

DOCKETED

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Project Title:	Huntington Beach Energy Project - Compliance
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STATE OF CALIFORNIA
STATE ENERGY RESOURCES
CONSERVATION AND DEVELOPMENT COMMISSION

IN THE MATTER OF:

Huntington Beach Energy Project

Docket No.: 12-AFC-02C

**ORDER INCREASING THE ANNUAL
OPERATING HOURS OF THE TWO
COMBINED-CYCLE GAS TURBINES
AND CORRESPONDING EMISSIONS**

I. BACKGROUND

On May 11, 2022, AES Huntington Beach Energy, LLC (AES), the project owner, filed a post certification petition with the California Energy Commission (CEC) requesting to amend the Huntington Beach Energy Project (HBEP) Final Commission Decision (Decision). The project owner is seeking approval to increase the annual combined-cycle gas turbine (CCGT) operating hours.

The HBEP is a 644-megawatt (MW) combined-cycle power plant located at 21730 Newland Street, in the City of Huntington Beach, Los Angeles County. The project was certified by the CEC in May 2017 and began operation in June 2020.

The project owner is seeking approval to:

- Increase the annual CCGT operating hours from 6,640 hours per unit per year (including starts and stops) to 7,640 hours per unit per year (including starts and stops).
- Modify air emission limits commensurate with the modification of annual CCGT operating hours.

The modification of operating hours will not increase short-term emissions (i.e., maximum hourly, daily, or monthly emissions) of any pollutant, but will increase annual emissions from the two CCGTs. Potential emission increases include nitrogen oxides (NO_x), carbon monoxide (CO), volatile organic compounds (VOCs), particulate matter less than 10 or 2.5 microns in size (PM₁₀/PM_{2.5}), sulfur oxides (SO_x), and associated greenhouse gas (GHG) emissions.

The increase in operational hours will require changes to the project's Title V operating permit under the Federal Clean Air Act which is under the authority of the South Coast Air Quality Management District.

II. STAFF RECOMMENDATION

Staff recommends the CEC approve the petition.

Consistent with California Code of Regulations, title 20, section 1769(a)(4), staff reviewed the petition for potential environmental effects from the increased emissions and consistency with applicable laws. Based on potential impact from increased emissions, staff performed a detailed air quality analysis supplementing the existing staff assessment, consistent with Public Resources Code section 21166 and California Code of Regulations, title 14, section 15163. Staff's assessment of the petition was subject to a 45-day comment period and no comments were received.

Staff concludes that, with the addition of amended conditions of certification: AQ-1, AQ-26, AQ-45, AQ-56, AQ-62, and AQ-65 as well as the requirement that the project owner hold additional Regional Clean Air Incentives Market Trading Credits to mitigate the increase in emissions of nitrogen oxides and sulfur oxides, the effect on the environment would be less than significant.

Staff also concludes that the project would continue to comply with all applicable laws and that the findings specified in California Code of Regulations, title 20, section 1748(b), do not apply to the proposed changes. Finally, staff concludes that the updated conditions of certification are consistent with the requirements contained in permits issued by the South Coast Air Quality Management District.

III. ENERGY COMMISSION FINDINGS

Based on the record, including staff's analysis, the CEC concludes that the proposed modifications will not result in any significant impacts to public health and safety, or to the environment. The CEC finds that:

- The petition meets all the filing criteria of California Code of Regulations, title 20, section 1769 (a), concerning post-certification project modifications.
- The modifications will not change the findings in the CEC's Final Decision, pursuant to California Code of Regulations, title 20, section 1748.
- The project will remain in compliance with all applicable laws, ordinances, regulations, and standards, subject to the provisions of Public Resources Code section 25525.
- The increase in the CCGT operating hours will help meet projected demand in the Los Angeles Basin.

- Any environmental impacts from the increased emissions will be mitigated with the addition of amended conditions of certification: AQ-1, AQ-26, AQ-45, AQ-56, AQ-62, and AQ-65 as well as the requirement that the project owner hold additional Regional Clean Air Incentives Market Trading Credits.
- Notice of the staff assessment was mailed to the CEC's list of interested parties and property owners of all parcels within 500 feet of any affected project linears and 1,000 feet of the project site as well as emailed to the HBEP subscription list.
- The staff assessment was subject to a 45-day comment period.

IV. CONCLUSION AND ORDER

The CEC hereby adopts staff's recommendations and approves the petition and amended conditions of certification to the Commission Decision as set forth in the staff analysis (TN 250605) and errata (TN 250998).

IT IS SO ORDERED.

CERTIFICATION

The undersigned Secretariat to the CEC does hereby certify that the foregoing is a full, true, and correct copy of an order duly and regularly adopted at a meeting of the CEC held on July 26, 2023.

AYE: McAllister, Monahan, Gallardo
NAY: NONE
ABSENT: Hochschild, Gunda
ABSTAIN: NONE

Dated: July 27, 2023

SIGNED BY:

Kristine Banaag
Secretariat