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STATE OF CALIFORNIA

ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION

In the Matter of:	)	
	)	
Application for Certification	)	Docket No. 13-AFC-01
For the Alamitos Energy Center	)	
AES Southland Development, LLC	)	

RECREATION PARK 18 GOLF COURSE

5001 DEUKMEJIAN DRIVE

GRAND BALLROOM

LONG BEACH, CALIFORNIA

TUESDAY, APRIL 29, 2014

4:30 P.M.

Reported by:

Martha L. Nelson

APPEARANCES

HEARING OFFICERS

Ken Celli, Hearing Officer

Paul Kramer, Chief Hearing Officer

COMMISSIONERS

Karen Douglas, Presiding Member

Janea Scott, Associate Member

ADVISERS

Eli Harland, Adviser to Commissioner Douglas

Jim Bartridge, Adviser to Commissioner Scott

Lezlie Kimura Szeto, Adviser to Commissioner Scott

STAFF

Keith Winstead, Project Manager

Lisa DeCarlo, Staff Counsel

Eileen Allen, Commissioners' Technical Adviser

Rhetta deMesa

APPLICANT

Jennifer Didlo, AES Southland Development, LLC

Stephen O'Kane, AES Southland Development, LLC

APPLICANT REPRESENTATIVE

Jeff Harris, Ellison, Schneider and Harris, LLP

Samantha Pottenger, Ellison, Schneider and Harris, LLP

PUBLIC ADVISER

Blake Roberts, Assistant Public Adviser

PUBLIC SPEAKERS

Warren Kusumoto, City of Los Alamitos

John Yee, South Coast Air Quality Management District

Susan Ahn, Long Beach Unified School District

Tim Patton, Assembly Member Bonnie Lowenthal’s Office

Mark Bloser, City of Long Beach

Mohsen Nazemi, South Coast Air Quality Management District

Susan Price, Long Beach City Council

Elizabeth Lambe, Los Cerritos Wetlands Land Trust

Jeremy Harris, Long Beach Area Chamber of Commerce

Dianne Sundstrom, Belmont Shores Community Association

Patrick O’Donnell, Long Beach City Council

Patricia Towner, University Park Estates

Elizabeth Shapiro, Los Angles County Business Federation

Ann Cantrell

Jim Adams, L.A./ Building and Construction Trade Council

Steve Weaver

Byron Costa

Mike Withers

P R O C E E D I N G S

4:30 P.M.

PROCEEDINGS BEGIN AT 4:30 P.M.

(The meeting was called to order at 4:30 p.m.)

WESTMINSTER, CALIFORNIA, TUESDAY, APRIL 29, 2014

MEETING BEGINS AT 4:30 P.M.

PRESIDING MEMBER DOUGLAS: I'd like to welcome everyone here to this Informational Hearing, Environmental Scoping, Issues Identification, and Scheduling Conference. That's a mouthful, a lot, but for the Alamitos Energy Center Project. My name is Karen Douglas. I'm the presiding member of the Committee that's been assigned by the California Energy Commission to oversee this proposal.

To my immediate left is our --

UNIDENTIFIED FEMALE: We can't hear you.

PRESIDING MEMBER DOUGLAS: Is that -- to my --

UNIDENTIFIED FEMALE: (Inaudible.)

PRESIDING MEMBER DOUGLAS: I'm not used to this kind of mic. How's that?

To my immediate left is our Hearing Officer Ken Celli. And to his left is Janea Scott. She's another Commission. She's the associate member assigned by the Energy Commission to this Committee.

No? I'm getting shaking heads. Lovely.

HEARING OFFICER CELLI: Oh, you know, I just

turned off my mic. And maybe hers will be better now.

PRESIDING MEMBER DOUGLAS: All right. No echoes? Is this better? Much better? All right. Very good. All right. I'll start over.

So I'm -- my name is Karen Douglas. I've been assigned as the presiding member of this Committee of the Energy Commission. We have five energy Commissioners. I'm one of the five. Commissioner Janea Scott, who is sitting to the left of the Hearing Officer, is the associate member on this Committee. And let's see. I'll introduce the advisors -- well, the Hearing Officer, Ken Celli, sitting in between the Commissioners. And to my right, my advisor, Eli Harland. To his right is Eileen Allen. She's a technical adviser on siting to the Commissioners. To Commissioner Scott's left is Rhetta deMesa and Jim Bartridge. They're both advisers to Commissioner Scott.

With that, I'd like to ask the parties to please introduce themselves and their representatives, beginning with the Applicant.

MR. O'KANE: My name is Stephen O'Kane, Vice President for AES Southland Development.

MR. HARRIS: My name --

PRESIDING MEMBER DOUGLAS: Can you hear?

MR. HARRIS: Oh, boy. My name is Jeff, Jeff Harris. I'm here -- no?

PRESIDING MEMBER DOUGLAS: No.

MR. HARRIS: You want to -- let me just grab that mic. Okay. See how -- ooh. My name is Jeff Harris. I'm up here on behalf of the Applicant. And also with me is Samantha Pottenger of my office. And Samantha does all the hard work for us, so --

MS. DIDLO: Good afternoon. I'm Jennifer Didlo. I'm the President of AES, the Applicant.

MR. WINSTEAD: Thank you. Keith Winstead, Energy Commission Project Manager for the AFC filing.

MS. DECARLO: Lisa DeCarlo, Energy Commission Staff Attorney.

PRESIDING MEMBER DOUGLAS: All right. With that, let me ask if there are any elected officials here? If you would like, if you could please come to the podium and introduce yourself at the microphone right there.

MR. KUSUMOTO: Hi. I'm Warren Kusumoto, Council Member from the City of Los Alamitos.

PRESIDING MEMBER DOUGLAS: I'm sorry. The court reporter didn't pick that up.

MR. KUSUMOTO: Warren Kusumoto, City Council, Los Alamitos. I'll leave my card.

PRESIDING MEMBER DOUGLAS: All right. Thank you. Any other elected officials here tonight? Do we have an representatives from Federal Government agencies of the

State of California, outside of Energy Commission Staff? Native American Tribes? South Coast Air Quality Management District? Come on forward, please. All right. We've got the microphone on the podium now.

MR. YEE: Hi. My name is John Yee. I'm with the South Coast Air Quality Management District. And I have my Staff Engineer, Marcel Salas (phonetic).

PRESIDING MEMBER DOUGLAS: Thank you. Thanks for being here. I saw somebody else standing up, as well.

MS. AHN: I'm Susan Ahn with the Long Beach Unified School District.

PRESIDING MEMBER DOUGLAS: Thank you.

MS. AHN: You're welcome.

PRESIDING MEMBER DOUGLAS: Let's see. I was calling out agencies. Please come forward if I've called your agency or if I do now. Los Angeles County, City of Long Beach, any other nearby towns or cities? Go ahead, please.

MR. PATTON: Tim Patton representing Assembly Member Bonnie Lowenthal.

PRESIDING MEMBER DOUGLAS: Thank you. Did -- did everybody here that?

Sorry. Can you try again louder?

MR. PATTON: Tim Patton with Assembly Member Bonnie Lowenthal's office.

PRESIDING MEMBER DOUGLAS: Thank you. Was that better?

MR. BLOSER: I'm Mark Bloser (phonetic). I represent Councilman Pat O'Donnell, City of Long Beach.

PRESIDING MEMBER DOUGLAS: Thank you. All right. Is that it. All right.

At this time I will hand over this hearing to the Hearing Advisor, Ken Celli.

HEARING OFFICER CELLI: How -- how do I sound in the back of the room? Can you hear me okay? I'm getting nodded heads, yes. Thank you. Maybe I'm a little too loud. I'll turn that one off.

PRESIDING MEMBER DOUGLAS: You turned if off.

HEARING OFFICER CELLI: I turned that one off.

So this is a little background about what we're doing here today. This is slide one, which is that. This Information Hearing, Environmental Scoping Meeting, and Site Visit, which we had earlier to the site, is designed to inform members of the public about the proposed project and the Energy Commission's siting process.

On December 27th, 2013 AES Southland Development, LLC, which is the Applicant, submitted an application for certification to modernize the existing Alamitos Generating Station. Today you're going to hear us talk about AFC. That stands for Application for Certification.

The Alamitos Energy Center would be located on approx 63 acres of privately-owned land bounded by -- to the north by State Route 22, to the east by the San Gabriel River, to the south by Second Street, to the west by North Studebaker Road, all in the City of Long Beach in Los Angeles County, California.

The Alamitos Energy Center is a proposed natural gas fired combined-cycle electric -- electrical generating facility with a net generating capacity of 1,936 megawatts which would replace and be constructed on the site of the AES Alamitos Generating Station where it is today. The Alamitos Energy Center will consist of four three-on-one combined-cycle gas turbine power blocks with 12 natural gas-fired combustion turbine generators, 12 heat recovery system generators, 4 steam turbine generators, 4 air-cooled condensers, and related ancillary equipment.

On March 13th, 2014 the Energy Commission accepted the Alamitos Energy Center’s application for certification as data adequate. The Applicant will describe the details in a moment of the power plant. But first we want to give you a little sense of what’s going to happen today.

The purpose of today’s hearing is to provide information about the proposed power plant, to describe the Commission’s process in reviewing the application, to provide information on opportunities for the public to

participate in this process, and to comment on any aspect of the proposed project; also, to inform the Committee, and this body up here is the Committee, the parties, Applicant and Staff at this moment, and the community about the project, it's project -- it's progress to date in the application process, and perceived issues that may need resolution, and finally, to meet and confer today about the project's schedule.

Notice of today's Site Visit, the Environmental Scoping Meeting and Information Hearing was mailed to all the parties, adjoining land owners, interested governmental agencies, and other individuals. It was also posted on the Energy Commission's website.

Where is Blake Roberts? Blake is outside. Blake, can you hear me? I just wanted him to -- he's coming in right now. I want you to know who Blake is. This gentleman here, coming in the door, folks, is Blake Roberts. He's with the Public Adviser's Office. And he will explain in a moment how you can follow these proceedings and how you can participate in these proceedings, and how you can find and follow them on the internet. Thank you, Blake.

MR. ROBERTS: Okay.

HEARING OFFICER CELLI: So this is today's agenda. We already have had the site visit and the Commissioner's opening remarks. I'm going to describe the Commission's

role in the ex parte rules. After I'm through the Applicant will explain the environmental -- or rather the Applicant will explain and describe the Alamitos Energy Center Project. And after that the Energy Commission Staff will explain the environmental review process, the issues that they have identified at this juncture, and they're proposed schedule for the licensing process.

After that the Public Adviser will describe the services available from the Public Adviser's Office to support public participation in our process. And then finally, we will take questions and comments from the public and/or agencies present, and we think plus or minus we'll do that around 5:30 today.

The California Energy Commission, a state agency, has exclusive jurisdiction to license or, as we say, certify new power plants that generate 50 megawatts or electricity or more. The Commission is the lead agency for CEQA review and compliance. Today's hearing is the first in a series of formal Committee events that will extend over the next year.

The Committee will eventually hold evidentiary hearings and issues a Presiding Members Proposed Decision, which you will hear us talk about the PMPD. The PMPD is the Presiding Members Proposed Decision which contains a recommendation to the full five-member Energy Commission to either approve or deny the proposed amendment.

To be clear, the Alamitos -- the Alamitos Energy Center AFC -- Application for Certification -- Committee is made up the two Commissioners that I'm sitting next two, Commissioner Douglas on my right, your left, is the Presiding Member. And Commissioner Scott on my left, your right, is the Associate Member. The Committee includes their advisers, who you see before you, and me, I'm the Hearing Adviser. It's important to emphasize that the law requires the Committee's proposed decision, the PMPD, to be based solely on the evidence that is contained in the public record.

To ensure that this happens, and to preserve the integrity and impartiality of the Commission's licensing process, the Commission's regulations in the California Administrative Procedures Act expressly prohibit private off-the-record contacts concerning substantive matters between the participants in this proceeding and the Commissioners, this Committee, their advisers, and me.

This prohibition against off-the-record communications between the parties and the Committee is known as the ex parte rule. This means that all contacts between interested parties in the Committee regarding any substantive matter must occur in the context of a public discussion such as we're having today or in the form of a written communication that is distributed to all the

parties. The purpose of the ex parte rule is to provide full disclosure to all participants of any information that may be used as a basis for this Committee's future decision on this project.

The Energy Commission Staff is a party. And the Energy Commission Staff is represented over here by Lisa DeCarlo, and Keith Winstead is the Project Manager. And they are a party to these proceedings in the same way that the Applicant or any intervener would be a party. So even though the Staff and the Committee members are both part of the California Energy Commission, we are completely separate entities for purposes of these proceedings. The ex parte rule is binding on the Energy Commission's staff in the same way that it is binding on the Applicant or any future interveners into the case.

Addition opportunities for the parties and governmental agencies to discuss substantive issues with the public will occur in public workshops to be held by the Commission Staff at locations near the site, such as here at the -- at the big Rec power -- facility, or at the Energy Commission in Sacramento. The Committee will not attend Staff workshops. Information regarding other communications between the parties and governmental agencies is contained in written reports or letters that summarize such communications. These reports and letters are posted on the

website and they are made available to the public. Information regarding the hearing dates and other events in this proceeding will also be posted on the Commission's website.

The application for certification or AFC process is a public proceeding in which members of the public and interested organizations are encouraged to actively participate -- participate and express their views on matters relevant to the proposed project. The Committee is interested in hearing from you, the community, on any aspect of this project. Members of the public are also eligible to intervene in the proceeding. And if there are potential interveners, we encourage you to file your petition to intervene as soon as possible to allow for the fullest participation. Generally a petition to intervene will be granted by the Committee if the grounds for intervening are reasonable and relevant to the proceeding and the petition to intervene satisfies the requirements of Commission's Regulations section 1207.

The Committee scheduling order will establish the deadline for filing a petition to intervene. That will come out in the next few weeks. And the Public Adviser who is here today, Blake -- Blake Roberts, raising his hand, will assist members in the public who would like to become interveners in this AFC. So if you're an intervener you

become a party, just as the Staff or the Applicant are parties.

We are now going to ask the parties to make their presentations in the following order. First, the Applicant, who is AES Southland Development, LLC, will describe their proposed Alamitos Energy Center Project and explain its plans for developing the project site. After that the Commission Staff will then provide an overview of the Commission's licensing process and its role in reviewing the proposed Alamitos Energy Center.

And next we will discuss the issues addressed and raised by Staff in what's called the Issues Identification Report -- so this is sort of a preliminary report to the Commission of what the Staff feels are going to be the issues at hand -- and Staff's proposed schedule. So we'll talk a little bit about that.

And then when we finish that discussion we will hear from the Public Adviser's Office explaining its role in supporting public participation and outreach. So we invite you to take advantage of that.

After we hear from the Public Adviser, we're going to ask that any interested agencies and members of the public offer -- we're going to ask you to come up to the podium and make your comments. You'll be able to ask questions. Today is the day. This is your opportunity to

ask the proponents of the project what they're doing, what they have in mind, answer your questions, or Staff, if you want to know anything about what the process is like you would ask Staff.

So this is going to be a somewhat informal process today. And before we begin I just want to know whether there are any questions from the parties about today's agenda. Everyone is shaking their -- their heads no.

So with that let's go then to the Applicant's presentation. Ms. Didlo?

MS. DIDLO: Thank you. Welcome, Commissioners and Staff. It's great to see everybody, maybe for the second or third time. I'd also like to thank all of you that live and work in this community for spending this afternoon with us. Those of you that went on the bus tour, I thought that was a good use of half-an-hour. And now we're really excited to talk about the project in more detail.

So for those of you who I haven't had a chance to meet, I'm Jennifer Didlo. I'm the President of AES Southland. I'm going to give a few opening remarks about who AES is, what we do around the world, and what we do more regionally and locally. And then Stephen O'Kane, Vice President of AES Southland is going to talk about the projects specifically.

We do have a couple people in the audience that

are also with AES. If you can raise your hands, because those people are available to answer questions. And I would like to point out Jeff Evans who's the site leader in the back there. So those of you who were on our bus tour, you had a chance to spend some time with him. Okay.

So who we are and what we do. AES is a global power company. And our mission really, which is why we exist, is to improve lives by providing sustainable and clean energy -- energy solutions around the world. And how do we do that? Well, we own a lot of infrastructure and we have a lot of market knowledge, and we leverage those things.

So on this slide you can see, the areas that are green are the areas where we have projects or people. So we serve 21 countries, 5 continents, 25,000 people across the globe. And those projects comprise of about 37,000 megawatts. And I want to talk about that. But in general 1 megawatt serves about 1,000 homes in the U.S. We're big energy consumers. So in other places it's many more home than that. But we use a lot of energy in the U.S. So 37,000 megawatts across the globe.

I'm going to talk about what type of fuel we use. So about 40 percent of that we use solid fuel, so it's coal and petroleum coke, those types of things. And those in -- primarily in areas that wouldn't otherwise have electricity.

No coal in California. And then about 33 percent, about a third of those 37,000 megawatts are burning natural gas. And then the balance, which is about 25 percent, is made up of renewable resources, so that's large and small hydro, it's wind, it's solar, it's biomass, and it's landfill gas. So about 25 percent of our fleet is renewable, and we're pretty proud about that. So that's what we do around the world.

And then more locally, and perhaps maybe why you should care about this project a little bit more, AES provides about 15 percent of the electricity that we consume on hot days like today. So effectively, without these facilities that we have in Los Angeles we wouldn't have the same quality of electricity, same quality of life.

So locally we own three power plants. Some of you have had a chance to visit the Alamitos facility. We also own a Huntington Beach facility, and we own a facility in Redondo Beach, about 3,700 megawatts. In addition to that we have -- we're either operator, owner or partner in almost 400 megawatts of renewable resources in California, all in Southern California. In Palm Springs and Tehachapi we have wind. And in Imperial Valley we have solar. And we are excited about the projects that we're developing around energy storage, primarily lithium ion batteries. So in Southern California we do a lot to keep the lights on. And

if you get a bill from Southern California Edison, as I do and Stephen does, your -- your electricity supply is dependent on those AES facilities.

Now, in addition to generating electricity ourselves, we also have customers in Ohio and Indiana and around the world. So we also own utilities. But what we're talking about today is providing electricity to Southern California Edison that ultimately sells it to the end user, you and I. Okay.

So I'm going to leave. Before I turn it over to Stephen I want to talk about the project benefits. So first and foremost, this project is imperative for California to meet its clean air and clean energy objectives. Now what do I mean by that? We are going to eliminate the use of ocean water, which Stephen is going to talk about. So we have a whole group of people that are worried about the things that are impacted when we use the ocean water for cooling. We're going to build a facility that only needs to run when it's needed, so we'll have less emissions for the same amount of reliable resource. We're going to speak to reducing our greenhouse gases over time. This facility is definitely needed for California to accomplish those objectives.

Secondarily, we're going to build this facility in a site where there's an existing power plant. That will lead to our lowest rates. So instead of going and

establishing a new industrial site and having to build all the infrastructure associated with it, the water and the gas and the transmission, we're going to reuse all of that infrastructure. Ultimately that should lead to -- because I pay for electricity too -- a lower electricity rate.

Next point really of significance is this project represents a nearly $2 billion investment in this community. It's a private investment. And it will come in the form of about $400 million of payroll directly. There will be another couple hundred indirect jobs, about $90 million of supplies that will be used during that construction period. And then once the project is built we've made an assessment of more than $8 million of annual spend every year that that project is in operation. And we know for sure we'll pay more property tax than we currently pay.

And then lastly -- this is always a trick, right, because it's -- she's old so she doesn't look so modern -- we can guarantee you that she's going to look a lot better when we rebuild her. The stacks will be lower, buildings will be more modern. It will be a more compressed looking -- more of an office building type of a thing. So we will definitely change the landscape and the view corridor. Stephen has a couple of renderings to show you what that will look like, and that's pretty exciting.

And the last thing before I turn it over to

Stephen, I just want to talk about this last project benefit for me personally. So this is really a dream job because I now have the ability, as does Stephen -- I live in Seal Beach very close to the plant, many of us live in Long Beach -- is to improve the community that we live in, that we're raising our families in, that we play and we work in. And so this is a tremendous opportunity for us to do the right thing on Studebaker, to do the right thing environmentally an aesthetically.

So with that I'll turn it over to Stephen, and he's going to talk about the specifics of the project.

MR. O'KANE: Okay. Thank you, Jennifer. I can do it. I can do it. I can hold a microphone and flip at the same time. Multi talented. So thank you for that, and thank you for going through some of the benefits.

I guess I'll start out with why -- why are we doing this. Jennifer has already mentioned part of it, the environmental piece of it. Electrical reliability is the other very important piece of this.

HEARING OFFICER CELLI: Keep the mic up close.

MR. O'KANE: Okay. Keep the mic up close so they can hear me online.

There's -- there -- we have some really aggressive goals here in California in terms of the environment. We have goals to reduce our greenhouse gases. We have a

renewable portfolio standard. We want -- we want to get a third of our electricity from renewable sources, those are intermittent sources like wind and solar. And it -- and it becomes very difficult to manage a grid, the electrical grid, when we -- when you have sources of power that, well, we don't control. Mother Nature makes the sun shine. Mother Nature makes the wind blow. But we want to have that power on whenever we flip -- flip the light. So we need to have resources that can match with those intermittent sources of electricity.

We want to eliminate the use of ocean water. While we'll still be having steam with out new -- new plant, we're not going to use ocean water to cool it anymore. We're basically going to use radiators, big radiators, very similar to how you cool -- cool your engine in your car, and we will eliminate the use of ocean water.

We'll also reduce the amount of fresh water we use significantly. As opposed to today where all of the power we make at the power plant is through steam turbines, we just boil water, make steam, turn a turbine, two-thirds of our power in the new plant will come from a gas turbine and one-third will come from the steam side. So we're going to use less fresh water, which is really important, we all understand that, in particular a drought year like today.

The most important thing about our plant, the

modernization of the plant, is to ensure we have that modern reliable power plant here in our community. We just can not get all the power we need to all of us who want to live as far west as possible simply by wires alone. We need power plants very close to us to ensure we have a reliable source of power all the time. It's kind of like a fire station. You -- you want -- you want to live reasonably close to that fire -- fire station because you're going to get a quick response in case you ever need it. And power plants are a similar sort of analogy. You need -- you need to have one locally to ensure that no matter what condition it is when you turn on the light switch, you go to use your air conditioner you've got power.

We're certainly going to make it look a lot better. It's not hard. We're leap-frogging 70 years forward in technology. It should be shorter, quieter, more efficient, all those things that -- that for us who live right here locally, and I'm here in Belmont Park, very close, so I'm -- I'm going to be one of the people benefitting from an improved skyline and improved entrance to Long Beach. And quite the economic stimulus, as Jennifer has already talked about.

Now, I've already mentioned that the goal for California is to -- to move towards much more renewable energy. So why -- why do we even need an electrical gas

plant that -- natural gas plant to produce electricity? Why don't we just only use renewable energy? Well, I'm going to try to explain that briefly of how a modern gas plant that can start and stop very quickly is -- is the -- is the piece of the puzzle that we need to -- to reach that -- those environmental goals of the future.

This is a picture of a day, midnight to midnight. The sun shines in the middle of the day. This is -- this was kind of like what the electrical demand is throughout the day. We wake up in the morning. We get our coffee. We all go to work. We start using more and more power. We get closer to noon, it gets hotter and hotter. We're all at work. We're turning on air conditioners. And the thing I want you to notice is that red line. It doesn't start to drop off until after the sun goes down. As a matter of fact, our peak use here in Southern California is -- is more like 7:30 or 8 o'clock at night. While we can make up some of that energy with wind power, and wind here in California generally blows at late -- late afternoon and into the night, it's after the land heats up the wind starts to blow in the desert, and we can get some wind energy.

Our biggest potential resource though is going to be solar. And the solar -- solar power, we're already starting to use quite a bit of it, only during the day, in the middle of the day. But we haven't made up all of that

power up to that red line. So how do we fill in the gap?

We can do that with natural gas-fired power plants, and that's what we're doing today. We use some very big old power plants that were not designed to -- to be turned off and on very quickly. They were not designed to go up and down and to try and manage the load. They were originally built to be on and always on and provide our base load power, basically staying up and meeting that demand of the red line at all times.

So we're asking these old power plants that weren't designed to do that to serve a different load. And in the future when we -- when we -- we get even more solar power, well, that solar power is -- you notice that the yellow part didn't get any wider, it will only get taller. We can -- we may be able to reach the peak -- peak amount of power demand during the day. But in the morning and at night we're left with a gap. So we're seeing a future where we need power first thing in the morning. Then we need to turn the power plant off, and then turn it back on in the evening when we all come home and turn on our air conditioners and do our -- do our laundry and whatnot.

It's very inefficient to do it with a power plant that you -- you basically can't turn off. If it takes you a day, a day-and-a-half to restart that power plant, what we end up having to do is simply turn it down as low as we can,

turn it up as high as we can. That is really, really inefficient. If we can turn them off when we don't need them, turn them on when we need them, we're going to -- we're going to reduce the amount of greenhouse gases we produce, we're going to actually allow more renewable energy to the grid to be able to manage that system.

So what exactly are we going to build? It's something called a combined-cycle gas turbine technology. We use a gas turbine, much like a jet engine. Then we recover the heat on the backside, and we can make steam with that. We'll use air-cooled condensers. And we'll build this whole -- whole project within the existing footprint. We're not going to -- we're not going to eat up more land. It will be built there. And as we build it we will tear down the old units.

As part of our project we'll also include a new sewer pipeline to connect to our site. It will go down Studebaker, Loynes, and connect to the Long Beach sewer system right at East Vista. It's just a small eight-inch pipe, very -- just the same as the -- the sewer line that -- that runs down the middle of your street. Today we are not connected to the sewage system. We have an onsite treatment system, very old, very clunky. It's time for us to get connected to the -- the sewer grid and -- and be part of that system.

And it will take us a long time to -- to actually finish this project. It will be over 11 years to -- to complete from start to finish. Why does it take so long? Well, we -- this power plant is -- is very important to maintain liability in our area. We simply could not just tear it all down and disappear from the electrical grid for six or seven years while we build a new one, and we all sort of have to make do without it for -- for a while. If we could, well, we wouldn't actually need it, would we?

So what we're going to have to do is build part of it on some free space, then tear down some, then build some more, then tear down some more, build the last piece, and then finally tear down a bit. And I'll show some pictures to explain that. So it will take a long time to do -- to do that.

That also means that there won't be significant traffic impacts. You know, our average construction workforce on the site is very close to what we normally see on a January, February during our normal annual maintenance at the site. Our -- our units require maintenance each year. And each year around the January-February timeframe we have about 200 contractors onsite. A comparable number, on average, will be on the site. So I'm not sure if folks who live here even -- even notice if we have those folks,

that many people working at the site during those months in the winter at all. So traffic will certainly be mitigated, reduced. We won't have a significant impact from that.

Okay, I want to really quickly talk about what is a combined-cycle power plant. This is a picture of what our conventional plant is today. The right area is where we put fuel in. We use natural gas. We boil water. We make steam. It turns the turbine which drives the generator, the green box. And then we make electricity. Very simple. Actually, the steam system is a couple of hundred years old. It's very, very, very simple, not much to it.

What we're going to do is basically combine another system to it. The yellow part there is -- will be the gas turbine. A gas turbine is much like a jet engine, it spins. It can spin a second generator, a second green generator. The exhaust from that -- from that turbine comes out. We can capture that in what we call a heat recovery steam generator, make steam, and drive a second generator. So we can effectively make more electricity from the same amount of fuel.

So I talked already about how we can reduce the amount of greenhouse gases and our emissions and be more efficient by having a plant that could start and stop very quickly and integrate that renewable energy. Well, not only can we do that, but the actual system that we use to make

the power is that much more efficient. We'll be able to make twice as much power for the same amount of fuel we use today.

Okay. I think maybe we've heard enough of me explaining the project. Let's -- let's look at some -- what -- what will it actually look like in the future? This is a picture of the plant today. For those of you who are in -- in the community you probably already know this, that the area there in orange, those tanks don't exist. Those have already been removed. Okay. It's moving slowly. Okay.

Here it's one, two, three and four, what we call our front yard. Those are connected -- interconnected into the Southern California Edison Switch Yard and serve Los Angeles County. The two units in the back, which we call units number five and six, they're interconnected into Orange County. So this is a really important power plant for the western Los Angeles Basin.

What we intend to do is in this green shaded area is where we can build about 1,000 megawatts of the new plant. We can basically build about half of what we need on the free space available. Once we do that we can tear down number five and six, and then we have space to build another piece. And then -- then we can tear down units three and four, build a piece there, and finally units one and two, so

that in the future we will -- be patient. Come on. There it is. That's what the new plant would look like. Nothing in this picture would be any higher than 120 feet. The stacks today are over 200 feet high. The tops of the boilers are over 150 feet high. Nothing in this picture is more than 120 feet high.

Probably the most obvious feature are the square boxes. Those things replace the ocean. Those are our new radiators, air-cooled condensers. We will not use ocean water, instead use air-cooled condensers to cool the steam.

Very quick, in a fast starting, each one of these units will be able to turn on within ten minutes. Within ten minutes we can make electricity. Today it takes us anywhere from about 18 to 36 hours to turn on -- to turn on a unit. So it's a huge leap forward in technology and efficiencies.

I have some more pictures to let you see what it looks like from -- this is the view from Channel View Park looking to the southeast. Probably folks who have gone running on that side of the channel might have seen this view before. And in the future -- I don't like my -- that's what it will look like in the future. It's actually so low now it's below the level of the trees. You can -- you can barely see -- see parts of it. That might have been a bit too quick. I think our -- yeah, that might have been a bit

too quick. You can just see part of it beyond the trees, maybe the straight line. It will be so much lower.

I have another view from the bike path on -- along the San Gabriel River, also looking south, but to the southwest. This would be on the other side of the San Gabriel River. Two things I want you to notice in this view. It will be significantly lower. But today out of our stacks you see big steam plumes. A lot of the time you can see steam coming out of those stacks. It's not smoke. It's -- we burn natural gas today. It's a very clean burning fuel. But you see steam most -- most often. In the future that will -- that will disappear. The combined-cycle units, you can almost see nothing coming out of their stacks. So that -- that's what it would it look like in the future from that view, and that plume is gone.

Anybody hear who lived close enough may have ever heard a very loud noise, a very loud steam release. Every heard that before? I'm close enough to hear it too. Those will be gone, eliminated completely. We -- today we have a very high pressure steam system. And at times we have to release -- release the steam very quickly out of a sort of safety relief valve. That -- that will be eliminated. We'll have different types of -- lower pressure steam system and silencers on it. So those -- those noises that -- that can be very loud, very startling, absolutely completely

eliminated.

I've got one more picture. Anybody here lives in University Park Estates? Okay. Have you seen this picture before? Okay. So if -- I think this is Colorado, I think. It might be. Okay. And that's the view in the future. No -- no more stack. No more steam plume.

So I hope that gives you an idea of what the new project will be. I'm going to turn it back over to the Energy Commission and they'll talk a little bit about their process. And then we'll be glad to hear your comments and questions. So thank you.

HEARING OFFICER CELLI: Thank you, Mr. O'Kane.

Next, let's hear from Staff, Mr. Winstead. And folks, at the public comment opportunity at the end of everybody's speech, you can ask Mr. O'Kane questions or Ms. Didlo, if you want. They will be here to answer questions.

So with that, Mr. Winstead.

MR. WINSTEAD: The speaker is working. Thank you. Thank you, Mr. Celli, for the introduction. Good afternoon, everyone. My name is Keith Winstead. I'm the Energy Commission project manager for the Alamitos Energy Center Application. To my left is Legal Counsel Lisa DeCarlo. I will be essentially giving you an overview of the licensing process. This includes three phases, the data

adequacy phase, the discovery and analysis phase, and lastly the Committee evidentiary hearing and decision phase. I'm going to spend a little bit more time on this slide, just give you a little -- easier to understand.

Data adequacy. We have just actually completed the data adequacy phase. Staff evaluated the application and determined that it met the minimum requirements to accept the application. The Commission voted to accept the application as complete or data adequate on March 12, 2014.

We are currently in the discovery and analysis phase which lasts 180 days. We prepared an issues identification report and submitted data requests to the Applicant. We plan to hold public workshops where we meet the application, agencies, the public, and interveners. At the workshops we essentially discuss and try to resolve issues that arise during the project review process, addressing questions and clarifying data requests.

Following discovery Staff prepares -- Staff prepares a preliminary Staff assessment. This is essentially the first cut in analyzing the project and proposing mitigation measures. The public agencies and interveners then have the opportunity to provide verbal and written comments on the PSA at the public workshop. Staff addresses the comments we have received and completes its analysis of the proposed project in the final Staff

assessment. This document will contain Staff's proposed mitigation measures, which we call conditions of certification, and will serve as Staff's testimony in the evidentiary hearings to follow.

During the Committee evidentiary hearing and decision phase Staff compiles the information the Committee will use in writing the proposed decision for the project. At the Committee evidentiary hearing decision Staff provides testimony in the form of the final Staff assessment. This is considered along with information from the Applicant, agencies, interveners, and the public. Based on evidentiary hearings the Committee produces the presiding members proposed decision, PMPD, based on the information that has been gathered. It then takes public comment on the PMPD.

At the presiding members -- excuse me. At the presiding members proposed decision hearing and Commission decision the full Commission considers the Committee's recommendation and makes a final decision on the project.

Discovery and analysis phase. This is the phase we're currently in at this time. Determine if the project proposal AFC complies with laws, ordinance, regulations, and standards. Conduct engineering and environmental analysis. Identify issues. Identify environmental impacts and proposed mitigation measures. Evaluate project alternatives and recommendation conditions of certification. Facilitate

public and agency participation. Staff produces a preliminary Staff assessment and a final Staff assessment. We'll make recommendations to the Committee, and the FSA will be Staff's testimony.

Local, state, and federal coordination. Energy Commission Staff works closely with local, state, and other federal agencies. For example, local: City of Long Beach. Regional: Los Angeles County; South Coast Air Quality Management District; Regional Water Quality Control Board; State Department of Fish and Game; Coastal Commission; State Parks; CAISO; Department of Toxic Substance Control; Federal Environmental Protection Agency; Fish and Wildlife Service.

Evidentiary hearings and decision process, the final phase. The Committee conducts a hearing to create an evidentiary record. It issues a presiding members proposed decision, PMPD. The PMPD contains findings related to environmental impacts, public health, engineering, projects compliance with LORS, recommends conditions of certification, recommends whether or not to approve the project. The full Commission issues a final decision. Appeals, reconsideration by Commission and the California Supreme Court. Energy Commission monitors compliance with all conditions of certification through construction, through the life of the project, and closure.

Staff issues an issues identification report.

Purpose: Inform participants of potentially significant issues Staff believes it will encounter; provides an early focus on important topics. The issues identification report is not limiting. Staff, agencies, and other stakeholders may identify additional significant issues going forward.

Criteria: Significant impacts that might result from the project that may be difficult to mitigate; a project as proposed might not comply with applicable laws ordinances, regulations or standards; conflicts might arise between parties about appropriate findings or conditions of certification; issues that might delay the 12-month siting process.

Staff's potential issue areas. Energy Commission Staff has evaluated the AFC and has found no potential major issues at this time. The Committee and all interested parties should be aware that this report may not include all of the significant issues that may arise during the case since discovery is not yet complete and other parties have not had the opportunity to identify their concerns.

Staff's proposed schedule. Energy Commission Staff proposed schedule for the Alamitos Energy Center will -- determined that the application was data adequate on 3/12/14. We filed an issues identification report, that I just briefly summarized, on 4/17/14. And we sent the Applicant the first round of data requests, that's

information requests, on 4/25/14. So that date is one day after.

And here we are at the informational hearing and site visit. As -- as the schedule goes, the Applicant's can respond to our data requests. If needed we'll be having a data response and issues resolution workshop. It's -- the public can participate, and agencies, and everybody can be involved in those, and those will be noticed. We -- Staff will probably file a second round of data requests, if necessary. Applicant provides data responses again, and workshops.

We work with our -- the South Coast. They issue a preliminary determination of compliance, PDOC, and an FDOC.

So the schedule is right now pretty -- the -- well, the Committee will be the deciding -- they will be providing a scheduling order based on this schedule early next month. This schedule can go ahead faster if -- if we get the air quality from South Coast District documents, the PDOC and FDOC. So the schedule could expedite a little bit.

Post-licensing project compliance oversight. If the project is approved the compliance phase would apply during construction, operation, and decommissioning. Purpose: To assure compliance with all conditions of certification, applicable LORS, and building codes. Compliance project manager provides oversight of

construction and operation.

Thank you. This concludes my presentation.

HEARING OFFICER CELLI: Thank you, Mr. Winstead.

John Yee from South Coast Air Quality Management, or I thought I saw Mohsen Nazemi. Is -- are they still here? Anyone from South Coast? Can -- I have some questions I wanted to ask. And I was going to -- I need someone from South Coast to -- to speak, Mr. Nazemi, up at the podium. And what I'm -- I just have a question -- this is to Mr. Harris and Staff and South Coast -- about the schedule. Because the two schedules -- the schedule that you just looked up was Staff's proposed schedule.

Applicant filed their proposed schedule. And the two schedules run reasonably neck-in-neck, until we get to the preliminary -- the PDOC, the preliminary determination of compliance that is issued by the South Coast Air Quality Management District. And we have -- Applicant comes in with a September 22nd date, while Staff comes in with a -- where was that -- PDOC of -- or, I'm sorry. Applicant came in with July 10th, and Staff came in with September 22nd. And it is at that point that the two schedules diverge and we start losing congruence. And there -- and we end up with a lag of two months. We have a two-month difference -- or a three-month difference between the final Staff assessment, which is a prerequisite to the PMPD we talked about earlier.

And that -- that becomes a big difference.

So I wonder, Mr. Nazemi, if you can speak to when South Coast would be able to have a PDOC, the preliminary determination of compliance, and a final determination, which again Staff says would come off around September -- or Applicant projects September and Staff projects November. So can you speak to that please?

MR. NAZEMI: Sure. My name is Mohsen Nazemi. I'm Deputy Executive Officer for South Coast Air Quality Management District.

I don't have an exact date. But if you were to pick between the two dates of July and September, I think we'll be closer to July date than the September date for issuance of the preliminary determination of compliance. The final determination of compliance is a little trickier because depending on their level of extent of comments that we receive during the public notification process, then it will take shorter or longer to respond to those comments or address the comments accordingly.

So I can't give you an exact estimate on whether September or November is a better date. But typically when we issue a PDOC we also, within a couple of weeks, issue a proposed Title 5 permit, which in this case this will be a significant revision to an existing permit for this site. And during that process the public has the ability to

request a public hearing. And if there is a legitimate request for a public hearing that process can take longer than a typical 30-day comment period of the 45-day review period.

So that's why I can't give you an exact date for which one of the September or November dates are better. But for the PDOC, I think we're probably closer to the July date than the September date.

HEARING OFFICER CELLI: And do you have a ballpark idea? If, let's just say, somebody requested a hearing what -- how much that adds?

MR. NAZEMI: Yes. If -- if a request is submitted and approved by our agency, then we probably need two to three weeks to find a location and to notify the public about the public hearing. If it is a public hearing it will be something similar to the CEC process. There will be a hearing officer appointed by the district, either our executive officer or his designee. And then the hearing will be recorded and be available as public record. Then up through the public hearing date we continue to accept comments.

That's the purpose of having the public hearing, to allow the public to provide additional comments. So sometimes that can not be arranged until after the 30-day comment period closes. But if that's the case then

officially the comment period has not closed and it will be extended through the public comment period.

So a short answer to your question is probably a month additional time will be added to the process.

HEARING OFFICER CELLI: Thank you very much.

MR. NAZEMI: Then we'll get closer to the Staff estimates.

HEARING OFFICER CELLI: Very good. Thank you, Mr. Nazemi.

MR. NAZEMI: All right.

HEARING OFFICER CELLI: Any comments or questions from the Applicant with regard to schedule?

MR. HARRIS: Overall schedule or just the Air District issues?

HEARING OFFICER CELLI: Both --

MR. HARRIS: Both?

HEARING OFFICER CELLI: -- and either.

MR. HARRIS: Okay. Well, first off, with the Air District, I want to say thank you for being here. We've developed a good working relationship now. I think the third time is a charm. And we've really kind of hit our stride with you guys, and we appreciate the quick feedback and the working relationship. I think we're light years ahead of where we were in the beginning. We've worked out the processes, so it's all very good. And I'm glad to hear

the date you've put forward. I think that's -- that's a nice date.

That's all I really have on the Air District. I can talk more generally about the schedule. I don't want to make Mr. Nazemi stand up here if --

MR. NAZEMI: All right. Thank you.

HEARING OFFICER CELLI: Thank you.

MR. HARRIS: -- if we need to --

HEARING OFFICER CELLI: Staff, anything that would be useful to the Committee or Applicant with regard to schedule. I just want to know if there's anything factually that we need to determine before we put out a scheduling order?

MR. HARRIS: Well, I guess we would encourage you to follow the 12-month model. I mean, there is a 12-month statute, 25540.6, which weighs out a 12-month schedule. The schedule we provided for you follows that model that the Commission has on its website. And it also does give us a decision in 12 months, and we think that's a responsible thing to do.

We also think it's a responsible thing to assume success. You're going to have not just the Air District but other agencies that are going to be providing comments. And I think you out a schedule that assumes that those agencies are going to live up to their statutory requirements and the

regulatory requirements to provide you timely comments. All too often the lagging item kind of drives the entire schedule, and we want to avoid that best that we can.

So at least initially out of the gate we'd like to see a schedule that follows the one-year model that we've put out there. So --

HEARING OFFICER CELLI: Staff?

MS. DECARLO: Let me try this. Oh, is this not working?

HEARING OFFICER CELLI: This is so we can't both talk at the same time, so --

MS. DECARLO: Okay.

HEARING OFFICER CELLI: Yeah. And she's being blinded. She's not being standoffish. So --

MS. DECARLO: Lisa DeCarlo, Energy Commission Staff Attorney. Yeah, no, we see the PDOC as, at this point, at least, as the main driver of schedule. So if the Air District thinks that they are more likely to comply with the -- closer to the July date than the September then Staff doesn't have any opposition to adjusting the schedule. Of course, that's now. Things might pop up that might cause Staff to need more time for the PSA. But we would obviously let the Committee know, should that occur.

But at this time we're -- we're comfortable defaulting to the traditional 12-month schedule with the Air

District's statement that they're likely to comply with the original 120-day submittal timeframe.

HEARING OFFICER CELLI: Thank you, Ms. DeCarlo.

I'm about to move on to the Public Adviser, unless there's anything further from that Applicant or Staff. Indicating no, both parties.

So Ladies and Gentlemen, we're going to next hand the podium over to Blake Roberts who is representing Alana Matthews who is our Public Adviser. And he has a little PowerPoint to share.

Also, Blake, do you have the blue cards out for people? Have people been filling those out?

MR. ROBERTS: Yes, I have had a few people who have filled out the blue cards. If you have not had a chance, this is a blue card, obviously, and it's up at the front desk here. You can grab one of those, fill it out, and then give it to me. And then once the public comment period starts then we'll be using your -- using these blue cards to organize the public comment period.

HEARING OFFICER CELLI: So after -- after Mr. -- or Dr. Roberts has finished speaking what's going to happen is we're going to use these blue cards to call your name so you can come to the podium and address the Committee. So it's very important that you fill these out. So if you haven't already, please take your -- take this opportunity

to do it now. Grab a blue card and fill it out.

Mr. Roberts -- or Dr. Roberts, please.

MR. ROBERTS: Thank you. As Mr. Celli remarked, my name is Blake Roberts, and I am Assistant Public Adviser with the Energy Commission. I'm filling in today for Alana Matthews, the Public Adviser, who wasn't able to be here.

I just wanted to thank you all for coming out here. I know it takes a lot of work and time out of your schedule. And I really appreciate you coming out.

So I'm just going to cover three topics. One is what the Energy Commission and the Public Adviser's Office does to encourage public participation in these processes. The second thing is talk about the two levels of public participation that you can have in these proceedings. And then finally I'm going to just provide a little demonstration of -- of how you access the e-Commenting system, which is a new system that we have at the Energy Commission so you can actually submit your comments online. It's a pretty easy way of doing things.

So the Public Adviser is an attorney who is appointed by the governor who has three main responsibilities when it comes to power plant citing processes. First is to help the public understand how the process works. Second, what is the best way to be involved? And I'll be talking about that in just a little bit more

detail in a moment. And then also making sure that you have successful participation in the proceedings, whether you need help with making comments, or if you need to obtain translation services.

One of the things I will note, though, is that although the Public Adviser is an attorney, we are not a legal advocate. We do not provide representation for members of the public. Our role is really just to help the public figure out how -- how this process works and how to make yourself heard.

So prior to this meeting today the Energy Commission and the Public Adviser's Office has been doing different things to get a hold of people and make sure that -- that there's sufficient outreach for the project. And so we've been reaching out to a variety of different people, like local and city and county officials, travel officials and members, schools, hospitals, nonprofit groups, and community groups, and then also property owners and public members how have contacted our office.

We've also been going out and trying to drum the word out or trying -- trying to drum up attention through a variety of means. One would be newspaper advertisements that we've done in the Long Beach Press Telegram, and also in Pactope U.S. (phonetic). We've -- our major documents, the application for certification, is at local libraries.

And then also contacted local TV and radio, sent out information through a mailing list. And then also had informational meetings with the siting -- the siting Staff have been contacting local officials and letting them know that they contact us and talk to us about it a little bit more, try to get a little bit more information about the project.

HEARING OFFICER CELLI: Can you hold the mic --

MR. ROBERTS: Sure.

HEARING OFFICER CELLI: Can I get you to hold the mic --

MR. ROBERTS: Sure.

HEARING OFFICER CELLI: -- a little more horizontally so that -- because you're dropping off a little bit.

MR. ROBERTS: Okay. Thank you.

HEARING OFFICER CELLI: Thanks.

MR. ROBERTS: So there's two levels of participation in the process. The first level is informal participation through public comment. And so one of the things you can do, obviously, today is you can make a verbal comment to the Committee through these blue cards that I mentioned. Also you can do electronic comments through the Commission's e-Commenting system. I'll be providing you instructions on how to do that in just a moment. In

addition, up at the front I've also included this yellow handout to provide the instructions on how to e-Comment as well.

Is that better?

And then also one of the things you can do is submit written comments. You can either give those to someone like me from the Public Adviser's Office, or else you can also submit that directly to the Dockets Unit as well. There's -- there's a mailing address here. If you can't write that down during the time I'm speaking just let me know. I can give that to you.

One of the things I really want to emphasize is that your voice matters in this process. The public has a very strong role in how the Commission looks at things. One of the important things is, you know, this is how the Commissioners here today listen to what the public are saying. They provide -- you know, your comment provides a lot of information to the Commissioners, to Energy Commission Staff, and also to other interested parties. It lets us know what sort of issues are important to members of the community.

Also one of the things I wanted to emphasize is that while public comment is not -- can not -- is not considered evidence by the Committee when they make a decision, it can -- it is part of the official record and it

can be used to support a decision.

So the second level of participation in the process is formal participation through intervening. Interveners are a party to the proceeding. They have the same rights and responsibilities as other parties, including the Applicant and Energy Commission Staff. Anybody can file a position to intervene. You don't have to be an attorney or have an attorney. And if you have any questions about intervening you can contact the Public Adviser's Office. We can provide you with sample petitions to intervene and sort of let you know how the whole process works.

In addition to that, you know, once you submit the petition to intervene the Committee will review the determination, as Mr. Celli said. If there is a good reason for you to be involved in the process the Committee will sign off on that within usually less than 30 days, usually.

So I wanted to at least provide you with instructions on how to access e-Commenting. So you just go to the main -- hopefully I'm not going to hit anybody with a laser beam here. But what you do is you go to the main Energy Commission page, energy.ca.gov. And then up at the top here -- oh -- as you can see there is "Power Plants" up there. You hover on that. Click on "Power Plant Cases Under Review." And then once you click on that you will go

to the main page that has all the power plant projects that the Energy Commission has been looking at. Alamitos, obviously it starts with an A, so it's towards the top here. And once you click on that, then you'll go to the main Alamitos -- whoops -- you'll go the main Alamitos page.

So one of the things you can do at the -- at the Alamitos page is sign up for the listserv. You can submit written comments. And I didn't realize that this particular slide was going to be in there. So here we go. Okay, there it is. Okay. So right there you can -- you can see on the right side of the page it says "Submit e-Comment." So just click on that and then follow the instructions from there.

The Public Adviser's Office, we're coming back here. And we really want to make sure that -- that everybody knows about this that needs to know about this project. So one of the things that I wanted to just emphasize is we have a couple different ways to be involved. You can -- you can sign up for the listserv out there. Also, in addition to that, we want to know about people who have affiliations with schools near the project site. So if you have some affiliation, whether you're a student, parent, teacher, administrator, then we encourage you to sign up on that and we'll be getting a hold of you.

Also, if you just want to have an informational meeting, you want to know more about how the process works,

you can put a star by -- by your name on the -- the sign-in sheet or you can talk to me directly.

So again, thank you for coming here today. I really appreciate you being here. Thank you.

HEARING OFFICER CELLI: Thank you, Dr. Roberts.

Now, Ladies and Gentlemen, this is -- the next portion is the public comment portion, which is the reason we're all here is to hear from -- from people in the community. And so before we -- we just call people off the blue cards, I just want to kind of be responsible about the fact that we have some -- if any public agency people are here and we need to get you moving, is there anyone here from any public agency who wishes to make a public comment? If I can see -- I see one person with a hand on a blue card.

Blake, if you can hand me the blue card and direct her to the podium.

Is that the only one? It looks like it is. That's great. Thank you for your indulgence. This is Susan Ahn. Please.

MS. AHN: I'm Susan Ahn from Long Beach Unified School District.

HEARING OFFICER CELLI: One moment.

Can you hear her okay, Marlee? She's good? Okay. Good.

Go ahead.

MS. AHN: And I just had a couple of questions because I'm not that familiar with an energy project, but I know our schools on the west side are inundated with refineries and bad air quality.

So my question is: Does this type of project with the generators and the combustion engines, does it generate emissions for -- and affect the air quality in the area? That's one of my questions. And -- and I assume that the Air Quality Management District would be looking at that.

My other question: Is there any risk of upset during operation during construction, and would there be a health risk assessment done for those risks?

HEARING OFFICER CELLI: So I'm going to first ask Applicant, did you want to speak to those questions briefly? I mean, as to your question, I can tell you that the Energy Commission is going to do a full analysis on air quality --

MS. AHN: Okay.

HEARING OFFICER CELLI: -- health risk assessment, you know, the health effects. But let's hear from Applicant on that.

MR. O'KANE: Okay. Certainly. Again, my name is Stephen O'Kane.

Question number one: Does -- do these combustion turbines have emissions? Yes, they do. They're natural gas fired. These are natural gas fired. And they are fitted

with the best available control technology so that we can achieve what's called the lower achievable emission rates. So compared to what we have today it will be much better, although I have to say that the units we have today, even 60 years old, are very clean as it is. They are natural gas fired, already fitted with pollution control equipment.

And in that area where we even have two power plants the real health risks from air quality are those two freeways right next to us. So they -- they pale in comparison to the freeways, but they are not zero. I will -- I will admit that right away. They are not zero. And absolutely they will produce less emissions for the same amount of electricity produced.

MS. AHN: And are they regulated like the refineries are where you have to do -- run analysis through ACMD every four years or something like that?

MR. O'KANE: We -- we are absolutely regulated. We have a Title 5 permit. We are regulated by the South Coast Air Quality Management District today. And as our -- the Committee has already mentioned, we're going to go through a full air quality analysis and health risk assessment that the Energy Commission will do, and a complete assessment and a determination of compliance with all the rules and regulations by the Air Quality Management District. And actually even some other federal agencies get

in on it. There's visibility and depositional impacts that could -- could hit our national parks, state parks. So we do analysis of that, as well.

And then finally, the EPA reviews anything that the Air Quality Management District would do. So really you've got agency after agency. So don't take my word for it. Please -- please look at the assessment that the Energy Commission does and their -- and their health risk assessment results.

MS. AHN: Yeah. I've already been contacted by somebody in your -- on your Staff. And --

HEARING OFFICER CELLI: Probably the Public Adviser.

MS. AHN: -- I'm the contact for the Long Beach Unified School District for any information or communication with the schools. And we have a school in the neighborhood across Studebaker. And then I know there's a charter school which used to be in our charter. It's no longer part of our charter. But I have information that I'm giving that person on where students would go if you needed to relocate them, that kind of information.

So any information -- I'm going to be reading all your stuff. So you know, I just wanted to make sure that you knew that's -- those are our concerns, risk of upset and air quality.

HEARING OFFICER CELLI: Excellent. Very good. And you're -- everybody who is speaking, I want you to know we have a court reporter here, so this is all on the record. So we are preserving your comments. So --

MS. AHN: Okay. Thank you.

HEARING OFFICER CELLI: -- thank you, Ms. Ahn.

And I just want to take this moment, anyone who is going to be using a handheld mic like this one, I need you to basically speak into it at this angle, see? Like horizontal, like so, rather than like on TV. They have special mics. Ours don't work that way. Ours work this way. So that's what I'm going to ask you to do if you're on the mic. So, great. Okay. I'm going to ask one more time if there are any elected officials or agency people who wanted to make a comment at this time.

Blake, did you -- were you aware of someone that's an agency, or on the telephone? Yeah. Okay. Perfect.

MS. PRICE: Good afternoon. My name is Susan Price. I am the newly elected Councilwoman for the 3rd District, which is the district that AES operates in. I want to thank you for taking this time and allowing us to speak. I'm also a resident who lives very close to the AES facility, and a parent of two children who attend a school that's near the AES facility.

I wanted to start out by letting you know what I

perceive to be a very proactive and impressive community partnership by AES, the Applicant. AES early on opened up its doors and invited all of the candidates for public office to its facility, gave us an overview of the project, and allowed us to participate so that we were able to answer questions that were put to us by the members of the public, which was very helpful. They have been extremely proactive in initiating community outreach efforts, having presented the plan, the proposed plan to several community organizations and groups. I myself have been present for several of those presentations.

It appears at this juncture, based on all of the information that we know as a community, that the modernization efforts are nothing but a win-win situation for our community in terms of reducing the footprint, enhancing the look of the facility, and allowing us to beautify the surrounding area.

I will say that I look forward to working closely with AES in partnership with the community as we move forward and we address issues that impact the community in terms of the impact to the community during the construction phase, any potential impact to the community as a result of the pumps being shut off, and how we can, as a city, work with the state and AES in determining how we can continue to produce good water quality in our bay. That’s an important

issue for our residents. And I look forward to working with AES as the representative of this district.

I want to thank you for being here and for allowing this process to be the best that it can be in our city and in our district.

(Microphone shifts.) I didn't do it, I swear.

We look forward as the process moves ahead to continue transparency, providing data as it becomes available and updated data as it becomes available, and -- thank you -- and more opportunities for public input. So far I have been pleasantly surprised with the community partnership and the -- the citizenry that this corporation has shown. And I thank you for being here and allowing our residents an opportunity to voice their concerns.

I will commence my term in July. And I anticipate that we will be working together as the representative from the city on all matters from here on out. I'll be here at least for four years. So keep that in mind and know that I'll be your contact if need be. Thank you.

HEARING OFFICER CELLI: Thank you. I'm going to -- while we're waiting for more blue cards I'm just going to ask Mr. Harris, I just am going to request to remind you to please have your PowerPoint docketed that Mr. O'Kane gave today, if you wouldn't mind putting that into the record.

Elizabeth -- oh.

MR. HARRIS: Oh.

HEARING OFFICER CELLI: Go ahead.

MR. ROBERTS: I just wanted to make mention that at the back of the room there is a computer set up. So if you want to do e-Commenting tonight you can do that there.

HEARING OFFICER CELLI: Thank you. Are any of these people -- well, I guess I can look. Okay. I just want to make sure they weren't agency.

Elizabeth Lambe. Hi. Please come forward and speak right into that mic.

MS. LAMBE: I want to make sure people can hear me. I've never been accused of not being loud enough.

Hello. My name is Elizabeth Lambe and I'm the Executive Director of the Los Cerritos Wetlands Land Trust. The Los Cerritos Wetlands are directly next to the AES power plant.

I want to tell you that we have just now started reviewing some of the documentation for this proposed project, so my comments are preliminary, but we will be tracking and providing comments and recommendations as the analysis moves forward. However, for starters, the Los Cerritos Wetlands Land Trust is considering applying for intervener status. This is new to us, and we are looking forward to learning more about the process, as well as the

rights and obligations that come with intervening. Our hope is that the Los Cerritos Wetlands Land Trust can get further information, as well as perhaps help regarding some of our mutual concerns.

We want to ensure that the project planning thoroughly analyzes any potential adverse impacts or perhaps even benefits to our local wetlands, both in the context of the ongoing wetlands restoration process that is going on, as well as potential cumulative impacts from foreseeable development proposals in that area.

Our initial list of questions includes potential impacts to restored wetlands, vegetation, and wildlife from the demolition, construction, and operation of the facility including noise, traffic, air quality, emissions, and the continued use of the intake structure and pumps.

We, the Los Cerritos Wetlands Land Trust, as well as our fellow community members, are participating in a proposed planning -- a proposed update for the planning area known as CEDA. We suspect that that will include an amendment to the local Coastal Plan. And we hope that this power plant project review will include reasonably foreseeable outcomes of the CEDA planning process and how the power plant would be consistent with the -- the objectives of this updating process.

Finally, we look forward to a little more clarity

on the alternative of relocating the facility to a site that would meet the regional energy demands but eliminate any adverse impacts to the rare coastal wetlands, or perhaps allows for a greater area for wetlands restoration planning.

Those are my preliminary comments. And I want to thank you for coming down to Long Beach and giving us the opportunity to talk to you.

HEARING OFFICER CELLI: Thank you, Ms. Lambe. And again, you want to talk to Blake Roberts. He's your contact. He's the person who facilitates intervening and public participation.

Is Jeremy -- I'm sorry -- yes, Jeremy Harris here? Please come forward.

MR. J. HARRIS: Good evening, Commissioners, Staff. My name is Jeremy Harris. I'm the Senior Vice President with the Long Beach Area Chamber of Commerce and we're here tonight on behalf of -- I'm here tonight on behalf of the Chamber to support AES and their move to move forward with the modernization of their plant.

At the Chamber we work closely with area businesses to create a strong local economy that helps the community thrive. And as supporters of the Long Beach Green Port Policy we know that electrifying our transportation and goods' movement is ultimately going to help California reach its goals for a cleaner, more environmentally sensitive

future. And the AES Center will certainly help get us there.

The new plant will be more efficient, using less natural gas to produce the same power and significantly reduce emissions. The new plant will have lower stacks, greatly improving the look and the views of those living in neighboring communities. The new plant will be more flexible, which I understand is crucial for helping our state integrate renewable energy into the system. The new plant will also be quieter with the addition of sound walls as well.

And beyond the improvements of the plant itself, AES is investing nearly $2 billion into this project will create great paying jobs for local hires, increase tax revenue for local services as well. This project will boost our local economy, while at the same time help our state meet its clean energy goals, two goals we wholeheartedly share.

It’s for these reasons the Chamber supports the project, and we encourage you to do the same. We’ll look forward as the process roles out. Thank you for your time.

HEARING OFFICER CELLI: Thank you, Mr. Harris.

Dianne Sundstrom. Hi.

MS. SUNDSTROM: Good afternoon. And good afternoon to the people from AES also. My name is Dianne

Sundstrom, and I live in Belmont Heights which is part of Long Beach, not very far away. And I'm President of the Belmont Heights Community Association.

And Stephen O'Kane came to our meeting on March 9 and did a presentation on the AES rebuild, which pretty much followed what he talked about tonight. And in general I think our community is -- sees this as a favorable improvement, a lower profile and a more energy efficient plant.

At the same time, we want to be certain that the impacts that this construction is going to create will be mitigated in some way. For those of you who read the Los Angeles Times, in the last week or ten days there was a big article about how bad the air quality is in Southern California. And Long Beach is certainly highlighted as one of the areas that has some of the poorest air quality in Southern California. So anything that increases, you know, that bad air quality, in our mind, is not favorable.

And one thing that may impact that, and we spoke to Mr. O'Kane about this, is that we do know that the Huntington Beach facility is going through a similar rebuild. And I'm not exactly sure of the timeframe on that. But we did mention to him our concern about the Long Beach facility being used in any way as a staging for equipment, supplies, anything that really is related to the rebuild of

the Huntington Beach plant. And we feel that it should be very clear in the documents that anything that relates to Huntington Beach should go directly to Huntington Beach and not be stopping off in Long Beach. I mean that, in our mind, just creates more traffic and more pollution.

The other couple of things that we wanted to mention is that we hope that AES does a really nice job. And I know we saw some schematics in disguising the facility. I've lived in Long Beach now 13 years myself. And I've been very disappointed that nothing has been done prior to this to really disguise both that and the DWP plant. They are both really eyesores. And that really is the eastern entrance to our city. So I would like to be certain that that is included in the plans.

And then finally, AES, to their credit, takes out about 80 tons of debris through this water cooling process that takes place right now. And we're very concerned about what's going to happen to that 80 tons of debris that are no longer going to be sucked out of the water by AES. I live in the 3rd District. And our new councilperson is here. But I'm not sure who else is here from the City of Long Beach. And I don't know if that's something that the state can help us with or if that's purely a Long Beach issue and we need to address our local government.

Can anyone help me with that?

HEARING OFFICER CELLI: Basically, this -- everyone should know that the California Energy Commission has plenary jurisdiction. We have total jurisdiction over power plants. And so that is a state issue. And that is exactly what Staff is going to be doing is analyzing their proposal and checking for visual impacts, health, air, air quality, water --

MS. SUNDSTROM: Uh-huh.

HEARING OFFICER CELLI: -- the whole CEQA gambit, they -- they do that, plus more because we have -- we're under the Warren-Alquist Act which is more law that has further analysis, for instance, the efficiency, the reliability, facility design, that sort of thing.

MS. SUNDSTROM: Okay. And I know that, you know, we don't want to keep sucking this water into -- into plants, so it's sort of a double-edged sword; you stop doing that and then you have all this debris.

HEARING OFFICER CELLI: That's right. That's also biology. You have a biological impact.

MS. SUNDSTROM: Right.

HEARING OFFICER CELLI: So there's -- all of those that are required by CEQA will be analyzed. But the lead agency is the California Energy Commission.

MS. SUNDSTROM: Okay. Very good. Thank you for giving us an opportunity to comment.

HEARING OFFICER CELLI: And thank you very much for your comments. Appreciate your participation today, we do.

In fact, you asked a question about whether any city council people were here. And I've been given a card for Council Member Patrick O'Donnell. Are you still here --

MR. O'DONNELL: I am.

HEARING OFFICER CELLI: -- Council Member? Please step forward.

MR. O'DONNELL: And thank you. And I'll be brief, but specific. Thank you for your visit to our fine city this afternoon, and the opportunity to address you regarding the modernization of the Alamitos Generating Station. We ordered up a fine Long Beach day for you. Every day is like this in Long Beach.

But as a council member and a local resident and one who grew up in the shadow of the existing facility, I am here to voice my support for the proposed project. The proposed modernization will ensure our energy grid is more reliable and responsive to the needs of industry and our heavily populated region. Further, the finished project -- product will be more aesthetically pleasing and will be more environmentally friendly. The sizable cost of this improvement will positively impact our local economy and workforce.

Again, I applaud the efforts of AES to modernize their facility and appreciate their community outreach on this vital project. Thank you.

HEARING OFFICER CELLI: And thank you. Is Pat Towner here? Hi. Bend that mic so it's pointing right at your mouth. Perfect.

MS. TOWNER: Thank you. My name is Pat Towner and I'm the President of University Park Estates, which we're right across the street from their thing. And I don't want you to think I'm opposed to it because I'm really not, but I do have some questions.

First of all, that thing has been in place since we moved in, in the '60s. And it was a coal-burning facility. And as a consequence I'm sure there's lots of junk in the towers themselves. So I don't think it's as clean as you think it might be.

In addition to that, we have some concerns about the containers. And I know they call them something. Maybe you could help me. But we're afraid that because they're in there that the bottoms have broken through. And so when the last guy tried to take down his tank we made sure that you were there to make sure the air was clean, it was taken away properly.

We have Kettering School which is just adjacent to that, I mean, and they're little kids. So we're really

concerned about that.

We also are concerned about the noise. And if you promise we won't have a midnight blast, you can come in. Otherwise, I'm going to stand there. I mean, there is nothing that is more frightening than to hear the grid go changing, and the neighbors call me up because I'm president. So I hope that we can do that.

I'm concerned about airborne materials. But additionally, I'm also concerned about the soils. I think the soils are filthy dirty. And I think you need to do something about that.

Oh, I knew I wouldn't get these two pages apart.

And I was concerned about noise because we have the elementary school right across from us. So I had heard you were going to do most of your stuff at night. If that's true then our residents will hate it. If it's during the day we're going to have a lot of traffic, we're going to have a lot of noise, we're going to have a lot of things going on. So we need some clarification as to how that's going to work, especially for the kids, and the community of 400-plus homes.

And, of course, I asked you guys and you told me no, but I'm going to ask again anyway, and that is you're not going to store the big equipment from Huntington Beach on the property adjacent to the one next to us. So you can

answer that in a second.

And, of course, you won't work into the night.

And I wanted to ask you one thing about the Vista effuse place where the water comes out. Let me tell you that we live in what we call The Hole, and it's on the hill. And everything -- all the rain comes down and it drains onto Vista, and then it goes out that -- I don't know -- someone help me here.

UNIDENTIFIED MALE: A sewer.

MS. TOWNER: Right, a sewer. That's good. Thanks. And so it has been known to not work if it rains really hard. So if you're saying you're going to use it too, I'm concerned that we may have a problem with that, and maybe we want to repair it, we want to look at what can be done to make it efficient for both of us.

And let's see, lastly I will tell you, most of my neighbors, we had a homeowner meeting thanks to Mr. Cleary and Ms. Cordova. Thank you, guys. They were so kind. They came around and -- and met with his twice. But my neighbors like it because there's no longer an eyesore. Now, probably I'm really old, but my problem is everything is not as you see it. So I want to know what we're going to get for it.

And thank you very much for letting me come up and talk.

HEARING OFFICER CELLI: And thank you for your comments. And I -- if Applicant -- Ms. Towner talked about noise, soils, air quality, health, storage of Huntington Beach's equipment, and drainage, all of which will, of necessity, be analyzed by Staff. And -- but if you had anything further on that that you wish to say, please go ahead.

MR. O'KANE: Maybe a couple of quick comments. Because as you said, there's lots of information about what we do with all those items. I'm going to also let Jennifer speak to -- to part of -- part of the questions about construction and nighttime noise and things. Because I think there's one thing we have in the area is probably construction fatigue with the freeway and DWP and everything else. So I'll -- we live here. We've experienced it, too. I'll take on a couple items. Maybe the -- the drainage at Vista.

So you spoke about stormwater drainage and -- which is actually not part of the sewer system. That stormwater unfortunately drains into the outfall and then right into the -- right into the Alamitos Bay and the channel. We want to connect a sewer line for sanitary sewage discharge to the sanitary line that runs down Vista. It's a small eight-inch pipe. This is not -- this is not for stormwater runoff.

And before we could possibly do that we had to do what's called a flow study with the Long Beach Water Department. And, you know, we had two representatives here who have probably left. They -- they couldn't last. They could have explained a little bit about the flow tests we did on that line to make sure that even at the peak possible discharge from our facility it would not impact that line and the residents who are there. So that's -- that's been done, and they've provided what's called a will-serve letter.

Let me talk a little bit about this Huntington Beach Storage. We talked about we do have another project proposed in Huntington Beach. So there's an area behind the plant, All American Storage Tanks (phonetic), and behind our units. It kind of -- it's a 16-acre parcel behind the tanks, behind our units. And part of it would be up against Westminster Road there, and behind the trees. There's an area back there that we could use for potential short-term storage.

The reason we need an area -- and for -- for this project as well. The reason we need a little bit more space is not for constructing anything. It's not for fabricating items. It's if we get a delivery of some of our large pieces they'll come by via the port. They'll be transported, hopefully transported right to the site, set on

the foundation, and all is well. We can't leave them at the port more than about ten days, so we have to -- they have to be moved off. So if by chance the delivery comes and the construction site is not ready, we have to place that trailer somewhere. And the idea would be we would just place it at the Long Beach facility for a few days, pick it up and leave it. This is -- this is very few deliveries.

At the Huntington Beach project itself I think we have what's called 18 heavy-haul deliveries in total over its total construction period. So if we can't put a piece of equipment right there where we need it we would just temporarily store it there. It would be -- the odd truck would come in, in the evening, and leave. This is not a large continuous amount of debris or trucks, traffic doing a lot of -- a lot of storage of material.

So I did want to put that in context. It's sort of like a stopgap measure for us if we don't have a spot for it.

Now, Jennifer, would you like to talk a little bit about construction because -- certainly construction at night?

MS. DIDLO: Okay. So for those of you who live close to the freeway upgrade, you know that we get to listen to pile driving almost every night. So I can tell you that the normal course of business is to only work during the day

and to comply with the Long Beach Ordinance of -- of when that work would take place. There are -- there are a couple of exceptions, so we need to be clear about that. If we're in the middle of pouring concrete and it needs to have a continuous poor we won't be able to stop. But we will do everything possible to minimize those exceptions.

The other thing I wanted to say is that even this lay-down area that Stephen's talking about that seems to be a key interest, that type of activity is assessed as part of the construction impacts. So the California Energy Commission has already been -- we've already detailed a plan of when we would need and how often we would need to use that facility to just lay those things down. And that traffic and its associated impacts are assessed as part of our project. So this isn't a way to not have that assessed. It is -- it is a comprehensive part of the plan that we've laid out.

A couple other -- and the other thing I wanted to point out because Stephen talked about it, and again, this is if you live close enough to the plant to hear it, the system today that creates those steam releases is not going to exist in this new facility. So not only will you not see a plume coming from the stack, and the new facility will have about a third of the total steam production that we have today, it will have a system that will not allow us to

make that big release.

Now, I am not going to stand here and promise you over the course of 30 years we will never have a loud noise, because that would be disingenuous. But what I am telling you is we are engineering into the system to eliminate what currently makes that noise. And I don't like to listen to it either.

Another thing you talked about is soils, and this is an important point. The Department of Toxic Substance and Control is in the process of assessing what's under those retention basins, which is what I think you were talking about. And AES and Southern California Edison combined have the obligation to remediate that soil. And the CEC will make sure that we do that. So again, you talked about the tanks and what's happening under those tanks, those are not part of our project site. However, we know, because it's been an industrial site for 60-plus years, that there may be some soil that needs to remediated. And again, the CEC will do their part to assess that.

And so we provided a lot of information about what we might think is or isn't there. And the DTSC is also doing a closure plan. So --

HEARING OFFICER CELLI: Thank you. Next I have Elizabeth Shapiro, who is the director of BizFed in L.A. County, Business Federation. Hi. Come on forward.

And just a quick question. Is Susie Price the same as Susan Price? Is she still here? I gather it's the same person? Okay. I had two cards. Go ahead.

MS. SHAPIRO: Good evening. I'm Elizabeth Shapiro representing BizFed, the L.A. County Business Federation, a grassroots alliance of over 120 major business organizations representing more than 268,000 businesses and nearly 3 million employees in L.A. County.

We're here to express our strong support for the Alamitos Energy Center Project. By replacing the existing power plant the Alamitos Energy Center Project will provide fast response, modern, clean, and efficient power that fully supports California's electrical reliability needs. This is especially important given that California's aggressive efforts to increase the use of renewables, reduce greenhouse gas emissions, and reduce the use of ocean water for power generation come at the same time demand for electricity continues to increase.

We need to ensure that when Californians flip the switch the light goes on. The new plant will help prevent blackouts and close the energy gap created by the closure of older and less efficient plants, and the shutdown of the San Onofre Nuclear Generation Station which provides 15 to 20 percent of the electricity used by Southern California homes and businesses.

Additionally, the project represents more than 2 billion in -- $2 billion dollars in private investment to remove the old plant and build a more efficient facility. This modernization project -- excuse me -- will boost the economy by creating 4.7 million hours of construction related work with a payroll of more than $401 million. Once completed, the investment by owner AES will contribute more than $14.6 million annually to the local economy and generate tax revenue to help pay for local services.

The Alamitos Energy Center Project represents a responsible and much needed economically and environmentally responsible addition to our region's energy infrastructure. BizFed urges you to support this project, and we look forward to working with all the stakeholders toward approval. Thank you.

HEARING OFFICER CELLI: Thank you very much for your comments.

Is Ann Cantrell still here? Hi. Please come forward. And bend that microphone straight down so it's pointing right at your -- at your mouth.

MS. CANTRELL: Good evening. I'm Ann Cantrell. And I'm not here representing the Los Cerritos Wetlands Land Trust, but I am one of the founding members of it. And Elizabeth Lambe has already asked many of the questions that our organization has. I was disappointed that when we went

to see the site today that we were all looking at the plants and didn't look across the street to where the wetlands are. I will give you one of these maps that shows that they're right across Studebaker.

And some of the concerns we have are very much like the residents that live in The Hole because the noise and the lights, if there is night work, will affect the residents of the wetlands. As degraded as they are by oil extraction, there are lots of endangered species such as the Belding's Savannah Sparrow that live in these wetlands. There's many other birds and lots of wildlife like coyotes and raccoons and possums. And our main concern is that these critters aren't going to be disturbed by the rebuilding of the AES plant.

You've already answered some of my questions about the emissions. And I know that we say that gas is cleaner than oil or coal, but it is still a fossil fuel. And I heard that there is still going to be some emissions, even though it is less than what we've had before.

One of my other questions was when you're bringing renewable energy from as far away as across the state, Tehachapi and such, for the wind and the solar, I'm wondering why we can't have renewable energy right here next to the plant. If there are areas that could hold solar panels. We've got every house and every building has a

rooftop. And we could be putting solar on these, it seems to me, for the price that we are going to pay for this new plant. I know solar doesn't replace all of our energy needs. But I would think there would be a lot of opportunity to put more solar in while you're making this new plant. Thank you very much.

HEARING OFFICER CELLI: Thank you, Ms. Cantrell. And I just want everyone to know that among the other things we talked about, biology and air quality and water and soils and so forth, Staff -- Energy Commission Staff will do an alternatives analysis and look at all those distributed generation, rooftop solar, and that will make it's way into Staff's assessment as well. So thank you for your comments.

Jim Adams. Is this Jim Adams here? Hi.

MR. ADAMS: I want to get this mic just right.

HEARING OFFICER CELLI: Thank you.

MR. ADAMS: Good afternoon. My name is Jim Adams. I'm a Council Representative for the Los Angeles/Orange County Building and Construction Trades Council. We represent 140,000 members and 51 local unions with 14 trades. We strongly support the modernization of AES Alamitos Energy Center.

Many of our members live here in Long Beach and we work on projects all over Southern California. Everywhere we go the question is still the same: How can we update our

energy infrastructure and do so in a way that is considerate for our environment and for our neighborhoods. The AES modernization does that. We all want more renewable energy, solar and wind. The law requires it. But we still need the gas-fired plants as backup, working in partnership with new methods. It's a sensible way to make sure that we have enough energy.

The most notable thing about this plant is what you won't see. The stacks will be much shorter. The footprint is smaller and neater. The current plant dates back to the 1950s, 1960s. It's time to replace it in a smart and efficient way.

This project will bring good jobs with good wages. The plant will be built under an agreement with the building trades. Our members are skilled craft-persons who will bring the highest safety standards to the job. We'll have apprentices who will start their careers on this project. They'll earn fair wages. They'll have full benefits and secure retirement pensions. These are careers where you can just -- where you can raise a family, own a home, pay your taxes, and be a good resident of the community.

The Building Trade supports this project, and we look forward to building it an having it benefit the community. Thank you.

HEARING OFFICER CELLI: Thank you, sir. Tony

Gentille, of Gentilly or Gentile? Sorry if I mispronounce a name. Tony?

MR. BARTRIDGE: Oh, he's already left.

HEARING OFFICER CELLI: He left? Okay. Thank you. And may the record reflect I apologize of the mispronunciation of names.

Is Steve Weaver here? Steve Weaver, are you still here? Hi. Come on up.

MR. WEAVER: I'm Steve Weaver, a resident of Park Estates, retired engineer from Southern California Edison. And I applaud the efforts of -- I applaud the efforts of AES. I think it's a great plan. It's needed. You know, there's been combined-cycle plants built in Mountain View, as well as in El Segundo. And it's time that this plant be modernized. It's an excellent plan. I just have some concerns and questions about the plant. I'm definitely in favor of it.

It's a long time until 2027. And there's a huge investment that has to be made in order to accomplish the re-powering of the facility. I think for the residents to understand some of the -- the phasing and the anticipated utilization of which units are going to be demolished first and which units are going to be replaced first, I'd like to hear a little bit better understanding, whether it's Units 1 and 2 or Units 5 and 6, and which stacks are going to be

removed first and replaced, and in what order? That's one of my questions.

HEARING OFFICER CELLI: I believe that was addressed in the PowerPoint. But if you could just briefly say -- as I understood it, it was 5 and 6 go first, and then you were going to sort of work down in number order.

MR. O'KANE: That -- that is correct. We would take down Units 5 and 6 first. Those are the two largest units. So, you know, it's a balance of it would be nice to get the ones closest to Studebaker first because it would have the greatest impact on visual. But at the same time, you know, we'd like to -- to take as big a chunk as we can right away in terms of the modernization. So we go after the biggest -- the two biggest units, 1,000 megawatts worth, take those out first. And also they -- they have the largest ocean water pumps, circulation pumps. So we -- we get the most reduction in ocean cooling by -- by taking those offline first, so it's a balance of -- when we looked at the process of phasing, what makes most sense for -- from an engineering perspective, because there's actual constraints there.

And then also from an environmental perspective, what's the best thing to do? Should we -- should we -- should we try to get the biggest units first and improve as much of the efficiency as possible? So, yes, 5 and 6 first,

then 3 and 4. And actually, 1 and 2 would be the -- the ones that would stay the longest.

MS. DIDLO: One other thing is those large units can take up to 36 hours to start. Unit 1 and 2 start in 12 hours or so, and they have a much lower minimum load so they can run at 10 megawatts. So when you look at what's going to be needed in the future, those large once-through super critical units take a long time to start and have a high minimum load inconsistent with what we need.

So while I appreciate from a community perspective taking down the stuff on Studebaker first feels better, it's not the right thing to do from a reliability perspective. So there's a lot of thought into, as Stephen said, in addition to those environmental impacts from an ocean perspective, what the grid will -- will need.

MR. WEAVER: Understood. Understood. So with respect to that phasing -- and I'm sorry I didn't hear that in the PowerPoint, I apologize -- it's a tremendous investment over that long period. So for Units 5 and 6, in the first phase of the project are the balance of the units being committed in the last five years, or is it something where you're going to have to wait until you have a power purchase contract? Is there is a commitment on the entire project in which all the units will be demolished or -- or phased appropriately as the finances accommodate?

MS. DIDLO: AES is not going to take a speculative position the California electricity market. So the only way we will obtain financing is once we've got a contract with Southern California Edison, it's the most likely vehicle. So as you just mentioned, should we be successful in obtaining those contracts, then we will go to the bank and get a loan and then construct the project associated with that contract.

MR. WEAVER: Understood. Understood. As far as the potential utilization of ammonia at the site, and there will be emissions -- of course, you're going to have to accommodate all of the accommodation of the NOx that's needed with ammonia, we assume you'll be using aqua ammonia [sic] -- will the ammonia tanks be sited near the river, or is there a plan for that? What, vapor release? What is the -- what is the intention there?

MR. O'KANE: Okay. Today -- today we don't use aqueous ammonia in our selective catalytic reduction system. We have tanks with 29 percent solution aqueous ammonia. For some of them, there's one set of tanks that are relatively close to the -- to the river. Others are a bit farther away. All of the tanks have secondary containment and have to be tested on a three-year basis. We have to test not just the tanks themselves, but the -- the secondary containment to make sure they don't -- they don't leak at

all. And we have to report that to our CUPA, local CUPA.

So the new -- the new facility would also utilize ammonia, and it will actually go to 19 percent aqueous ammonia, so an even -- even a weaker solution. And again, it would have to be in those sort of double-walled contained type -- type systems that have to regularly monitored, continuously monitored, the new ones, actually, to ensure that there is no leaks or no spills.

HEARING OFFICER CELLI: And I would also add that the California Energy Commission Staff will do a hazardous materials analysis of every hazardous material that is planned to be used at the project site, and a waste management plan, as well, and a traffic analysis of how those materials come and go from the site. And so that's just a part of the CEQA analysis that Staff will do.

MR. WEAVER: Understood. Okay. And the use of the air-cooled combined cycle system, of course, a little bit less efficient than water-cooled cooling towers. And you've made a decision to go with air cooling. Are you looking at any other technologies to try to get that efficiency down as best to try to meet what water-cooled systems can -- can accomplish in terms of not having a greenhouse gas emission?

HEARING OFFICER CELLI: Before you answer that question let me -- I just want to say one more thing. And I

appreciate your questions. I also want to answer these questions for the benefit of everybody who is here. And that is that the California Energy Commission has a compliance obligation as well. In other words, the jurisdiction doesn't stop when say, okay, you've got your license. Now what we do is regulate the license. So there is ongoing regulatory jurisdiction over this project for the life of the project. The state doesn't go away. We stay here.

So I -- and this is an important point because I think that, with regard to changes, in order to make a change in the technology, which is what this would be -- if they were to change from air cooling to wet cooling of some sort or some future technology that comes around, hopefully -- they would have to petition for an amendment on their facility design. And that would go through an analysis with Staff.

So I just want everybody to understand that it's -- once -- this is all in the planning stage. They have a plan in mind of how they want to go with this project. But as this project grows there may be changes here and there. And all of that is regulated by the Energy Commission. And compliance is regulated by the Energy Commission. So I hope that helps.

MR. WEAVER: Understood. I guess my -- my point

was that, you know, many of the power plants in the desert areas and outlining areas have had to -- instead of trying to improve the efficiency with cooling towers, in others there's using inlet air cooling on the intake of the gas turbines to try to improve the heat rate, try to improve the efficiency. And there's opportunity there to do that in this locale as well. I don't know if that's being employed of being used. Question.

HEARING OFFICER CELLI: And part of the analysis, again, it's beyond CEQA. Under the Warren-Alquist Act the Energy Commission will have to -- will do an assessment of the efficiency and of the reliability of the proposed project. So that would be under that umbrella.

PRESIDING MEMBER DOUGLAS: Let me see what their answer is.

MR. O'KANE: Okay. Excellent answer on that. I guess the only thing I was going to add, you said are -- are you considering -- I guess the thing, it should have been past tense, have we considered. Because we've already -- we've done our engineering analysis. We've looked at what is the best fit, and that's what we presented to the Commission. And now the Commission is going to look at it and say, well, let us take a look at it, and maybe there's alternatives that we can come up with. So that's -- that's now in their hands, their job.

But the project that we've put forward we believe is the best balance for the -- for the many things that you've touched on. And I don't want to go too much into the specific piece. But, you know, the cooling system, you know, that -- that is one of those pieces of -- of a project that really is -- you have to weigh the balances. The most efficient cooling system is an ocean once-through cooling. But that comes with a level of impacts that we and the state have said, you know, there's too much impact to the marine environment, to the wetlands. We don't want to use that kind of cooling. So we will use something that's less efficient. And, yes, it has an impact on your greenhouse gas emissions. But let's look at -- we need to look at that.

And then there's other options. Well, other options might use fresh water. Fresh water has -- our water resources have a serious impact. We have to weigh those balances and come up with the best fit all around. What's the best for reduction of greenhouse gases, for reliability, for biological impacts, for -- for the people who live in this community? And so we came up with a plan. We designed it. We presented it. We did the analysis. And now we've given it to the Energy Commission for -- to let them vet and -- and to ask us all the tough questions.

MR. WEAVER: We look forward to following it as it

moves forward. Good luck.

HEARING OFFICER CELLI: Thank you. And hopefully you maybe want to participate as an intervener.

PRESIDING MEMBER DOUGLAS: Attend workshops.

HEARING OFFICER CELLI: Talk to Blake Roberts. That's right, we have ongoing workshops. Staff will have workshops and participation such as yours, Mr. Weaver, is always helpful. So thanks for coming.

Let's see, I've got Byron Costa.

MR. COSTA: Hi. Basically, it's mostly been covered. The efficiency, as this gentleman mentioned. And I'd like to see more options. If this is the only means to renovate this -- this facility, I don't think that that is the only way. So I'd like to see like more studies done, if it hasn't already been done. Like I'm in favor of the -- I think, was it -- is it Diablo plant up there in Northern California? I don't know if you can, you know, dig a big hole and route the water and make the turbines go, but that always seemed to impress me when I was younger.

The environment is always a big concern of mine. Of course, the air quality is really a big concern. And as the gentleman mentioned, air pollution is at an all-time high, and that's really sad.

Basically, my -- my biggest concern is the cost down the road, what's it going to cost -- what's it going to

cost for the taxpayers? Of course, it would be nice if AES -- AES is going to do it out of the kindness of their heart, but I don't think that's going to happen.

And the -- the environment, the -- the wildlife, as the lady before me mentioned, and I'm very concerned about that. If they were to include in their plans to maybe make some more habitat for the environment, for the -- for the wildlife, then I would be very in favor of that.

So pretty much I'd like to see more options. If there's -- if there's a study group, that would be most favorable to me. Thank you.

HEARING OFFICER CELLI: Thank you very much.

Is Mike Withers still here? Mike Withers? Come on up.

Now, this is my last blue card. If there's anyone else who wants to make a comment, if you'd like us to call your name and have you come up and speak to the Committee, please fill out a blue card with Blake Roberts who just walked in the door. Otherwise, we're close to the end.

Go ahead. This is Mr. Withers.

MR. WITHERS: Good evening. I think this is perfect timing for me to come up. I can clarify the last two people that were -- had questions.

First, the gentleman that was asking about the water injection on the intake, that's only done in the

Inland Empire area. Actually, I just got off work installing five of these turbines right now. The reason they do that is the higher elevations, and it's hotter out in the desert and a lot drier. Here at the coastal area we're looking at possibly 100 foot of elevation. Your air is much more denser here. That's why it is a lot more attractive to put these turbines as low in elevation as you can.

So if you notice like in the mornings it's foggy here, so solar really wouldn't be an option. These turbines are state-of-the-art. They're the hottest thing out since iPads, really, as far as the energy world is concerned.

Like I said, since '05 I've worked on six of these projects. And as far as the soil, before any construction is started we have to go down several feet, depending on the size of the structures and the heights. But we have to go down and we have to take away the soil that's there and we have to re-compact it. So any soil that's there will probably be moved offsite and treated and -- and re-compacted. So if there's any contaminated soil that will be taken care of before construction even starts.

And like I said, the closer to the -- the ocean we put them the more efficient they are. And this is -- the plant that you're seeing here that's been here for 60 years is a coal burner. That's now a gross polluter.

These turbines -- I'm working at a landfill right now, and so we're capturing the methane gas off the dump. And right now they're just shooting up the flair and burning it off. And from about 100 feet away you can feel the heat and the energy that's being lost. But we have to run that methane gas for several filters before it's injected into the turbines. And then once it's burned in the turbines, after it's been filtered and burned in the turbines there's single-digit pollutants. There's -- it's cleaner.

The guy was telling me today, because I knew I was coming here, the guy from solar that owns the turbines, and they're going to be doing startup next month, is that what they're burning off the stack right now is more dirty than what's going to be coming up through the turbines. So it's actually -- you could look at the turbines as a filtering system. And I asked them, "These are methane burners, and I'm about to go to a meeting where we're going to be doing natural gas."

And he says, "Oh, the natural gas is a lot more efficient and it will be cleaner than the methane gas, because the methane gas is dirty, inherently dirty to start with."

So these -- these natural gas-fired turbines are, like I said, state-of-the-art and it's the way to go. And from start to finish up there -- I was there July 8th. And

next month we're going to start -- start up. And by July -- so within a year we're going to be sending power to the grid. And they were telling me -- HR Green is the general on that -- and they were telling me that they're going to be making over six figures a month selling power back to the grid. So, you know, I don't how that's going to be split up, if it's going to the city or what. But the amount of energy -- or gas that you will be using is minimal to the output that they do.

And I'll say it again, they're -- they're the hottest things since iPads and they're the way of the future. And I think we should build them all over the place. Thank you.

HEARING OFFICER CELLI: Thank you, Mr. Withers.

So, Dr. Roberts, do we have any other commenters?

Well, hearing none, then I would -- oh, yes.

MR. ROBERTS: Commenters on the phone.

HEARING OFFICER CELLI: What's that? Oh, on the phone. I'm sorry. That's right. We've been using the WebEx teleconferencing system. We have a couple of people on the telephone, and they've been un-muted. So if you are on the phone and you wish to make a comment, now is your time. Please speak up. Anyone on the telephone, this is your chance to be heard by the Committee, so please speak up. Anyone at all? Okay.

Often times -- a couple of things, folks, just so you know. In a public hearing such as this, this is sponsored by the government, the citizenry has the right not to speak up at all. So if they don't want to talk, they don't have to. And if the didn't want to identify themselves, they wouldn't have to either. Sometimes we have members of the press listening in because they want to write a story, and they're just listening to what happened at the hearing. Sometimes it's members of Staff or the Applicant's people listening. So we run into this from time to time. I don't think this is a system failure or anything like that.

So if there are no further people here who would like to make a comment, then I'm going to hand it back to Presiding Member, Commissioner Douglas for adjournment.

PRESIDING MEMBER DOUGLAS: All right. Thank you. Thank you, Ken.

So I'll just invite any comments, if there's anyone here who wishes to make a comment but didn't fill out a blue card you've got -- now is your chance. If not you'll have other chances because this is the beginning of about a year-long process. Staff will have workshops in this area. These workshops that Staff will be having will be a great opportunity for you to explore in much more detail some of the questions that you've asked here. Hearing from the community is absolutely the most valuable part of these

informational hearings and workshops for the Committee. It's very valuable for Staff, as well, because it helps them hear what issues are of concern and where their analysis should be sure to -- to address specific concerns that are raised. So it's very helpful for us to hear from you. And it's very helpful for us to have your continued engagement through this process.

So I really appreciate, especially the people who have taken time out of your lives to be here tonight. I know it's not easy to do that. And I want to thank you for that.

And with that, for tonight, we're adjourned.

(The Notice of Public Site Visit, Environmental Scoping Meeting and Information Hearing of the California Energy Commission adjourned at 6:43 p.m.)

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CERTIFICATE OF REPORTER

I, MARTHA L. NELSON, an Electronic Reporter, do hereby certify that I am a disinterested person herein; that I recorded the foregoing California Energy Commission Notice of Public Site Visit, Environmental Scoping Meeting and Informational Hearing for the Application for Certification of the Alamitos Energy Center; that it was thereafter transcribed.

I further certify that I am not of counsel or attorney for any of the parties to said conference, or in any way interested in the outcome of said conference.

IN WITNESS WHEREOF, I have hereunto set my hand this 29th day of April, 2014.

/s/ Martha L. Nelson_
MARTHA L. NELSON

CERTIFICATE OF TRANSCRIBER

I certify that the foregoing is a correct transcript, to the best of my ability, from the electronic sound recording of the proceedings in the above-entitled matter.

/s/ Martha L. Nelson
MARTHA L. NELSON, CERT**367

May 11, 2014