

BINGHAM

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Our File No.: 0000324163

December 4, 2007

**Via Email**

Paula David  
Compliance Project Manager  
California Energy Commission  
1516 Ninth Street, MS-2000  
Sacramento, CA 95814

**Re: Petition for Proposed Change to Certification of the Palomar  
Energy Center, Docket No. 01-AFC-24C**

Dear Ms. David:

Enclosed please find reply comments of Bimbo Bakeries USA ("BBU") that relate to petition that is pending before the Commission to change the certification of the Palomar Energy Center to permit the addition of inlet chillers. Since the Commission is expected to act upon this matter at the Commission meeting to be held tomorrow, we would appreciate your prompt distribution of these comments through internal email to interested people. We will bring copies of these comments to the Commission meeting for anyone that does not receive them before the meeting.

If you have questions concerning these comments, please give me a call. I can be reached tomorrow morning by cell phone at 415-259-9242.

Sincerely yours,

  
William D. Kissinger

Encl.

cc: CEC Docket Office  
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Kevin Bell, Esq.  
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## BEFORE THE CALIFORNIA ENERGY COMMISSION

### Petition for Proposed Change to Certification of the Palomar Energy Center, Docket No. 01-AFC-24C

#### Reply Comments of Bimbo Bakeries USA

Bimbo Bakeries USA (“BBU”) submits these comments to the California Energy Commission (“Commission”) in brief reply to the comments made by the “Staff Response to Comments of Bimbo Bakeries USA (“BBU”) Regarding the Petition to Add a Turbine Air Inlet Chiller Filed by the Palomar Energy Center,” (“Staff Response”) as well as to the emails sent by San Diego Gas & Electric (“SDG&E”) to the Commission on November 20, 2007, and November 26, 2007 (“SDG&E Comments”).

As noted in its initial comments, BBU recognizes the significance the Commission may attach to permitting SDG&E to proceed with its chiller project. As a party that itself depends on a reliable supply of electricity, BBU has not requested that the Commission deny the pending petition. Instead, BBU requested the Commission either: (1) briefly delay granting the petition to permit the crafting of suitable monitoring and operating conditions; or, (2) impose conditions that require SDG&E to work with Staff and BBU on suitable monitoring and operating requirements.

In its comments, SDG&E has suggested any delay in the approving the pending petition will jeopardize completion of the project before the critical summer period. But nowhere in its comments or in the Staff Response is there any suggestion as to why proper monitoring that would allow documentation of the problem would be prejudicial or why such conditions should not be added as a condition of the permit. As discussed below, BBU believes this is an appropriate means by which to provide the data to study a problem that has not to date been examined by the Commission.

Two points are worth making at the outset. First, SDG&E never disputes (nor does Staff) that the plume from the cooling tower is putting moisture onto BBU’s rooftop. Second, SDG&E never disputes (nor does Commission Staff) that the addition of the chillers will, *during some hours*, increase the amount of water vapor released into the air by 10% or more, roughly the equivalent of an average swimming pool’s contents *in any such hour*. This point was obscured in its petition by SDG&E’s use of *annual* (rather than hourly) water use figures. In the most recent submissions before the Commission, neither SDG&E nor Commission Staff dispute the periodic increases in water vapor emissions or the questionable use of annual averaging.

#### **General Reply Comments**

- First, and most fundamentally, BBU is disappointed by the reluctance of Commission Staff to gather data on SDG&E’s operations to understand the nature of the plume problem. It is clear from the record of the original licensing decision that the fate and transport and possible impact of cooling tower water vapor emissions were never considered, let alone studied.

BBU is disappointed Commission staff declines to consider such issues now. The Commission should make monitoring a part of the new permit conditions.

- Second, Commission Staff's suggestion that BBU file a complaint or ask for an investigation does not appear useful. The current problem does not primarily stem from a failure by SDG&E to comply with conditions of certification, but rather from the absence of any consideration of the problem at the time of permitting. For example, there was significant consideration about *visual* impacts from cooling tower plumes. As a result, the cooling tower is equipped with plume abatement technology. But the purpose of this equipment and the conditions imposed on SDG&E for its use are to avoid *visible* plumes, not to eliminate the impact of moisture on a neighboring business. Thus, a complaint regarding the conditions of the power plant's operation and whether SDG&E is complying with those conditions does not specifically address the problem.
- Third, the Staff's Response suggests it does not fully appreciate the underlying point of BBU's comments and expert report. The Commission has never analyzed the impact of the substantial quantities of water vapor being emitted by the cooling tower. The pending petition provides the Commission with an opportunity to require SDG&E to monitor those emissions and provide bases for Staff and BBU to model the fate and transport of such emissions. The Commission should avail itself of that opportunity.

### **Specific Reply Comments to Staff Response<sup>1</sup>**

#### Introductory Comments

- Much of the analysis is irrelevant since Staff inappropriately focuses its report on compliance with current certification conditions (which conditions do not address the moisture fate and transport problem). In the process, the Staff Response fails to adequately address the fate of water vapor emissions from the cooling tower.

#### Chillers

- Staff does not contest that there will be a potential 10% increase in evaporation, only the significance of that increase. Staff goes on to note that "BBU did not (and cannot) show that additional moisture on the roof, if any, will cause an immediate 10% surge in roof staining and mold colonies in the bakery. . . ." BBU is not certain what to make of this comment. BBU did not suggest there would be a direct linear relationship. The key point is that the additional moisture will worsen the current problem.

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<sup>1</sup> BBU has consulted with its expert, Mr. Richard DesJardins, in preparing these comments. In these comments, where BBU relies on his supplemental comments, BBU indicates that that the comment is based on his remarks. Due to time constraints, BBU was not able to arrange to have separate reply comments prepared to accompany these comments.

- Staff indicates that BBU cannot show that a potential 10% increase in moisture will result in any significant increase in mold colonies at the bakery. While it is true that BBU did not quantify the impact on mold growth, BBU points out that the Commission's own reports suggest that *any* water present in building materials is cause for replacing them since they can cause mold growth.<sup>2</sup>
- Staff's suggestion that existing annual water use and cooling tower PM-10 emissions limit cooling tower evaporation and heat loss are unsubstantiated. It is not at all clear that the annual water use limitations in any way limit operation of the plant. Moreover it appears that Staff's reliance on PM-10 limits is misplaced. According to BBU's expert, Mr. DesJardins, particulate matter has no necessary relationship with moisture evaporated from the tower.<sup>3</sup>

### Drift Eliminators

- BBU did not suggest in its comments that the drift eliminators are not working properly. The problem appears to stem from the cooling tower plume (whether visible or not).

### Plume Abatement System

- BBU did not suggest in its comments that the plume abatement system is not operating as designed. Staff fails to address BBU's observation that plume abatement system and the conditions of certification under which it is being operated are only intended to mitigate visual impacts of the plume.
- Commission Staff fails to respond to BBU's suggestion that SDG&E should be required to study ways in which operation of the plume abatement system could be improved to mitigate the impacts of the addition of the chiller.

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<sup>2</sup> See Public Interest Energy Research Building Program report No. 500-04-015-A1, "Reference Specifications for Resource and Energy Efficiency," which, in describing project conditions at a building site, states:

Moisture Stains: Materials with evidence of moisture damage, including stains, are not acceptable, including both stored and installed materials; immediately remove from site and properly dispose. Take special care to prevent accumulation of moisture on installed materials and within packaging during delivery, storage, and handling to prevent development of molds and mildew on packaging and on products.

- Immediately remove from site and properly dispose of materials showing signs of mold and signs of mildew, including materials with moisture stains
- Replace moldy materials with new, undamaged materials.

*Id.* at p. 01350-15.

<sup>3</sup> The California Air Resources Board glossary of air pollution terms indicates that the term "particulate matter" means: Any material, except pure water, that exists in the solid or liquid state in the atmosphere" (emphasis added). See: <http://www.arb.ca.gov/html/gloss.htm#P>

### Wind Effects

- It is not clear that Staff's reliance on wind roses from the Application for Certification is appropriate since the wind rose is based on data from three or more miles away. *See* Application for Certification of the Palomar Energy Project, 01-AFC-24C, at pp. 5.2-1 and 5.2-2 (noting that the San Diego Air Pollution Control District monitoring station is the source of the data used).
- Even if there is only a 15% deviation from the optimal orientation, according to BBU's expert, Mr. DesJardins, this is enough to cause lee side draw, the phenomenon in which the plume will be drawn downward toward the bakery roof. Moreover, the improper cooling tower orientation is compounded by geography. Winds from the west come over a hill and naturally follow the contours of the terrain down the hill to BBU's bakery rooftop.
- BBU's expert also disagrees with Staff's speculation that the cooling tower was oriented the way they are because of hot Santa Ana winds that blow East to West. He indicated that in such instances, high dry bulb, low wet bulb conditions would exist and that cooling tower emissions would be quickly dissipated.

### Modeling Moisture as an Air Pollutant

- Commission Staff notes that it "does not normally directly analyze cooling tower moisture and vapor as an air pollutant." It then suggests that "particulate matter is a good proxy for gauging relative moisture and plume impacts." According to Mr. DesJardins, it is not clear there is a linkage between the two or that one is a reasonable proxy for the other.
- Commission Staff also fails to acknowledge it is not necessary to rely on particulate matter plume models given existing models that permit the study of cooling tower emissions. According to Mr. DesJardins, it is well known that water vapor emissions from cooling towers can lead to problems when the water vapor lands in the wrong place, such as a highway on a cold day. Thus, there are models to assess where the plume will go and what impact it will have. Staff fails to explain why it did not run such a model in response to BBU's concerns.

### Bimbo Bakery Roof Top Staining and Bakery Product Mold Issues

- Commission Staff concludes its report by saying "the cooling tower is correctly designed and in compliance with the conditions of certification." As noted above, whether true or not, this conclusion is largely irrelevant to BBU's problem because the power plant was not permitted, designed or constructed to address the moisture impacts of the cooling tower emissions.

### **Specific Reply Comments to SDG&E Comments**

- SDG&E suggests that there is no evidence that the power plant caused the mold problems. To this point, BBU stands on its prior submissions; prior to the power plant commencing

operation, mold was not a problem at BBU's Escondido bakery. SDG&E posits that there are a myriad of explanations. BBU believes the moisture being deposited on its roof (a fact that SDG&E does not dispute) is an obvious source of the problem.

- SDG&E suggests Mr. DesJardins' mention of how the moisture could cause mold growth was improper. BBU certainly agrees Mr. DesJardins is not a mold expert, but BBU also believes it is not a stretch to conclude the additional moisture can and will cause mold over time.
- SDG&E fails to explain why the imposition of monitoring requirements worked out with Commission Staff and BBU and imposed as a condition of operation would prejudice SDG&E in any way.

### **Relief Requested**

As indicated in its initial comments, BBU does not believe the Commission can make the findings required to approve the Petition without imposing conditions either at the time of approval or subsequently. In its initial comments, BBU indicated it would be willing to work with Staff to develop appropriate conditions that include monitoring. The Commission has plenary power to impose monitoring conditions on power plants pursuant to Public Resources Code Section 25532 which provides:

The Commission shall establish a monitoring system to assure that any facility certified under this division is constructed and operated in compliance with air and water quality, public health and safety, and other applicable regulations, guidelines, and conditions adopted or established by the commission or specified in the written decision on the application.

Such access to monitoring data would at least enable BBU to do the studies that are needed to address the problems caused by the operations of the Palomar Energy Center.

Respectfully submitted,



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