENT ISSUES, AND ACTIVITIES

In Applicant’s May 24, 2013 Status Report, Applicant reported on the status of data requests, impediments to the current AFC schedule, and provided a revised proposed schedule. Herein, Applicant provides an update to each of those items.

A. Data Requests and Responses

Prior to the submittal of Applicant’s May 24, 2013 Status Report, Staff requested that Applicant provide revisions to visual renderings prepared for the project (Figures 5.13-5, 5.13-8, and 5.13-9, or KOPs 1, 4, and 5, respectively). Applicant provided Staff with the requested information on June 19, 2013.

On May 29, 2013, Applicant again met with the South Coast Air Quality Management District ("District") to discuss information needed by the District to prepare the HBEP Preliminary Determination of Compliance ("PDOC"). On May 31, 2013, the District provided written
comments regarding Applicant’s air dispersion modeling protocol (submitted to the District on March 22, 2013) with a listing of cumulative emission sources that needed to be included in the 1-hour nitrogen dioxide (\(\text{NO}_2\)) cumulative air modeling assessment as well as on the need for Applicant to conduct a quantitative PSD Class II visibility assessment. Immediately upon receipt of the District’s comments on May 31, Applicant requested the necessary air dispersion modeling information (emissions, exhaust parameters, and physical locations) of these sources. The District responded to Applicant’s request on June 14, 2013, noting that the District could provide air dispersion modeling information for one of the sources (shipping lanes used to access coastal ports), but that the Applicant would need to continue to request data for the other two sources (Beta Offshore - an offshore petroleum production platform - and the Orange County Sanitation District) through the District’s Public Records Request (PRR) program. The Applicant subsequently submitted a PRR for the Beta Offshore petroleum platform emission sources requesting emissions and exhaust stack parameters.\(^1\) As of July 3, 2013, the Applicant has collected approximately half the necessary information for the Beta Offshore source and will continue to work with the District to obtain the remaining information. Once the remaining information is obtained, Applicant will submit the 1-hour \(\text{NO}_2\) cumulative impact assessment and a quantitative PSD Class II visibility assessment to the District.

**B. Impediments to the Current AFC Schedule**

Applicant’s May 24, 2013 Status Report noted that the District’s delay in issuing the PDOC appeared to be delaying the publication of Staff’s PSA. At that time, and as proposed in Applicant’s April 15, 2013 Status Report, Applicant proposed that the Committee allow Staff to issue its PSA in two parts. In its May 30, 2013 Status Report, Staff anticipated publishing the PSA for HBEP by August 2013 even if the District’s PDOC has not yet been issued. Staff also indicated that they would proceed with publication of the PSA without the air quality and public health sections and, once the PDOC is issued, would separately issue the air quality and public health sections of the PSA.

Applicant fully supports Staff’s proposal for publishing the PSA in two parts and, as such, Applicant respectfully requests that the Committee issue a Revised Scheduling Order that requires the timely publication of a two-part PSA. Applicant believes such a proposed schedule will keep the HBEP AFC proceeding on track for consideration and approval by the full

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\(^1\) The Applicant had previously collected the necessary air dispersion modeling information for the Orange County Sanitation District.
Commission by first quarter 2014. In the next section, Applicant proposes a revised schedule, which takes into account a two-part PSA.

II. PROPOSED SCHEDULE

Below is Applicant’s proposed revised schedule.

<table>
<thead>
<tr>
<th>Action</th>
<th>Applicant’s Proposed Schedule</th>
</tr>
</thead>
<tbody>
<tr>
<td>Preliminary Staff Assessment (PSA) Published (Part A, without Air Quality and Public Health)</td>
<td>August 12, 2013</td>
</tr>
<tr>
<td>Preliminary Determination of Compliance (PDOC)</td>
<td>TBD</td>
</tr>
<tr>
<td>PSA Part B (Air Quality and Public Health)</td>
<td>2 weeks after PDOC issued by the District</td>
</tr>
<tr>
<td>PSA Workshop</td>
<td>TBD</td>
</tr>
<tr>
<td>Final Determination of Compliance (FDOC)</td>
<td>TBD</td>
</tr>
<tr>
<td>Final Staff Assessment (FSA) Published</td>
<td>TBD</td>
</tr>
</tbody>
</table>

Applicant is confident that Staff has the necessary information to proceed with publication of a PSA, excluding the air quality and public health sections, by August 12, 2013. Applicant looks forward to moving the HBEP AFC toward a Final Decision.

Respectfully submitted,

Melissa A. Foster

MAF:jmw

cc: Proof of Service List
APPLICATION FOR CERTIFICATION FOR THE HUNTINGTON BEACH ENERGY PROJECT

Docket No. 12-AFC-02

PROOF OF SERVICE
(Revised 07/03/2013)

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DECLARATION OF SERVICE

I, Judith M. Warmuth, declare that on July 8, 2013, I served and filed copies of the attached Applicant's Status Report #4 dated July 8, 2013. This document is accompanied by the most recent Proof of Service, which I copied from the web page for this project at: http://www.energy.ca.gov/sitingcases/huntington_beach_energy/index.html.

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I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that I am over the age of 18 years.

Dated: July 8, 2013

Judith M. Warmuth