CALIFORNIA ENERGY COMMISSION



NOTICE OF RECEIPT OF AN APPLICATION FOR CERTIFICATION FOR THE CHULA VISTA ENERGY UPGRADE PROJECT (07-AFC-4)

On August 10, 2007, MMC Energy, Inc. submitted an Application for Certification (AFC) to construct and operate the Chula Vista Energy Upgrade Project (CVEUP), a simple-cycle electrical power plant facility in the city of Chula Vista, San Diego County.

Project Description

The proposed CVEUP would be a nominal 100-megawatt (MW) peaking facility, with construction planned to begin in the fall of 2008 and commercial operation planned by the fall of 2009. Primary equipment for the generating facility would include two General Electric (GE) LM6000 natural gas-fired turbine-generators and associated equipment. The project site is located on a 3.8-acre parcel in the city of Chula Vista's Main Street Industrial Corridor and within the city's Light Industrial zoning district. The project site address is 3497 Main Street, Chula Vista, California, 91911. Access to the site is via an easement that runs south from Main Street within an adjacent property. This easement also provides access to employee parking for newly constructed industrial buildings immediately east of the project site.

The CVEUP would replace the existing older and less efficient technology with newer, more efficient equipment with lower emissions. This site is currently occupied by MMC's Chula Vista Power Plant, a 44.5-MW simple-cycle, natural gas-fired peaking power plant using Pratt & Whitney FT4 Twinpac™ technology. As part of the CVEUP, the existing power plant and pollution control equipment would be removed from the southern portion of the project parcel. The proposed plant, using GE LM6000 technology, would be constructed on vacant land in the northern portion of the parcel. Some of the facilities that serve the existing plant would be reused for the new power plant. These facilities include the existing transmission connection; natural gas, water, and sanitary sewer pipelines; fencing and sound attenuation wall; utility/control building; stormwater runoff retention basin; and the 12,000-gallon aqueous ammonia storage tank and tank refilling station. Once the new plant is constructed, the existing plant would be dismantled and removed. The existing power equipment would be sold for salvage and the foundations, piping, and other equipment associated with the existing plant will be removed.

Because the proposed CVEUP would reuse the existing electrical transmission, natural gas, water service, and sanitary sewer pipelines, the proposed project would have no new or modified offsite linear facilities. The existing plant connects to San Diego Gas and Electric's (SDG&E's) electrical transmission system at the Otay Substation, which is approximately 1,020 feet north of the project site. This connection consists of a 69-kilovolt (kV) single-circuit transmission system mounted on wooden poles that runs north from the project parcel along its western boundary.

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The existing plant connects with the Sweetwater Authority's water supply system through a 4-inch-diameter onsite pipe. Project water uses would include turbine washes and process makeup, site landscape irrigation, and domestic and sanitary uses. The existing pipeline extends south from Main Street within an existing utility easement that runs in the access lane and connects the parcel with Main Street immediately to the east. The applicant has stated that reclaimed water is not currently available in or near this location.

The CVEUP would also use the existing project's 8-inch-diameter sanitary wastewater pipeline that currently serves the project site located within a sanitary sewer easement that runs along the western boundary of the property.

Energy Commission's Facility Certification Process

The Energy Commission is responsible for reviewing and ultimately approving or denying all applications to construct and operate thermal electric power plants, 50 MW and greater, in California. The Energy Commission's facility certification process carefully examines public health and safety, environmental impacts, and engineering aspects of proposed power plants and all related facilities, such as electric transmission lines and natural gas and water pipelines. The Energy Commission is the lead agency under the California Environmental Quality Act (CEQA), but it produces several environmental and decision documents rather than an Environmental Impact Report.

As part of our review process, the staff of the Energy Commission works closely with local, state and federal agencies to ensure that all laws, ordinances, regulations and standards are addressed in the final decision of the California Energy Commission. The first step in the review process is for Energy Commission staff to determine whether or not the AFC contains all the information required by our regulations. When the AFC is deemed data adequate, we will begin data discovery and issue analysis phases. At that time, a detailed examination of the issues will occur.

Public Participation

Over the coming months, the Energy Commission will conduct a number of public workshops and hearings to determine whether the proposed project should be approved for construction and operation and under what set of conditions. The workshops will provide the public as well as local, state and federal agencies the opportunity to participate in reviewing the proposed project. The Energy Commission will issue notices for these workshops and hearings at least 10 days prior to the meeting.

Please direct your technical or project schedule questions to Christopher Meyer, Energy Commission Project Manager, at (916) 653-1639, or by email at cmeyer@energy.state.ca.us. If you desire information on participating in the Energy Commission's review of the proposed project, please contact the Energy Commission's Public Adviser's Office, at (916) 654-4489, or toll free in California at (800) 822-6228, or by email at pao@energy.state.ca.us. If you require special accommodations, please contact Lourdes Quiroz at (916) 654-5146. News media inquiries should be directed to Assistant Director, Claudia Chandler, at (916) 654-4989, or by email at mediaoffice@energy.state.ca.us. The status of the proposed project, copies of notices,

an electronic version of the AFC, and other relevant documents are also available on the Energy Commission's Internet web site at:

http://www.energy.ca.gov/sitingcases/chulavista. You can also subscribe to receive email notification of all notices at http://www.energy.ca.gov/listservers.

This notice of receipt has been mailed to all parties that requested placement on the mailing list during the pre-filing period and to property owners located within 1000 feet of the proposed project site or 500 feet of any linear facilities. By being on the mailing list, you will receive notices of all project-related activities and notices when documents related to the proposed project's evaluation are available for review. If you want your name removed from the mailing list, please contact Angela Hockaday, Project Secretary, at (916) 654-3925, or by email at ahockada@energy.state.ca.us.

Availability of the AFC Document

Copies of the AFC are available for public inspection at the following libraries in San Diego County:

San Diego County Library El Cajon Branch 201 E. Douglas Avenue El Cajon, CA 92020 Chula Vista Public Library Civic Center Branch 365 F Street Chula Vista, CA 91910 San Diego State Univ. Library 5500 Campanile Drive San Diego, CA 92182

San Diego County Library Bonita Branch 4375 Bonita Road Bonita, CA 91902 San Diego County Library Vista Branch 700 Eucalyptus Avenue Vista, CA 92084 National City Public Library 1401 National City Blvd. National City CA 91950

Copies are also available at the Energy Commission's Library in Sacramento, the California State Library in Sacramento, and at public libraries in Eureka, San Francisco, Fresno, Los Angeles, and San Diego. In addition, copies will be distributed to those public agencies that would normally have jurisdiction except for the Energy Commission's exclusive authority to certify sites and related facilities.

Date: 8/24/07

Roger 🗹 Øhnson, Manager

Energy Facilities Siting and Compliance Office