

## DOCKETED

<b>Docket Number:</b>	12-AFC-02C
<b>Project Title:</b>	Huntington Beach Energy Project - Compliance
<b>TN #:</b>	213967
<b>Document Title:</b>	Committee Order Directing Staff to Publish Portions of the Final Staff Assessment by October 17, 2016
<b>Description:</b>	Order
<b>Filer:</b>	Darlene Burgess
<b>Organization:</b>	Energy Commission Hearing Office
<b>Submitter Role:</b>	Committee
<b>Submission Date:</b>	10/11/2016 2:23:44 PM
<b>Docketed Date:</b>	10/11/2016



BEFORE THE ENERGY RESOURCES CONSERVATION AND DEVELOPMENT  
COMMISSION OF THE STATE OF CALIFORNIA  
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*PETITION TO AMEND THE:*

**Docket No. 12-AFC-02C**

***HUNTINGTON BEACH ENERGY PROJECT***

**COMMITTEE ORDER DIRECTING STAFF TO PUBLISH PORTIONS OF  
THE FINAL STAFF ASSESSMENT BY OCTOBER 17, 2016**

**Background**

On September 9, 2015, AES Southland, LLC<sup>1</sup> (Petitioner) submitted a Petition to Amend (Petition) to the California Energy Commission (Energy Commission) seeking permission to amend the certified Huntington Beach Energy Project (HBEP).<sup>2</sup> The Petition proposes to reduce the nominal generation capacity of the HBEP from 939 megawatts (MW) to 844 MW (644 MW generated from combined-cycle technology and 200 MW from simple-cycle technologies) (Proposed Project). The Proposed Project site is located in the City of Huntington Beach, just north of the intersection of the Pacific Coast Highway and Newland Street. The Proposed Project would be located entirely within the footprint of the existing AES Huntington Beach Generating Station, an operating power plant.

Further details of the Proposed Project are contained in the Petition, which may be viewed at:

<https://efiling.energy.ca.gov/getdocument.aspx?tn=206087>

On September 27, 2016, the Petitioner filed a “Motion for Order to Publish Final Staff Assessment” (FSA Motion).<sup>3</sup> In the FSA Motion, the Petitioner seeks two things from the Committee<sup>4</sup>: an order shortening time for consideration of its motion, and an order requiring Energy Commission Staff (Staff) to publish the Final Staff Assessment (FSA)

<sup>1</sup> AES Southland, LLC, sought and obtained permission to transfer ownership of the Huntington Beach Energy Project to AES Huntington Beach Energy, LLC (TN 211856). For ease, we will refer to AES Huntington Beach Energy, LLC as “Petitioner.”

<sup>2</sup> The Energy Commission issued its Final Decision allowing Petitioner to construct and operate the HBEP on October 29, 2014 (the 2014 Decision). The 2014 Decision can be found at: <https://efiling.energy.ca.gov/getdocument.aspx?tn=203309>.

<sup>3</sup> TN 213812.

<sup>4</sup> The Energy Commission, on October 14, 2015, designated Andrew McAllister, Commissioner and Presiding Member, and Karen Douglas, Commissioner and Associate Member, as the Committee to conduct proceedings on the Proposed Project.

by October 10, 2016. An order shortening time for consideration of the motion was granted on September 30, 2016; that order directed Staff and any other interested persons to respond to the motion no later than 3:00 p.m. on October 4, 2016.<sup>5</sup> Staff filed its response to the motion on September 30, 2016, as part of its monthly status report (Staff Response).<sup>6</sup> The Staff Response states that the earliest Staff could publish a portion of the FSA (all sections except for Air Quality and Public Health, which rely on the Final Determination of Compliance (FDOC)) that is being prepared by South Coast Air Quality Management District (SCAQMD or District) would be October 17, 2016.

## Summary

Since January 2016, there have been no less than four scheduling orders in this proceeding.<sup>7</sup> In addition to the scheduling orders, the Committee has held several status conferences.

At each status conference, the schedule was discussed. The schedule was complicated by the Petitioner's change to its permit filing with SCAQMD in March 2016. The Petitioner submitted changes to SCAQMD regarding the operating profile for the proposed project.<sup>8</sup> These changes revised the number of monthly and annual cold starts for the combined-cycle combustion turbine units, and revised the maximum monthly and annual auxiliary boiler fuel consumption and emissions. These changes altered the emission rates for the turbines, both during commissioning and during operations, requiring further analysis of the air quality and public health impacts by SCAQMD and Staff.<sup>9</sup> The further analysis has led to an extension of the schedule.

Following a status conference in August 2016, the Committee issued the August Scheduling Order.<sup>10</sup> The August Scheduling Order did not set a specific date for publication of the FSA, but instead made it dependent on SCAQMD's issuance of the FDOC.

In its status report filed September 30, 2016, SCAQMD stated it was addressing comments received on the Preliminary Determination of Compliance (PDOC), but did not state when the FDOC would be completed. SCAQMD also stated that the U.S. Environmental Protection Agency (EPA) needs time to review the FDOC and, therefore, SCAQMD would forward the FDOC to the EPA and Energy Commission concurrently.<sup>11</sup>

It is important to note that the Warren-Alquist Act states that the Energy Commission may not find that a project conforms with air quality standards unless the applicable air

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<sup>5</sup> TN 213862.

<sup>6</sup> TN 213869.

<sup>7</sup> TN 207324 (January Scheduling Order); TN 210666 (March Scheduling Order); TN 212210 (July Scheduling Order); and TN 213017 (August Scheduling Order).

<sup>8</sup> TN 210807.

<sup>9</sup> TN 201969.

<sup>10</sup> TN 213317.

<sup>11</sup> TN 213872.

quality management district certifies that complete emissions offsets have been identified and will be obtained.<sup>12</sup>

Since April 2016, the Petitioner has pressed for a firm date for issuance of the FSA, citing the need for a decision on its Petition by the end of 2016.<sup>13</sup> While the Committee understands Petitioner's desire for a decision by the end of 2016, the Committee needs time to conduct the necessary conferences and hearings, gather testimony from parties, issue a Presiding Member's Proposed Decision (PMPD), and allow for public review and comment. Even with publication of a significant portion of the FSA before the issuance of the FDOC, the Energy Commission may not have all of the information required to make a final decision or necessary findings by the end of 2016.

Nonetheless, in order to advance the consideration of the Petition, the Committee **GRANTS** Petitioner's motion as follows: Staff shall publish all portions of the FSA not reliant on the FDOC no later than October 17, 2016.

### **Public Adviser and Public Participation**

The Energy Commission invites members of the public and other interested parties to participate either on an informal basis, or more formally by intervening in the proceeding. Both types of participation allow written and oral comments. At the informal participation level, written and oral public comments are considered by the Committee and are part of the record, but are not part of the formal evidentiary record. Intervenors have the right to introduce evidence into the evidentiary record and cross-examine the other parties' witnesses.

The Energy Commission's Public Adviser's Office is available to provide the public with an understanding of the proceedings and to make recommendations for meaningful participation. For assistance, contact Alana Mathews, Public Adviser, at (916) 654-4489 or (800) 822-6228, or by e-mail to [publicadviser@energy.ca.gov](mailto:publicadviser@energy.ca.gov).

### **Contact Information**

Questions of a legal or procedural nature should be directed to Susan Cochran, Hearing Officer, by email to [susan.cochran@energy.ca.gov](mailto:susan.cochran@energy.ca.gov) or at (916) 654-3965.

Technical questions concerning the project should be addressed to John Heiser, Staff Project Manager, by email to [john.heiser@energy.ca.gov](mailto:john.heiser@energy.ca.gov) or at (916) 653-8236.

Media inquiries should be directed to the Media and Public Communications Office at (916) 654-4989 or by e-mail to [mediaoffice@energy.ca.gov](mailto:mediaoffice@energy.ca.gov).

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<sup>12</sup> Cal. Pub. Resources, § 25523, subd. (c)(2).

<sup>13</sup> TN 212392, pp. 11:8-13:8 (April 19, 2016, Status Conference); TN 212393, pp. 18:21-19:9 (June 22, 2016, Status Conference).

Information concerning the status of the Proposed Project, as well as notices and other relevant documents, may be viewed on the Energy Commission's web page at:

[http://www.energy.ca.gov/sitingcases/huntington\\_beach\\_energy/](http://www.energy.ca.gov/sitingcases/huntington_beach_energy/)

Dated: October 11, 2016, at Sacramento, California

*ORIGINAL SIGNED BY:*

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J. ANDREW McALLISTER, Ph. D.  
Commissioner and Presiding Member  
Huntington Beach Energy Project  
Amendment Committee

*ORIGINAL SIGNED BY:*

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KAREN DOUGLAS  
Commissioner and Associate Member  
Huntington Beach Energy Project  
Amendment Committee