

DOCKETED

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December 2, 2013

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VIA ELECTRONIC DOCKETING

The Honorable Andrew McAllister
Presiding Member
California Energy Commission
1516 Ninth Street
Sacramento, CA 95814

The Honorable Karen Douglas
Associate Member
California Energy Commission
1516 Ninth Street
Sacramento, CA 95814

Hearing Adviser Susan Cochran
California Energy Commission
1516 Ninth Street
Sacramento, CA 95814

**Re: Huntington Beach Energy Project (12-AFC-02)
Applicant's Status Report (December 2013); Request for Revised Scheduling
Order**

Dear Commissioners and Hearing Adviser Cochran:

Applicant AES Southland Development, LLC submits this Status Report for the Huntington Beach Energy Project ("HBEP") pursuant to the direction set forth in the Committee's Second Revised Committee Scheduling Order dated July 31, 2013. As this Committee is aware, Staff published the Preliminary Staff Assessment ("PSA") Part A on October 10, 2013. Applicant submitted comments on the PSA on November 7, 2013 and participated in a PSA Workshop on November 20, 2013. As discussed at the Workshop, within the coming weeks, Applicant and Staff will exchange follow-up information related to various topic areas discussed at the Workshop, including Applicant's understanding of the agreed-upon changes to Staff's proposed Conditions of Certification.

As part of the PSA Part A, CEC Staff indicated that PSA Part A addresses all issue areas except Air Quality, Public Health, and Alternatives. Staff indicated that these three issue areas will be covered in PSA Part B, which Staff indicated will be published 45 days from the date that the South Coast Air Quality Management District (the "District") issues its Preliminary Determination of Compliance ("PDOC"). This timeline contradicts the 30-day requirement in the Committee's July 31, 2013 Scheduling Order. Applicant is also concerned that Staff left various other issue areas incomplete in PSA Part A, conducted their analysis without



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consideration of all readily available information¹, and/or Staff's conclusions in various issue areas were left open-ended. For each such area, Staff indicated that their analyses will be completed and presented in the Final Staff Assessment ("FSA"). Delaying publication of the full analysis for each of these issue areas will not allow Applicant, intervenors, the public, or interested agencies opportunity to comment prior to evidentiary hearings. Therefore, Applicant respectfully requests that the Committee issue a revised Scheduling Order that reaffirms that Staff must issue PSA Part B within 30 days of receipt of the PDOC and, in addition to Air Quality and Public Health, PSA Part B must also contain a discussion of Alternatives as well as updated, complete analyses of the following issue areas: Biological Resources, Land Use, Noise and Vibration, Visual Resources, and Transmission System Engineering. If Staff does not finalize these draft sections in PSA Part B, Applicant reserves the right to provide comments on the FSA within 30 days of its publication, prior to evidentiary hearings.

In addition to the foregoing, on November 19, 2013 Applicant met with the District to discuss air quality impacts associated with HBEP's commissioning emissions and to discuss compliance with District rules. The Applicant submitted a letter responding to the District's inquiries on November 26, 2013, a copy of which was provided to Felicia Miller, CEC Project Manager.² It is Applicant's understanding that the District is working diligently to produce the PDOC as soon as possible.

Applicant is fully invested in HBEP and eager to obtain a Final Decision and license to construct and operate this project, which is critical to maintaining electrical system reliability in southern California. To that end, Applicant requests the Committee issue a revised Scheduling Order as soon as possible to ensure the timely and complete publication of PSA Part B in this proceeding.

Respectfully submitted,

Melissa A. Foster

MAF:jmw

¹ For example, Staff failed to consider data provided by Applicant in January 2013 related to noise.

² Applicant intends to docket such correspondence during the week of December 2, 2013.