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VIA ELECTRONIC FILING

The Honorable Andrew McAllister, Presiding Member The Honorable Karen Douglas, Associate Member Hearing Adviser Susan Cochran 1516 Ninth Street Sacramento, CA 95814

Re: Huntington Beach Energy Project (12-AFC-02C)

Project Owner's Additional Comments on the Presiding Member's Proposed

Decision

Dear Commissioners and Hearing Officer Cochran:

Pursuant to the Committee's February 24, 2017 Notice of Availability of the Presiding Member's Proposed Decision ("PMPD"); Notice of Committee Conference on the PMPD on March 9, 2017 ("PMPD Conference"); and Notice of Full Commission Hearing on April 12, 2017 (collectively referred to herein as "Notice"), Project Owner AES Huntington Beach Energy, LLC ("Project Owner") herein provides comments on the PMPD for the Huntington Beach Energy Project. On March 6, 2017, Project Owner docketed initial PMPD comments ("Project Owner's Initial PMPD Comments" (TN# 216394)), which were submitted to facilitate discussions during the March 9th PMPD Conference.¹

Project Owner appreciates the Hearing Officer indicating during the PMPD Conference that, with the exception of GEO-3, the changes to the Conditions of Certification set forth in the initial PMPD comments submitted by Project Owner and Staff will be incorporated into a PMPD Errata. Project Owner's additional PMPD comments are set forth below.

A. GEO-3

As discussed during the March 9 PMPD Conference, there is no potentially significant impact or applicable LORS that require the imposition of GEO-3 on the Amended HBEP. Project Owner reiterates its previous comments and evidence contained in the record that GEO-3 should not be

¹ Project Owner reiterates and incorporates by reference herein its Initial Comments on the PMPD (TN# 216394.)

included in the decision for the Amended HBEP. (See TN#s 216394, 215249; Exhibit #s 5121, 5113.)

Notwithstanding the foregoing, if the Committee determines that the addition of a specific reference to tsunami response is necessary, Project Owner is willing to accept revisions to WORKER SAFETY-1 and WORKER SAFETY-2 to reference the specific tsunami-related aspects that must be covered by the Construction Emergency Action Plan and Emergency Action Plan for Operations, respectively, as set forth below.²

WORKER SAFETY-1 PROJECT CONSTRUCTION SAFETY AND HEALTH PROGRAM

The project owner shall submit to the compliance project manager (CPM) a copy of the Project Construction Safety and Health Program containing the following:

- Construction Personal Protective Equipment Program;
- Construction Exposure Monitoring Program;
- Construction Injury and Illness Prevention Program;
- Construction Emergency Action Plan; and
- Construction Fire Prevention Plan.

The Personal Protective Equipment Program, the Exposure Monitoring Program, and the Injury and Illness Prevention Program shall be submitted to the CPM for review and approval concerning compliance of the program with all applicable safety orders. The Construction Emergency Action Plan and the Fire Prevention Plan shall be submitted to the Huntington Beach Fire Department for review and comment prior to submittal to the CPM for approval.

The Construction Emergency Action Plan must include a Tsunami Mitigation Plan that explains evacuation routes and offsite refuge, the local tsunami warning system adopted by the City of Huntington Beach, and information on tsunami safety and preparedness.

Verification: At least 30 days prior to the start of construction, the project owner shall submit to the CPM for review and approval a copy of the Project Construction Safety and Health Program. The project owner shall provide to the CPM a copy of the letter from the Huntington Beach Fire Department stating the

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² As discussed at the workshop, similar language to the language proposed herein is included in the Alamitos Energy Center PMPD Conditions of Certification WORKER SAFETY-1 and WORKER SAFETY-2.

fire department's comments, if and when any are received, on the Construction Fire Prevention Plan and Emergency Action Plan.

WORKER SAFETY-2 PROJECT OPERATIONS AND MAINTENANCE SAFETY AND HEALTH PROGRAM

The project owner shall submit to the CPM a copy of the Project Operations and Maintenance Safety and Health Program containing the following:

- an Operation Injury and Illness Prevention Plan;
- an Emergency Action Plan;
- Hazardous Materials Management Program;
- Fire Prevention Plan (8 Cal Code Regs. § 3221); and
- Personal Protective Equipment Program (8 Cal Code Regs, §§ 3401—3411).

The Operation Injury and Illness Prevention Plan, Emergency Action Plan, and Personal Protective Equipment Program shall be submitted to the CPM for review and approval concerning compliance of the programs with all applicable safety orders. The Fire Prevention Plan and the Emergency Action Plan shall also be submitted to the Huntington Beach Fire Department for review and comment.

The Emergency Action Plan must include a Tsunami Mitigation Plan that explains evacuation routes and offsite refuge, the local tsunami warning system adopted by the City of Huntington Beach, and information on tsunami safety and preparedness.

Verification: At least 30 days prior to the start of first-fire or commissioning, the project owner shall submit to the CPM for approval a copy of the Project Operations and Maintenance Safety and Health Program. The project owner shall provide a copy of a letter to the CPM from the Huntington Beach Fire Department stating the fire department's comments, if and when any comments are received, on the Operations Fire Prevention Plan and Emergency Action Plan.

B. PROJECT DESCRIPTION

As noted in Project Owner's Initial PMPD comments and as discussed at the PMPD Conference, there is an incorrect reference on page 2-1 of the PMPD to the scope of construction laydown areas proposed as part of the Amended HBEP. (*See* TN# 216394 at pp. 1-2.) Project Owner proposes the following revisions to the language set forth in the PMPD to ensure that the

decision accurately reflects that the project will rely on sixteen (16) acres at the Alamitos Generating Station site (as set forth in the 2014 Final Decision) along with 22 acres at the former Plains site (of which 1.9 acres was analyzed and set forth in the 2014 Final Decision) for construction laydown.³

PMPD page 2-1, Setting, 2nd Paragraph:

In addition to the use of 16 acres at the Alamitos Generating Station for construction laydown, Cconstruction laydown on 22 acres of combined construction parking and construction laydown area is proposed at the Plains All-American Tank Farm site (Plains site). The Plains site is east of the HBGS site, next to the Huntington Beach Channel, adjacent to the Huntington Beach Wetland Preserve/Magnolia Marsh wetlands, and adjacent to Magnolia Street. The Plains site contains three storage tanks, a pump house and a valve/manifold structure, surrounded by a vegetated earthen containment berm. Each tank is located within a shallow retention basin. Project Description Figure 1 shows the layout of the Plains site, the Amended Project site, and the regional location.

The 2014 Project was also to be located within the HBGS site, but only used 1.9 acres of the Plains site.

PMPD page 2-6, *Construction Laydown and Parking*, first paragraph:

Instead <u>addition to</u> of using the Alamitos Generating Station site in Long Beach, the Amended Project <u>also</u> intends to use the Plains site for construction laydown and some construction parking. The Plains site has an existing coastal development permit from the city of Huntington Beach that allows for removal of the existing tanks and other structures and site grading, but does not include any additional development.

Project Owner also proposes the following minor revisions set forth in **bold underline** strikethrough below to footnote 31 (PMPD page 2-9) regarding the demolition of HBGS Units 1 and 2, which was previously analyzed during the AFC proceeding:

In the Petition to Amend, AES had indicated that demolition of the HBGS Units 1 and 2 was only to the turbine deck. However, during analysis of the Amended Project, the level of demolition was <u>increased revised</u> so that HBGS Units 1 and 2

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³ Note that the other references to construction laydown areas within the PMPD are correct. (*See, e.g.*, PMPD at pp. 2-4 (1st paragraph), 5.3-2 (first paragraph), and PMPD Appendix A at p. 133 (Condition of Certification TRANS-1).)

will now be demolished to ground level <u>as previously analyzed in the original</u> <u>AFC proceeding</u>. (Ex. 5055, p. 5, Ex. A.)

The foregoing, along with Project Owner's Initial PMPD Comments, represents Project Owner's comments on the PMPD. Project Owner appreciates the Committee's and Hearing Officer Cochran's efforts during the March 9 PMPD Conference and looks forward to the full Commission's consideration of the Amended HBEP at the April 12, 2017 Business Meeting.

Respectfully submitted,

Melissa A. Foster