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STATE OF CALIFORNIA

Energy Resources Conservation and Development Commission

In the Matter of:

**APPLICATION FOR CERTIFICATION
OF THE PUENTE POWER PROJECT**

DOCKET NO. 15-AFC-01

Center for Biological Diversity
Rebuttal Testimony of B. Powers

CENTER FOR BIOLOGICAL DIVERSITY

Exhibit 7027

Rebuttal Testimony of Bill Powers, P.E.

January 24, 2017

Lisa T. Belenky, Senior Attorney
Kevin P. Bundy, Senior Attorney
Center for Biological Diversity
1212 Broadway, Suite 800
Oakland, CA 94612
Phone: 510-844-7100
lbelenky@biologicaldiversity.org
kbundy@biologicaldiversity.org

This rebuttal testimony responds to the opening testimony of Mr. Gary Rubenstein on behalf of the Applicant.

I. PUENTE WILL INCREASE GHG EMISSIONS PER MEGAWATT HOUR FROM GAS-FIRED GENERATION IN CALIFORNIA, NOT DECREASE THEM

Mr. Rubenstein states:¹

I concur with the analysis and conclusions contained in CEC Staff's FSA, Part 1, Air Quality Appendix AIR-1, which analyzes potential impacts associated with emissions of greenhouse gases (GHG). The Project would replace existing, less efficient generating units with a state-of-the-art combustion turbine with higher efficiency and lower GHG emissions per megawatt hour.

Mr. Rubenstein's narrow focus on the efficiency of Puente with existing natural gas peaking units in the Big Creek/Ventura area compared to the efficiency of Mandalay Units 1 and 2 misses the mark. As I explained in my opening testimony, Puente will contribute to lowering the overall efficiency, and increasing GHG emissions per megawatt hour, from gas-fired generation in California. *See Powers Opening Testimony*, pp. 4-10.²

II. RELIANCE ON CAP-AND-TRADE PROGRAM TO ASSURE COMPLIANCE WITH CALIFORNIA GHG TARGETS IS PROBLEMATIC

Mr. Rubenstein states:³

The Project would also be subject to California's GHG cap-and-trade program and would be required to obtain allowances or offsets to mitigate its GHG emissions.

¹ Rubenstein Opening Testimony, p. 7, lines 19-23.

² Exhibit 7000 (TN#215400-1).

³ Rubenstein Opening Testimony, p. 7, lines 23-25.

As discussed in the Center for Biological Diversity's comments on the Preliminary Staff Assessment, California's GHG cap-and-trade program is currently authorized only through 2020—the year Puente is slated to begin operation. California gas-fired power plants, however, can generate revenue for up to 60 years—well beyond the assumed operational life of 30 years.⁴ Mandalay Units 1 and 2 are approximately 60 years old.⁵ These are the units Puente is replacing. If Puente operates for a similar period of time, it will be operational until 2080. However, meeting California's aggressive GHG reduction targets requires eliminating virtually all natural gas use by 2050.⁶ Yet currently natural gas provides approximately 60 percent of the electricity generated in California.⁷ The cap-and-trade program cannot resolve this conundrum. New gas-fired plants like Puente will become stranded assets, if California is to achieve its GHG targets, long before Puente reaches the end of its useful life.

III. CEQA MITIGATION FOR PM₁₀, VOC, AND SO_x IS INADEQUATE AND INVALID

Mr. Rubenstein states:⁸

Based on the information and analysis contained herein and in the other Applicant's Exhibits identified herein, it is my expert opinion that with implementation of proposed Conditions of Certification AQSC-1 through AQSC-11, AQ-1 through AQ-61, and AQ-DEI through AQ-DE12 contained in the Final Staff Assessment (CEC TN #214712) (modified as proposed in Applicant's Exhibit No. 1098), the Project, as proposed, will not result in any significant direct, indirect or cumulative environmental impacts with respect to air quality, public health, or related areas addressed herein . . .

⁴ City of Oxnard Exhibit __, S. Weissman – Center for Sustainable Energy, *Natural Gas as a Bridge Fuel – Measuring the Bridge*, January 2016, pp. 7-8.

⁵ Opening Testimony of Erik Skov on Behalf of Applicant (TN#215441), p. 3, lines 3-5. “The Project site was originally graded in the 1950s during construction of the MGS and installation of a 30-inch-diameter natural gas line.”

⁶ City of Oxnard Exhibit __, S. Weissman – Center for Sustainable Energy, *Natural Gas as a Bridge Fuel – Measuring the Bridge*, January 2016, p.8.

⁷ Exhibit 7028, California Energy Almanac, 2015 Total Electricity System Power: http://energy.ca.gov/almanac/electricity_data/total_system_power.html.

⁸ Rubenstein Opening Testimony (TN#215441), p. 9, lines 8-14.

The CEQA mitigation outlined in AQ-SC9 is inadequate, as it assumes a capacity factor of 11 percent for Puente when it will be permitted to operate at a capacity factor of 24 percent, and invalid, as described in detail in my opening testimony at pp. 11-15.

IV. INCORPORATION OF CENTER FOR BIOLOGICAL DIVERSITY COMMENTS ON PSA INTO EVIDENCE

I hereby sponsor the September 12, 2016 comments of the Center for Biological Diversity on the Preliminary Staff Assessment (PSA), TN213621, into evidence in these proceedings.⁹

⁹ Exhibit 7029, Center for Biological Diversity Comments on Preliminary Staff Assessment (TN#213621).

Declaration of Bill Powers P.E.

Re: Rebuttal Testimony for Proposed Puente Power Project

Docket 15-AFC-01

I, Bill Powers, declare as follows:

- 1) I am currently a registered professional mechanical engineer in California with over 30 years of experience in the energy and environmental fields. I am also the owner of Powers Engineering.
- 2) My relevant professional qualifications and experience are set forth in my previously submitted resume submitted in this matter and are incorporated herein by reference.
- 3) I prepared the rebuttal testimony attached hereto and incorporated herein by reference after reviewing the FSA, the opening testimony of the parties, and other relevant documents in the docket.
- 4) I prepared the testimony attached hereto and incorporated herein by reference relating to the proposed Puente Power Project, 15-AFC-01, in Oxnard, California.
- 5) It is my professional opinion that the attached testimony is true and accurate with respect to the issues that is addressed.
- 6) I am personally familiar with the facts and conclusions described within the attached testimony and if called as a witness, I could testify competently thereto.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Dated: January 24, 2017

Signed:

Bill Powers, P.E.

At: San Diego, California